

DON'T GIVE UP ON CLIMATE CHANGE DURING RECESSION, URGES CBI

Business leaders and politicians debate climate change

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The Government needs to speed up the pace of action on climate change dramatically if it is to meet its target to cut greenhouse gas emissions by 80 per cent by 2050, says the CBI. The warning comes as European leaders are meeting in Poland to negotiate a landmark climate change deal.

Speaking at the CBI's Climate Change Summit in London (Tuesday 2 December), CBI Director-General Richard Lambert said the global economic crisis is not a reason for inaction on climate change.

He called on the Government to show leadership by forging ahead with its ambitious emissions reduction targets and delivering a framework for investment. Failure to do so would mean missing an opportunity to cut carbon emissions and secure the UK's energy supply.

He said: "We must not let the global economic crisis become an excuse for inaction on climate change. Now more than ever, we need to secure a binding EU climate change deal, or the opportunity to make the transition to a low-carbon economy will slip through our fingers.

"The Government's commitment to reducing emissions by 80 per cent by 2050 is very ambitious and it has made a promising start with the creation of the new Department for Energy and Climate Change and the Planning Act. But we now need the Government to transform its ambition into action.

"If the Government can deliver the right framework for investment then UK businesses can take the initiative by developing and exploiting new green technologies to improve efficiency and cut costs.

"The sooner that happens, the closer we will be to creating significant numbers of green collar jobs, building future prosperity for the UK and meeting our climate change targets."

Ben Verwaayen, Chair of the CBI Climate Change Board and Chief Executive of Alcatel-Lucent, added that businesses should not view being green as a burden during the economic downturn, but as an opportunity.

He said: "Being green, especially in these times, is not a luxury. It is a critical issue and an important opportunity for business and for creative thinking.

"Where the great depression was solved by building roads and bridges, what this economic crisis needs is green innovation in both energy and applications."

At the event, the CBI is launching a Climate Change Tracker, which rates the Government's progress in

reducing greenhouse gas emissions. The tracker looks at how the Government has fared in four key areas: energy, buildings, transport and industry. But it concludes that the Government's long-term ambition must be matched with short-term action if its greenhouse emissions targets are to be met.

Energy

- The CBI is calling on the Government to consult on how sites for nuclear stations should be selected. This would build on the progress the Government has made in creating the Nuclear Development Authority, backing a new generation of nuclear stations and introducing the Planning Act.
- The Government needs to finalise details for the third phase of the auction on the Emissions Trading Scheme (ETS), which allows companies to buy or sell their emission allowances.
- The CBI estimates that approval for 300 new on-and off-shore wind farms is needed as part of a clear strategy on renewable energy.
- The Government needs to provide additional support for the expansion of carbon capture and storage (CCS) technology.

Buildings

- Further incentives are needed to encourage energy suppliers to insulate more homes
- There needs to be an agreed definition of zero carbon otherwise developers and businesses will find it difficult to adapt their premises and plan new builds.

Transport

- The Government's drive to reduce emissions in cars and support for electric vehicles is to be applauded.
- The inclusion of aviation and shipping in the ETS scheme is welcome but action is needed on air traffic control reforms to cut aviation emissions.
- Very little progress has been made in encouraging the development of alternative fuels. The Government needs to push for agreement on the sustainability criteria for bio-fuels.

Industry

- By providing incentives to companies to cut non carbon dioxide emissions, the tracker says progress is on track for meeting energy efficiency targets in industry.

Case studies

Siemens

Alan Wood, Chairman of Siemens said: "At Siemens we have committed to a target of a 20 per cent increase in energy efficiency and a 20 per cent reduction of carbon dioxide emissions in our global operations by 2011.

"Siemens aims to be an industry leader in responding to the threat of climate change both through our environmentally innovative products and services and also by minimising the impact of our own operations on the environment."

RWE npower

Andrew Duff, CEO of RWE npowersaid: "Regardless of difficult economic conditions, carbon dioxide reduction remains a major driver of our business plans. We have ambitions to spend over ten billion pounds over the next decade on cleaner energy infrastructure and we're currently on track to reduce our carbon dioxide intensity by a third by 2015 over 2000 levels.

"We are also geared up to respond to further growth in demand from our customers for carbon saving products and services."

Sun Microsystems

Kim Jones UK/I President & Managing Director said: "The current economic climate acts as a catalyst to continue our climate change efforts. The primary reason for this is efficiency, by focusing our efforts on climate change we are making our business more cost effective.

"We continue to invest in innovation, creating products that help meet the global demand for a cleaner, safer, more sustainable and cost effective environment. We're also focusing on reducing emissions from buildings, cutting down on travel, looking at other areas of our business operations to limit water and paper consumption as well as improving our recycling initiatives."

Taylor Wimpey

Peter Redfern, Group Chief Executive of Taylor Wimpey said: "As a housebuilder, the area in which we can have the greatest impact is in building energy efficient and environmentally sound homes. This approach makes commercial sense for our business and we remain committed to it.

"A recent study of a standard Taylor Wimpey townhouse and a Victorian terraced house of similar size showed that the Taylor Wimpey home generated 72 per cent fewer carbon dioxide emissions per year than its older counterpart, used 55 per cent less energy and saved 65 per cent on utility bills."

Rolls Royce

Colin Smith, Director of Engineering & Technology, Rolls-Royce plc said: "The response to the challenge of climate change requires technology applied at an industrial scale through companies with a global reach such as Rolls-Royce.

"We are using our world class engineering knowledge to develop and apply cutting edge technologies that reduce harmful emissions while producing the power our customers need. In aerospace, the latest Trent engines are the cleanest and quietest we have ever produced. In power generation, we are working on high efficiency gas fuelled plants, civil nuclear power and emerging technologies, such as tidal power."

Note to Editors:

1. The CBI's Climate Change Summit took place in London on Tuesday 2nd December, bringing together business leaders and politicians to debate to debate how the UK can become a low-carbon leader and what steps are needed to ensure climate change targets are met. Speakers included Ed Miliband MP, Secretary of State for Energy and Climate Change, Greg Clark MP, Shadow Secretary of

State for Energy and Climate Change, Lord Turner of Ecchinswell, Chair of the Committee for Climate Change, as well as Marcus Agius, Chairman of Barclays, James Smith, Chairman of Shell UK, and Philip Green, Chief Executive of United Utilities.

2. The summit was sponsored by the Carbon Trust, the Met Office, DEA and envirowise.

3. The CBI is the UK's leading business organisation, speaking for some 240,000 businesses that together employ around a third of the private sector workforce. The organisation is also the UK's official business representative in the European Union, which generates more than 50 per cent of regulation affecting British firms.

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