

PRESS RELEASE

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Contact: Danny Stevens, EIC Policy Director, 0207 935 1675 / 07793355472

Carbon Reduction Commitment Welcome but Not Ambitious Enough

Commenting on the Government's announcement of the final details of the new Carbon Reduction Commitment Energy Efficiency Scheme, EIC's Policy Director, Danny Stevens said:

"The Carbon Reduction Commitment is a welcome example of the type of policy we need to secure the huge new economic opportunities from the transition to a low carbon economy. By introducing the scheme, the UK is taking a lead against international competitors in reducing emissions from large non-energy intensive organisations such as banks, supermarkets, hospitals, local authorities and large offices. This will help position the UK as a global leader in provision of energy efficiency technologies and services. Establishing this technology and skills base in the UK will help create new business and, potentially, thousands of new jobs.

"Following today's announcement, however, we remain concerned that the Government's proposals for the Carbon Reduction Commitment are not ambitious enough to secure this huge business and climate change mitigation opportunity. By 2020, the scheme is expected to achieve only a 7.6 per cent carbon reduction from the sector covered.

"Our Members regularly report that opportunities to reduce energy demand are particularly high in the large non-energy intensive organisations covered by the Carbon Reduction Commitment, we do not believe, therefore, that a 7.6 per cent

reduction from the scheme is an insufficient contribution to meeting the Government's target to reduce emissions by at least 32 per cent by 2020.

"EIC is, therefore, calling on the Government to urgently increase the ambition of the scheme to ensure that it makes a full contribution to meeting the UK's climate change targets. This must include a reduction of the coverage threshold so that more organisations can benefit from the energy efficiency improvements the scheme will drive. A more ambitious scheme with a lower coverage threshold is cost effective, particularly following the recent increase in the Shadow Price of Carbon."

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Notes to Editors

1. For more information, contact Danny Stevens, EIC Policy Director (E: danny.stevens@eic-uk.co.uk or T: 0207 935 1675 / 07793355472

2. EIC is the lead trade association for UK's environmental technology and services industry, with over 300 Member Companies. EIC represents the main environmental sectors (climate change, water, air, contaminated land, waste, transport, etc). It has the support of leading politicians from all three major political parties, industrialists, trade union leaders, environmentalists, and academics. For further information visit: www.eic-uk.co.uk