

## **Pat McFadden Speaking Note: BCE Awards 30 June 2008**

### **Introduction**

Good afternoon Ladies and Gentlemen.

The first thing I'd like to do is offer apologies from John Hutton who is at the moment taking part in a debate in the Commons, perhaps appropriately, on the subject of energy security.

I understand that previous award presenters have included Prince Charles, Tony Blair, David Cameron and David Miliband. Well, here I am and it's a pleasure to be here.

I'd like to start by congratulating all of those companies, who won or were commended and nominated for awards today.

Long before this issue became so high on the national and international agenda, the BCE awards were started by Sir Peter Parker, a truly brilliant man, ahead of his time to celebrate and promote brilliant ideas by companies like you.

This is all about what is legally required to deliver best practice - whether by reducing carbon emissions, eliminating waste, researching and developing low carbon technologies, or ensuring the sustainable use of resources.

And one thing is clear – given the scale and urgency of global energy and climate change challenges – I believe your leadership amongst the business community can only increase in importance.

As demand for the world's natural resources and energy supplies continues to grow, we all – Government, business and individuals - must act now to increase our energy efficiency, reduce the world's dependence on fossil fuels, and ensure a safe, secure and diverse energy mix for the UK.

Competitive markets will be essential to deliver cost-effective solutions, enabling businesses and consumers to identify and choose between the best environmentally-friendly solutions.

And just as the first industrial revolution kick started economic growth and impacted every area of our lives, this 21<sup>st</sup> century low carbon revolution will transform the way we live and work and create hundreds of thousands of new jobs and billions of pounds worth of business opportunities for companies across the UK.

For example, turnover in the UK Environmental industry – already a dynamic sector – is expected to rise to £46 billion by 2015.

We now talk about green collar jobs, the expansion of renewable energy necessary to meet our EU targets, alone, could mean the creation of 160,000 jobs internationally

While, it's estimated that, in just over thirty years the low-carbon industry, as a whole, could be worth \$3 trillion per year and employ

more than 25 million people world-wide. This is economic development going hand in hand with the best needs of the planet.

We want the UK to be at the forefront of this revolution – offering attractive investment markets and delivering the most cost-effective solutions possible.

And I strongly believe we have the ideas, commitment and expertise to succeed. It's evident in the innovation, talent and hard-work recognised here.

Last week, we held a low-carbon economy summit with senior business leaders to discuss how Government action can help more UK companies and workers to maximise and benefit from these green-collar business opportunities.

And later this year, we will publish our plans to enable UK manufacturers to take a global lead.

But Government is already taking important steps at a national, European and global level to stimulate deployment of low-carbon technologies. To establish the planning and regulatory frameworks we need to deliver a diverse low-carbon energy mix, as quickly as possible. Planning related to maximise investor confidence. And to develop the skills of our people.

Our three pieces of legislation – the Planning, Climate Change and Energy Bills will set the linked legal frameworks for how we will achieve our goals.

And we have just begun consultation on a renewable energy strategy to meet our share of the EU target that 20% of all energy should come from renewable sources by 2020.

We're likely to need as much as 30-35% of our electricity to come from renewable sources from a base of less than 5% today. In offshore wind, for example, - a key growth area - we could potentially require around 3000 extra 5MW wind turbines.

While heating accounts for the largest single proportion of the UK's energy demand at just under half and also the largest proportion of our carbon emissions at 47%. Only 0.6% of heat in

In transport, we're pushing for flight emissions to be included as soon as possible in the EU's Emissions Trading Scheme and working with manufacturers to reduce the CO2 emissions of new cars.

And this builds on the comprehensive package of policies and measures already in place to help individuals and organisations take the steps they need to reduce energy waste.

These include the Carbon Emission Reduction Target (CERT) - an obligation for energy suppliers to help household consumers to cut carbon emissions and benefit from better energy efficiency.

Over the next 3 years, a further 5 million more homes will be insulated as a result - helping family budgets and the environment

at the same time active at the national, international and microscopic level.

The Carbon Reduction Commitment Cap and Trade Scheme, which from 2010 will introduce carbon trading in the UK for large, but less energy intensive businesses.

And Energy Performance Certificates – which provide consumers with a summary of the energy performance of properties being sold in England and Wales and suggest tailored cost effective measures to boost the energy efficiency of the property.

We have also set out a timetable for all new homes to be zero carbon from 2016 and non-domestic buildings by 2019.

This is just a snapshot of the work now taking place.

The need and potential for innovation in a period of such rapid change is almost limitless. Government cannot do this on its own. We have to work together and the businesses here today are some of those that can lead the way. Your creativity can help develop the measures essential to protect our environment and drive sustainable growth.

Awards such as these are critical to both inspire and promote that work – increasing UK business share in these emerging markets and meeting growing consumer demand.

I'd like to thank AEA group for their administration and, along with Brunswick, sponsorship of this scheme. And all of those involved in ensuring the quality, integrity and continued success of these awards.

We have the chance of a brighter, more energy efficient future. And it's vital that we do all we can to make it happen. Everyone must play their part.

These awards show ideas are on the move. That more businesses are responding to the reality of climate change.

And as we work to overcome our energy and environmental challenges and ensure our country's economic success and future progress - the results of this can only be positive.

Thank you.