

Press Release

Embargoed: 00.01, Tuesday, June 6th 2006

“Environment Now Crucial To Future Economic Success” – New Lobby Coalition Warns Government To “Wake Up”

The “Environment v Competitiveness” debate raging in Whitehall has become distorted and urgently needs refocusing – to recognise that environmental protection is fundamentally in the public interest. “High environmental standards are a fundamental part of long-term economic competitiveness in the 21st Century as well as to a high quality of life” argues an independent research report for the new lobby coalition, The Aldersgate Group.

The research report, “Green Foundations: Better regulation and a healthy environment for growth and jobs” [1] is published today at a House of Commons launch of The Aldersgate Group, which brings together a broad range of players, including environmental agencies, NGOs, think tanks and industry representatives. [2]

“The Aldersgate Group has been formed to ensure that the British Government, and particularly Downing Street, wakes up to the fact that high environmental standards will be a major part of future economic growth and international competitiveness. It must avoid being misled by the efforts of the growing, and politically powerful, de-regulation lobby to undermine environmental protection, particularly in the three current major policy reviews” [3] says Group Chair, Adrian Wilkes.

The new report written by The Institute for European Environmental Policy, for The Aldersgate Group, argues that long term economic success can only be achieved with the sustainable use of natural resources - economic growth and environmental protection must go hand in hand.

The new report points out that in a world of rising energy costs and increasingly scarce raw materials, the UK’s international economic standing will depend on maximising resource efficiency as well as boosting labour productivity. Rapid economic growth and technological change has brought the world’s economy up against environmental constraints.

In addition, there has been a substantial worldwide growth in demand for environmental protection technologies. In 5 years – as Chancellor Gordon Brown has predicted - the global environmental market could be as big as the pharmaceuticals or aerospace sectors, and worth almost US\$700 billion.

But low environmental standards limits these new market opportunities, whereas better regulation means a regulatory environment that can deliver high environmental standards and generate jobs in the environmental industries - at the same time as providing a stimulus to all of industry to innovate and become resource efficient.

Furthermore, the number of natural disasters related to environmental degradation has increased significantly over the last three decades. Last year's storms that hit the United States, including Hurricane Katrina, caused the largest ever insured loss to be sustained by Lloyd's of London, surpassing those that followed the 9/11 attacks. Insurance experts are estimating that the US storms could ultimately cost the insurance industry around \$80bn. Economic and political systems will have to adapt to such challenges, says the report.

At the EU level, Environment Commissioner Stavros Dimas argues that 'growth that ignores environmental considerations will clearly not be sustainable.' This growing realisation needs to be firmly reflected in the policy decisions taken by all government departments in the UK and in the EU, says the new Group.

Group Chair, Adrian Wilkes, concludes that "anyone who believes that environmental regulation is unfavourable to global competitiveness is not making business sense. Figures show that three of the most competitive countries in the world, Sweden, Denmark and Finland, have some of the highest standards of environmental protection in the world".

For further information contact: Adrian Wilkes on 020 7935 1675 or Cherry Farrow on 07739 573932.

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Notes to Editors:

1. “Green Foundations: Better Regulation and a Healthy Environment for Growth and Jobs” will be published on Tuesday 6 June, Members’ Dining Room, House of Commons 16.00hrs.

Speakers include: John Gummer MP, Lord Whitty, Ian Stephenson (Johnson Matthey) and Guy Saxton (City financier).

2. The Aldersgate Group is a new opinion forming pressure group made up of The Environmental Industries Commission, Environment Agency, SEPA, Institute for European Environmental Policy, Dinah Nichols (ex Defra), Green Alliance, Friends of the Earth, New Economics Foundation, United Utilities, English Nature, SITA UK, BT, Lord Whitty (ex Defra Minister), Enviros, Atkins, James Brathwaite (SEEDA), IPPR and the RSPB.

Please find attached a range of quotes from these Members.

3. Several major policy reviews are due to report by the end of this year - the Davidson Review on the 'gold-plating' and over-implementation of EU legislation; the Stern Review on the economic challenges of climate change and the Energy Review on the measures needed by 2020 to respond to global warming. All these reviews will be subject to heavy lobbying by the deregulation lobby.

What Aldersgate Group Members Say

Tony Grayling, Associate Director, Sustainability, Institute for Public Policy Research

High environmental standards are essential for a decent society. Good environmental regulation helps to stimulate innovation and secure environmental sustainability, a prerequisite for long term prosperity. The deregulation agenda is a misnomer, often in practice meaning regulation designed to favour short term and vested interests at the expense of the long term and public interest.

Dermod Sweeney, Managing Director, Atkins Water and Environment

We are working hard as a business to reduce our own environmental footprint as well as supporting and influencing our clients in their own environmental agendas. We applaud the mission and objectives of the Aldersgate Group.

Graham Wynne, Chief Executive, RSPB

The Aldersgate Group's conclusion shows that the intrinsic benefit of protecting the environment is complemented by economic benefits. Therefore, environmental protection can enhance our quality of life by helping the economy, as well as benefiting birds and wildlife.

John Edmonds, Visiting Fellow, King's College, London

Successful companies of the future will spend less time worrying about the perceived burden of environmental regulation and concentrate much more on the business opportunities that come from getting ahead of the game and using scarce resources intelligently.

Peter Young, Managing Director, Enviro

Our own experience is that changing to sustainable production and consumption is essential to future competitiveness. Without strong regulation we will not achieve this change quick enough, and the UK will lose out in a global market where high environmental performance is no longer desirable, but mandatory.'

Sir Ken Collins, Chairman, Scottish Environment Protection Agency

As the chairman of a regulator, I support initiatives that help to reduce unnecessary burdens on industry. It is not about de-regulation, it is about re-regulation and enabling business to seize the opportunities that the environment presents.

Stewart Wallis, Executive Director, new economics foundation

Economic growth is a means, not an end. The goal of a good economic system is to increase well-being, both individually and collectively. Looking after our environment is vital, not only to our long-term competitiveness, but also to our well-being. Trading off environmental protection against slightly greater short-term growth is a disastrous route. We will end up both less competitive and with lower well-being.

Sir John Harman, Chairman, Environment Agency

This is a call to action for policy-makers, and a sane reminder that high environmental standards, far from being a luxury, are both a necessity and a spur for “wealth creation”.

David Baldock, Director, The Institute for European Environmental Policy

In our current world, sustained economic growth can only be secured through more efficient resource use and a healthy environment and workforce. Regulations are only ‘better’ if they use the most efficient and effective means to secure essential environmental objectives.

Adrian Wilkes, Chair, The Environmental Industries Commission

Future international competitiveness of the UK’s economy will increasingly depend on resource efficiency. High environmental standards can therefore boost the productivity of British industry, create jobs and profits in the UK’s environmental industry, whilst benefiting the quality of life of UK citizens and preserving our natural environment. Downing Street needs to wake up to this new reality.