



Green campaigners praise David Cameron and his energy secretary, Chris Huhne, for setting bold new carbon emissions cuts. And so they should. The UK now has the toughest legally binding targets in the world, and with them the chance to be a leader in a job-rich green economic future. But that does not mean it has in place the policies to deliver.

Back in February Mr Cameron hosted a breakfast in Number 10 with various fast-growing companies, including my own. We were the flip side of austerity, the prime minister said, the growth of businesses like ours could counter the pain. I was excited: Mr Cameron talked of a new industrial revolution re-energising our economy. He had also recently led a delegation to India, with clean technology high on the agenda. A narrative was emerging in which green jobs would be created, and communities empowered to generate and save their own energy

Sadly, a year on from Mr Cameron's pledge to be the greenest government ever, his coalition increasingly feels like the last Labour government all over again. It is true that Thursday's carbon targets are impressive. Britain is basically committing to halve its emissions by 2025. No other government even has targets beyond 2020, much less any this tough. But the rest of the

coalition's emerging record is actually starting to look worse than their predecessors.

The promised green investment bank won't really be a bank at all, at least in this term of government; it will be unable to lend until 2015. A floor price for carbon has been set much too low to stimulate growth of green technologies. And promising marine energy industries, tailored to British strengths in the North Sea, have waited in vain for market-enabling policies.

Elsewhere, the target for all new homes to be zero-carbon by 2016 has been withdrawn. Innovative developments such as the renewable heat initiative, and plans for smart-meter deployment, have been all too rare. A "green deal" for energy efficiency looks to be toothless. And when the renewable feed-in tariff (which coalition ministers had fought so hard for in opposition) was starting to build domestic British renewable microgeneration markets, the government ambushed the embryonic industry with a premature review of projects above a mere 50 kilowatts.

The result was made clear in a review of 77 of the coalition's green promises and aspirations, by the former chairman of the (disbanded) Commission on Sustainable Development. It showed little or no progress on three-quarters of them. It is not surprising, therefore, that investment in renewables fell by a stunning 70 per cent in 2010, and our existing national climate targets are now in jeopardy. Indeed, according to Cambridge Econometrics, the UK will fall short of legally-binding targets set in the 2008 Climate Change Act, and in the European Union. If that is the case, what is the point of more ambitious targets?

All this occurs at a time in which the government may well have lost the chance for a nuclear renaissance, in the aftermath of Fukushima, leaving up to a 20 per cent hole in already ragged national electricity plans. And this is without mentioning Middle East instability, and growing evidence of a global descent in the oil supply by 2015 at the latest. Worse, the coalition has so far even refused to work on contingency planning with worried British companies. Instead, Mr Huhne recently went to Riyadh to assure the world that there is simply no problem with oil supply.

In short, our much touted greenest government ever is in danger of falling well short of its promise, whatever its targets on paper. Yet the need for action grows ever more pressing. More than a decade ago I heard a senior insurer tell a climate summit that, within this century, without meaningful emissions cuts, climate change would start to destroy economic wealth much more quickly than we could create it. Since then economists such as Lord Stern have shown that the

costs of unabated climate change will greatly exceed those of mitigation. But this government must realise that, without measures to deliver them, even the most impressive targets will quickly be proved worthless