



BIS has just revealed, as part of the Budget's "Plan for Growth", that all of Britain's 278 environmental laws are on their list of "red tape" regulations to now be considered for the axe. The Clean Air Act and the Climate Change Act are among the packages of environmental safeguards included in the Government's "red tape challenge" to establish which regulations restrict business in the UK.

Adrian Wilkes, Executive Chairman, EIC said "BIS' latest deregulatory threat is dangerously misguided and poses a potentially major threat to the UK's environmental industry – bizarrely at a time when the Chancellor is promoting green job creation in his "Plan for Growth"

The public and regulated businesses can submit deregulation suggestions - the "onus" will be on ministers to make the case for keeping a regulation recommended for cutting!

This new BIS initiative follows the Coalition Government's commitment to a policy of "one in - one out", which is also aimed at achieving a net reduction of regulation across Government. So if Defra introduce a new regulation, then Defra will also have to cut a regulation.

In addition, the Cabinet Office leads a “challenge group” tasked with achieving social and environmental goals in a non-regulatory way. It was the Secretary of State for Business, Vince Cable MP, who has said “Regulation must be the last resort.”

Adrian Wilkes, Executive Chairman to EIC said “This is a potentially major threat to the UK’s environmental industry – which lives and dies by the regulatory framework, with Government intervention being a vital ingredient in the creation of the environmental markets of the future.

Ministers must realise that intervention is vital to remedy the market failure inherent in unpriced “environmental goods” and so create demand for solutions from the environmental technology and services industry.”

EIC is no friend of redtape and endorses initiatives that cut unnecessary administration – whilst ensuring that environmental objectives are still achieved (in a cost-effective way).

EIC also firmly believes that all Ministerial decisions on potential new policy (but also on simplifying existing regulation or cutting existing regulation under the one-in/one-out rule) should be evidence based and properly informed by a thorough examination of all the costs and benefits.

The Environmental Industries Commission (EIC) has long argued that Government economists must ensure that their Impact Assessments assess the economic benefits of environmental policies (in particular, the job creation and export potential for the UK’s environmental industry).

Adrian Wilkes pointed out that: “EIC’s 2011 Policy Manifesto⁴ highlighted the fact that the continued success of the UK’s environmental industry will be the engine of growth on which the future of the UK economy depends. Land remediation of brownfield sites has an EU market potential is worth of £220 billion. The EIC Transport Pollution Control Group estimates that Low Emission Zones in the UK can create a market of £500 million and above whilst improving air quality. While the Carbon Trust has reported that £1 billion invested in energy efficiency can create 50,000 jobs and return £3 billion to the UK economy. The Government must realise that these are markets with real jobs and growth potential in which the UK can and must lead from today”.

This new BIS initiative is a reminder that a strong EIC, with its wide ranging programme of high-level lobbying initiatives, is absolutely vital to protecting and expanding the policies that will drive our industry's domestic and international market share into the next decade – and beyond.