

# **Climate Change: Everyone's Business**

## **CBI Climate Change Task Force Report – Factsheets**

- **CBI Task Force Members**
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- **The Task Force in Numbers**
- **Biggest Abatement Opportunities**

## Climate Change: Everyone's Business

### CBI Task Force Members

	Ben Verwaayen, Chief Executive, <b>BT (Task Force Chairman)</b>
	Marcus Agius, Chairman, <b>Barclays plc</b>
	Dominic Casserley, Managing Partner UK & Ireland, <b>McKinsey &amp; Company Inc UK</b>
	Iain Conn, Group Managing Director and Chief Executive, Refining & Marketing, <b>BP plc</b>
	Tom Crotty, Chairman, <b>Ineos ChlorVinyls</b>
	Andrew Duff, Chief Executive Officer, <b>RWE npower plc</b>
	Clara Furse, Chief Executive, <b>London Stock Exchange</b>
	Kim Jones, President & Managing Director UK & Ireland, <b>Sun Microsystems Ltd</b>
	Richard Lambert, Director-General, <b>CBI</b>
	Sir Terry Leahy, Chief Executive, <b>Tesco plc</b>
	Andrew Moss, Group Chief Executive, <b>Aviva plc</b>
	Peter Redfern, Group Chief Executive, <b>Taylor Wimpey plc</b>
	Sir John Rose, Chief Executive, <b>Rolls-Royce plc</b>
	Steve Sharratt, Chief Executive, <b>Bio Group Ltd / Chair of CBI SME Council</b>
	James Smith, Chairman, Shell UK Ltd, <b>Royal Dutch Shell plc</b>
	Philippe Varin, Chief Executive, <b>Corus</b>
	Roelant de Waard, Chairman & Managing Director, <b>The Ford Motor Company Ltd</b>
	Willie Walsh, Chief Executive, <b>British Airways plc</b>
	Alan Wood, Chairman, <b>Siemens UK</b>

## Climate Change: Everyone's Business

### Commitments to Action from CBI Task Force Members

- **Develop new products and services that will enable all households in the UK to cut their emissions in half by 2020.** Task Force companies provide a wide range of products and services to millions of customers. We will work with others to draw up an action plan and milestones which will build on existing initiatives to reduce emissions in homes, appliances and personal travel. One initiative, led by Barclays, will develop green finance products: other products will follow.
- **Work with our 2 million employees to help them reduce their greenhouse gas emissions at work and at home.** Our aim is to begin by identifying and promoting action to save 1 mtCO<sub>2</sub>e within three years. We will coordinate this work with our efforts to help all households cut their emissions.
- **Promote effective reporting procedures that set the benchmark for reporting carbon emissions.** We will work with others, including the Carbon Trust, to promote a standard that could be adopted by all companies above a certain size, and we will develop a small and medium enterprise (SME) friendly version.
- Work with government to **co-ordinate and manage the implementation of emission saving projects** and to **improve the effectiveness of spending on R&D of new technologies.** Our goal is to create the framework through which government and business can collaborate together to build a low carbon economy.
- **Audit and cut emissions from company car fleets and buildings.** Our ambition is to do better than the government's own targets as set out in its Sustainable Procurement Action Plan.
- **Provide resources over three years to strengthen the CBI's work on climate change** in the UK and internationally, and oversee the deployment of this resource.

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### The CBI Task Force in Numbers

#### The challenge

- Out of the past 12 years, 11 have been among the warmest since 1850
- The Thames Barrier was raised 55 times between 1983 & 2005 – 28 of those in the last 5 years
- 2% of global emissions occur in the UK
- 14% of global emissions occur in the EU

#### The Task Force

- 18 Task Force CEOs & Chairmen on the Task Force
- Eight 90-minute Task Force meetings between February and November; one away-day.
- 10 meetings by 14-strong working group supporting the main Task Force
- Major new analysis by McKinsey to develop a UK carbon 'cost curve'
- 2 million people employed by Task Force companies globally
- £1,000 billion annual revenue generated by Task Force companies

#### The pathway

- One problem: climate change
- Two essential steps: higher energy efficiency, and low carbon energy sources
- Three interdependent players: consumers, government, and business
- Four areas offer the biggest opportunities to 2030: buildings, power, transport, industrial processes.
- Five essential conditions for success:
  - Give people better incentives
  - Make carbon management part of corporate DNA
  - Achieve an effective price for carbon
  - Increase and better target green technology research
  - Tackle obstacles in the planning and educational systems

#### The players

- Consumers directly control or can influence through their purchases some 60% of UK emissions
- Business activities account for about half of all emissions in the UK
- 80% of business emissions from industrial processes and use of buildings are accounted for by the top two per cent of companies
- The remaining 20% of these emissions come from four million small & medium-sized firms
- The public sector accounts for approximately 7% of UK emissions - but government policies on tax, regulation, planning, innovation and public spending determine how business and consumers can play their parts in tackling emissions

#### Changes needed by 2030

- One third of power generating capacity must be replaced
- The percentage of UK electricity sourced from fossil fuels must be cut from 70% to 50%
- Electrical products will need to be at least 30% more efficient than they are today
- Emissions from the average new car will have to fall by at least 40%.

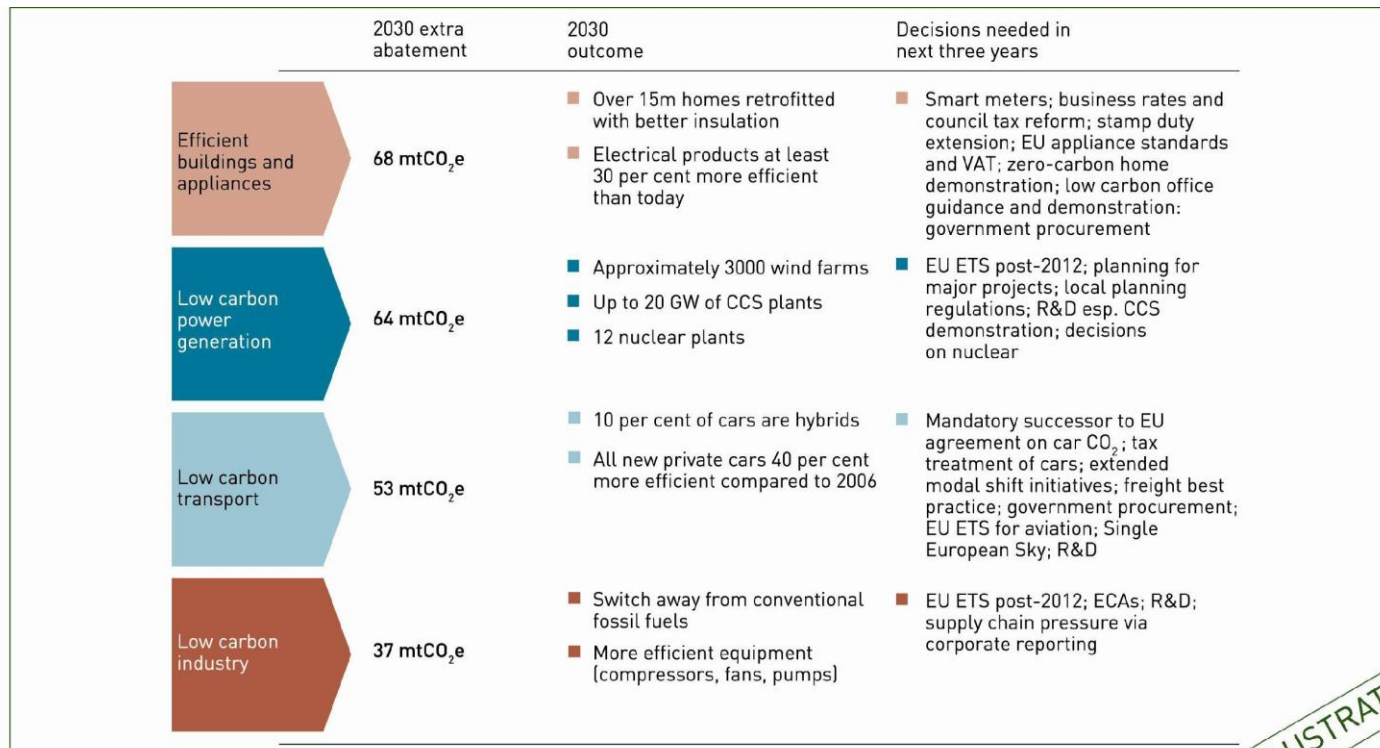
#### Costs & opportunities

- The maximum cost in 2030 to save one tonne of CO<sub>2</sub> and still be on track to hit the UK's long-term targets would be 40 euros
- This translates into an investment of around £100 a year per household (under 1% of GDP) by 2030
- New cars emissions could be cut by a third if people bought the most efficient car today in each class
- Streamlining air traffic management systems in Europe could cut fuel consumption by 12%

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### Biggest Abatement Opportunities

**Figure 1:**  
Timelines to implement policies are tough and decisions need to be made in the next three years



Source: McKinsey UK cost curve; team analysis

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