

The Aldersgate Group



Green Foundations: Better Regulation and a Healthy Environment for Growth and Jobs

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Despite the farsighted, and potentially revolutionary, analysis of The Stern Report on Climate Change, the "Environment v Competitiveness" debate raging for years in Whitehall and Brussels, urgently needs refocusing to recognise that environmental protection is fundamentally in the public interest. To rebalance the debate, the Environmental Industries Commission (EIC) has led the creation of a new coalition, the Aldersgate Group, which has been launched to prove that 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.

Group Strength

The Group, which brings together a broad range of players, including industry, environmental agencies, NGOs, and think tanks, believes that the world has now entered an era where continued economic growth depends more and more on the efficient use of increasingly scarce resources, and on the continued ability of the biosphere to deal with the pollution we create.

Increasing globalisation has led to demands that the burdens imposed on business by government regulations need to be reduced to ensure a level playing

field with rising competitors in Asia and the Far East. Environmental regulations set at both UK and EU levels have been a particular target. Nobody would argue against striving for 'better regulation' if this means regulation that is well-designed, uses appropriate policy instruments, and meets its essential objectives, at least cost to industry and the public purse. But – and it's a big but – demands for better regulation are often actually aimed at reducing environmental standards themselves, on the spurious grounds that they are the enemy of competitiveness.

Yet no economic policy that sacrifices environmental quality can succeed in the long-term. Smarter regulation must be employed instead to help manage the transition to a more eco-efficient economy in the UK and beyond.

Report Highlights

The Aldersgate Group's first initiative was to publish an independent examination of our five main arguments. "Green Foundations: Better regulation and a healthy environment for growth and jobs". First, the report showed how a healthy environment and the sustainable use of natural resources are at the very core of long-term economic sustainability. Rapid economic growth has brought the world's economy up against global

ecological constraints, such as energy shortages, climate impacts and threats to biodiversity.

According to WWF, in 2001 the resources we currently use in the UK for the production of goods and services – our 'ecological footprint' – was far in excess of our own physical capacity to provide them. If this level of consumption is matched worldwide, we would need the resources of two planets to meet our demands – and three at the rate of US consumption. We are spending nature's capital faster than it is being regenerated. Selling the family silver in this way cannot continue indefinitely. To reduce this to plain self-interest, in a world of rising energy costs and increasingly scarce raw materials, our international economic standing will in future depend on maximising resource efficiency, just as much as on boosting labour productivity. Increasingly, improved environmental performance will need to go hand in hand with improved economic performance. Secondly, the report highlighted, yet again, that at the company level, good environmental performance and efficient resource use make good business sense. Research has, for example, identified that in the UK £4-£5bn savings could be made in annual operating costs through waste minimisation and energy efficiency. ●