

21 April 2016

Dear Ms Berry, Mr Goldsmith, Mr Khan and Ms Pidgeon

Business low carbon priorities for the next London Mayor

As candidates for the next Mayor of London, we are delighted that each of you has noted the importance of environmental issues to London's citizens and businesses. Whoever is elected, we are heartened to know that we will be welcoming a candidate with a clear desire to be London's greenest ever mayor.

As the world's fifth largest city economy, London has an integral role to play in the low carbon world, and the low carbon economy has an integral role to play in London's prosperous future. The city's thriving green economy is already worth over £30bn and will be one of the biggest global growth sectors in the 21st century. We ask that the next Mayor of London takes up the role of "climate champion" to help grow London's low carbon economy and ensure London takes its place as one of the world's greenest cities.

The Aldersgate Group is an alliance of major businesses, NGOs and cross-party politicians who are committed to supporting efforts to build a competitive and resilient low carbon economy in the UK. Our corporate members have a collective turnover of over £400bn and include companies active across the UK economy.

During our event on 3 March to identify business' priorities for the next Mayor, we heard thoughts on London's sustainable development from the Rt Hon Lord Barker and from an expert cross-economy business panel with representation from BT, Buro Happold, the Crown Estate, the FTSE Group, and WSP Parsons Brinckerhoff.

Following the debate, the Aldersgate Group has a list of business recommendations that we strongly encourage the next Mayor of London to prioritise to help London tackle environmental challenges such as air quality and grow its low carbon economy:

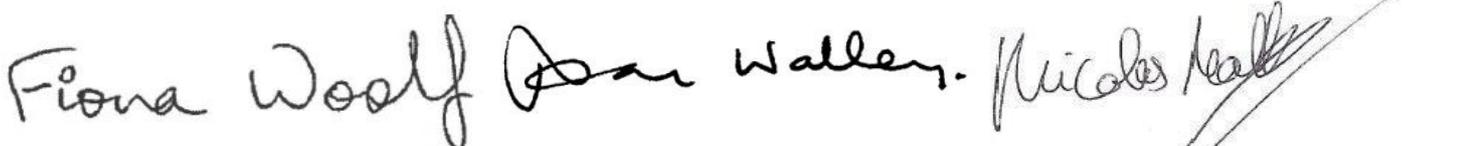
1. **Use digital infrastructure to build a smart city strategy for London:** As shown in a recent report from BT, ICT solutions have an important role to play in delivering significant emissions and cost savings, from improving traffic congestion, air quality and energy efficiency in buildings to facilitating car sharing and electric vehicle take-up in London. A smart city strategy for the whole of London, led by a newly created Chief Digital Officer, would ensure a joined-up approach to running London in as environmentally and economically effective a way as possible.
2. **Support greener buildings:** The Mayor acts as the planning authority for London, and is responsible for developing a housing strategy. We recommend that the next Mayor uses these powers to:

- a. Improve the energy efficiency of buildings, promote retrofitting of the existing housing stock and advocate that all newly built housing meets zero carbon standards.
 - b. Follow the example of the Wild West End initiative by promoting green and solar roofs, making use of our existing building space to increase uptake of solar power in the city and ensuring our natural environment is given space to thrive.
3. **Decarbonise London's transport system:** Almost 60% of the Mayor's budget is spent on Transport for London, meaning this is an area where the Mayor can have a significant impact. As demonstrated in a recent report from WSP Parsons Brinckerhoff, there is a clear opportunity to ensure all of London's transport is near zero carbon, through a greater electrification of London's transport. Furthermore, a comprehensive roll-out of electric vehicle charging points across London would encourage uptake of electric cars and help to reduce the nearly 9,500 air pollution-related deaths in London each year.
4. **Build and promote London as a centre for green finance:** London has a unique opportunity to become a hub for green finance, given the importance of the City of London as an international financial centre, and the clear momentum behind developing green finance following the Paris Agreement. The next Mayor should:
 - a. Seize this opportunity to add to calls for more corporate disclosure on environmental sustainability, to help investors better identify financial risks linked to climate change and help guide their investment decisions.
 - b. Promote the use of green bonds further, supporting the work of the Green Finance Initiative. Green bonds are growing quickly and are expecting to reach a value of \$60bn in 2016 compared to just \$12bn in 2013.

These measures taken together can tackle a number of London's environmental challenges simultaneously, whilst attracting investment towards the modern, low carbon and cost-effective infrastructure that London needs to be an attractive, business-friendly and thriving green city in the 21st century.

We would be happy to discuss these points further with you and would be delighted to hear your thoughts on how business can be as actively engaged as possible in how the new mayor shapes and delivers their green vision for London.

Yours sincerely



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