

Back the best, not the worst, in British business



John Gummer
Comment

Regulation makes the market possible. Without it, all markets tend to create monopoly. Every businessman claims to relish competition, but, given half a chance, we seek our own protected position. Society has a different interest. It must promote competition, as it needs the market to work and regulation is an important means to achieving that end. Sadly, governments often seek to run business rather than regulate it. Instead of setting standards and demanding targets, it acts prescriptively, telling people how to do things, not what they should seek to achieve.

That's why, if you ask this government what is its policy to combat climate change, it will reel off a list of the regulations it has set in place and the taxes it has exacted, but it will be hard put to provide any evidence of any outcome, achievement, or success. The climate change levy on businesses has had an influence on emission reduction but, for so large an enterprise, it is only marginal. So too the aggregates levy, the revamp of the landfill levy, and the local authority recycling targets. They are better than nothing, but cut no mustard.

Indeed, everything that has been mooted that would have made a real difference has been ditched. The operating and financial review, which would have ensured that businesses told their shareholders and customers what were their environmental and other non-financial risks; the tough limits on emissions;

new energy-saving building standards – all these and so many other government proposals were abandoned, largely because of the opposition of the most reactionary elements in the Confederation of British Industry (CBI).

By that, I don't mean British business. I don't mean the British companies that lead the world in an understanding of the environmental imperatives. I mean all those short-term, unenlightened operations the CBI too often represents.

In the days of Adair Turner, the CBI gave a real lead. It recognised that the future competitiveness of our nation depended upon business being at the forefront of corporate responsibility. It stood out against prescriptive regulation and pettifogging rules, but it was a sterling supporter of environmental standards.

Now the CBI has become the invariable opponent of any environmental proposal that might work. It undermined Britain's presidency of the European Union by demanding that the UK should insist on industry being able to break the emission limits to which it had signed up.

Gordon Brown's neoconservative manifesto unveiled at the recent CBI dinner appalled progressive businesses. They accept the realities of global warming and see their commercial interest in reducing their energy and water use, cutting their emissions, and improving their use of resources. Yet these, the best of British businesses, have no corporate voice.

It is to support them that the Aldersgate Group was created. The lobby coalition will ensure that the innovators in British business are heard and it will stand up for Britain's real commercial interests. The more support Aldersgate musters, the more success British business can expect. Our future prosperity depends on establishing the highest environmental reputation in a world that increasingly demands and will only buy the best.

John Gummer was secretary of state for the environment from 1993 to 1997 and is chairman of the Quality of Life policy group.

The wetlands of Chongming, the Chinese island on which the world's first zero-carbon ecocity, will be built Photo: Nir Elias/Reuters



Minimum impact

China's unrelenting growth has forced it to revise the way it lives, and now Britain hopes to learn from its ambitious ecocities

By Terry Slavin

Peter Head, director of global consulting engineers Arup, is being urged to be a revolutionary. The encouragement is coming from officials in Shanghai, where Arup is planning the world's first zero-carbon ecocity on an island three-quarters the size of Manhattan, and London's mayor Ken Livingstone, who wants Head to pull off the same trick in Britain's capital city, albeit on a much more modest scale.

Head reveals that he was surprised when Livingstone, during a visit to China earlier this year, announced he was going to appoint Arup to masterplan a 1,000-home zero-carbon community in the Thames Gateway. "Ken announced it before we'd even discussed it," he says.

Livingstone considers himself a world leader on sustainability in cities, having assembled a 20-strong coalition of cities from across the globe last year to combat climate change. Last month, he announced that his strategic planning document, the London Plan, would be revised to require major new developments to connect to decentralised local energy services, powered by combined heat and power and renewable technologies, and that new developments will need to meet 20% of their energy needs from onsite renewables. But Livingstone was blown away by the plans for the Dongtan ecocity, says Head, and by the strategic vision of the Shanghai Industrial Investment Corporation, which has signed up Arup to plan two more cities on the same principle of being self-sustaining in energy, water and food, with no greenhouse gas emissions in transport. Head, who sits on the mayor's sustainable development commission, says: "I remember Ken Livingstone talking about having seen the Dongtan project and how London had to get its act together."

But Livingstone is going to have to get his skates on if he expects to ever trump Dongtan. It is a reflection of a complete volte-face in China's approach to urbanisation. After decades of breakneck growth that has left China with 16 of the world's 20 most polluted cities, the most recent five-year plan, unveiled late last year, stated for the first time that environment

and society could not be sacrificed to GDP. Energy and water efficiency have become strategic imperatives. "The government began to realise that their approach to urbanisation was unsustainable and risked tipping it into decline," Head says.

The first test for the new policy has been Chongming, a large island at the mouth of the Yangtze river that until now has remained undeveloped. The government wanted to build a bridge and tunnel to connect it to the mainland, but also to protect the island and its internationally important wetland from the rapacious development that would surely follow.

Visionary model

Dongtan emerged as the solution, a visionary model that would serve as a prototype for sustainable urbanisation in a country that needs to build 400 new towns to house 300 million people between now and 2020. It will be built as a collection of villages, with the first community of 80,000 ready for the Shanghai World Expo in 2010, and the population projected to grow to 500,000 by 2040.

Arup's brief is to minimise the city's ecological footprint – the amount of land required to supply its inhabitants with food, water, energy and other resources, as well as dispose of all its waste, including greenhouse gas emissions.

Herbert Girardet, a cultural anthropologist, who devised the theory of ecological footprinting and has been advising London as well as Arup on Dongtan, has estimated that Shanghai's footprint is more than seven hectares (17 acres) per person, while London's is about six. He argues that if the whole world lived at this rate of consumption, we would require three planets to support us. Dongtan's footprint will be two.

As well as composting and recycling all the waste the city will produce, and producing most of its residents' food needs, Dongtan will generate its own energy for housing and transport. Fellow Arup director Chris Twinn, who is devising Dongtan's energy strategy, is also looking at plans for the city to generate surplus

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energy to offset carbon emissions generated by importing goods and services.

"With Dongtan, a sustainable future is not some distant dream, but a vision that is actually being realised," Girardet says.

In London, the brief is nowhere near as ambitious, but may be more difficult to achieve. The Thames Gateway development, which will be built on an as yet undetermined brownfield site in the south-east owned by the city, is expecting carbon neutrality in energy use at a commercially realistic cost. "It will be a demonstrator model of how developers can go way beyond the London Plan with something that's commercially attractive and reflects ahead-of-the-curve thinking," Head says.

He doesn't underestimate the difficulty: "It's hellishly hard to make anything carbon neutral." But Head says that a joint venture earlier this year between EDF Energy and the mayor's Climate Change Agency to finance and develop decentralised energy schemes in the city will make it more viable for private developers to go low carbon. "In theory, it should be possible to join up different [commercial] interests and make it work."

And that is what Head, working with Greenpeace, is hoping to do with the Thames Gateway project. Although the brief is for 1,000 low-carbon houses, to bring about swingeing carbon reductions the homes will need to be part of a large mixed-use commercial development, Head says. This would allow Livingstone's preferred energy model: a renewably-powered community energy system that could generate heat, electricity and even cooling, delivered via local networks independent of the national grid.

There is political impetus for low-carbon building in the Thames Gateway, where 120,000 homes are planned. Earlier this month, housing minister Yvette Cooper announced: "We want the Thames Gateway to lead the way towards our long-term national target of 60% reduction in emissions by 2050."

But to Head, such statements must sound quaint. The Dongtan project will deliver by 2010 – if not before – what Britain is hoping for by 2050. Less than a year in, Dongtan is already running four months ahead of schedule.

"My perception is that China is now going five years faster than the rest of the world in everything it does," Head says. "The speed of building things is astonishing. In Britain, the sense of ambition and belief in what we can do just isn't as strong – although Ken Livingstone is catching some of that ambition."

Eco Soundings

Prison diary

Greenpeace's communications supremo, Mike Townsley, recently spent some time as a guest of the St Kitts authorities, after being arrested during the International Whaling Commission meeting. His crime? Attempting to plant 1,000 cardboard whale tails in the sand. You can find an autobiographical account of his ordeal on the Greenpeace International website (www.greenpeace.org/international). Here's a taste: "Time stands still when you're in a four-metre punishment cell in Smack Down. I don't know when evening ended and night began or when night gave way to morning. But it was morning I was focused on, with the sun would come a trip to the magistrates' court. In my darkened cell the sun could come and go in secret. Nine am couldn't come soon enough, when the judge would shine some light in the darkness of our uncertainty."

OK, Oscar Wilde it ain't but it's worth a look, if only for this gem of wit under the pressure of being manhandled while arrested: "Eventually, he broke his vow of silence: 'Police force, that mean force,' was all he would say. 'Greenpeace, that mean peace,' I grinned." Respect Mike.

Flexing their mussels

Arguments between conservationists and fishermen over the right to scare birds from mussel farms in the Wash estuary are due to reach a public inquiry this week. The fishermen say eider ducks are pillaging their shellfish beds and want to use loud electronic bird scarers. The RSPB says the area is one of the best sites in Europe for water birds, and that up to 400,000 from 30 different species could be placed at risk. Scarecrows anyone?

Hello, stranger

Better bird news arrives from the Pentshorpe nature reserve in Fakenham, Norfolk, where romance has blossomed between a resident crane and a passing stranger. A wild male European crane has fallen for a female bird bred at the reserve, and their relationship is developing under the watchful eyes of bird experts keen to reintroduce the species to the UK.

On the quiet

The computer giant Dell has pledged to stop using toxic chemicals in the manufacture of its computers. By 2009, the company says it will phase out all types of brominated flame retardants and polyvinyl chloride – which can make the disposal of e-waste problematic. But Eco Soundings is puzzled why the announcement slipped out quietly via its corporate website?

Emission control

Could the UK's previously comfortable efforts to meet its Kyoto target go down to the wire? New EU figures show Britain's greenhouse gas emissions were down 14.1% on 1990 levels in 2004, but rising. By 2012, that figure needs to be below 12.5%.

Taking a wrong turn

Friends of the Earth in Scotland needs your cash to help its legal fight against an extension of the M74 in Scotland. Those who agree with an independent public inquiry that the five-mile long, six-mile-wide, elevated section of motorway through some of the poorest communities in Glasgow is unnecessary, are asked to donate or lend funds to an emergency legal defence fund. They need £25,000 by, er, today.

David Adam

