

Political Overview of Green Technology

As we move to the end of the first quarter of 2009, there are a number of factors influencing the prospects for the green technology market.

Politics of Climate Change in the UK

The politics of climate change in the UK presents both challenges and opportunities for the UK green technology industry.

The race to cut carbon emissions by 80% by 2050 is on for both the public and private sectors, following the Energy Act and Climate Change Act receiving royal assent in November 2008.

Sustainability is clearly high on the government agenda, shown most clearly by the development of the new department purely focussed on energy and climate change, DECC. DECC has taken over many of the climate change responsibilities under the Department of Environment, Food and Rural Affairs (DEFRA) and the energy functions under Department of Business, Enterprise and Regulatory Reform (BERR) to offer greater focus in solving the twin challenges of climate change and energy supply. Ed Miliband is the new Secretary of State and Mike O'Brien MP is the new Minister for Energy for the department.

Most recently, in January 2009, at the World Future Energy Summit in Abu Dhabi, Tony Blair called for a new global agreement setting tough new global interim targets up to 2050 to “transform” countries into low carbon economies. In the same month, the Conservatives published an energy policy paper, focused on decentralised energy. They want to enable businesses, local schools, and hospitals to generate electricity through microgeneration. These include small and medium sized wind turbines, energy from biomass, energy from waste, photovoltaic panels and micro-hydro energy.

The government has been pushing the green agenda across the IT industry, but now the Westminster estate itself is also under pressure to improve its carbon footprint. As part of their Greening Government initiatives targets have set for the central government office to achieve carbon neutrality by 2012. Departments are to source at least 10% of electricity from renewables by 31 March 2008, and at least 15% of electricity from Combined Heat and Power by 2010. Over the whole Westminster estate, the potential is enormous – turning off every one of Whitehall's 500,000 computers outside working hours could have the same effect as taking 40,000 cars off the road.

The creation of DECC and other policy developments demonstrates the importance of new political relationship building at all levels.

International Developments on Climate Change

The big international focus for 2008 and 2009 has been the UN Climate Change conference.

In December 2008, the conference took place in Poznan, Poland. The conference marked a clear commitment from governments to shift into full negotiating mode next year, in order to shape an ambitious and effective international response to climate change, to be agreed in Copenhagen at the end of 2009.

At Poznan, progress was made on a number of important ongoing issues that are particularly important for developing countries, including: adaptation; finance and technology.

A key event at the Conference was a ministerial round table on a shared vision on long-term cooperative action on climate change. The round table provided the opportunity to lay the foundations for further work for an agreed outcome in Copenhagen.

In December 2009, during the 15th conference of the parties of the UN Framework Convention on Climate Change (UNFCCC), environment ministers from all over the world will come together with the aim of establishing an ambitious global climate agreement for the period from 2012.

This conference has the potential to shape UK environmental policy. According to the Rt Hon Ed Miliband MP, three conditions have to be fulfilled for Copenhagen to be regarded as a success. First, the wealthy industrialised countries have to agree tough new targets for cutting their CO₂. Second, the developing countries, led by China, have to move away from “business as usual”, even if they do not take on the same sort of numerical targets. And third, the rich nations have to agree a way of financing the developing countries, especially the poorer ones, in the measures they take to adapt to the climate change that is coming.

Economic Downturn

An [article by Lord Stern](#), Chair of the Grantham Research Institute on Climate Change and the Environment, in the New Scientist on the 21st January 2009, highlighted how in this time of economic crisis, there is an opportunity for a low carbon revolution that will drive sustainable growth and development.

He stated that the global economic downturn is a chance to tackle climate change by bringing forward investments in low carbon economy while costs are lower. The idea of a green technology revolution is exciting, but, inevitably investment decisions are still being delayed. However, with legislation a key driver for many green technology products and services, the opportunity is there to discuss with government about the industry benefits of green technology in these difficult economic times.

Lord Stern also spoke at the [World Economic Forum in Davos](#) at the end of January, suggesting that Britain's banks and other financial institutions would be an essential element in building the low-carbon infrastructure the country will need if it is to achieve its emission-reduction targets. He also believes the financing of green initiatives could help them rebuild their profits. The Davos meeting had been designed with a strong green theme, with leading economists and scientists speaking at a raft of meetings about the need to cut fossil-fuel use.

WEEE Directive

A lot of the focus thus far has been on climate change and energy efficiency, but another important issue is what should be done about the electronic waste. Green technology is not just about efficiency, but the entire product lifecycle. The WEEE Directive aims to minimise the impact of electrical and electronic goods on the environment by increasing re-use and recycling, and reducing the amount of electronic equipment going to landfill. It seeks to achieve this by making producers responsible for financing the collection, treatment, and recovery of waste electrical equipment, and by obliging distributors to allow consumers to return their waste equipment free of charge. The measures shift waste management costs onto the makers of electrical appliances.

Electrical and electronic waste is the fastest growing waste stream in the UK, with some 1.8 million tonnes generated every year. Electronic waste can be a highly valuable source for secondary raw materials but, if not treated properly, can become a major source of toxins and carcinogens.

In July to December 2007, the UK collected household electrical goods for recycling at a rate of 5.2kg per head of the population per year, according to WEEE data issued by the Environment Agency. The WEEE Directive requires collection of over 4kg per head of the population.

In December 2008, the Department for Business, Enterprise and Regulatory Reform (BERR) launched a [consultation on draft revisions](#) to the WEEE Regulations, with a focus on producer compliance schemes and how they meet their members' recycling obligations. The consultation proposes improvements to the Code of Practice that reproducers and compliance schemes must adhere to for collecting waste electrical and electronic equipment from civic amenity sites, as well as revisions to the guidance on the best available treatment, recovery and recycling techniques. The revisions would come into effect on January 1st 2010. Responses to the consultation must be submitted by April 6th 2009.

The inauguration of US President Barack Obama

We had to include a section on [Barack Obama](#), as all eyes are firmly focussed on him and what he will do to deliver the change that he has promised throughout his electoral campaign.

His plans for a low carbon economy are unlike any policies of the Bush administration. Rather than allowing the economy to overshadow and marginalise environmental concerns, Obama wants to use environmental principles to help drive economic growth.

So, he promises a very different future for the battle against climate change. Obama has committed to an 80% reduction in the US greenhouse gas emissions by 2050.

If America is now choosing to act on climate change, Europe need to act to ensure the commercial advantages in green technology are also matched.

Conclusion

Green technology is clearly an important issue on the political agenda this year, both in the UK and internationally. The creation of the DECC in the UK, changes to the WEEE regulations, the start of Barack Obama's presidency and the Copenhagen Summit are all key issues for 2009.

This year, the green technology industry has a real chance to define its own path towards a low-carbon and low e-waste future, which is the only realistic future for sustainable economic growth. Trends in legislation are set to focus more and more on green technology and the focus on green technology as a sustainable solution, which also reduces the bottom line, is significant. Now is the time to really get involved in the political debate and maximize the opportunities that are presented.