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5 September 2005

From the Secretary of State
The Rt Hon Margaret Beckett MP

Dear Colleague,

Thank you for your letter of 29 July which identifies several headline policy areas to be considered as part of the revised Climate Change Programme. I am very grateful for your continuous input to our work to tackle climate change, and with this common statement with Greenpeace and Friends of the Earth.

As you know, the Government is committed to tackling climate change both domestically and internationally and continues to carry out significant work at both levels. The results of the G8 Summit this Summer have been very encouraging in moving the dialogue forward between the G8 with a first conference planned for November. On the domestic front as you are aware we are in the process of reviewing our UK Climate Change Programme. We agree that businesses need a practical policy framework to plan and work within if they are to maximise their contribution to the Government's targets. We also recognise that we need to continue to be ambitious and make continuous improvements to the way policies work to achieve long-term progress.

The efforts of large industrial consumers and the power sector to increase their energy efficiency and their carbon savings have been substantial. That central role will continue – particularly through the EU Emissions Trading Scheme which will be at the heart of the revised Climate Change Programme. Clearly, I cannot prejudge the outcome of the Review at this stage and give you details of the options under consideration. I want to emphasise though that we fully recognise that all sectors need to make a contribution if the UK is going to make the transition to a low-carbon economy.



We are looking very carefully at how other sectors can pull their weight. In the household sector, we have been looking at ways to overcome consumer apathy and lack of information and awareness of energy efficiency. As I am sure you are aware through your involvement with the Energy Efficiency Commitment, we do need to find new ways to encourage take up energy efficiency measures particularly among private home owners.

Our work during the EU Presidency is a good example of Government working together to achieve good results. Our Presidency gives us an important opportunity to reinforce the importance of energy efficiency and as part of this we welcome the Commission's Green Paper on Energy Efficiency. We are also focused on taking forward the Energy Services Directive which we hope will offer an opportunity to energy companies to achieve significant energy savings.

I hope that my letter gives you re-assurance of Government's strong commitment to tackle climate change and to see a successful Climate Change Programme. But Government alone cannot deliver the changes needed to make the transition to a low carbon economy. We all need to contribute to tackling climate change at global, national and personal levels and I very much welcome the attention you are all giving to this issue and in raising its profile.

I look forward to a successful climate change conference on 5 and 6 October at the Café Royal in London. I know that the Business Council have been closely involved in preparations for the "Climate Change: The Business Forecast" conference and I am grateful for your valuable input.

I also look forward to seeing Sir John and other members of the Business Council at the dinner meeting on the 9 November to discuss these issues further.

Sincerely

Margaret Beckett

MARGARET BECKETT