

**Presentation by Tina Roche, Chief Executive, Business in the Community Ireland to the  
Joint Oireachtas Committee on Climate Change and Energy Security  
Leinster House, 29<sup>th</sup> April 2009**

Chairman of the Committee,  
Members of the Committee,  
Ladies and gentlemen,

We are grateful for the opportunity to present to this Committee and discuss this critical issue for our environmental sustainability and economic competitiveness.

**Introduction**

Allow me to introduce myself and our organisation. My name is Tina Roche and I am Chief Executive Officer of Business in the Community Ireland. Since our inception in 2000, we have had a very simple mission – to use our store of knowledge, networks and expertise to inspire, engage, support and challenge companies to make a positive impact on the workplace, community, marketplace and environment. Through our work with Ireland’s top companies, we aim to make Ireland the most responsible and sustainable region in the world.

Business in the Community Ireland offers a range of bespoke services to business, including strategic advice on how to integrate responsible business practice. Our advisory services have been developed to support business in meeting their business and sustainability goals. I invite you to visit our website [www.bitc.ie](http://www.bitc.ie) to assess the extent of our work in this area.

Sustainability has become a key issue for businesses of all sizes and sectors in Ireland. Take for instance the London 2012 Olympic Games, where a large number of Irish companies are bidding to become suppliers, mainly in the construction sector. In order to become a supplier of choice to the Olympics, companies need to demonstrate that they have achieved standards of environmental performance and sustainability. Many Irish companies have failed to achieve this standard, a missed opportunity for our businesses.

**Background to the presentation and publication**

Last October, Business in the Community Ireland hosted Ireland’s first CEO Forum on Climate Change, where over 80 CEOs of Ireland’s top companies met and discussed the challenges and opportunities our country faces in relation to climate change.

As a key outcome of the Forum, Business in the Community Ireland has produced a report – **Green Ireland: The Business of Climate Change**<sup>1</sup> – which highlights key issues impacting business in Ireland in relation to climate change and importantly the actions that leading Irish companies are taking to mitigate their greenhouse gas emissions and adapt to the risks and opportunities presented by climate change. The report features the results of an online survey of over forty-five companies from a variety of key sectors<sup>2</sup>.

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<sup>1</sup> Available online on <http://bitc.ie/events/story.html?id=33>

<sup>2</sup> Including: retail, telecommunications, transport, healthcare, manufacturing, construction, pharmaceutical, financial, waste management, food & beverage, and energy.

## **Key issues**

I would like to take a few moments to highlight some of the key issues presented by our report:

### **Government Strategy & Policy**

Many companies are uncertain about the longer-term climate change policy framework and further joined up policy which is stable and clear is called for. Under policy we refer equally to incentives to improved environmental performance as well as taxation and other measures. Key issues related to policy are:

1. Availability of lower cost fuel alternatives
2. Incentives for improving energy efficiency
3. Whether the tax will be revenue neutral with revenue generated from business recycled to business.

Policy incentives discussed at the Forum included:

1. Opportunities to reward corporate best practice through favourable tax treatment;
2. Domestic offsetting scheme to reward companies for activities to reduce emissions by allocating equivalent carbon permits, which the companies can then sell. Such a scheme could provide a revenue stream for Irish projects in areas that are not covered by the EU Emissions Trading Scheme.
3. Grants for companies to invest in energy efficiency; public funds available to banks and lending institutions to subsidise low-interest loans to companies seeking finance for projects that deliver low carbon or renewable energy.

### **Energy Costs and Security**

Energy security, the rising costs of energy and the impacts these are having on Ireland's economic competitiveness is of significant and increasing concern to Irish companies who are already faced with keeping costs competitive in an increasingly globalised economy. With the economy in recession this has become an issue of even greater concern for businesses in Ireland.

### **Energy Efficiency**

Energy efficiency and the development of renewable energy sources, with incentives for integration, must play an important role in maximising economic progress. Ireland has great potential in terms of access to wind and ocean energy resources. If the economy is to be competitive in the long term then these resources should be exploited. The grid of the future will need to be able to accommodate decentralized, fluctuating supply from renewable sources.

### **Transport**

Transport emissions present one of the most significant challenges to meeting Ireland's emission reduction targets as well as to maintaining the competitiveness of the economy. Electric vehicles, increased use of rail freight, biofuels, effective and efficient public transport and incentives to encourage people to walk and cycle all need to be priorities.

### **Planning**

The planning system will need to support the deployment of green technology, remove impediments to such systems as micro-generation or local combined heat and power and streamline the approval process of projects such as power generation.

## **R&D and Investment**

Ireland needs to position itself as a world-class research and development hub for new energy technologies, as well as a location where the commercialization and adoption of these and other technologies can occur effectively. In turn, Ireland should capitalize on its existing strengths as a global financial services centre and strive to become a world centre for low-carbon finance and investment.

## **Recommendations**

I would now like to conclude with some recommendations for consideration of the Committee, based on the issues identified in our report:

### **Long term policy framework**

Ireland should set a long-term binding national emissions reduction target for 2050, supplemented by an interim target for 2030 and additional shorter compliance period targets. The target must be aligned to the latest scientific evidence.

The establishment of a Climate Change Commission – an independent, expert body with the legal mandate and the resourcing to coordinate, review and develop Ireland’s mitigation of and adaption to climate change – should be considered.

### **Climate Change Business Excellence Centre**

A platform that connects policy makers and scientists with business and investors needs to be created. The establishment of a Climate Change Business Excellence Centre in Ireland – modelled on the UK’s Carbon Trust should be considered.

### **BITCI CR Standard**

For the past 18 months, Business in the Community Ireland has been working on the development of a Corporate Responsibility Standard, as a tool to help businesses to measure their CR performance and obtain an externally verified recognition for their practices. Government support of the Standard, through inclusion in procurement policies, would provide a strong signal and important mechanism to drive responsible, transparent and sustainable business practice in Ireland which BITCI believes will be critical to the future competitiveness of Ireland’s economy.

### **Planning Strategy**

The development of a Planning Policy Statement on climate change should be considered followed by action to ensure support for the development of green technology. The focus of the statement should be to streamline the approval process of projects such as power generation, with the burden of proof switching from the applicant to those opposing such projects.

### **Spatial and Transport Planning**

The establishment of a national spatial planning and transport authority could be considered in order to provide greater coordination at the policy formation and implementation level between land-use and spatial planning and transport development.

## **Broadband**

The roll-out of next generation broadband is critical not only to an internationally competitive digital sector, but as a mechanism that can facilitate emission reductions as a result of decreased levels of employee commuting.

## **Conclusion**

Chairman and members of the Committee, I would strongly encourage you to review our report and engage with business in the process of policy development and formulation to ensure Ireland demonstrates a clear strategy in relation to climate change adaptation and mitigation and to ensure that business continue to see Ireland as a hub for high value services businesses. A consistent approach to support and incentivise business to move towards a low-carbon economy is not a burden to be avoided in times of economic difficulty but indeed a strategy to help businesses succeed in difficult times.

On a practical note, I would like to invite you to attend a Seeing is Believing visit to one of our member companies that clearly summarise their integrated approach to environmental management at a time to suit you in the coming months.

Thank you for your time.

### **Key Statistics from *Green Ireland: The Business of Climate Change***

- **76.3%** of companies have taken or plan to take action to manage strategic risks in relation to climate change
- **86.1%** of companies invest in, or have plans to invest in products and services that are designed to minimize or adapt to the effects of climate change
- **73%** of companies are measuring their greenhouse gas emissions
- **82.4%** are engaging with suppliers, or through joint initiatives across industry sectors
- **51.4%** are engaging with consumers, e.g. through consumer education campaigns