

First Communiqué

Dear Taoiseach,

We are writing to you as leaders of a broad cross-section of Irish based businesses committed to tackling climate change, to call for a major effort to transform Ireland to a low carbon economy.

Climate change is the greatest threat humanity faces in the 21st century. It poses unacceptable social, environmental and economic risks and demands a transformational change in how we manage our economy. However, the shift to a low climate-risk economy also holds out enormous opportunities for those who move first and fast.

Ireland has the potential to be a world leader in green enterprise and technology, generating jobs and laying the foundations of economic resilience and prosperity for the 21st century. Our businesses and many others are already moving in this direction and are keen to make the leap to a low-carbon future.

Incremental change, however, will not be enough to achieve the transformation required and will not help Ireland realize these opportunities. Equally, as the Stern Review highlighted, the later the peak in emissions, the costlier the measures to reduce them. There is no gain in delaying action.

Ireland is in danger of missing this once-in-a-lifetime opportunity. In light of the current economic situation, there is a risk that we will delay or not take the bold and ambitious steps needed. There is growing evidence to show that stronger action on climate change is better for business. We believe that robust action on climate change will in fact help create a smarter, more competitive, more creative economy, deliver new high quality jobs, set us on a path to a green recovery and establish low carbon prosperity.

An Taoiseach, the Irish Corporate Leaders Group on Climate Change welcomes your government's efforts to address the challenge of climate change. We would encourage you to take a leadership role in positioning Ireland to grasp the opportunities of the shift to a low-carbon economy, and we propose the following:

1. Ireland should advocate and support climate change policy driven by science

"They talk about goals which sound impressive, but when you see the actions are such that it will be impossible to reach those goals, then I can understand the informed public getting frustrated" - James Hansen, the director of NASA's Goddard Institute for Space Studies.

We welcome the fact the G8 has now joined the EU in accepting the scientific view that global warming of more than 2°C above pre-industrial temperatures would lead to dangerous climate change. However, while the EU has proposed more substantial emissions targets than the other parties to the international negotiations, none are in line with the science behind the 2°C goal.

The Intergovernmental Panel on Climate Change has concluded that developed countries need to cut emissions by between 25 and 40% by 2020 and 80 - 95% by 2050. The IPCC data indicates that even this would leave a 50/50 chance of global warming of 2°C or more.

Ireland should adopt a science-based target for 2050 now as a signal to the international community and to international investors that Ireland means business on climate change. Within and through the EU we should advocate and support collective, science-based targets for interim dates such as 2020. And crucially, Ireland should prepare and implement policy now on the assumption that science-based targets will become the norm over time.

The Irish Corporate Leaders Group on Climate Change believes that long term targets for emissions reduction should be guided primarily by science, not short-term concerns over economic cycles.

Key actions:

- *Ireland to advocate and support science based emissions reduction targets for 2020*
- *Ireland to adopt science based targets as the basis of policy making*

2. What business needs from Government is a long-term policy framework to provide certainty

“Now is a time for extraordinary leadership.” - Dr. Rajendra Pachauri, IPCC

Our companies and many others have already made significant investments in low carbon technologies, processes and products. But to make the transition to a low climate-risk economy we need to create a step-change in the development of low carbon goods and services by rapidly scaling up our investments in new and existing technologies. To achieve this, we need a strong policy framework that creates certainty about the direction and ambition of government policy and creates a long-term value for emissions reductions. The more ambitious the framework, the more business will deliver.

In this regard the Irish Corporate Leaders Group on Climate Change welcomes the Government decision to introduce a climate change law in the near future. We would like the law to establish:

- A science-based emissions reduction target for 2050.
- An independent Climate Change Commission
- Five-year “carbon budgets” covering the six Kyoto greenhouse gases
- Overall responsibility for climate change policy lies with the Department of the Taoiseach to deliver coordinated action across the whole-of-government.

Once the legal framework has been established we look forward to engaging with the Government and other stakeholders in the development of a new National Climate Change Strategy in 2010. This will need to be a genuinely whole-of-government undertaking if Ireland is to grasp the opportunities of the shift to a low-carbon economy by 2020. It will need to cover all sectors and be coordinated with all related policy initiatives including the smart economy, innovation, green enterprise and a re-prioritized National Development Plan.

Key actions:

- *Government to introduce a climate change law establishing a 2050 emissions target, carbon budgeting and a climate change commission.*
- *The Department of the Taoiseach to take overall responsibility for climate change policy.*
- *The Irish Corporate Leaders Group on Climate Change to participate actively in the development of a new National Climate Change Strategy.*

3. Ireland can be a world leader in smart green enterprise

“The choice we face is not between saving our environment and saving our economy. The choice we face is between prosperity and decline.” – President Barack Obama

Ireland can become a leading destination for green investment, innovation and enterprise. We can replicate Ireland’s past successes in attracting investment and establishing global hubs in key sectors such as financial services, IT and pharma-chemical industries. There are a range of opportunities for Ireland in this new era, from renewable energy to smart Information and Communication Technologies to developing a sustainable agri-food industry.

Ireland was not rich in the natural resources of the fossil-fuel age. We are, however, rich in the natural resources of the post-carbon age. As an island nation on the north-western Atlantic edge of Europe, Ireland has huge potential to develop wind, wave and tidal power.

Building on our existing base of Information and Communication Technologies industry and given our manageable size Ireland can also become a test-bed and demonstration site for smart sustainable solutions ranging from energy management that integrates small and large-scale renewables, to smart transport, communications, utilities and environmental management systems.

To take advantage of these potential strategic opportunities and strengths will require a refocusing of national investment priorities to support and to consistently incentivize the research, development and commercialization of low-carbon technologies, products and services.

Government can do much to encourage the development of the market for green goods and services by adopting a new procurement policy with strongly weighted environmental sustainability criteria. Ireland should also work with our partners in the EU to facilitate consumer choice in this area by enhancing standards, labelling and consumer information more generally.

Putting Ireland on a low-carbon path now will build a competitive advantage for the medium to long term. We can create jobs and reduce emissions at the same time. Ireland has long been associated with green. As business leaders we would actively promote through our national and international networks the idea of a smart green Ireland open for investment in sustainability, as reflected in “Building Ireland’s Smart Economy”.

Key actions:

- *Government to refocus national investment priorities to take advantage of key potential strategic opportunities*
- *Government to stimulate green enterprise through a public procurement policy with strong sustainability criteria*
- *Government to stimulate consumer choice through enhancing standards, labelling and information*
- *Business to support and promote Ireland as a green investment destination*

4. We need to prioritize education and research to build a low-carbon economy

“The best way to predict the future is to invent it” - Alan Kay

The business sector is ready to map out this low-carbon future with government and other stakeholders. We have a collective responsibility to introduce economic policies and new technologies that are sustainable, both in competitive and environmental terms.

We need a collaborative approach between government, industry and academia. This will have, at its heart, the development of a low-carbon environmental goods and services sector that leads to competitiveness, job retention and creation and wealth generation in Ireland.

In particular, the Government should coordinate a concerted effort between business, state agencies and academia to maximize Ireland’s participation in EU funded research and development in areas of strategic advantage.

Furthermore, we need to immediately begin to invest in education that develops the knowledge and skills base required for a low carbon economy, particularly in the areas of key opportunities.

Key actions:

- *Government to coordinate a collaborative effort to develop a low carbon economy*
- *Government to prioritize education and research that builds the skills and knowledge required for a low carbon economy*

5. Act now or pay later

"The cost of action is much lower than the cost of inaction - in other words, delay would become the anti-growth strategy" – Lord Nicholas Stern

The clear message from the Stern Review has been consistently corroborated since: the cost of inaction far outweighs the cost of emissions reduction through undertaking mitigation and adaptation measures now.

The Corporate Leaders Group believes that the current economic crisis makes it all the more important to address the climate crisis now while there is still time. As a small open economy dependent on trade for much of our national income, Ireland has a very strong interest in a world where climate change is contained.

Prioritizing actions and investment to reduce Irish emissions now and put the economy on the path to a low-carbon recovery can help retain capital, attract inward investment and position Ireland as a place to do green business. We are unambiguously calling for the Government to take into account the cost of inaction on climate change to this economy and to prioritise the low-carbon agenda in its development plans and budgets.

There is a strategic economic opportunity for Ireland in acting decisively now to build a smart, green, enterprise economy. As business leaders we stand ready to work with you to make that vision a reality.

Signed:



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