

UK Climate Change Policies Threaten the Future of Energy Intensive Sectors such as Paper

Members of the Confederation of Paper Industries (CPI) have contributed to a report issued on Tuesday 27 July highlighting The Cumulative Impact of Climate Change Policies on UK Energy Intensive Industries.

The report has been published jointly by the Energy Intensive Users Group (EIUG) and the TUC, and concludes that total energy bills could rise by 141% by 2020 as a result of UK government energy policy and emissions reduction schemes.

Such a steep rise in UK costs would jeopardise the future competitiveness of all energy intensive industries which together currently employ over 225,000 workers.

The report calls for:

- a balance of climate change policies between industry and other sectors of the UK to transform the UK to a low carbon economy;
- UK climate change policies to have accompanying impact assessments that look at the combined effect of all related policies on intensive energy users;
- the government to undertake a full cost-benefit analysis of energy-intensive sectors to understand the direct impact on the companies and the GDP benefit to the UK and its regions.

Commenting on the report, TUC General Secretary **Brendan Barber** said: "Employers and unions in these manufacturing industries are determined to make sure these companies have a future in the UK's low-carbon economy. A just transition to a greener economy is vital for these industries and the jobs of the workers they employ, and they make a significant contribution to the UK economy."

EIUG Director **Jeremy Nicholson** said: "Government needs to ensure a better balance of policy on emissions reductions between the industrial, commercial, transport and domestic sectors. As green tax structures stand today, energy intensive industries are carrying a heavy burden of policies to tackle climate change and reduce energy use. Yet these companies make a significant contribution to UK GDP and exports."

CPI Director General **David Workman** added: "The paper industry recognises the importance of moving toward a low-carbon economy, but government needs to understand that UK manufacturers need to be competitive as they operate in global markets. The EIUG/TUC report clearly indicates that if we continue to pursue current policies we risk losing these sectors.

"In the run up to the General Election, all political parties agreed that manufacturing needed to be a core component in reviving the economy and ensuring future prosperity. We need to put the health of manufacturing at the heart of all government decision-making."



David Workman, CPI Director General

Continued...

ENDS

For further information, please contact:

- David Workman, CPI Director General, on 01793 889601 or email dworkman@paper.org.uk.
- Jeremy Nicholson, EIUG, on 07785 280568
- Liz Chinchin, TUC, on 020 7467 1248 or email media@tuc.org.uk.

Notes to Editors

- *The Cumulative Impact of Climate Change Policies on UK Energy Intensive Industries* was produced for the EIUG and the TUC by Waters Wye Associates, and is available online, at: <http://www.eiug.org.uk>.
- The EIUG is comprised of trade associations and customer groups representing industrial sectors with the heaviest energy consumption in the UK.
- CPI is the voice of the paper industry in the UK, representing papermakers, tissue manufacturers, corrugated packaging producers and recovered paper merchants.
- CPI represents 75 Member Companies, with a combined annual turnover of £4 billion and 24,500 personnel.
- For additional information on the UK paper industry, in the first instance, please contact Catherine Waterfield, External Affairs Coordinator, on 01793 889612 or email cwaterfield@paper.org.uk. Alternatively, please visit: <http://www.paper.org.uk>.