

Green Alliance Leadership Lecture

Staying the course on the environment **Rt Hon Nick Clegg MP, Deputy Prime Minister**

RSA, 7 November 2013

Over the years, I've heard the green agenda described in a number of ways: vote winner, vote loser; niche interest; minority sport; middle class luxury; Lib Dem obsession, even.

For a long time, politically-speaking, the environment was up.

Tony Blair entered Downing Street on a promise to put it right at the heart of government.

The Conservatives asked us to vote blue in order to go green.

And yet these days, across much of the Westminster village at least, the environment is being written off by campaign chiefs on both left and right; too expensive in hard times; a distraction from more pressing debates.

On no other issue has the political establishment proved more fickle.

Just look at the current debate on energy bills and green levies. The same Conservative and Labour politicians who used to shout at one another across the Despatch Box: 'you don't care about the environment, we're the greenest' now turn the accusation on its head: 'you care too much about the environment; you're the greenest'.

Labour's promise to temporarily freeze energy bills – as well as being a con, with energy companies bound to hike up prices both before and after – would also be a huge blow to our renewables sector – spooking investors and threatening billions of pounds worth of investment in green energy. The only thing green about this policy is its naivety. Labour have undermined what was their one and only green pledge – a decarbonisation target – with a policy that would damage the very industry needed to deliver it. They're abandoning the environment to score a few populist points. It's utterly Janus-faced.

Senior members of the Conservative party now openly attack environmental policies as anti-growth, as well as publically question the threat of climate change. And yet all of us sat to hear Sir Mark Walport, the Government's Chief Scientific Advisor, when he came last month and explained to the Government that the recent IPCC report - which made clear the threats posed by man-made climate change - was the most exhaustive, authoritative peer reviewed report on climate change ever published. How much more hard science is needed to convince the climate change deniers they've got it wrong?

And the upshot of all of this? That the green consensus across the political parties is, I'm afraid, falling away.

And at the worst possible time. Conventional wisdom tells us that the environment must now go on the backburner while we prioritise our economic recovery – but I believe the opposite is true. If there was ever a time to sharpen our focus on our green commitments, it's now.

There is a perfect symmetry between the nature of our economic recovery and our environmental responsibilities.

We are a nation learning to live within our means. We have been forced to shift our sights to the horizon, so that we think not just of quick profits today, but of lasting prosperity tomorrow, driven by responsible business and sustainable growth. In government and in millions of households up and down the country, we have been reminded of the value of every penny and every resource – these days nothing is taken for granted. And everything we are doing – every difficult decision – is about ensuring our children do not pay the price for our mistakes.

What better set of values to underpin a renewed commitment to our environment?

The cynics will say: forget it, people aren't interested, they've got enough on their plates.

And of course, if you ask people to list their priorities at a time when they are struggling to pay their mortgage, or put food on the table, protecting the environment will come much lower down.

But this idea that the British people have suddenly stopped caring about green issues simply isn't true.

A few months ago, I announced a 5p charge on throw-away plastic bags. I cannot tell you how many people advised me against it. I was warned that this was the wrong time. It would be presented in the media as a tax on hardworking people. I would look out of touch.

Yet every single person I have spoken to about it since has told me they support the move. Even the few who have grumbled to me that they would have preferred Government to foot the cost have still agreed: if it reduces the carrier bags blighting our countryside and harming our wildlife – which it will – it's a small price to pay.

The desire to protect and conserve our natural heritage is a very British thing. And which parent doesn't want their children to grow up in a Britain where the air and water are clean? Who wants their grandchildren to be condemned to a world of droughts, heatwaves or floods?

I often take my three sons walking across the rocky cliffs of Stanage Edge in the Peak District, near my constituency, and you cannot put a price on the excitement of their faces when they're let loose on those rocks. Our connection to our environment is emotional, and those feelings don't simply switch on and off.

So today I want to make it very clear that my commitment to the green agenda is as strong as it ever was, and it will stay that way – whether fashionable or not, and no matter what the other parties do. I was as pleasantly surprised as you were, back in 2010, to hear a Conservative Leader declare he wanted this to be the greenest government ever. And every day my colleagues and I are working hard to hold our coalition partners to their word.

Our view is simple: the Government made a commitment to the environment, and we must now stay the course. We stuck to our guns on the economic strategy and deficit reduction – despite endless calls to abandon it. We did that because it is right for the generations that will follow us. And in exactly the same way, for exactly the same reason, we must hold our nerve on the environment too.

Over the last three years we've achieved a lot.

The Liberal Democrats haven't got everything we wanted. It's well known, for example, that Ed Davey, Danny Alexander and I argued for the inclusion of a 2030 decarbonisation target in the Energy Bill. We wanted to get on the front foot, giving the power sector the certainty that will encourage them to start reducing their emissions now.

However, we couldn't win the Conservatives round and it came down to finding a compromise. We agreed to delaying the setting of the target to 2016 and, in return, they agreed to triple the funding for renewable energy. The Liberal Democrats remain committed to an ambitious decarbonisation target, and that will certainly be in our manifesto next time round, but these are sometimes the realities of coalition.

But plenty of battles have been won, and there are a whole range of big, significant reforms now underway.

Ed Davey's Energy Bill is going to create the world's first low carbon electricity market. In the last year alone, the amount of renewable electricity generated in the UK increased by around 20% and Britain is on track to meet our target of getting 15% of our energy from renewables by 2020.

On our watch, the UK has increased its lead as the world's number one generator of offshore wind

Vince Cable's Green Investment Bank – another world first – is up and running. Its first few projects alone will support a reduction in greenhouse gas emissions equivalent to taking over 1 million cars off our roads.

And 80% of the 85,000 homes, which have had a Green Deal assessment, have or intend to install an energy saving measure as a result.

We've also introduced the Local Sustainable Transport Fund – a pot of money councils can bid for to invest specifically in low carbon transport.

As we head to the annual UN climate change negotiations in Warsaw next week, we do so as a leading voice within the EU, where we are pushing, crucially, for agreement to cut the EU's greenhouse gases by 50% by 2030. This is the most ambitious target proposed by any member state. A robust EU target will be absolutely crucial for getting a good global deal at the Paris Summit in 2015. And whichever party gets in at the next election will need to make these negotiations a priority from day one.

In our natural environment, we've introduced a presumption in favour of sustainable development, and maintained strong protections for the Green Belt and Areas of Outstanding National Beauty. Something many of the people in this room were involved in.

We're on track to plant a million more trees by the end of the parliament – the majority in the most deprived and least green areas.

After a comprehensive review, we plan to launch a new National Pollinator strategy next summer to protect the country's bees.

We're reducing the amount of waste we send to landfill and we're investing in cleaning up England's rivers, lakes and waterways.

We've promoted animal welfare, including ending the practice of keeping laying hens in tiny battery cages and, for the first time, implementing welfare standards for game-birds. We are also strongly committed to working with our international partners to tackle the illegal wildlife trade, and in a few months we'll be hosting a major international conference in London to agree the action that is needed.

We're seeing encouraging progress on biodiversity – this year's biodiversity assessment report shows, for example, more land and sea protected and fish stocks better managed.

We now have a Marine and Coastal Access Act, which seeks to improve the management and protection of our marine environment and increase public access to our coastal paths: so more people can access the beauty of Britain's landscape, and we're going to be saying more about marine conservation in the coming months.

So we haven't sat back. We haven't satisfied ourselves with a bit tinkering at the edges.

Our task in government now is keeping up this momentum. And there is no doubt about the challenges presented by the changing political climate. The Liberal Democrats are now the only one of the three main parties, which still sees the environment as a priority. And we take our responsibilities extremely serious here. Protecting the green agenda will, in my view, require leadership on three specific fronts.

First, we need to aggressively counter the myth that if you are for the environment you must be against the consumer.

Second, we must ensure that, as we continue with our recovery, we make low carbon industry a cornerstone of the new economy.

Third, we need a renewed focus on our natural environment. Our efforts to drive UK prosperity will be meaningless if we don't protect our natural wealth.

But before I say more on each of these points, I want to make clear that this is very much an agenda where I want to work with you, the people in this room. I know there are some concerns about the impact that the Transparency Bill is going to have on the way that green groups can work with the government, so let me address that head on.

The legislation the Government has put forward does not in any way affect the work of charities. All it seeks to do is to make sure that people with very deep pockets cannot distort the democratic process, subverting the legitimate role of democratic parties.

Let me give you an example. At the moment you could have the oil industry going down to Brighton Pavilion and saying, "Don't vote for the Greens, because the lights will go out if they get re-elected". Nothing stops big oil from basically hijacking the Brighton Pavilion electoral contest. This kind of thing is not an idle threat – we have seen it in the US and here at the last General Election spending by non-party organisations doubled.

The Government has listened to the concerns that some very small organisations might be caught up in the legislation; we've confirmed this week that we will amend the Bill to raise the thresholds for campaign spending in a constituency above which organisations must register. We'll also allow further time for consideration in the House of Lords to ensure we have time to consult with civil society and then provide the necessary reassurances. Third parties not engaged in party political campaigning do not need to fear the impact of this Bill.

So leadership on three fronts.

First we've all heard the argument that going green is too expensive - we cannot afford to go green in these straitened times.

It's a powerful argument, and with millions of households feeling the squeeze, it shouldn't be underestimated.

But we need to strike a balance. Of course we need to keep down the cost of bills – no one should pay a penny more than is absolutely necessary. But we also need

to keep the lights on, and the answer to high bills isn't turning our backs on the fuel poor; or the tens of thousands of people who are employed in the green renewable energy sector; or sacrificing our environment.

And we need to be much more robust – all of us - in rejecting utterly the idea that being pro-green is somehow anti-consumer. That is a false choice and it warps the public discussion around these issues.

We will all be better off when the UK relies less on gas and coal. The Government has taken the strategic decision to move away from an overreliance on a small number of imported sources of energy, where the price is volatile, in order to spread our bets across a more diverse range of domestic supplies. Yes that has to include gas, nuclear and shale. But it is also about creating an energy mix with a much bigger role for low carbon – where costs are falling, and will continue to fall.

We'll all be better off when our homes waste less heat. [stat to be added].

And we are all better off when Britain green businesses flourish. We must never, ever talk about consumers as if they are somehow divorced from the wider economy. The UK's Low carbon industry is worth around £128 billion and employs almost a million people. We're relieved when we hear that the economy is expected to grow this year by 1.4%. Well between 2011 and 2012, the low carbon sector grew by 4.7% and it's expected to keep on growing in the next few years.

So whenever someone tells you that we can't afford to go green, correct them: we can't afford not to. If you are for the environment, you are for cutting bills, growing our economy and creating jobs.

Which brings me to number two: the need to build on our strengths in green industry.

The UK's economy has turned a corner, there is no doubt about it. But the job isn't finished yet. The Coalition will need to spend the next eighteen months locking in the recovery, and whoever is in government after 2015 will need to continue with that task.

If that is my party, we will do everything we can to strengthen the role of the low carbon sector in the new economy. The UK is already a world leader in marine energy, tidal energy and offshore wind, but we cannot be complacent.

China, India, America, Germany, Brazil – the race is on with our competitors for green global investment. Take China, which has committed to invest \$286bn in renewables – more than the size of the total Finnish economy - and \$376bn in energy efficiency by 2015. That's equivalent to the economy of the United Arab Emirates.

And if want to keep up, our green industries need maximum political support. My Coalition partners talk a lot about winning the global race: well this is one area where we are in pole position. And it would be a huge mistake to take our foot off the pedal now: economic myopia of the worst kind.

Given the nature of their investments, we need to give low carbon firms as much clarity and certainty as possible. Not least in our sweeping reforms of the electricity market, and we're on track on schedule to achieve Royal Assent for the Energy Bill by the end of the year – exactly in line with our timetable.

Clearly the fourth Carbon Budget will be important here. It's no secret that some people on the right wish to unpick it, but I think it's important that Government remains committed to the ambitious targets that have been agreed: setting a lead for carbon reduction across the world. And I want that to be clear.

Vince Cable and I also want to see the Green Investment Bank given the power to borrow on the markets as early as possible into the next parliament – in order to support greater levels of investment.

And I can confirm today that the Coalition is giving a big push to one green industry in particular, and one of the most promising: ultra low emission vehicles.

The UK's automotive industry has undergone a renaissance in recent years and we have the potential to emerge as a trailblazer in the development, design and manufacture of green cars. The Nissan factory in Sunderland produces the world's number one electric car – the LEAF. And Toyota chose their factory in Derbyshire as the first place outside Japan to mass manufacture their hybrid technology.

The UK automotive industry is doing well compared to our European competitors, helped by a buoyant UK car markets. But, if we're to stay there we need to secure the UK's position as both a global leader in the production and adoption of low carbon vehicles. We need to see more people who live in Britain driving these cars and enjoying the lower running costs they can bring.

The benefits in terms of our greenhouse gas emissions could, potentially, be very significant too – around a fifth come from our roads, which is why the Coalition has said that we want all new cars and vans purchased here to be effectively zero emission by 2040. And, of course, this is how we can improve the air we breathe dramatically too.

The Coalition committed £400 million, from 2010 to 2015, to help take this from a niche to mainstream market – with support to provide plug in charging points, boost consumer interest, and strengthen R&D. And in this year's Spending Review we announced a further £500 million to be invested by 2020 – making this one of the longest and most substantial packages of support for Ultra Low Emissions Vehicles in the world.

The job now is making sure that we get the most out of every penny, so today I am launching a call for evidence from key players in the industry to find out how we kick start demand and make the UK the number one European destination for investment in ultra low emissions vehicles.

Tell us what the barriers are. Tell us how we can help reduce costs and keep these vehicles affordable. Tell us what changes we need in our infrastructure and business environment.

Because I think it's especially important that we hear from the leading innovators in this field, alongside our call for evidence, I've also asked Elon Musk, a pioneer of electric vehicles in the US, and CEO and co-founder of Tesla Motors, to personally advise Government on how we can reach the UK tipping point for electric vehicles more quickly.

Elon helped to create the world's first electric sports car. He brings unmatched expertise to the table. Among other issues, he'll consider how we can boost investment, massively increase the take up of electric vehicles across the country and promote the benefits of ultra low emission vehicles more widely to drivers.

Our call for evidence will run alongside this work until 10 January, with any announcement on future policy planned in spring next year for likely implementation in April 2015.

Without wanting to pre-empt the outcomes of either of these pieces of work, I do think it's clear that, in order to get to scale, we need to address the fact that – despite the valuable long-term savings they offer – the current upfront costs of electric cars are still quite high, and probably make most financial sense right now to the biggest purchasers and biggest users of cars we have: fleet vehicles, hire cars and taxis – cars that are on the road every day.

We already have some excellent tax incentives to help drive adoption of this technology in the crucial fleet sector. But what else can we do?

So I especially want to hear from fleet purchasers, and that includes those in the private and public sector, cab companies and others about what they would need to make the jump from buying low emission to specifically ultra-low emission vehicles.

If we get this right, and secure the UK's position as a global leader in ultra low emission vehicles, it will be a huge boon for our economy, our mobility and our environment too.

Third, we need to remember, in all of this, the importance of our natural environment.

There is a great deal of discussion and debate about the UK's future; about how we make ourselves richer; about the kind of country we wish to be.

And yet we rarely ask ourselves the role our natural world must play in this. That is a mistake. Our recovery, our legacy – these aren't just about GDP; that's the argument I made at the Rio Summit last year. We are bending over backwards to clear our debts for our children and grandchildren – but they will be infinitely poorer unless we protect their natural inheritance too.

So we must now find a way of elevating the natural environment so that it is given proper consideration and protection – and that's where government has to take a lead.

The problem has been that while Whitehall has, by and large, become pretty good at thinking about the other bit of the environmental agenda – our carbon footprint – the impact of our actions on the natural environment has rarely been as high in policymakers' minds.

So, in Coalition, we have been trying to correct that imbalance. We produced the first White Paper devoted to the natural environment in twenty years, and out of that we've seen a new Biodiversity Strategy for England as well as the first ever comprehensive assessment of our eco-systems.

As many of you know, the Liberal Democrats blocked the merger of Natural England with the Environment Agency, which would have effectively seen the former scrapped. And we've established a Natural Capital Committee to advise George Osborne. One further step, although not for this parliament, would be a statutory body advising the government on the natural environment – an equivalent to the committee on climate change – and that is something we are now looking at as a party.

And our presence in Whitehall has also been critical in giving Departments the confidence to uphold and enforce important environmental protections. During our reforms of the planning system, for example, it was very important to us that we protect Statutory Consultees – the organisations that have to be consulted during the planning application process – even while minimising administrative burden for applicants. Of course we don't support pointless red tape, but we're not allergic to these kinds of regulations. We're not ideological about it. Smart, green regulation plays a hugely important role in protecting our natural assets.

So, to finish, my aim today is straightforward: I want you to leave here knowing that there is still a mainstream political party – a governing party – for whom the environment is a priority.

You and your organisations have become the guardians of the green agenda in Britain. You have held to your convictions as politicians and governments have come and gone, and I want you to know directly, from me, that this Coalition will not turn its back on the environment. Not any government of which my party is a part.

You will hold our feet to the fire, and I welcome it. But rest assured that we want the same thing: to defend the green agenda; to protect the environment; to take the right decisions now for the generations that will follow us.

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