



UK Election Briefing, May 2010

The new UK Government's approach to climate security

Summary:

- The UK's first coalition Government since World War II is likely to provide continuity in its emphasis on climate security;
- The Government has outlined a strong focus on delivering low carbon finance through the creation of a green investment bank, energy efficiency and market reform; and will shape innovation and industrial policy to build its competitiveness in low carbon technology;
- There are potential flash points between the coalition partners on nuclear power and Europe, but the Liberal Democrat influence may lead to a more positive agenda on Europe than had initially been anticipated.

Last week the right-wing Conservative party, who secured 306 seats in the election on May 6th (20 short of an outright majority), joined forces with the center-left Liberal Democrats, who secured 57 seats, to form the UK's first coalition Government since World War II. To be successful this coalition will require a high degree of trust and cooperation to deal with the immediate needs of reducing the UK's budget deficit, steering the economy out of recession, driving forward political reform and confronting major climate and security issues.

Members from both Parties will serve in the new Cabinet. Prime Minister David Cameron has appointed Chris Huhne of the Liberal Democrats as Cabinet Secretary to the Department for Energy and Climate Change and William Hague of the Conservatives as Cabinet Secretary to the Foreign and Commonwealth Office. Climate security will be one of the top priorities for the incoming Government and is a subject that Prime Minister Cameron has been personally committed too for a long time. Prior to the Copenhagen Summit last December he stated:

*"I believe passionately that just as we are part of One Nation here in Britain, so Britain is itself part of One World. In this century of global threats and challenges, we can't afford to ignore what is happening in other parts of the world. So when it comes to tackling climate change, just as with fighting international terror, Britain must always be a strong force for progressive change in the world."*¹

William Hague has further outlined that the Conservatives see a strong link between climate and security issues and will shape the UK's foreign policy agenda to respond to this threat:

*"...climate change is not simply an environmental and development concern but an urgent foreign and national security concern. [We] will shape Conservative foreign policy to meet this challenge and re-emphasise that it will be one of the top priorities of the Foreign and Commonwealth Office and new National Security Council we plan to establish."*²

¹ <http://blog.conservatives.com/index.php/2009/11/27/the-copenhagen-summit-is-of-historic-importance/>

² http://www.conservatives.com/News/Speeches/2009/11/William_Hague_The_Challenge_of_Climate_Change.aspx



The Liberal Democrats have long supported significant action on climate change and this is one of the areas where there is close alignment between the two Parties. A strong approach on climate change and the environment will be key to locking-in the base of the Liberal Democrat wing of the coalition, many of whom would not otherwise see themselves as natural allies of the Conservatives. In response to this Prime Minister Cameron has been quick to state that he wants the new coalition to be “*the greenest government ever*” and has outlined the green economy, climate change and energy security as top priorities. This will include a strong emphasis on industrial policy to create green jobs “*and make sure we have our share of the industries of the future*”.³ The political agenda formed as part of the coalition negotiations between the two Parties has outlined a significant program on climate and energy including:

- Establishing a Green Investment Bank for low carbon investment
- A ‘Green Deal’ to drive investment for energy efficiency, to be prioritized in an emergency budget to be completed within the first 50 days of office
- The establishment of a smartgrid and the rollout of smart meters
- The establishment of an emissions performance standard that will prevent coal-fired power stations being built unless they are equipped with sufficient CCS to meet the emissions performance standard
- Continuation of the present Government’s proposals for public sector investment in CCS technology for four coal-fired power stations; and a specific commitment to reduce central government carbon emissions by 10 per cent within 12 months
- The provision of a floor price for carbon, as well as efforts to persuade the EU to move towards full auctioning of ETS permits
- A review to look at raising UK renewables targets

It is possible that differences over Europe between the Conservative and Liberal-Democrat Parties may impede implementation of this agenda. The generally Euro-skeptic Conservative Party has committed to take back some powers given over to Europe whereas the Liberal-Democrats are strongly pro-European. So far the Parties have taken a pragmatic approach to working out their differences over Europe, but given the centrality of Europe’s role in climate and energy security issues this may cause difficulties down the line. There has been no mention of altering the UK’s domestic carbon reduction target of 34% below 1990 by 2020. However, the UK’s share of the EU’s 2020 emissions reduction commitment are set as part of an EU package, as is carbon trading through the EU Emissions Trading System. Critical energy security issues, such as gas imports from Russia and electricity interconnection, are also increasingly being taken at a European level. It is therefore vital that the UK is able to maintain good working relations with the rest of Europe in order to deliver its agenda.

The other major area of disagreement between the two parties will be over nuclear power. The Conservatives have committed to replacing the UK’s current stock of ageing nuclear power stations (provided they do not receive any public subsidy) while the Liberal-Democrats have long opposed any new nuclear build. The coalition negotiations resulted in an ‘agreement to disagree’ on this issue, but it may still become a lightning rod for distrust between the two Parties.

The new Government is still in its infancy but looking forward it is likely that climate security will be a major theme that both Prime Minister Cameron and Foreign Secretary Hague will emphasize. This will be backed up by a substantial domestic

³ <http://www.guardian.co.uk/environment/2010/may/14/cameron-wants-greenest-government-ever>



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agenda focused on low carbon finance, investment in new technology and energy efficiency. How this agenda plays out against a backdrop of major cuts in overall public expenditure as the Government tries to reduce the UK's spiraling budget deficit remains an open question. This combined with the differences over Europe and nuclear power will provide a significant challenge in the months to come.