

Environment Agency helps industry reduce carbon emissions to fight climate emergency

A [new report](#) on an energy efficiency reward scheme shows how businesses across multiple industrial sectors are cutting energy usage in order to fight climate change.

The Climate Change Agreements (CCA) scheme, which offers tax benefits to firms which agree to energy efficiency targets, saw a collective reduction in emissions of 6.6 million tonnes of carbon dioxide equivalent during 2019 and 2020.

This equates to an overall emissions reduction of 13.3% across a total of 8,705 facilities signed up to the scheme, which is administered by the Environment Agency on behalf of the Department for Business, Energy and Industrial Strategy (BEIS).

The EA's latest biennial report, published online, also shows that, between 2013 and 2020, the CCA scheme has seen total emissions savings of 23.8 million tonnes of CO2 equivalent.

Sir James Bevan, Chief Executive of the Environment Agency, said:

The CCA scheme is encouraging businesses to find ways to reduce their energy usage and consequently their carbon emissions. Innovation is key, and the Environment Agency is here to support that through progressive regulation.

We are already seeing the effects of climate change in the UK, so it is vital that businesses face up to the challenge of adapting to a different climate, thinking about energy use as well as the use of natural resources, such as water, which will become more scarce in the future.

Business and Energy Minister, Lord Callanan, said:

Industry has a critical role to play in helping the UK meet its net zero target by 2050 and today's report shows the immense progress being made to improve energy efficiency and reduce carbon emissions across UK sectors.

With the recent extension made to the Climate Change Agreements (CCA) scheme to support business to decarbonise while remaining competitive, we expect to see results like these continue – as the UK business community demonstrates how both green and growth go

hand in hand.

The CCA scheme encourages industry-wide energy reduction, with associated reductions in carbon dioxide emissions, to help the UK's drive to become net zero by 2050.

Energy efficiency improvement targets within the CCA scheme are agreed between Government and sector associations.

Participating operators that meet their energy efficiency targets receive an agreed reduction in the Climate Change Levy, a tax that is applied to commercial electricity, gas, and solid fuel bills.

During the 2019-20 reporting period, the operators of 1,510 (47.4%) agreements, covering 3,110 facilities, met or exceeded their improvement targets. Operators who failed to meet their targets used any banked emissions savings from previous target periods, and paid a buy-out fee for each outstanding tonne of emissions above the target.