

Statement to Parliament: The Clean Growth Strategy

The government is today publishing the Clean Growth Strategy – an ambitious strategy to cut emissions while keeping costs down for consumers, creating good jobs and growing the economy. This is an important component of our modern Industrial Strategy. We are also laying our responses to the Committee on Climate Change's 2017 Progress Report to Parliament and publishing a suite of related documents.

Clean growth can make a real difference to people's lives, from reducing energy bills and improving air quality, to supporting new technologies and boosting earning power in high-quality jobs.

We start from a position of strength. We have already made significant progress towards our legally binding 2050 target to reduce emissions by at least 80 per cent against 1990 levels. We exceeded the target emissions reductions of our first carbon budget (2008 to 2012) by one per cent of the budget level and we project that we will outperform against our second and third budgets covering the years 2013 to 2022 by almost five per cent and four per cent respectively.

The UK is a world leader in cutting emissions while growing the economy. Provisional statistics indicate that UK emissions in 2016 were 42 per cent lower than in 1990 and 6 per cent below those in 2015. At the same time, the UK's GDP has increased by 67 per cent since 1990 showing that a strong, growing economy can go hand in hand with reduced emissions. On a per person basis, this means that we have reduced emissions faster than any other G7 nation and led the G7 group in growth in national income over the period.

The global transition to a low carbon economy offers huge growth opportunities which the UK is well placed to take advantage of as a core element of our Industrial Strategy. Our low carbon sector already employs over 230,000 people directly and another 200,000 through supply chains. Analysis for the Committee on Climate Change estimated that the low carbon economy has the potential to grow 11 per cent per year between 2015 and 2030 – four times faster than the rest of the economy.

While we have performed strongly to date, the task ahead is significant. The Clean Growth Strategy sets out policies and proposals across the whole of the economy and the country including business, housing, transport, power, the natural environment and the public sector.

Low carbon innovation is at the heart of our approach, with over £2.5 billion of government investment from 2015 to 2021. This forms part of the largest increase in public spending on UK science, research and innovation in almost 40 years.

The Clean Growth Strategy is an important milestone in the UK's work to cut

emissions and grow the economy. But it is not the end of the process. Clean technology is developing at a rapid pace and costs are falling faster than many predicted – for example, the cost of offshore wind has halved in two years. We look forward to working with colleagues across both Houses and the Devolved Administrations, and with people and organisations across the country, to ensure the UK can continue to lead the world in clean growth.