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The Rt Hon Chris Huhne MP
Secretary of State

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Our ref: MC185813

Your ref: 01101782

The Rt Hon Tessa Jowell MP
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28 June 2010

A handwritten signature in black ink, appearing to read "Chris Huhne".

Thank you for your letter dated 28 May enclosing correspondence from your constituents, about priorities for the new Government.

I welcome your constituents' interest in reducing carbon emissions and moving to a low carbon economy. The agenda they outline raises a number of key issues and I will discuss each of these in turn.

Carbon Reductions - The Government wants all countries to deliver at the top end of the emissions reduction commitments they have made in the Copenhagen Accord. We want the EU to show global leadership in tackling international climate change and to accelerate the global move to a low carbon eco-friendly economy by increasing its emissions reduction target to 30%.

We have also pledged to reduce central government carbon emissions by 10% within the next 12 months. This is the most ambitious commitment on UK Government emissions ever made.

A Green Investment Bank - I am pleased that your constituents support the creation of a Green Investment Bank. This is a high priority for the Coalition Government. We want the Bank to help improve the availability of finance in support of the UK's transition to a low carbon economy. We are considering the precise nature of its functions, the corresponding form and funding, and will make a statement in due course.

Home and Energy - The benefits of energy efficiency for households are clear: saving money on energy bills, reducing reliance on imported energy and helping householders reduce their carbon emissions. Through our 'Green Deal', we will encourage home energy efficiency improvements paid for by savings from energy bills. We will also take measures to improve energy efficiency in businesses and public sector buildings.

Emissions Performance Standard - We will establish an emissions performance standard (EPS) that will prevent coal-fired power stations being built unless they are equipped with sufficient carbon capture and storage to meet the EPS. An EPS in the UK

will show a global lead in targeting emissions from coal and will drive the development of CCS, helping to encourage green jobs.

A secure future for biodiversity - The new Government is wholly committed to addressing the crucial issue of reducing international deforestation, not just for the benefit of the climate, but for people and the environment too. I was pleased to reconfirm at the recent launch of the Interim REDD+ Partnership in Oslo on 27 May, the UK commitment to provide £300m to this effort in the period 2010-2012. The Interim REDD+ Partnership will be essential for coordinating global efforts to deliver real changes on the ground and supporting work towards an ambitious UN agreement, including REDD+, at COP16 in Cancun.

Heathrow - As well as cancelling plans for a third runway at Heathrow we will refuse permission for additional runways at Gatwick and Stansted. From 2012 onwards, flights (with some exceptions) arriving at and departing from the EU will be included in the EU Emissions Trading System (EU ETS). The EU ETS works by capping total emissions to a fixed limit, with operators required to surrender allowances for each reporting year to cover their total emissions. European Commission has estimated that aviation's inclusion will lead to a reduction of 194 million tonnes of CO₂ across the EU by 2020.

This is the decade to deliver jobs and growth right across the low carbon economy, to give the power industry the confidence it needs to invest in low carbon energy projects and to make it far easier for people to make their homes energy efficient. Further information about the Department's policies is available on our website: <http://www.decc.gov.uk/>.

A handwritten signature in black ink, appearing to read 'CHRIS HUHNE', with a stylized flourish at the end.

CHRIS HUHNE