

STATEMENT

17 November 2006

BCA Statement on the Stern Review on the Economics of Climate Change

The UK cement industry welcomes the publication of the Stern Review on the Economics of Climate Change and its potential impact as a catalyst for both increasing awareness and galvanizing urgent action, both domestically and internationally, on reduction of greenhouse gases. The United Kingdom has for some time provided the lead on climate change issues and the publication of this report provides convincing, definitive arguments that the costs of action, whilst high, will be substantially lower than the longer term costs of inaction.

As an energy intensive industry, the UK cement manufacturers have long been aware of the need to increase their efficient use of energy with a view to reducing production costs and emissions of carbon dioxide (achievement to date: 28% reduction in CO₂ emissions over 1990 baseline, a saving of over three million tonnes of CO₂ over this period).

British Cement Association members are committed to sustainable development; they launched their own strategy in November 2005, an important component of which is a carbon reduction programme that will help the Government to meet its target of a 60% reduction in emissions on 1990 levels by 2050.

The British Cement Association supports the broad conclusion of Stern that action to tackle climate change cannot be delayed and re-affirms the role that the cement industry worldwide must play in achieving its goals. In a report of this complexity, the industry accepts the impossibility of giving a totally accurate representation of all the industrial and other sectors considered, and this is so for cement manufacture.

Whilst these inherent errors do not in any way negate the broad conclusions that are drawn, there is a danger that policy developed from some of the inaccuracies and false premises contained in the review may have a substantial influence on specific industry sectors, such as cement.

A preliminary examination of the report has revealed important areas where clarification or correction is required, but given the comprehensive nature of the Report, a more detailed, holistic analysis is required. This is currently being undertaken by the British Cement Association and the findings will be reported to the Stern team shortly.

-ENDS-

For further information:

Damian Testa, Head of Public Affairs and External Communications at the British Cement Association. Tel: 01276 608700, Mobile: 07866 388250 or Email: dtesta@bca.org.uk

Notes to editors:

The British Cement Association (BCA) is the trade and research organisation that represents the interests of the United Kingdom's cement industry in its relations with Her Majesty's Government, the European Union and relevant organisations in the United Kingdom. The members of the BCA (Buxton Lime Industries, Castle Cement, Cemex Cement UK and Lafarge Cement UK) are the major domestic manufacturers of Portland cement producing over 90% of the cement sold in the UK.

The cement industry has an annual turnover of £775 million and is a major supplier to the construction industry. It employs around 3,400 people directly with a further 15,000 jobs depending upon its operations.