

**Renewable Energy Select Committee – Written Evidence - Ross Gill - KCC  
Economic Strategy and Policy Manager**

**Subject: Low Carbon Opportunities for Growth**

**Summary:**

This report introduces the final draft of *Low Carbon Opportunities for Growth*, a strategy for low carbon economic development for Kent. This was prepared in 2009/10 by KCC to sets out an overview of the economic opportunities presented by the need to reduce carbon consumption and by increasing demand for 'green' goods and services.

This report presents for the Select Committee the background to the development of the report together with a summary of its contents and sets out the anticipated next steps in taking it forward.

---

**1. Introduction: the strategic context**

- 1.1. Two key strategic documents produced in 2009 set the context for a greater focus on environmental economic opportunities. Firstly, *Unlocking Kent's Potential*, KCC's Regeneration Framework, recognised the need for a better understanding of the changing potential of Kent's economic sectors, and committed to the development of a Kent Sectors Strategy. Secondly, the draft Kent Environment Strategy sets out a vision for a low carbon economy, in which the county is seen as a preferred location for green technology companies and in which greenhouse gas emissions are consistently reduced.
- 1.2. At the same time, Kent Economic Board established a private sector led task and finish group in autumn 2009 focused on how the county can maximise the economic opportunities arising from the need to reduce carbon emissions.
- 1.3. Following the Regeneration Framework and the Kent Environment Strategy, *Low Carbon Opportunities for Growth*, attached with this report, was prepared in September 2009 as a discussion document contributing to the overall Sectors Strategy and supporting the work of the KEB task and finish group.

**2. The need to focus on 'green' economic opportunities**

- 2.1. *Low Carbon Opportunities for Growth* recognises that the impact of climate change, and the measures needed to mitigate it, will fundamentally change the way in which the economy works. For example, to meet Britain's targets for the reduction of greenhouse gas emissions, by 2050, we will need to produce each unit of economic output with just 10% of the carbon dioxide emitted today. At the same time, the need to protect the environment means an increasing regulatory burden on economic activity (which is likely to increase over time) and greater pressure on oil reserves will lead to higher energy and transport costs. Environmental pressures on business are therefore here, rising and unlikely to diminish.

- 2.2. However, these costs are accompanied by significant opportunities. For example, higher prices for conventional energy increases the commercial viability of renewables, greater fuel efficiency presents long term competitive advantages, and increased demand for measures to reduce carbon use creates opportunities for new products and services.
- 2.3. These opportunities and challenges are of course global, rather than Kent-specific, and local and national governments around the world are developing approaches to enable their areas to gain competitive advantage. It is therefore important to understand where Kent's likely advantage really lies and where we (as the County Council directly and with partner organisations) can usefully direct our efforts to make a positive difference.

### 3. Opportunities for Kent

- 3.1. *Low Carbon Opportunities for Growth* sets out the potential in a number of key sectors in Kent, focused on:
- Offshore wind
  - Nuclear energy
  - Carbon capture and storage
  - Community heating systems and biomass
  - Low carbon buildings and construction
  - Clean technologies
  - Electronics, ICT and remote working
  - Business, consultancy and financial services
  - Agriculture and land-based activities
- 3.2. In addition, the increasing pressure of environmental regulation and changing consumer demand mean that other parts of the economy not directly associated with environmental goods and services will need to reduce carbon emissions. The potential gains from the need for increased environmental sustainability are therefore broader than those captured by environmental technologies alone.
- 3.3. The report sets out a 'menu' of potential actions that KCC and its partners could take in support of the development of a lower carbon economy (see pages 23-27 of the report). These fall into four broad categories:
- **Increasing demand:** Actions through which public sector intervention can help to create low carbon markets in Kent
  - **Support to business:** Actions through which the public sector can assist Kent businesses in developing innovative low carbon products and services
  - **Developing skills:** Actions through which the public sector can ensure provision of the skills that a lower carbon economy will need
  - **Increasing market knowledge:** Actions through which we can ensure that we have an informed awareness of the market for low carbon goods and services

- 3.4. The potential actions listed are intended to prompt discussion and debate at this stage, rather than being prescriptive. However, the draft of *Low Carbon Opportunities for Growth* has been subject to considerable discussion at KCC's Regeneration and Economic Development Policy Overview and Scrutiny Committee, the Regeneration Board and KEB's Maximising Green Market Opportunities task and finish group.

#### **4. Next steps**

- 4.1. Although a number of businesses and business support organisations have been engaged in the preparation of *Low Carbon Opportunities for Growth*, there is a need for wider private sector input. It is intended that an event bringing together a larger number of businesses will be organised for later in 2010, enabling fuller consultation to inform KCC's (and our partners') future support for sector development.

#### **Background documents**

*Low Carbon Opportunities for Growth: A strategy for low carbon economic development in Kent* (Version 6: Final draft), January 2010

#### **Author contact details:**

Ross Gill  
Economic Strategy and Policy Manager  
Research, Strategy and International Division  
01622 221312 (7000 1312)  
[Ross.gill@kent.gov.uk](mailto:Ross.gill@kent.gov.uk)