



Institute of Environmental
Management & Assessment

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Mandatory reporting of greenhouse gas emissions is vital for business and the environment

78% of FTSE listed businesses are failing to report data on their greenhouse gas emissions

The Institute of Environmental Management and Assessment (IEMA), the UK's largest environmental professional association representing over 15,000 practitioners, responded to the government's evidence on GHG reporting published today and called on government to quickly introduce mandatory reporting on greenhouse gas emissions for large companies.

Reporting enables companies to move from seeing the environment as a bolt on to integrating it into the way they do business. Over 80% of business professionals who were surveyed by IEMA say that mandatory reporting of GHG emissions should be introduced for companies as it can deliver significant benefits, with those reporting emission reductions achieving an average of 9% CO₂ savings over the last two years. These professionals recognise first hand that GHG reporting is an essential enabling tool encouraging companies to cut their GHG emissions and reduce costs.

However, as DEFRA's report shows, 78% of FTSE listed businesses are failing to report data on their greenhouse gas emissions, therefore missing out on vital business and environmental benefits. DEFRA's report also shows that UK businesses are lagging behind the rest of the world in providing transparent and consistent GHG reporting to investors and stakeholders.

"Government needs to act now to introduce mandatory GHG reporting to ensure that UK businesses gain the benefits from embedding sustainability into their corporate strategy," said Martin Baxter, Executive Director of Policy, Institute of Environmental Management and Assessment.

IEMA members are in the front line on climate change, working inside businesses and making the case for carbon and energy reduction. Of the businesses IEMA surveyed 90% identified

cost savings as a benefit of reporting, and around 80% said improving their reputation amongst stakeholders, customers and investors was also a benefit.

“Those businesses that publicly report on their greenhouse gas emissions are more ambitious and likely to want to become carbon leaders, moving beyond achieving legal compliance towards low carbon leadership. IEMA is delighted to see that the environmental professionals’ views are now being considered by government and that business and investors are recognising the value of standardised GHG reporting. Government has the evidence base to act now to make reporting on GHG emissions mandatory. Mandatory reporting is essential as it will create a consistent and clear framework to enable businesses to plan and benefit from GHG emissions reductions,” said Martin Baxter, Executive Director of Policy, Institute of Environmental Management and Assessment.

Notes to editors

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Explanatory notes

UK lags behind on GHG reporting

According to DEFRA’s report the UK is lagging alongside other countries (EU and other) when it comes to GHG reporting. For example in 2010, 50% of UK FTSE 350 companies made their disclosures public compared to 65% in the rest of the world. And only just over half (54%) reported on their GHG emissions in their annual corporate report compared to 73% (CDP 2010 global survey). This highlights that UK businesses are not matching the rest of the world in providing transparent and comprehensive GHG reporting to investors and stakeholders.

IEMA’s contribution to DEFRA’s report

IEMA’s report is one of the key pieces of evidence that has been cited in DEFRA’s report.

With COP 16 (the latest round of climate change talks) just starting, climate change is on the UK government’s agenda. Today government is due to report on the current evidence about the contribution that GHG reporting makes in terms of the UK meeting its climate change objectives. This report will be presented to Parliament in accordance with the Climate Change Act (paragraph 84). The Climate Change Act requires that by April 2012, the Companies Act should cover the inclusion of GHG emissions in company reporting, if not reasons have to be presented to Parliament.

The Institute of Environmental Management and Assessment has been calling for the introduction of mandatory GHG reporting (and in October 2010 issued a report on this subject, with 80% of its members calling for the introduction of mandatory GHG reporting).

IEMA's report has been quoted extensively in the government report and gives the view of the 15,000 environmental professionals that it represents.

Martin Baxter, Executive Director of Policy, IEMA is available for comment on this subject and to explain why mandatory GHG reporting is key for UK business.

The Institute of Environmental Management & Assessment (IEMA) is the UK's leading environmental professional association. IEMA has 15,000 members worldwide and represents professionals working in FTSE 100 companies, public sector organisations, SMEs, consultants and higher education. An independent, not for profit organisation funded by our members, our aim is to promote best practice standards in environmental management, auditing and assessment for all industry sectors. For further information please see Appendix I.

The Special Report - GHG Management and Reporting was derived from a comprehensive survey of 1,674 practitioners who are members of the Institute of Environmental Management and Assessment. Further in-depth research was conducted through a series of workshops attended by 200 practitioners to further discuss and examine key issues. A media executive summary of the report can also be found on - www.iema.net/ghgpress and a full copy of the report on www.iema.net/ghgreport

Case studies of IEMA member companies that demonstrate the benefits of GHG reporting and management can also be found on www.iema.net/ghgreport/cases. The companies highlighted include: RSA and Balfour Beatty.

Appendix I

Institute of Environmental Management and Assessment

The Institute of Environmental Management & Assessment (IEMA) is the UK's leading environmental professional association. IEMA has 15,000 members worldwide and represents professionals working in FTSE 100 companies, public sector organisations, SMEs, consultants and higher education. An independent, not for profit organisation funded by our members, our aim is to promote best practice standards in environmental management, auditing and assessment for all industry sectors. IEMA does this by delivering the following services:

-representing environmental professionals in our policy work - Our professionals represent a multitude of UK sectors including construction, manufacturing, finance, retail, energy, engineering, water, food and drink, waste and infrastructure. Membership ranges from students who are starting out in their career to those who are at the top of their profession. According to a recent IEMA survey, our members are very well qualified with 9 out of 10 educated to degree level and nearly 50% of our members hold a post-graduate qualification of a Masters or doctorate.

-contributing to UK government policy and legislation - as our membership base is the largest representative sample of UK environmental professionals we frequently contribute to the development of key areas of UK policy and legislation. Recent contributions include:

- The Department of Energy and Climate Change's (DECC's) consultations on proposed national policy statements on energy, carbon budgets and Guidance on Carbon Neutrality.
- The Department for Environment, Food and Rural Affairs (Defra) on the development of guidance for the measurement and reporting of greenhouse gas emissions, a requirement under the Climate Change Act 2008.
- The House of Commons Environmental Audit Committee inquiries in to green jobs and skills and climate change adaptation.

-setting the standard for training and qualifications - ensuring that environmental professionals are supported throughout their career with access to training courses and qualifications that help them develop their knowledge and expertise within their organisations. Our training courses cover a range of subjects from resource efficiency to environmental management, auditing, carbon reduction and procurement and spans many levels from diploma to foundation course, tailored courses for senior executives and for those at the top of their profession, including Chartered Environmentalist.

-acting as a central source of information - through our events, publications and technical knowledge

-The Environmentalist - the monthly professional magazine that is the resource guide for environmental professionals across the UK and internationally. With a growing circulation of nearly 15,000 the publication covers the latest research, technical news, policy updates, legislation practical tools and skills updates.

- events and conferences including 3 national events and over 100 regional workshops for environmental practitioners across the UK

- practitioner guides and special reports that focus in on key environmental topics and issues. Recent climate change examples are: Mitigating Climate Change: a guide for organisations (2009), Adapting to Climate Change: a guide to its management in organisations (2009).