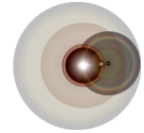


# **Business Models for the Low Carbon Economy**

**Declan Murphy**  
**CEO The Ecology Foundation**

**Ireland-France Chamber of Commerce**  
**February 25<sup>th</sup> 2009**



Your Excellency, Ladies and Gentlemen,

Climate change is real,  
It's happening,  
And it's happening faster than any of us predicted.

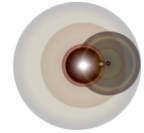
You might think it strange in the midst of an epic recession for someone to stand up and talk about climate change,

And you might think it strange for a businessman in a suit to stand and talk about climate change.

But actually -that's the point.....

Climate change has inextricably linked our global economic recovery to ...

- The science of physical measurements of the planets reactions to green house gasses
- Linked to the resulting unstoppable global political demand for climate solutions for clean energy for carbon regulation
- Linked to the investment explosion to re-engineer our society, where on energy alone we need to invest \$30 trillion by the year 2035 ( which is x10 current investment rates)
- Linked to the parallel population growth of up to 3billion additional people while we try to reduce emissions by up to 80% - this will



force process efficiency and sustainability of all natural resources to the forefront of business.

- Linked to the Chinese awakening that they too want to see the sky, and that they see the future green economy as a way to leapfrog decades of competition with the west
- Linked to the USA's greentech stimulus packages, and the certainty that Green Tech is the Next Big Thing.

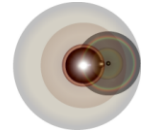
Yes Ladies & gentlemen, Climate change is an environmental issue, but its solutions are not!

The transformation of our society, our economy from polluting to low carbon is a business issue, and this is where environmental groups so often let us down.

Climate change demands the right government regulatory framework, it requires massive infrastructural projects, and millions of incremental business decisions.

It must be a pro business debate, it must reflect the way our system actually works, and it must deliver profits to companies and leaders who do the right thing!

When we in the Ecology Foundation look at the science of climate change, the speed of the planets physical responses, and the scale of the transformation ahead, it's a daunting task. In 2008 I had concluded it was an unwinnable challenge, we simply can't mobilize quickly enough to deliver the changes within the timetable suggested.



However in 2009 (whether because of the financial crisis or just by coincidence) something seems to have happened. Just this year we have seen the world largest and arguably "most polluting" oil and gas developers ( namely Russia & middle east) have realised the need to start holding renewable assets, and have even started to talk themselves about a 100% renewable future - and they want to control it!

We have seen Nuclear proposal in the UK being now supported by many environmental groups as a necessary if unfortunate element of our climate response - it is going to happen!

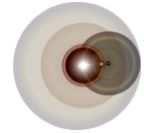
We have begun to see commentators realize that the big big issue facing our society isn't cars, flights or transporting apples, it is actually COAL!

And we've seen the Americans jump on board, with a business mentality that will quickly find ways to ensure low carbon is the next internet, the next Wall street - with the exception that this time we really, really need it!

And in Ireland too we see positive movement, although the media tends not to report it, and we seem to focus on the recessionary elements, on our missing current Kyoto and EU targets, and we tend to only talk about light bulbs, wind and wave.

But actually Ireland has a very positive position on climate change, and just might be poised to grab a piece of the global investment in climate solutions.

The ESB's plan to be net carbon zero by 2035 with a €22 billion investment is simply world beating. No other nation (except Norway which has clean hydro power) has made such a bold statement - however Ireland hasn't



communicated this to the world and we get zero international recognition for this.

Bord Na Mona have announced a New Contract with Nature, will co-fire their existing power plants with bio mass thus generating an Irish biomass industry single handedly, and dramatically reducing our emissions. This is leadership, and they also plan to be a major wind energy producer

Bord Gais is investing hugely in helping their clients become more energy efficient, and possibly hold the key to retrofitting energy standards to Irelands housing stock - which means jobs!

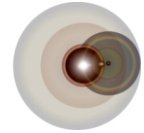
These three core elements of Irish industry have fully understood and embraced the future...

But equally, there are Irish investors in each of the world's largest solar thermal power plants,

Our past property development mentality is precisely the approach needed for renewable project development globally, so why don't we go get it?

The Corrib gas project, despite its false starts, adds another dimension of reasonably low emission fuel but more importantly, vital fuel security while we invest in a renewable future.

Ireland is currently being considered as a test site for the future electric transport systems, which will lead to Irish innovation, Irish jobs, because the world simply has to follow.



Ireland has the highest per capita investment plan for grid upgrades €4bln to make our grid capable of handling high percentage of renewable (unpredictable) energy, and this gives us an unrivalled position to again create and hold expertise and IP, again this means jobs, export and wealth, because every single country in the world has to do the same thing sooner or later. We are one of the first.

It's only a matter of time before farmers secure a feed-in tariff and become micro wind and biomass power generators

It's only a matter of time before commercial models to rollout long overdue district heating project in Ireland take hold

It's only a matter of time before companies of a certain scale realize that they too can be power generators.

Your excellency, Ladies & Gentlemen,

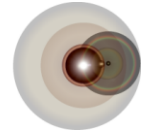
There is a significant movement already underway in Ireland, positioning our society to lower its own emissions and opening international opportunities to Ireland.

We need to coordinate direct and communicate this better.

But for each of us in the audience, for anyone managing a business, what can or should YOU do?

The answer is quite simple....

- Be responsible



- Be informed
- Be innovative

**And the way you do that is by preparing a company carbon strategy**

Thankfully Carbon = Energy = Cost,

So by preparing a company carbon strategy you identify cost savings immediately.

We at the Ecology Foundation would argue that business need to immediately also understand the threats from this low carbon transition, and identify where your future role in this economy is.

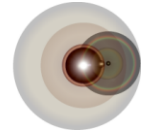
Ladies and gentlemen, it would be a brave person who would say that the next economic recovery would not include the low carbon transition, and indeed its beginning to look like this low carbon transition is precisely the catalyst to spur financial recovery.

Global Political Decisions have already been made, this is going to happen, Ireland is remarkably well placed so please make sure

***You grab your piece of the future economic growth.***

Thank you.

**ooENDoo**



**For Further Information Contact:**

**Declan Murphy**

**CEO**

**The Ecology Foundation**

**[declan@forest.ie](mailto:declan@forest.ie)**

**+353-877-471-464**

**or**

**Mark Rutledge**

**Country Director**

**The Ecology Foundation**

**[mark.rutledge@theecologyfoundation.org](mailto:mark.rutledge@theecologyfoundation.org)**

**+353-1453-2638**

**+353-866-050-607**