

Department of Energy & Climate Change 3 Whitehall Place, London SW1A 2AW www.decc.gov.uk

20 March 2012

Dear colleagues

RE: OUTCOMES OF THE RED TAPE CHALLENGE ENVIRONMENT THEME

In September 2011 the government asked for submissions on its environmental regulations as part of the government-wide Red Tape Challenge. Business has a vital role to play in protecting the natural environment and building the low carbon economy, and the aim of this project was to gather innovative ideas on how to best protect the environment whilst removing unnecessary burdens on business which may currently exist. I would like to thank everyone for their suggestions and comments which have been extremely valuable.

This process has highlighted that the Climate Change Act, which puts legally binding targets on the government, is an example of essential legislation which gives much-needed certainty to business and the international community without unnecessary regulatory burden. For that reason, the Act and its supporting regulations remain unchanged.

That does not mean however that there isn't room for improvements in other areas. As part of our work on transposing the revised EU Emissions Trading System (EU ETS) Directive ahead of phase III, we will introduce changes to the framework underpinning the EU Emissions Trading System and the UK's greenhouse gas inventory. These changes will reduce the administrative burden of complying with these regulations, while maintaining the environmental objectives of the policies. We will shortly be consulting on these changes.

As you will be aware, in November DECC also invited submissions on the UK's energy regulations and I will provide a further update on progress in this area in due course.

Yours sincerely

Edward Davey Secretary of State for Energy & Climate Change