

Press Release

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Difficult decisions needed on energy policy

The UK should not rule out future reliance on nuclear energy, the Institute of Directors (IoD) said today. It is just one of several suggestions made in a new report assessing the Government's current energy policy. The report also questions whether policy-makers are expecting too much too soon from renewable energy.

Geraint Day, Environment Policy Analyst at the IoD, said:

"It is critical that the Government and the EU adopt a pragmatic, rather than, ideological approach to the delivery of energy policy. Although renewable energy may be 'green' we cannot rely on it as the major source of energy."

The IoD pointed out that the UK is running short on North Sea oil and gas and that within the next 20 years will become an importer rather than an exporter. In fact, it is estimated that by, 2020, the UK could be dependent for 75 per cent of its primary energy requirements on imported sources, which means possible reliance on politically unstable countries.

Geraint Day, said:

"The key thing is that we get the mix right, so if one energy source is interrupted, we can rely on another. We need to ensure that there is security of supply that we can control, and invest more in research and development on new technologies.

"Rather than relying too much on targets for renewables, economic policies that will encourage innovation are more likely to lead to breakthroughs in the required technologies."

The IoD said that some difficult decisions need to be made to avert serious problems in the future. At present the Government wants to phase out nuclear power by 2020. But it also promised in its Energy White Paper of 2003 to have further public consultation and debate about nuclear power.

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Notes to editors

1. For a full copy of the report, Energy: the Policy Climate, contact the IoD's Press Office on 020 7451 3264 or press@iod.com
2. The IoD (Institute of Directors) was founded in 1903 and obtained a Royal Charter in 1906. The IoD is a non-party political organisation with upwards of 54,000 members in the United Kingdom. Membership includes directors from right across the business spectrum - from media to manufacturing, e-business to the public and voluntary sectors. Members include CEOs of large corporations as well as entrepreneurial directors of start-up companies.
3. The IoD offers a wide range of business services which include business centre facilities (including six regional centres), conferences, networking events, issues-led guides and literature as well as information services and free access to a comprehensive business library and enquiry service. The IoD places great emphasis on director development and has established a certified qualification for directors - Chartered Director - as well as running specific board-level and director-level training and individual career mentoring programmes.
4. In addition, the IoD provides an effective voice to represent the interests of its members to government and key opinion-formers at the highest levels. These include ministers, constituency MPs, Select Committee members and senior civil servants. IoD policies and views are actively promoted to the national, regional and trade media.
5. For further information, visit our website: www.iod.com