

Press Release

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CBI TOLD TO STOP LOBBYING AGAINST THE PLANET

PHOTO CALL

8am, Monday 25 November at the Manchester GMEX Centre

Friends of the Earth campaigners will be outside the CBI conference to protest against the CBI for lobbying against environmental measures including liability for oil spills.

Friends of the Earth today hit out at the CBI for lobbying against environmental measures including liability for oil spills. It called on ministers attending the CBI conference in Manchester this week to make corporations fully accountable for their bad practices.

Through its lobbying activities (including via its European body, UNICE), the CBI has actively sought to weaken a draft EU liability directive which was specifically aimed at helping to deal with liability for oil spills. It has also opposed other measures aimed at protecting the planet as a FOE dossier on CBI activities reveals today.

Friends of the Earth's corporate campaigner Hannah Griffiths said

"The CBI has vigorously lobbied against any environmental legislation that might threaten its members' profits. It's time the Government stood up for people and the planet and ensured that their interests were put ahead of those of big business."

Friends of the Earth Manchester campaigner Graeme Sherriff said:

"The expansion of Manchester airport shows how much more powerful the voice of business is than that of ordinary people. The CBI is pushing for policies and supporting practices that threaten our communities. How much longer will the Government continue to ignore these concerns?"

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CBI Dossier

What's wrong with the CBI? Friends of the Earth 22 November 2002

The CBI is systematically lobbying against tougher accountability rules and in favour of environmentally destructive activities. A set of examples follow, but there are many more. Friends of the Earth believes this kind of lobbying in favour of profiteering at any cost is having a corrosive impact on democracy through the cooption of government behind a corporate agenda. We are calling for international and national rules to hold corporations to account and liable for their bad practices both in the UK and for UKPlc's impact overseas. FOE is pursuing this agenda through campaigning, for example, for tough corporate accountability measures under the United Nations and through the CORE Bill (see www.foe.co.uk, www.foei.org and www.corporate-responsibility.org).

CBI fights business liability for oil spill impacts

The CBI directly in the UK and through its European body UNICE is actively lobbying to weaken the European Union draft liability directive. The CBI is seeking to ensure liability is not applied for impacts on biodiversity. It also wants a 'permit' defence so that all permitted activities are not subject to liability. Ironically, as a totally unaccountable entity which will not even disclose its membership, it is also trying to ensure "unaccountable" public interest groups and individuals should not have rights to pursue liability. The Directive was given a new impetus after the Erika oil spill three years ago. But since then proposals have been weakened considerably following lobbying to such an extent that the directive will fail to resolve the complexities of liability so oil and shipping companies, for example, will continue to avoid full liability for disasters such as the Prestige spill.

CBI ensures corporate irresponsibility is the norm

The CBI says its lobbying ensured the European Union White paper on Corporate Social Responsibility was entirely voluntary for business: "The European Parliament Industry Committee has decided to reject calls for legislation requiring EU firms to release annual reports assessing the sustainability of their activities. The Committee decided that CSR should remain largely voluntary, in response to lobbying by the CBI and other EU business organisations." As a result it is a total waste of time, money and effort as business voluntarism has plainly failed to secure sustainable development. In May 2002 the United Nations Environment Programme concluded from an assessment of 22 industry sectors that only a few corporations had embraced sustainable development and for the "majority" it is "business as usual".

What is more the CBI is standing in the way of a private members bill to ensure corporations are made responsible. On the launch of Linda Perham's CORE bill (see www.corporate-responsibility.org) the CBI simply said: "We believe that corporate social responsibility should remain market-driven. We do not support a mandatory approach." The CBI opposes the bill.

CBI undermines efforts to tackle climate change

The CBI was a barrier to installing the climate change levy, one of the central planks of the Government's climate change strategy. It continues to criticise all elements of the tax package including the resulting tax shift off jobs and onto energy inefficiency. It has often presented environmental tax reforms as simply increases in tax without acknowledging the associated cuts in other taxes (*Green taxes: rhetoric and reality*, CBI, April 2002). It has even argued that the failure of the US to ratify the Kyoto Protocol demands reform of the levy (*ENDS April 2001*). It is a lobby position that is not constructive and reflects the views of only a few sectors which are typically intensive in their use of energy but not in employing people and does nothing stimulate or help its members innovate and invest for the low-carbon economy that the UK must develop.

Most business sectors including several manufacturing sectors stand to gain from the tax shift (*Cambridge*

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Econometrics, 1998. Industrial Benefits from Environmental Tax Reform in the UK, FOE & FFF). The majority of finance directors in UK businesses supported plans for the climate change levy (including 60% of finance directors in the manufacturing sector) according to a survey by the Chartered Institute of Management Accountants (*ENDS April 2000*). A recent in-depth survey of 24 businesses from manufacturing and service industries identified taxation as the measure preferred by business for tackling climate change and found the majority already could see positive effects of the climate change levy (*Green Alliance, 2002. New Steps for Energy Taxation*). Already firms such as Proctor and Gamble have switched their energy supply to renewable energy thus avoiding the levy.

CBI lobbies for airports everywhere

The CBI is a founder member of the industry front group – “Freedom to Fly”. The group is lobbying intensively for a huge expansion in air travel and airport capacity – including airports in internationally important biodiversity areas. The CBI claims that the economy of the UK is wholly dependent on more air travel expansion when in fact the aviation sector accounts for just 0.93% of UK gross domestic output – on a par with estate agents. However, they have been astonishingly successful at lobbying government because the recent consultation on the future of air transport is close to the CBI line – promoting more airports and travel and not seeking to manage demand.

CBI works to remove citizens rights from planning

The CBI proudly boasts that it “pushed the government into announcing [Planning] reforms that are badly needed and are widely seen as pro-business”. It specifically claims to have pressed the government to introduce a planning Green Paper. FOE has criticised the reforms for trying to squeeze out the public’s right to object to damaging development proposals which suits the CBI very well. They have also been pressing for business zones with lax planning despite the history of this not working and the success of the existing regime of getting business in the right place.

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