

climate change levy on energy suppliers that aims to encourage businesses to use energy more efficiently. Money from the tax is channeled into such measures as the development of renewable energy, including solar, wind and biomass production. The aim was to provide five per cent of UK electricity supplies by the end of 2003 and 10 per cent by 2010.

In 2006, Chancellor Gordon Brown asked former World Bank chief economist Sir Nicholas Stern to analyse the financial implications of climate change. The Stern Report was published in October 2006, with Sir Nicholas claiming that urgent action on global warming was vital, and that delay would multiply the cost 20 times.

Stern said the world must shift to a "low-carbon global economy" through measures including the development of new technologies, taxation, carbon trading and increased aid for developing countries. He said acting now to cut emissions would cost about one per cent of global gross domestic product each year.

In a radical climate action plan, London hopes to become the greenest city in the world by cutting carbon emissions by 60 per cent within 20 years. The plan aims to slash carbon output by reducing demand and wastage across the whole spectrum from individuals to households, businesses and local governments.



London's 7.5 million people will be urged to turn off lights, switch to low-energy lightbulbs and not to leave TVs, computers and any equipment on stand-by after use. Householders will be offered big subsidies to insulate their homes that account for 40 per cent of carbon emissions.

"This will make London the first city in the world to have a really comprehensive plan to cut its carbon emissions," said Mark Watts, climate change adviser to London Mayor Ken Livingstone. Businesses and local governments, which emit some 33 per cent of the

carbon, will be awarded green badges of merit for cleaning up their acts. "The private sector is moving faster than the public sector on climate change. Companies want to be seen having good green credentials," said Watts.

One company that is keen to promote its green credentials is Virgin Fuels, a new branch of the Virgin group, headed by Sir Richard Branson. Branson has committed 1.6 billion pounds to tackle climate change. He is pledging all profits from his Virgin air and rail interests over the next 10 years to combating rising