

Over 71% of Businesses Don't Know If They Will Be Affected By New Green Legislation

Companies that fail to act under the Carbon Reduction Commitment could face penalties and see a negative effect on reputation and brand value

Basingstoke, Hampshire 23 June 2010: A new survey by Green IT specialist Externus has revealed that 71% of business professionals still have no idea whether or not their company will be affected by the Carbon Reduction Commitment (CRC) – despite the fact that the legislation has already been introduced.

Over 54% had not even heard of the CRC, the UK's new domestic cap and trade scheme which has been created with the aim of stimulating energy efficiency in organisations.

The first major impact of the legislation, which will affect companies on a yearly-basis, will be the release of league tables in April 2011 that are set to become an important measure of how green a company is. Published one year on from the CRC coming into effect, the tables will show how energy efficient businesses actually are.

In total, approximately 5,000 large, non-energy intensive businesses will be affected by the CRC, including most corporations and sizeable companies. It is expected that a company's position in the league table with respect to their competitors could have a big impact on their reputation and brand value. Consequently, companies that end up lower in the league table will pay more and without considerable action, the process is likely to add cost to many businesses' products and services.

“The survey has highlighted that many organisations are unaware that they may be affected by the new legislation,” says Murray Sherwood, managing director of Externus. “There is a lot that can be done through better IT practices which will have a huge effect on emissions and help companies not only to meet targets under the CRC scheme and avoid penalties - but also to save money.”

Rather than forcing companies to spend money simply to help comply with legislation, a Green IT consultancy will help organisations to understand and comply with climate change regulations and at the same time, give a clear, manageable change plan that shows how improvements will bring a real and demonstrable return on investment.

“In office-based environments, IT represents over half of energy usage,” says Sherwood. “Our role as Green IT specialists is to help organisations to understand both the environmental impact and the economic cost of this IT use. Our work with the cruise company Carnival UK identified multi-million pound cost savings on its IT budget and showed ways in which it could drive significant reductions in its IT-related energy usage.”