

The CBI today commented on the launch of the Government's consultation on the revised draft national policy statements on energy, including the announcement that there will be no public investment in the Severn Barrage tidal project. Dr Neil Bentley, CBI Director of Business Environment, said:

"The revised draft national policy statements on energy are a key piece of the jigsaw in attracting the investment needed to upgrade our infrastructure, and move to a low-carbon economy. It is important they become law by next Spring to give investors confidence to commit to big energy projects.

"The Government has rightly recognised that the UK needs to do more to bolster our energy security while cutting emissions. This will require the development of a broad mix of sources, including new nuclear power, clean coal and renewable sources, such as waste incineration. The decision to give the go-ahead for energy companies to use new nuclear reactor designs is particularly welcome.

"Tidal power has the potential to play a significant role in the UK's energy future. Given the state of the public finances, it is understandable that Government investment in the main Severn Barrage scheme has been ruled out at this time. But the Government should continue to encourage innovation in tidal power to reduce the cost of this technology."