

PRESS RELEASE

Climate Change Adaptation will present Opportunities as well as Risks to Irish businesses

Forfás highlights climate change issues for business

(Tuesday 17 August 2010) Rising temperatures, increased risks of floods, wetter winters, drier summers and more intense storms are some of the climate changes anticipated to impact on Irish businesses in coming years. However changes in climate can also bring opportunities as well as risks to Irish businesses, according to a new report, *Adaptation to Climate Change: Issues for Business*, published today by Forfás, Ireland's policy advisory board for enterprise and science.

Speaking at the launch, Martin Shanahan, Chief Executive of Forfás said "Given that Ireland is expected to be relatively less affected by climate change than our key competitor countries, properly managed, Ireland can have competitive advantages through access to significant water resources and an ongoing temperate climate. This can present opportunities for indigenous companies to realise these competitive advantages and to promote Ireland as a relatively low risk location for business activity."

"The key now is to facilitate Irish businesses in planning ahead so that they can minimise risks, reduce costs and realise opportunities arising from climate change adaptation. Building awareness and capacity among businesses through supports from business representative bodies, enterprise development agencies and other stakeholders will be central to ensuring successful business adaptation in Ireland", he continued.

The Minister for Enterprise, Trade and Innovation, Batt O'Keeffe TD, said the report uncovered strong business opportunities for Irish firms which the Government's enterprise agencies should now target.

"Our adaptation to climate change presents domestic and international opportunities for Irish businesses across a range of sectors. For example, making new and existing buildings and infrastructure more climate-resilient presents opportunities for the construction sector while increases in global food demand due to global climate challenges can boost our agri-food sector. The challenge for the Government and our enterprise agencies is to help turn these new business opportunities into jobs as Ireland's economy emerges from recession and returns to growth."

The report highlights that without proper planning there could be significant costs associated with climate change to both businesses and the economy and points to the November 2009 floods, which resulted in infrastructure damage, property damage, poor water quality, power outages and the inability of workers to access work, as an example of the potential vulnerabilities. Insurance costs for the November floods totalled €244 million.

Adapting business infrastructure and the policy framework is also seen as critical to successful climate change adaptation in Ireland. The report makes a number of recommendations in the areas of water supply and quality, flood protection, energy, transport, communications and waste management to help critical infrastructure owners ensure that these pieces of infrastructure are climate resilient for businesses. Recommendations on a range of policy measures in areas which can help business reduce the risks and maximise the opportunities of climate change such as spatial policy, regulations, research and public procurement are also examined.

The report identifies the opportunities and risks of climate change in eight key Irish enterprise sectors:

- Food and drink
- Chemicals, pharmaceuticals and medical technologies
- ICT manufacturing and services
- Financial services including insurance
- Tourism
- Construction and building materials
- Environmental goods and services
- Retail, wholesale and distribution

The full report, and a summary document to accompany it, can be downloaded from the Forfás website, www.forfas.ie

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