Lesson 2 Business

ELE: Business and the Environment

# Controlling environmental costs notes

# Government regulation

# Environment Act 1995 (set up Environment Agency to monitor and control pollution)

# Air Quality Limit Values Regulations 2007 (sets targets for reductions in level of ozone in the air)

# Kyoto Protocol (agreement between countries to cut greenhouse gas emissions)

# Taxation

# Make firms pay for social costs of their activities

# Charge extra 5 pence to a firm for using ‘environmentally unfriendly’ packages

# UK government introduced, in 1990, a landfill tax

# Business charged extra for dumping waste in a landfill site

# Compensation

# Airport give grants to nearby residents for double glazing their windows

# Government subsidies

# Grant may be given to a business to build a recycling plant for plastics

# Councils encouraging use of bicycles.

# Road pricing and changes

# In 2005, Congestion Charge introduced to take cars into Central London

# Park and Ride schemes to reduce car use in city areas

# Pollution permits

# USA, EU – allows businesses to emit a certain amount of emissions

# Education: inform customers about pollution (e.g. anti-litter)

# Consumer pressure on firms

# Environmental audit (check amount of emissions produced by a business)

# Conservation

# Many businesses rely on using non-renewable resources (e.g. oil, iron, aluminium). Hence we could ban the use of some resources or use them sparingly (e.g. Marks and Spencer fishing cod)

# Recycling schemes – bottles, paper, aluminium

# Multilateral agreements – limits use of natural resources

# Government subsidies – encourage farmers to conserve countryside (maintain hedgerows)

# CONTROLLING POTENTIAL ENVIRONMENTAL COSTS

**GOVERNMENT INTERVENTION ACTIVITY:**

Read page 1 of the exam board notes

Research **3** government interventions

Use the links below to get started but also carry out your own research.

Climate change levy <https://www.gov.uk/green-taxes-and-reliefs/climate-change-levy>

Landfill Tax <https://www.gov.uk/green-taxes-and-reliefs/landfill-tax>

Emissions trading <https://www.gov.uk/green-taxes-and-reliefs/emissions-trading>

CRC Energy Efficiency Scheme <https://www.gov.uk/green-taxes-and-reliefs/crc-energy-efficiency-scheme>

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| **Explain/analyse** how each intervention helps to control environmental costs of business activity.  *(Consider purpose / how it works / impact)* |

# CONTROLLING POTENTIAL ENVIRONMENTAL COSTS

**EDUCATION ACTIVITY:**

Government and other agencies, such as charities can try to influence consumers and producers through educational and promotional campaigns.

Research **3** education examples

Use the links below to get started but also carry out your own research.

The Environment Agency <https://www.gov.uk/government/organisations/environment-agency/about>

Friends of the Earth <https://friendsoftheearth.uk/about-us/our-campaigns>

Energy Saving Trust <https://energysavingtrust.org.uk/about-us>

Keep Britain Tidy <https://www.keepbritaintidy.org/>

Carbon Trust <https://www.carbontrust.com/what-we-do>

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| **Explain/analyse** how each organisation helps to control environmental costs of business activity.  *(Consider the purpose of the group/campaign/promotion, how it helps and impact)* |

# CONTROLLING POTENTIAL ENVIRONMENTAL COSTS

**PRESSURE GROUPS:**

Read: *The role of pressure groups* section on page 2 of the exam board notes

Slides 6 to 19 of L2 slides

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| **What is a pressure group?** |

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| **Briefly describe the different types of pressure groups.** |

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| **What is the difference between direct and indirect action? Use examples.** |

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| **What are the effects of pressure groups on business?**  Successful campaigns can lead to legal and ethical changes in business practice for example: |

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| **How might businesses respond to campaign/pressure from organisations?** |

# CONTROLLING POTENTIAL ENVIRONMENTAL COSTS

**PRESSURE GROUP ACTIVITY:**

Research **3** environmental pressure groups

Use the links below to get started but also carry out your own research.

Greenpeace <https://www.greenpeace.org.uk/challenges/>

Environmental Welfare Group <https://www.ewg.org/>

Compassion in World Farming <https://www.ciwf.org.uk/about-us/>

Amazon Watch <https://amazonwatch.org/work>

Countryside Alliance <https://www.countryside-alliance.org/our-work>

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| For each organisation you should:   * Outline what type of pressure group they are. * Explain the type of action they take (e.g. direct/indirect, include specific examples) * Analyse the influence/effect these groups have had on businesses/government. |