

# Enterprise and Learning Committee

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## Introduction to Rockwool

Rockwool Ltd is part of the Rockwool International group of companies with its headquarters near Copenhagen in Denmark. With an expertise in energy efficiency and environmental issues, Rockwool International was a major sponsor of the COP 15 conference in 2009 and engages with the EC on developing energy policy and carrying out large scale research projects.

Rockwool Ltd has a manufacturing plant based in Bridgend, South Wales with sales offices in Hammersmith, London and Dublin, Ireland. The factory provides over 400 jobs in Wales and also secures and increases employment in Wales by working with a local haulage company, providing training and support for small businesses working in insulation installation and working with the utilities in setting up cost effective supply chain networks to deliver on their CERT (Carbon Emissions Reduction Target) obligations. With this background of international expertise and local contacts, Rockwool is ideally placed to improve the use of available funding to improve Welsh housing stock whilst also boosting the Welsh economy with local jobs and skills in line with the spirit and intentions of schemes such as Arbed in Wales' poorest communities.

Rockwool stone wool is recyclable and there was a recent £7 million investment in the Bridgend plant to significantly improve the capacity of the recycling plant to meet growing customer demand in the future as part of a larger £100 million investment to double the capacity of the plant with a technologically advanced, efficient production line.

### Business attitudes to investing in low carbon initiatives

Businesses are happy to invest in low carbon initiatives provided there is the long term regulatory vision to ensure this investment does not impact negatively on their commercial interests. There is an opportunity for WAG to learn from the mistakes made by the EEC/CERT programmes and the stop/start nature of these schemes which had a negative impact on manufacturers, distributors and installers who invested into improving capacity, staffing and skills to deliver the programmes.

### Impact of consumer attitudes on popularity of green products and technologies

The impact of rising energy prices and a particularly cold winter season has sharpened many people's interests in green products and technologies. Unfortunately there is a perception, strengthened by initiatives such as the Renewable Heat Incentive and the Feed-In Tariff schemes, that high tech measures are the answer and ignoring the principle of energy efficiency that place low tech, cost effective solutions as the first step e.g. insulating the property, fitting draught strips and energy efficient windows before moving onto less cost effective, high tech measures. In delivering challenging energy and carbon targets, these cost effective measures offer significant improvements but lack the visual impact of PV panels and wind turbines.

### Extent and success of procurement initiatives

Procurement initiatives can be a powerful incentive for businesses to invest and innovate to produce more sustainable products and services but need to be based on a sound understanding of the issues. Without this there is a danger of businesses being unfairly discriminated against and can lead to a longer term negative impact on the environment from the promotion and use of products and services for which full life cycle impacts have not been accounted for.