

most of Britain's leading mul-
He built his empire on the shoul-
factory workers in Sri Lanka,
7, Hong Kong and India. As an
diary between the UK's top fash-
ins - M&S, Top Shop and Next, to
ut a few - and developing-world
es, he cleaned up. He branched
ail chains (Whistles), catalogues

His friends are protective and unwilling to talk behind his back. His enemies - and he appears to have a few - are guarded and reticent. But the question remains: what has got into Caring? Why is he suddenly splurging cash at a phenomenal rate?

Close associates say that for the last three years Caring has been downsizing

sourcing business has been sold to Next. Caring insiders confirm he has also sold his 80 per cent stake in the Amanda Wakeley retail business. The reason, they say, is that the inexorable rise of the Chinese textile industry, combined with moves by leading fashion businesses to source their own clothes, has seen him, over the last three years, wind down the business that has sustained him. In

sador in a drive to recruit new members. There will be a luxury hotel built on its Surrey grounds. A Le Caprice offshoot may serve food at the club. The upgrade bill could be close to £100m.

This world is very different from dealing with factory owners in Sri Lanka and high street executives. But it is clear that fashion is no longer all the rage in Caring's new range of interests.

Sweeter by the gallon

As the G8 approaches, former energy minister Brian Wilson argues for the unthinkable - petrol-free cars



THE SAAB I drove from Stockholm to Arlanda airport could not have run more sweetly, which is as it should be since 85 per cent of the fuel tank's contents was derived from sugar cane. The flexi-fuel Saab 95 will be available in Sweden next month and two-thirds of orders are for the green version.

Sweden is the only country in Europe where consumers have that choice. Not that there is anything new about it. Henry Ford preferred bioethanol to gasoline, not only on grounds of efficiency but also because he was worried about security of supply. The southern states, feared Ford, might keep the oil.

Brazil, the world leader in bioethanol, puts 100 per cent sugar-based fuel into more than half its new cars. (The lower European maximum is accounted for by the need to ensure ignition in the cold.) At the time of the oil price shock in the 1970s, Brazil recalled that it had run its vehicles on sugar during the war and went down that road again.

In contrast, the European record is abysmal - with the exception of the Swedes. Sugar or wheat-based fuel might have been good enough for Ford and the land of Ayrton Senna, but in oil-profligate Europe it has been a virtual non-starter. The pretty disgraceful result is

that 98 per cent of transport fuels used in Europe are oil-based, while carbon emissions from the EU transport sector have risen by 20 per cent in the past decade.

As the G8 summit approaches and grounds are sought on which to parade environmental virtue, there is no more obvious hit than transport fuels. The technology is not in doubt and the capital costs relatively low. The main missing ingredient has been political impetus. Even the EU Directive which sets a target of 2 per cent transport energy from biofuels by 2005 and 5.75 per cent by 2010 is non-mandatory.

In reality, Britain will be lucky to get to 0.3 per cent this year and the prospects for 2010 hang largely on a decision the government is expected to take soon - whether to introduce an 'Obligation', similar to the Renewables Obligation in the power sector, which would mean fuel suppliers must meet the Brussels target by 2010. That is what the embryonic industry is lobbying for in preference to subsidies or tax advantages which should become unnecessary in an era of high oil prices.

While the oil majors may lobby against this imposition, they are already laying contingency plans in Britain and elsewhere. And, in a little-noticed development, this coun-

try's largest non-producing petrol retailer, Tesco, has gone a significant step further. Since the start of the year, 150 Tesco filling stations in the south-east of England have been selling a blend of 95 per cent petrol and 5 per cent bioethanol derived from sugar cane and imported from Brazil.

It is doubtful that many motorists who fill up at Tesco are remotely aware of their bit parts towards environmental self-improvement. But nobody has complained.

We are only committed to oil-based fuels out of habit

And at this level, no adjustments are required to car engines. If the same mixture was to be replicated at pumps across the UK, we would be well on our way to meeting that 5.75 per cent target.

But why stop there? We are only so committed to oil-based fuels out of habit and lack of exposure to alternatives. Perception, rather than any more substantive objection, is the main barrier to more extensive use of biofuels. As the black stuff becomes scarcer and more expensive, the time may have come for British motorists to be educated out of these attitudes, as is now happening so rapidly in Sweden.

Saab has followed Ford into the Swedish market with a model that will run equally well on bioethanol or petrol. Volvo will join them this year. All three, and other European

carmakers who trade in Brazil, could do the same in every European country. But chickens and eggs had nothing on flexi-fuel cars and the retail outlets that can ensure the reasonably widespread availability of bioethanol. That is an impasse which government prodding, if necessary through legislation, needs to break.

If an Obligation was introduced, Britain would create its own modest bioethanol-producing industry. Tony Sidwell, new business manager at British Sugar, says they are waiting for just such a signal before deciding whether to build a plant in East Anglia. The National Farmers Union is among advocates of an initiative that would give a new value to surplus crops.

However, the great bulk of bioethanol will come from countries with hot climates. Per Carstedt, chairman of the BioAlcohol Fuel Foundation and driving force behind the Swedish industry, sees a golden opportunity for Tony Blair to combine his two G8

priorities - global warming and Africa. Carstedt believes that, by 2020, at least 100 million cubic metres of bioethanol fuel will be imported into Europe, mainly from Africa, Latin America and the Caribbean.

The ground rules have to be set now, he says, to ensure it is done on a sustainable basis that brings prosperity, rather than the suffering that has so often accompanied oil wealth.

'The scale of this new industry could result in the destruction of rainforests, pollution of rivers and the use of slave labour,' says Carstedt. 'But if African countries are helped to build the industry and international certification is introduced from the start, based on sustainability, this can be a far more effective instrument than aid.'

Britain's EU presidency will create an opportunity to give impetus to a transport revolution whose time may finally have come - but that will also mean doing something closer home.



Saab 95: most Swedes choose the green version.



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