

# Case Study

## REIGS market assessment – pilot study

Client: Department for Business Innovation and Skills



### Outcomes and value



This project piloted a new methodology for assessing the size of the market for reduced environmental impact goods and services (REIGS). It focused on three sectors; offshore wind, cement and environmental consultancy. Our innovative approach provided a transparent analysis founded on identifiable 'actors' within these sectors and their supply chains.

Based on the forensic development of a database of sector and supply chain companies, the key outputs were;

- A methodology document describing the key stages of the approach to delivering the databases and analytical outputs.
- An analysis of the size and scope of the pilot sectors and supply chain tiers, focusing on employment, turnover and GVA.

The project fully tested the new methodology and proved that it generates an insightful robust market assessment. This has provided the client with an alternative to the approaches it currently utilises and commissions to deliver such research evidence.

#### The outputs of this study are enabling BIS to:

1. Present robust evidence of the size and scale of three key REIGS sectors.
2. Place these key low carbon activities within the context of the wider UK economy, and appraise their importance.
3. Consider the wider application of a transparent and effective methodology to assess this market.
4. Review other statistics and assess their accuracy.
5. Assess new ways of measuring the economic value of the REIGS market, now and in the future.

#### Andrew Graves, TBR Project Director, said;

*"It was great to be working for BIS again, especially on a project that allows us to really demonstrate the strengths and capabilities of our databases and analytical team, embodied within the TBR Observatory. The critical importance of these sectors to the UK economy means that generating robust economic evidence of their size and scale is vital, and we are proud to be adding to this body of knowledge."*

### Our solution

The UK has committed to a legally binding target of reducing carbon and other emissions by 80% by 2050. The coalition has committed to implement a full range of measures to fulfil our ambitions for a low carbon and eco-friendly economy. This driver will create and support changes in the economy, with new products and services emerging to provide solutions to our carbon generation challenges.

As these new products and services emerge, the government needs to understand the economic impact and value that they create. This is a challenge since the traditional frameworks for generating such insight do not operate.

This project developed and delivered a new way of addressing the needs of capturing the economic value created by select sectors of new markets with increased demand created by the transition to a green economy. The key objectives were to;

- identify at least 3 product groups or sectors created to reduce environmental damage.
- quantify the economic activity, employment, number of companies active in the sector, forecast economic value growth rates.
- develop a clear methodology to explain the data collected.



TBR's specialist data team, the TBR Observatory, led on this project, delivering a bespoke database of sector companies segmented to represent the supply chain. Research was undertaken to ascertain the extent to which each company was engaged in the markets of interest, and how much of their employment and turnover were generated from them.

This forensic approach meant we could be highly specific about the definition of the sectors and the segments that they covered. Our extensive knowledge of business data, sources and applications, allowed us to deliver a robust output. Our unique business database, TCR, was crucial to the project.

Following the successful completion of the pilot, the client is considering – along with partners such as DEFRA and DECC – the commissioning of a full project examining all 50 sectors considered to represent this market.

tbr knows... **economics, creative, skills, environment**