

AIM

Deliver prosperity for all by driving up productivity and competitiveness through world class science and innovation, successful enterprise and business, and fair, competitive markets.

OBJECTIVES AND PERFORMANCE TARGETS

Objective I: Raising the rate of sustainable productivity growth.

1. *Demonstrate further progress by 2008 on the Government's long-term objective of raising the rate of UK productivity growth over the economic cycle, improving competitiveness and narrowing the gap with our major industrial competitors. **Joint with HM Treasury.***

Objective II: Promoting world class science and innovation.

2. *Improve the relative international performance of the UK research base and increase the overall innovation performance of the UK economy, making continued progress to 2008, including through effective knowledge transfer amongst universities, research institutions and business.*

Objective III: Ensuring fair, competitive markets and empowering consumers.

3. *Promote fair competitive markets by ensuring that the UK framework for competition and for consumer empowerment and support is at the level of the best by 2008, measuring the effectiveness of the regime through international comparisons, supported by a broader evidence base.*
4. *Lead work to deliver the goals of energy policy:*
 - *to reduce greenhouse gas emissions to 12.5% below 1990 levels in line with our Kyoto commitment and move towards a 20% reduction in carbon dioxide emissions below 1990 levels by 2010, through measures including energy efficiency and renewables. **Joint with the Department for Environment, Food and Rural Affairs and the Department for Transport;***
 - *maintain the reliability of energy supplies;*
 - *eliminate fuel poverty in vulnerable households in England by 2010 in line with the Government's Fuel Poverty Strategy objective. **Joint with the Department for Environment, Food and Rural Affairs; and***
 - *ensure the UK remains in the top three most competitive energy markets in the EU and G7.*
5. *Ensure that the EU secures significant reductions in EU and world trade barriers by 2008, leading to improved opportunities for developing countries and a more competitive Europe. **Joint with the Department for International Development.***

Objective IV: Enabling successful enterprise and business.

6. *Build an enterprise society in which small firms of all kinds thrive and achieve their potential, with:*
 - *an increase in the number of people considering going into business;*

- *an improvement in the overall productivity of small firms; and*
 - *more enterprise in disadvantaged communities.*
7. *Make sustainable improvements in the economic performance of all English regions by 2008, and over the long term reduce the persistent gap in growth rates between the regions, demonstrating progress by 2006. Joint with HM Treasury and the Office of the Deputy Prime Minister.*
8. *By 2008, deliver a measurable improvement in the business performance of UK Trade & Investment's international trade customers, with an emphasis on new to export firms; and maintain the UK as the prime location in the EU for foreign direct investment. Joint with the Foreign and Commonwealth Office.*

Objective V: Working to deliver equality and to maximise potential in the workplace.

9. *By 2008, working with other departments, bring about measurable improvements in gender equality across a range of indicators, as part of the Government's objectives on equality and social inclusion.*
10. *By 2008, promote ethnic diversity, cooperative employment relations and greater choice and commitment in the workplace, while maintaining a flexible labour market.*

Objective VI: Safe, secure, cost-effective and environmentally friendly nuclear clean-up.

11. *Reduce the civil nuclear liability by 10% by 2010, and establish a safe, innovative and dynamic market for nuclear clean-up by delivering annual 2% efficiency gains from 2006-07; and ensure successful competitions have been completed for the management of at least 50% of UK nuclear sites by end 2008.*

STANDARDS

In addition to the PSA targets the following standard will be achieved and maintained:

- Maintaining the UK's standing as one of the best places in the world for online business.

WHO IS RESPONSIBLE FOR DELIVERY?

The Secretary of State for Trade and Industry is responsible for the delivery of this PSA. The Chancellor of the Exchequer is jointly responsible for delivering target 1 and, together with the Deputy Prime Minister, target 7. The Secretary of State for Environment, Food and Rural Affairs is jointly responsible for delivery of the fuel poverty part of target 4, and with the Secretary of State for Transport, the environmental part of target 4. The Secretary of State for International Development is jointly responsible for delivering target 5. The Secretary of State for Foreign and Commonwealth Affairs is jointly responsible for delivering target 8.

The Secretary of State for Trade and Industry is also responsible for delivering the agreed efficiency target set out in the Department of Trade and Industry chapter of the 2004 Spending Review White Paper.