

Further support to ensure supplies of carbon dioxide (CO2)

Press release

The Business Secretary Kwasi Kwarteng has temporarily exempted parts of the CO2 industry from competition law to help provide further security of CO2 supplies.



- Competition laws temporarily suspended for CO2 firms to further ensure supplies to UK businesses and collaborate on a sustainable market-based solution
- move will allow companies to share information and help prioritise deliveries to industries that need it most, such as the food sector
- major supplier Ensus restarts CO2 operations and CF Fertilisers plant now operating at full capacity following government agreement, further securing CO2 supplies

The Business Secretary Kwasi Kwarteng has temporarily exempted parts of the CO2 industry from competition law to help provide further security of CO2 supplies to UK businesses.

Companies in the UK CO2 industry will be granted a short exemption from the Competition Act 1998 for the purpose of sharing information and optimising supply.

The move will make it easier for the industry to avoid disruption to supplies and prioritise the delivery of CO2 – an essential component of the national economy – to parts of the country and industries that need it most, such as the food sector.

It will also allow companies to discuss specifics of purchasing and pricing, required as part of the industry's commitment to work towards a long term market-based solution over the next two weeks.

Business Secretary Kwasi Kwarteng said:

The government's quick and decisive action last week provided UK businesses and consumers with confidence that CO2 supplies are secure. Since then, discussions with industry to deliver a long-term solution have made good progress.

Companies in the CO2 industry can now work together to ensure that key sectors receive the supplies they need and come to a sustainable market solution. Coupled with Ensus resuming production and CF Fertilisers ramping up operations, we are helping to make this critical industry stronger and more resilient.

In a further boost to supplies, major commercial CO2 producer Ensus has reopened its Wilton plant following temporary closure for planned maintenance, further securing supplies. The Wilton plant can produce up to 40% of the UK's CO2 requirements.

Following an exceptional short-term agreement with the government to get CO2 production restarted, CF Fertilisers' plant in Billingham is now operating at full capacity and shipping CO2 to UK businesses. The government is providing CF Fertilisers with limited financial support while the sector moves to a sustainable market-based solution.

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