UK's path to net zero set out in landmark strategy

- Net Zero Strategy sets out how the UK will deliver on its commitment to reach net zero emissions by 2050
- outlines measures to transition to a green and sustainable future, helping businesses and consumers to move to clean power, supporting hundreds of thousands of well-paid jobs and leveraging up to £90 billion of private investment by 2030
- reducing Britain's reliance on imported fossil fuels will protect consumers from global price spikes by boosting clean energy
- it comes as the UK prepares to host the UN COP26 summit next week, where the Prime Minister will call on other world economies to set out their own domestic plans for cutting emissions

A landmark Net Zero Strategy setting out how the UK will secure 440,000 well-paid jobs and unlock £90 billion in investment in 2030 on its path to ending its contribution to climate change by 2050 has been unveiled by the UK government today (19 October).

Building on the Prime Minister's 10 Point Plan, today's UK Net Zero Strategy sets out a comprehensive economy-wide plan for how British businesses and consumers will be supported in making the transition to clean energy and green technology — lowering the Britain's reliance on fossil fuels by investing in sustainable clean energy in the UK, reducing the risk of high and volatile prices in the future, and strengthening our energy security.

The commitments made will unlock up to £90 billion of private investment by 2030, and support 440,000 well-paid jobs in green industries in 2030. This will provide certainty to businesses to support the UK in gaining a competitive edge in the latest low carbon technologies — from heat pumps to electric vehicles — and in developing thriving green industries in our industrial heartlands — from carbon capture to hydrogen, backed by new funding.

As part of the strategy, new investment announced today includes:

- an extra £350 million of our up to £1 billion commitment to support the electrification of UK vehicles and their supply chains and another £620 million for targeted electric vehicle grants and infrastructure, particularly local on-street residential charge points, with plans to put thousands more zero emission cars and vans onto UK roads through a zero emission vehicle mandate
- we are also working to kick-start the commercialisation of sustainable aviation fuel (SAF) made from sustainable materials such as everyday household waste, flue gases from industry, carbon captured from the atmosphere and excess electricity, which produce over 70% fewer carbon emissions than traditional jet fuel on a lifecycle basis. Our ambition

is to enable the delivery of 10% SAF by 2030 and we will be supporting UK industry with £180 million in funding to support the development of UK SAF plants

- £140 million Industrial and Hydrogen Revenue Support scheme to accelerate industrial carbon capture and hydrogen, bridging the gap between industrial energy costs from gas and hydrogen and helping green hydrogen projects get off the ground. Two carbon capture clusters Hynet Cluster in North West England and North Wales and the East Coast Cluster in Teesside and the Humber will put our industrial heartlands at the forefront of this technology in the 2020s and revitalise industries in the North Sea backed by the government's £1 billion in support
- an extra £500 million towards innovation projects to develop the green technologies of the future, bringing the total funding for net zero research and innovation to at least £1.5 billion. This will support the most pioneering ideas and technologies to decarbonise our homes, industries, land and power
- £3.9 billion of new funding for decarbonising heat and buildings, including the new £450 million 3-year Boiler Upgrade Scheme, so homes and buildings are warmer, cheaper to heat and cleaner to run
- £124 million boost to our Nature for Climate Fund helping us towards meeting our commitments to restore approximately 280,000 hectares of peat in England by 2050 and treble woodland creation in England to meet our commitments to create at least 30,000 hectares of woodland per year across the UK by the end of this parliament
- £120 million towards the development of nuclear projects through the Future Nuclear Enabling Fund. There remain a number of optimal sites, including the Wylfa site in Anglesey. Funding like this could support our path to decarbonising the UK's electricity system fifteen years earlier from 2050 to 2035

The policies and spending brought forward in the Net Zero Strategy mean that since the <u>Ten Point Plan</u>, we have mobilised £26 billion of government capital investment for the green industrial revolution. More than £5.8 billion of foreign investment in green projects <u>has also been secured</u> since the launch of the Ten Point Plan, along with at least 56,000 jobs in the UK's clean industries — and <u>another 18 deals</u> have been set out at the Global Investment Summit to support growth in vital sectors such as wind and hydrogen energy, sustainable homes and carbon capture and storage.

Through energy efficiency measures, falling costs of renewables and more, the measures in the strategy also mean people's energy bills will be lower by 2024 than if no action was taken particularly as gas prices rise.

As the first major economy to commit in law to net zero by 2050 and hosts of the historic UN COP26 climate summit, the UK is leading international efforts and setting the bar for countries around the world to follow. The UK has hit every carbon budget to date — today's Net Zero Strategy sets out clear policies and proposals for meeting our fourth and fifth carbon budgets, and keeps us on track for carbon budget 6, our ambitious Nationally Determined Contribution (NDC), while setting out a vision for a decarbonised economy in

Prime Minister Boris Johnson said:

The UK's path to ending our contribution to climate change will be paved with well-paid jobs, billions in investment and thriving green industries — powering our green industrial revolution across the country.

By moving first and taking bold action, we will build a defining competitive edge in electric vehicles, offshore wind, carbon capture technology and more, whilst supporting people and businesses along the way.

With the major climate summit COP26 just around the corner, our strategy sets the example for other countries to build back greener too as we lead the charge towards global net zero.

Business and Energy Secretary Kwasi Kwarteng said:

There is a global race to develop new green technology, kick-start new industries and attract private investment. The countries that capture the benefits of this global green industrial revolution will enjoy unrivalled growth and prosperity for decades to come — and it's our job to ensure the UK is fighting fit.

Today's plan will not only unlock billions of pounds of investment to boost the UK's competitive advantage in green technologies, but will create thousands of jobs in new, future-proof industries — clearly demonstrating that going green and economic growth go hand in hand.

Both the Net Zero and Heat and Building Strategies build on the Prime Minister's Ten Point Plan in November 2020 which laid the foundations for a green industrial revolution, kick-starting billions of pounds of investment in new and green industries to help level up the country. To date, the UK has decarbonised faster than any other G7 country.

Published alongside these two strategies today is HM Treasury's Net Zero Review, an analytical report which explores the key issues as the UK decarbonises. It helps to build a picture of where opportunities could arise and the factors to be taken into account when designing decarbonisation policy. While there are costs in reaching net zero, the cost of inaction is much higher.

Please find the full Net Zero Strategy and the Heat and Buildings Strategy.

The strategies published today build on an ambitious set of existing policies: the Prime Minister's Ten Point Plan for a Green Industrial

Revolution, the Energy White Paper, North Sea Transition Deal, Industrial Decarbonisation Strategy, Transport Decarbonisation Plan, and Hydrogen Strategy, and the recent landmark commitment to decarbonise the UK's electricity system by 2035.

The Net Zero Strategy will be submitted to the United Nations Framework Convention on Climate Change (UNFCCC) as the UK's second Long Term Low Greenhouse Gas Emission Development Strategy under the Paris Agreement.

Also published today is UK's first Net Zero Research and Innovation Framework which will support the delivery of the Net Zero Strategy by setting out the key net zero research and innovation priority areas for the UK over the next 5-10 years. Together these documents set out a long-term plan for the green economy that the govt will report against.

COP President-Designate, Alok Sharma said:

The UK continues to show climate leadership as we publish our roadmap to net zero by 2050. It shows the wealth of opportunities, including thousands of new skilled jobs, that a transition to a green economy can herald.

With COP26 opening in less than 2 weeks, leaders stepping up with more commitments has never been more urgent. I'm calling on countries across the world, particularly the G20, to commit to net zero by mid-century, ambitious 2030 emissions reduction targets and to set out credible implementation plans so we can limit global warming to well below 2C and keep the goal of 1.5 degrees within reach.

Energy and Climate Change Minister Greg Hands said:

As we prepare to host the UN COP26 climate summit in Glasgow next week, the world is looking to the UK to show leadership and delivery as we plot our path to net zero emissions by 2050.

Today's plans will provide British consumers and businesses with the tools and the confidence they need to make the transition to clean energy, unlocking investment in low carbon technologies and creating high skilled jobs as we build a cleaner future that's underpinned by a secure, home-grown energy sector.

Environment Secretary George Eustice said:

Today's plans set the UK on a clear path to net zero by 2050 and demonstrate how we will harness the power of nature to get there.

As well as restoring and protecting peatlands and increasing tree

planting, we are determined to grow towards a net zero economy. Whether it's funding to help farmers decarbonise or support to deliver a circular economy to cut down on waste, we will support sectors to adapt.

Transport Secretary Grant Shapps said:

We're going further and faster than ever to tackle climate change. Together with an additional £620 million to support vehicle grants and charging infrastructure, our plans for an ambitious zero emission vehicle mandate show that we're leading the world on the switch to EVs.

We published our Transport Decarbonisation Plan in July which was just the start — as we look ahead to the COP26 climate change conference and beyond, we need to continue our efforts to deliver its ambitious commitments. This will provide certainty to drivers and industry as we create sustainable economic growth, boost job opportunities and clean up the air in our towns and cities.

Not only this — by boosting our world-leading sustainable aviation fuels programme with £180 million in funding, we can accelerate the development of sustainable aviation fuel plants in the UK and create thousands of green jobs across the country.

Chief Scientific Adviser, Sir Patrick Vallance, said:

We need a whole systems approach for reducing our carbon emissions. The Net Zero Strategy establishes what is needed to decarbonise our economy over the next 30 years. In particular, it highlights the intensive activity needed in the next decade — from early-stage research to deployment of mature technologies, through to better understanding on how to help people make greener choices.

David Wright, Chief Engineer at National Grid said:

In the lead up to COP26, the UK has certainly raised the bar on ambition to tackle climate change — and we now need to see what this means in practice. Today's strategy builds on the 10 point plan, the energy white paper and a number of strategies that have been published in recent months, outlining what is needed to deliver a net zero future. Now the focus needs to be on implementation and investment in infrastructure and technologies. We're at a critical stage in the journey where net zero is possible with the technologies and opportunities we have today and, in order to deliver on this, we have to accelerate and ramp up efforts to deploy long-term solutions at scale.

Emma Pinchbeck, Chief Executive, Energy UK said:

The energy industry has led the way in reducing emissions in the UK – rapidly expanding our sources of clean power and investing billions every year. We will play a central role in the drive to reach Net Zero and by committing to have a decarbonised power system in place in the 2030s, our sector will also be providing the clean power needed to transform other sectors like housing and transport. The energy industry has shown what is possible with the right policies in place and is ready to invest further helping create jobs and growth across the country.

Tanya Sinclair, Director of Policy UK, Ireland and Nordics, ChargePoint said:

ChargePoint welcomes the government's bold step towards transport decarbonisation by announcing the introduction of a ZEV mandate today, the first commitment of its type in Europe. We have seen the positive impacts on EV uptake of these schemes in North America, where they have significantly built up availability and consumer confidence of electric vehicles.

Across our fast-growing charging sector, a UK ZEV mandate will create huge confidence for those operating and investing in the charging industry. This industry — consisting mainly of startups and scale ups — will for the first time be able to clearly anticipate demand for charging infrastructure and create a clear roadmap to meet these targets.

With this new policy, the UK is taking an essential step on the road to 2030 as well as contributing to the creation of a better EV driver experience in the UK.

Paul Willcox, Managing Director, Vauxhall, said:

Vauxhall welcomes the UK government's announcement to implement a zero emission vehicle mandate which will provide clarity to the UK motor industry and the rest of the electric vehicle ecosystem, on the basis of a 360-degree approach. Vauxhall believes a ZEV mandate can work in the UK provided there are complimentary targets on the other key parts of the electric vehicle ecosystem which are key to driving Britain to a more sustainable transport infrastructure. With our Ellesmere Port plant set to become the first electric vehicle only factory within the Stellantis group, we look forward to working with the government on the detail of how a ZEV mandate can be implemented and help support a sustainable vehicle marketplace in the UK.

Stephen Phipson, CEO of Make UK said:

Today's plans are a very positive step on the journey to net zero by 2050, with practical support to help businesses transition to green and clean production processes. The creation of 2 hydrogen clusters in Britain's industrial heartlands puts our manufacturing powerhouse at the centre of innovation and will enable companies to make the switch away from fossil fuels at greater speed. It will be vital to produce enough hydrogen supply to feed not just the industrial clusters but all the manufacturers across the country.

The infrastructure boost for EV cars and vans is a much needed and practical step forward and will be welcomed by industry. But defining the technology for HGVs, which are vital to manufacturing logistics, must not be forgotten. To build on this, it is important to make sure that today's green investment plans go hand in hand with upskilling of the country's workforces to make sure that we have the green skills to make these essential changes a reality.

Simon Roberts, Chief Executive of Sainsbury's, said:

This plan is a significant step forward in accelerating a green transition and will increase choice and opportunity for people and businesses of all sizes across the country. Sainsbury's will continue to play its part in tackling the climate crisis by helping our customers and colleagues eat better, inspiring them to make simple changes that are better for them and better for the planet too. We are committed to keeping 1.5 degrees within reach and helping the UK achieve net zero by 2050, now is the time for all of us to collaborate across industry and government to protect and restore our planet for generations to come.

Clare Barclay, Chief Executive Officer, Microsoft UK, said:

The clock is ticking. We have to turn pledges into performance and the government's Net Zero strategy coupling investment in innovation, energy and skills is welcome. Those who have the scale and resources to create lasting change must do so, enabled by technology. The UK can lead the way to the decarbonised economies we so urgently need.

Phil Bentley, Chief Executive Officer, Mitie, said:

The publication of the government's Net Zero Strategy is hugely welcome. We've already committed to reaching net zero carbon emissions across Mitie's estate by 2025 and anything which assists

more businesses in setting ambitious targets is good news.

This announcement demonstrates government's commitment to delivering decarbonisation across Britain and will provide businesses with the certainty they need to invest in their own net zero strategies, while also helping accelerate the adoption of electric vehicles.