



Department for
Business, Energy
& Industrial Strategy

Alex Sobel MP
House of Commons
London
SW1A 0AA

The Rt Hon Alok Sharma MP
Secretary of State
Department for Business,
Energy & Industrial Strategy
1 Victoria Street
London
SW1H 0ET

T +44 (0) 20 7215 5000
E enquiries@beis.gov.uk
W www.gov.uk

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Thank you for your letter of 21 July, on behalf of the Net Zero All Party Parliamentary Group, regarding your 10 Point Net Zero Action Plan.

Climate change is a threat that requires an urgent global response and the government is clear that we must act now, and COVID-19 has not changed this.

In his speech of June 30, the Prime Minister made clear that in recovering from COVID-19, we must build back better and greener, and to do that at the pace.

In 2019, the UK became the first major economy to legislate for net zero greenhouse gas emissions and has led the way in delivering clean growth. Between 1990 and 2018, our economy has grown by 75% while emissions have decreased by 43% - faster than any other G7 nation. In November 2021, the UK will continue to provide global leadership on climate change as President Designate and host of COP26 in Glasgow. I hope the information outlined below will provide assurance on the work already underway and confirm the government's commitment to our net zero target.

Roadmap to Net Zero

Your 10 Point Net Zero Action Plan asked for a clear and systematic Net Zero Roadmap. Our carbon budgets are key interim targets on the journey towards 2050 and we look forward to receiving advice from the Committee on Climate Change (CCC) at the end of the year on the appropriate level to set for the sixth carbon budget (2033-2037). In accordance with the Climate Change Act 2008, we must set the sixth carbon budget by 30 June 2021. Alongside setting a carbon budget, we will prepare and report on proposals and policies needed to meet it, building on 2017's Clean Growth Strategy.

In the run-up to COP26, we will be publishing decarbonisation plans for the major sectors of our economy. In March, we published the first phase of our transport decarbonisation plan and will be setting our further plans through our planned Energy White Paper, Transport Decarbonisation Plan and Heat and Building Strategy.

Ensuring a Green Recovery from COVID-19

As set out above, the Prime Minister has made clear the government's commitment to build back greener. As your action plan notes, many of the actions needed for our net zero and environmental goals can create employment and economic opportunities. They can also play a role in addressing longer-term economic challenges facing the UK which the crisis may accentuate, including poor productivity and inequality between regions. As part of driving the UK's green recovery, the government has set

out billions in investment for our low-carbon economy and green jobs (with details provided below).

Incentivising green infrastructure and technologies

- Renewable electricity generation has more than quadrupled since 2010 and low carbon electricity now gives us over 50 percent of our total energy generation. The Government announced in March that onshore wind and solar projects will be able to bid for contracts in the next Contracts for Difference allocation round planned to open in 2021.
- We recognise Carbon Capture Use and Storage (CCUS) as both central to our net zero target and a driver of future growth. In the Spring Budget the Chancellor announced at least £800 million to establish at least two Carbon Capture and Storage clusters by 2030, and we have already consulted on potential CCUS business models in summer 2019. These business models are the commercial frameworks we aim to put in place to incentivise deployment of Power CCUS, Industrial CCUS and CCUS Transport and Storage. We are working closely with stakeholders through BEIS-led CCUS Expert Groups to develop these frameworks and we hope to respond to this consultation shortly.
- The Government is committed to developing hydrogen as a strategic decarbonised energy carrier. In the spring Budget, the Chancellor announced £70 million for two of Europe's first large scale, low carbon hydrogen plants. We are investing up to £121 million (between 2015 and 2021) in innovation across the hydrogen value chain. We also support green hydrogen production facilities both through innovation funding and other grants.
- The Government recognises the need to ensure that the transport sector plays its part in supporting the delivery of the UK's emissions reduction targets. We have recently conducted a consultation on the sale of new internal combustion engine vehicles. This consultation has now ended and we will be announcing our position in due course.
- On 9 May the Government confirmed a £250 million emergency active travel fund as part of a £2 billion package for cycling and walking as part of plans to boost greener, active transport alongside over £1 billion support for ultra-low emission vehicles.
- In the Chancellor's Summer Economic Statement, the Government announced the Green Homes Grant, a £2 billion voucher scheme for homeowners and landlords to help upgrade the energy efficiency of up to 600,000 homes and provide up to 100,000 green jobs this year.
- We have also announced £1 billion of investment over the next year in a new Public Sector Decarbonisation Scheme to upgrade public sector buildings, including schools and hospitals, contributing to net zero through improved energy efficiency and low carbon heating, and providing up to 33,000 green jobs.
- We have pledged £50 million to demonstrate innovative approaches to retrofitting social housing at scale to start the decarbonisation of social housing over 20/21, which will provide up to 1,400 green jobs.
- We have also consulted on the Future Homes Standard, which aims to future proof new build homes through low carbon heating and energy efficiency by 2025.

- To aid a green recovery an additional £191 million was put into a Sustainable Innovation Fund and £100 million made available for research, development and demonstration of Direct Air Capture technologies.

Climate commitments

In June I chaired a series of economic recovery roundtables, bringing together businesses, business representative organisations, regulators and leading academics to focus on green recovery. One of their key suggestions was ensuring that future business support needed in light of COVID-19 was aligned to helping the UK achieve net zero. The first emergency business support loan agreed with Celsa Steel UK (Ltd) included legally binding commitments on climate change and net zero targets.

Engagement on Net Zero

We are aware, through a recent YouGov poll, that there is substantial public support for tackling climate change and using the COVID-19 recovery package to do so. We also recognise that engaging the general public will be central for reaching net zero. Shifts will be required in the technology we use, how we travel, and in how we use energy. A key consideration in policy formulation will be how we make it easier for people to shift towards a greener and more sustainable life. Ensuring the public's views are considered will be a core element of delivering on net zero.

COP26

In November 2021, the UK will provide global leadership on climate change as President Designate and host of COP26 in Glasgow. We are determined to use this platform to raise global climate ambitions to achieve the transformational change required by the Paris Agreement. COP26 will be a milestone for ambition: for cleaner energy, a more resilient future, and flourishing nature, supported by green financial systems. As hosts of COP26, we intend to encourage the highest possible ambition on climate change mitigation, adaptation and transforming finance flows towards low greenhouse gas emissions and climate-resilient development. We will work with international partners to push for the highest possible mitigation ambition through new or updated Nationally Determined Contributions in advance of COP26, and commitments from countries, regions, businesses that set a course for net zero.

Yours sincerely,



THE RT HON ALOK SHARMA MP
Secretary of State for Business, Energy & Industrial Strategy