

Panel Session: Overcoming investment barriers

Chair



Dr Keith MacLean
Providence Policy



Ben Burggraaf
Industry Wales



Chris Barron
Decarbonised Gas
Alliance



**Dimitris
Christopoulos**
Heriot-Watt University



Emily Sidhu
UK Infrastructure Bank



Ian Temperton
Plastic Energy



Overcoming investment barriers

This session featured a discussion of measures to address key barriers that investors – the companies investing in decarbonisation technologies and those providing finance for it – face in making the necessary investment decisions at the scale needed, in the timescales necessary for Net Zero.

Chair: Keith MacLean (Providence Policy)

Panellists: Emily Sidhu (UK Infrastructure Bank); Ian Temperton (Plastic Energy); Dimitris Christopoulos (Heriot Watt University); Chris Barron (Decarbonised Gas Alliance); Ben Burggraaf (Net Zero Industry Wales)

It was noted that the bigger the project, the lower the return, as larger projects have lower risk and therefore effectively lower lending rates. However, there is a parallel problem of some projects being too small to attract investment.

Panelists discussed the need to make a compelling case for investment in low carbon developments in the UK, in the context of strong competition from the US and EU. Investment will go elsewhere if there is lower risk and better return on investment. Participants also highlighted a lack of skilled workforce as a significant risk to investment.

It was noted that the UK has strong frameworks for incentivising and supporting CCUS; however, more certainty was needed for longer term financing and future tracks of funding. Participants highlighted previous unsuccessful attempts to establish CCS in the UK, which have undermined investor confidence due to heightened perceptions of policy risk.

The issue of higher costs for low carbon products was discussed, as well as how these costs should be allocated – to industry, government or consumers – with participants noting that there was a pull for low carbon at the top of the supply chain, but not from the bottom.