



Industrial Decarbonisation Policy News – November 2022

Please find a round-up of December's key policy developments across the UK and devolved administrations below. To sign-up to this newsletter, please email us at policy@idric.org.

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UK Government

Ministerial responsibilities confirmed

Department for Business, Energy and Industrial Strategy

November 2022

- George Freeman is now Minister for Science, Research and Innovation
- Nusrat Ghani is now Minister for Industry and Investment Security
- Graham Stuart is now Minister for Energy and Climate
- Kevin Hollinrake is now Minister for Enterprise, Markets and Small Business
- Lord Callanan is now Minister for Business, Energy and Corporate Responsibility

More information [here](#).

UK signs major science co-operation agreement with Switzerland

Department for Business, Energy and Industrial Strategy

10th November 2022

The UK and Switzerland have signed a major agreement deepening the relationship between the two countries' research and innovation communities. The memorandum will encourage particular focus on cooperation in 'deep science' and 'deep tech', as well as commercialisation through innovation, and policy and diplomacy in science and innovation.

More information [here](#).

Final Power Dispatchable Power Agreement (DPA) CCUS Business Model announced

Department for Business, Energy and Industrial Strategy

15th November 2022



BEIS have published the final DPA business model.

More information [here](#).

Launch of Alternative Energy Markets Innovation Programme

Department for Business, Energy and Industrial Strategy

15th November 2022

The Alternative Energy Markets Innovation Programme is comprised of two phases:

- Phase 1 (up to £2 million funding available) aims to support the design of innovative tariffs, products or services (demand side flexibility propositions) under alternative energy market scenarios of a future energy system.
- Phase 2 (up to £16 million funding available) aims to deliver real world demonstrators, which would test demand side flexibility propositions developed in Phase 1 in a real world setting, demonstrating the impact of propositions and potential benefit to the electricity grid and to consumers under various scenarios

More information [here](#).

Key announcements in the Autumn Statement 2022

HM Treasury

17th November 2022

- The Statement recognises the importance of UK universities and identifies science and innovation as one of the UK's greatest strengths for growing the economy. Public spending on R&D will increase to £20 billion a year by 2024-25, an increase of around a third compared to 2021-22. As part of the R&D spending increase, Innovate UK programmes will be supported, including additional funding for the UK's 9 Catapults, such as the Offshore Renewable Energy Catapult centre in Scotland.
- The government will release funding to reduce the UK's final energy consumption from buildings and industry by 15% by 2030 against 2021 levels. New funding worth £6 billion will be made available from 2025 to 2028. To achieve this target, a new Energy Efficiency Taskforce will be established.
- The government will continue to support technologies such as CCUS, renewable wind, solar energy and nuclear power.
- The government will review retained EU law to identify changes that can be made over the next year with the greatest potential to unlock growth in key growth industries - life sciences, green industries, advanced manufacturing, digital technology, and financial services. The government will also task the Government Chief Scientific Adviser Sir Patrick Vallance to lead work to consider how the UK can better regulate emerging technologies.
- The government will refocus the Investment Zones programme to catalyse a limited number of high potential clusters in left-behind areas, to be announced in the coming months.

More information [here](#).

Government announces UK research funding in lieu of access to EU programmes

Department for Business, Energy and Industrial Strategy



21st November 2022

Business Secretary Grant Shapps announced £484 million in funding to support UK research while the UK awaits association with EU programmes including Horizon Europe, Euratom, Fusion for Energy and Copernicus.

More information [here](#).

Government launches £1.5m AI programme for reducing carbon emissions

Department for Business, Energy and Industrial Strategy

22nd November 2022

The Government has launched a new innovation programme to support the use of artificial intelligence (AI) in reducing the UK's carbon emissions as part of its wider £1bn Net Zero Innovation Portfolio. It comprises separate streams of grant funding to be launched in two initial stages, the first will co-fund a virtual centre of excellence in AI innovation and decarbonisation, the second will fund innovation projects which further the development of AI technologies to support decarbonisation.

More information [here](#).

UK and South Africa commit to unlock investments in Infrastructure and Net Zero

Prime Minister's Office

22nd November 2022

The next phase of the UK-South Africa Infrastructure Partnership has been launched supporting South Africa's economic growth through major infrastructure developments and offering increased access to UK companies to projects worth up to £5.37bn over the next three years. The UK Government will also confirm new grant-funded technical assistance to South Africa to help unlock green hydrogen opportunities and boost skills in this key sector.

The Governments have also signed a [Memorandum of Understanding](#) relating to cooperation in science, technology, research and innovation.

A further [joint statement](#) confirmed that the two countries are partnering on minerals for future clean energy technologies whereby both countries aim to deepen their minerals mining and energy collaborations.

More information [here](#).

Five energy storage projects backed with combined £32.9m of government funding

Department for Business, Energy and Industrial Strategy

28th November 2022

Projects to develop cutting-edge energy storage technologies to increase the resilience of the UK's grid have been awarded the funding as part of the second phase of the Longer Duration Energy Storage (LODES) competition. The projects awarded funding included single liquid flow battery technology, thermal storage systems for homes, a high-density water-pumped storage system, and a hydrogen storage demonstrator that uses depleted uranium.



A full list of the successful projects and details on their technologies can be found [here](#).

More information [here](#).

Consultation on design of the Energy Company Obligation (ECO): 2023-2026

Department for Business, Energy and Industrial Strategy

28th November 2022

BEIS is seeking views on proposals for the Energy Company Obligation Plus (ECO+) scheme to deliver energy efficiency measures in homes across Great Britain from 2023-2026. The consultation closes at 11:45pm on 23rd December 2022.

More information [here](#).

Government resumes Energy Bill

Department for Business, Energy and Industrial Strategy

29th November 2022

BEIS Secretary Grant Shapps announced the resumption of the Energy Bill in Parliament, which also aims to enable investment in clean technologies such as hydrogen and CCUS. He announced that the government will invest £700m in Sizewell C to become a 50% shareholder alongside EDF in the nuclear plant, and reiterated the Government's commitment to a 15% improvement in energy efficiency in buildings and industry by 2030.

More information [here](#).

UK Parliament

BEIS Committee consider decarbonisation of the power sector (session 1)

Business, Energy and Industrial Strategy (Commons) Committee

1st November 2022

In the first session of the committee's decarbonising the power sector inquiry, the committee considered the Government's plans to decarbonise the power system with the witnesses highlighting the lack of specific targets that could attract investors to the sector.

Transcripts and videos from the meetings are available [here](#).

Labour sets out plans to boost green industries and jobs across

Labour Party

6th November 2022



As part of plans for clean power by 2030, Labour have announced a commitment to supporting the development of net zero industrial clusters across the UK should they be elected.

More information [here](#).

BEIS Committee consider decarbonisation of the power sector (session 2)

Business, Energy and Industrial Strategy (Commons) Committee

22nd November 2022

In the second session of the committee's decarbonising the power sector inquiry, the committee considered the role of CCS and Hydrogen in decarbonising the power sector.

Transcripts and videos from the meetings are available [here](#).

Commons debate on energy security

House of Commons

29th November 2022

Grant Shapps MP (BEIS Secretary) spoke of the government's £700m investment in Sizewell C and the establishment of Great British Nuclear to develop a variety of nuclear energy projects for the UK. He stated that hydrogen and carbon capture were also necessary to provide low carbon energy when levels of solar and wind generation are low.

More information [here](#).

Scotland

Revised draft National Planning Framework 4 published

Scottish Government

8th November 2022

- The finalised draft National Planning Framework 4 (NPF4), which sets out long-term sustainable planning reform, has been tabled in the Scottish Parliament following the consultation process.
- The revised document reiterates the Scottish Government's commitment to renewable energy generation and emerging low-carbon and zero emission technologies, such as hydrogen and carbon capture.
- Additionally, the document confirms its commitment for land developments to support offshore renewable energy and to expand the electricity grid.
- Revisions to the plan include the proposal to support more offshore hydrogen storage. Some changes were also made to the classification of hydrogen, but the Scottish Government confirmed plans to utilise blue hydrogen as necessary. The commitment to Industrial Green Transition Zones (located at St Fergus, Peterhead, and Grangemouth) is also reiterated.



- As part of the process, new Planning, Infrastructure and Place Advisory Group will be established to identify barriers to delivery and strengthen the alignment of NPF4 with plans for investment in places and infrastructure.

More information [here](#).

MSPs invited to withhold consent for Retained EU Law Bill

Scottish Parliament

8th November 2022

The Scottish Government has lodged a Legislative Consent Memorandum recommending that the Scottish Parliament withholds its consent for the UK Government's Retained EU Law (Reform and Revocation) Bill.

The Bill seeks to revoke over 2,400 pieces of EU legislation that were included in the UK statute book at the end of the Brexit transition period.

In a letter to Secretary of State for Business, Energy and Industrial Strategy, Grant Shapps, Constitution Secretary Angus Robertson has set out the Scottish Government's rationale for recommending Parliament withholds its consent.

The letter reiterates the concern and opposition of Scottish Ministers to the legislation and highlights the concerns of some bodies, such as RSPB Scotland and Greener UK, who say the Bill will 'derail urgent action to tackle the nature and climate crisis' and 'rip up our most important nature protections in Scotland'.

The [letter](#) can be read in full online.

Wales

Statement by the Minister for Climate Change: Energy Policy

Senedd

8th November 2022

In a statement to the Welsh Senedd, Minister for Climate Change Julie James provided an update on the Welsh Government's ambitions for Hydrogen and CCUS.

More information [here](#).

Other News

EU introduces emergency planning rules to accelerate renewables

10th November 2022



As a consequence of the ongoing energy crisis, the European Commission has introduced [temporary rules](#) to accelerate planning procedures for renewable energy generation. The measures include a presumption of “overriding public interest and serving public health and safety” for planning, construction and operation of renewable energy generation, as well as measures to accelerate permitting processes for renewable projects under the EU's Birds and Habitats Directive. The rules will be in place for one year until the EU's revised renewable energy directive is adopted.

More information [here](#).

COP27

UK announces major new package of climate support at COP27

7th November 2022

New announcements include £65.5m for green tech innovation and significant clean energy investments with Kenya and Egypt. UK will also launch a new Forests and Climate Leaders' Partnership and confirm more than £150m for protecting rainforests and natural habitats, including the Congo Basin and Amazon.

More information [here](#).

Most detailed global inventory of greenhouse gas (GHG) emissions launched at COP27

9th November 2022

The world's most comprehensive emissions database, [Climate TRACE](#) was launched at COP27. The database aggregates facility-level emissions data from almost 80,000 sources, collected from over 11,000 sensors, 300 satellites, as well as public and commercial information. Alongside their launch, Climate TRACE highlighted that greenhouse gas emissions from oil and gas facilities are significantly [underreported](#), with emissions from flaring and leakage around three times higher than producers claim.

More information [here](#).

Reducing greenhouse gas emissions from fossil fuels: joint declaration from energy importers and exporters

11th November 2022

The United Kingdom signed up to the joint declaration from energy importers and exporters on reducing GHG from fossil fuels on 11 November 2022 at COP27. The joint declaration signals that the United States, European Union, Japan, Canada, Norway, Singapore, and the United Kingdom are committed to taking rapid action to address the dual climate and energy security crises that the world faces.

More information [here](#).

Breakthrough Agenda: 25 new collaborative actions, including Low-carbon standard for steel

11th November 2022

First Launched at COP26 Glasgow, the Breakthrough Agenda aims to ensure low and zero carbon technologies are affordable by the end of the decade. On 11th November, countries representing 50% of global GDP set out Sector-specific priority actions to decarbonise power, transport, steel, low carbon hydrogen and sustainable agriculture by COP28. Priority actions of relevance include:

- Develop common definitions for low-emission and near-zero emission steel, hydrogen and sustainable batteries.
- Ramp up the deployment of essential infrastructure projects including at least 50 large scale net-zero emission industrial plants, at least 100 hydrogen valleys and a package of major cross-border power grid infrastructure projects
- Use billions of pounds of private and public procurement and infrastructure spend to stimulate global demand for green industrial goods
- Systematically strengthen financial and technological assistance to developing countries and emerging markets to support their transitions backed up by a range of new financial measures, including the world's first major dedicated industry transition programme under the Climate Investment Funds

More information [here](#).

Planning for Climate Commission launched

15th November 2022

The Planning for Climate Commission is established to raise awareness for the need for improved planning and approval processes for renewable energy projects and the green hydrogen economy.

Comprising of global experts and leaders in climate and renewable energy decision and policy making, the Commission will consider mechanisms, incentives and awareness-raising to strengthen planning and approval processes for renewable energy projects.

The Commission is a joint initiative by the Green Hydrogen Organisation, International Hydropower Association, The Global Wind Energy Council, The Global Solar Council and Long Duration Energy Storage Council.

More information [here](#).

Hydrogen for Development Partnership (H4D) launched

15th November 2022

Established by the World Bank Group, the Hydrogen for Development Partnership (H4D) is intended to help boost investment in low carbon hydrogen in developing countries.

The main activities of the H4D partnership will be:

- Convening international cooperation to increase the knowledge base in low-carbon hydrogen technologies for developing countries.
- Building capacities by following a global public goods approach.
- Understanding requirements from emerging markets and the private sector for the deployment of low-carbon hydrogen and its derivatives.
- Creating opportunities to inform innovation and for new technologies to gain visibility.
- Generating policy dialogue on enabling the deployment of low-carbon hydrogen across countries.



- Fostering collaboration with private sector partners for clean hydrogen projects.

More information [here](#).

Clydebank Declaration: Green Shipping Corridors

16th November 2022

Building on the Clydebank Declaration for Green Shipping Corridors at COP26, Glasgow, the Zero-Emission Shipping Mission Launched the Green Shipping Corridors Hub, intended to support the decarbonisation of the maritime sector. The Hub presents three initial tools, which have been developed for use by both industry and governments to support the development of Green Corridors:

- An interactive Route Tracker, providing a complete and up-to-date mapping of all announced Green Corridor initiatives globally.
- The Matchmaker, a tool for enabling stakeholders interested in developing green shipping corridors globally to find collaborators across the maritime/energy value chain.
- A curated Library containing major analyses, frameworks, guides and assessments relating to Green Corridors.

More information [here](#).

Calls for evidence and consultations

- Design of the Energy Company Obligation (ECO): 2023-2026 – closes at 11:45pm 23rd December. [Link](#) to consultation.
- Improving boiler standards and efficiency – closes at 11:45pm 21st March 2023. [Link](#) to consultation.

If you have any suggestions for policy engagement or additions to our policy news section, please let us know by emailing us at policy@idric.org.