



UK Government

Carbon Budget and Growth Delivery Plan

Presented to Parliament pursuant to details of the Climate Change Act
2008 Section 14

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Introduction

1. This Carbon Budget and Growth Delivery Plan (CBGDP) - which also serves as our “section 14” report under the Climate Change Act 2008 - is being published to inform Parliament and the public about the government's proposals and policies to enable carbon budgets to be met.

Carbon Budgets

Carbon budgets are five-year caps on emissions levels set under the Climate Change Act 2008. They are cross-economy targets with the flexibility to deliver across sectors, and are expressed in million tonnes of CO₂ equivalent (MtCO₂e). This means some policies target greenhouse gases such as methane and F-gases, which are measured in MtCO₂e. Carbon budgets are set 12 years in advance. Carbon Budget 6 (2033 to 2037) was set in 2021 and the Carbon Budget 7 (2038 to 2042) level will need to be set by June 2026. The UK is currently in the fourth carbon budget, which runs from 2023 to 2027.

2. ‘Unlocking the benefits of the clean energy economy’, published alongside this report, sets out the government’s overarching strategy to reduce emissions to enhance energy security, protect billpayers, create economic growth and good jobs and protect the environment.
3. Our updated CBGDP forms part of our mission to make Britain a clean energy superpower. This is the economic and industrial opportunity of the twenty-first century, essential to driving growth and creating good jobs while setting us on course to reach net zero by 2050. Working in partnership with local communities and businesses to improve the lives of working people is at the heart of our approach.
4. The Secretary of State is required to prepare a package of proposals and policies that the Secretary of State considers will enable Carbon Budgets 4, 5 and 6 to be met. The proposals and policies set out in this CBGDP reach far into the future, setting out our plans to the end of Carbon Budget 6 in 2037. This means that, while maintaining focus on delivering the proposals and policies, we must acknowledge that the package represents one of many routes to full decarbonisation of the UK economy by 2050. The package will continue to evolve in light of changing circumstances and future political decisions, including future Spending Reviews. We will keep our plans under review and adjust them if required, in line with the Secretary of State’s continuing duty to prepare proposals and policies that enable carbon budgets to be met.
5. Meeting carbon budgets requires action across all areas of the UK economy from all parts of society. It drives progress in a range of sectors, so that every part of the country is able to capitalise on a clean electricity system and maximise the benefits of the transition to a green economy. The transition will

be enabled by more than just government policy, taking into consideration wider societal changes and advancements in technology.

6. People are at the heart of delivering a successful transition to net zero. Making it easier, more affordable and clearer for individuals to access new technologies and benefit from the transition is essential. It also means ensuring fair access and targeted support where needed, and an equitable distribution of the benefits of the transition across all communities.
7. We expect the world to change between now and the end of Carbon Budget 6. Therefore, we expect that the package of proposals and policies will evolve to reflect new evidence, to utilise technological developments and address emerging challenges. This will enable us to maximise opportunities to drive growth, jobs and investment across the UK while reducing emissions.
8. In light of this, and consistent with the duties under the Climate Change Act 2008, we will continue to keep the package of proposals and policies under review and update and amend the package as appropriate. This involves making a series of complex predictive assessments to forecast the impact of proposals and policies more than a decade into the future.
9. Carbon budgets apply to the whole of the UK economy and society. In preparing this package of proposals and policies, we have consulted with devolved governments who we continue to work with to deliver our UK-wide carbon budgets.

Background

Climate Change Act and carbon budgets

10. Parliament passed the Climate Change Act 2008 ('the act'), legislating the UK's framework for reducing emissions. Under the act, the UK was originally required to reduce greenhouse gas emissions by at least 80% by 2050 on 1990 levels. In 2019, on advice of the Climate Change Committee ('CCC') to the previous government, the UK committed to reaching net zero emissions by 2050 and consequently the target reduction in the act was amended to at least 100% reduction on 1990 levels.
11. To keep the UK on a pathway to achieving the 2050 target, the government is required to establish legally binding, five-year caps on emissions – called carbon budgets. These are set twelve years in advance of when they start. As soon as is reasonably practicable, the act says the government must publish a report setting out proposals and policies enabling that carbon budget (and those budgets previously set), to be met.
12. The act also established the CCC, an independent statutory body to advise the government and the devolved governments on setting and meeting carbon goals. The CCC advises the government on the level of each budget, the respective contributions that different sectors could make and the extent to which carbon budgets could be met through the use of permitted "flexibilities" (such as surpluses from previous carbon budgets or the purchase of good quality international carbon credits). The CCC also reports annually to Parliament on progress on the progress that has been made towards meeting the carbon budgets - a powerful way of holding the government to account and providing information to both parliament and the public.
13. Six carbon budgets have been set to date, covering 2008 to 2037. Carbon Budget 6, the first to be set under the UK's net zero target, was legislated for in June 2021. The UK has already met, and overachieved, its first (2008-2012), second (2013-2017) and third (2018-2022) carbon budgets and is on track to meet the fourth (2023-2027). The UK is the first major economy to halve its emissions – having cut them by 54% between 1990 and 2024, while also growing its economy by 80%.ⁱ
14. To demonstrate how we will enable our legislated carbon budgets up to and including Carbon Budget 6 to be met, this report sets out the current package of proposals and policies and their anticipated emissions reductions (where quantified) to 2037. As required by the act, it also sets out the timescales over which we expect those proposals and policies to take effect and how we expect the proposals and policies affect different sectors of the economy.

Meeting carbon budgets

Baseline and savings required

15. To determine the total additional emissions reductions required to meet carbon budgets, we take the government Energy and Emissions Projections (EEP 2023-2050) as a “baseline” for future emissions, make adjustments to account for updates in some sectors, and compare this to the legislated carbon budget levels.
16. EEP 2023-2050 are based on assumptions of future economic growth, fossil fuel prices, UK population and other key variables. They also incorporate EEP policies that have already been implemented, adopted or planned as of June 2024.¹ Appendix A includes further detail on the latest EEP (2023-2050).
17. The current package of proposals and policies to enable carbon budgets to be met comprises the policies already incorporated in EEP 2023-2050, as well as the planned proposals and policies that will be needed to deliver emissions savings up to Carbon Budget 6. Table 3 in Appendix B sets out the full list of policies currently included in EEP 2023-2050. Tables 4 and 5 in the same appendix set out the list of additional proposals and policies. Significant updates to EEP 2023-2050 are the inclusion for the first time of the Vehicle Emissions Trading Schemes Order 2023 (commonly known as the ZEV mandate) and the Sustainable Aviation Fuel mandate.
18. The policies set out in EEP 2023-2050 show the significant progress that the UK has already made towards meeting our carbon budgets. From the projected baseline, EEP policies, along with historical reductions, are expected to deliver over 100% of the emissions savings needed for Carbon Budgets 4 and 5, and 76% of the savings needed for Carbon Budget 6, relative to 1990 levels.
19. The latest EEP 2023-2050 was published in 2024. The next modelling update to the EEP is still in progress and not expected until late 2025. Recent changes in the greenhouse gas inventory and underlying trends in some areas will have affected baseline emissions. For the purposes of this report, given the next update is still in progress, we have not made adjustments to the EEP 2023-2050 baseline to reflect these. But we have made some adjustments to ensure baseline emissions are consistent with updated policy modelling assumptions. More detail on baseline adjustments is set out in the Technical Annex.

Wider factors affecting baseline emissions

20. In addition to the matters considered in the EEP baseline, there are wider factors which are not currently captured by the EEP but will affect baseline emissions. The EEP baseline projections are extrapolations which assume that current relationships between macro variables will continue indefinitely into the future and thus do not fully consider the potential for social trends to evolve or

¹ Note this equates to the UNFCCC international reporting scenario “With Additional Measures” (WAM), which includes Existing and Planned policies.

technological breakthroughs to occur independently of government action. We have refined our approach to assessing the baseline by drawing on the evidence base for these wider factors in recognition that emissions will be affected by social trends and technological breakthroughs.

21. The clean energy transition is accelerating, driven by widespread public, business and investor support. Across the UK, decarbonisation enjoys strong backing: our public attitudes tracker finds that 80% of people support using renewable energy.ⁱⁱ A majority of people want to take action and our policies enable that. For example, so far in 2025 the UK has the largest market share of EVs amongst the major European automotive markets,ⁱⁱⁱ driven both by public support for decarbonisation and by the fact that they are already cheaper to run, with savings of up to £1,500 a year on running and maintenance costs compared to an equivalent petrol or diesel car.^{iv}
22. Businesses and investors have contributed to increasing momentum towards net zero. 79% of large organisations are prioritising net zero in business strategies. 59% of businesses have implemented energy efficiency measures and 55% are implementing waste reduction practices.^v The UK is also home to over 5,000 climate tech start-ups and scale-ups that are growing rapidly year-on-year — second only to the US.^{vi} The government's ambition is to further leverage the UK's position as the sustainable finance capital of the world by providing catalytic public investment into our clean energy industries, which will crowd in further private sector finance. Together, these forces create a reinforcing effect: policy drives investment, investment drives innovation and innovation accelerates the transition.
23. In developing our evidence base on a range of wider factors, we have drawn on peer-reviewed reports from leading organisations like the World Economic Forum, International Energy Agency, PwC, the London School of Economics and the CCC. Based on the available evidence on a range of wider factors, such as developments in digital technologies including artificial intelligence, we have estimated that the net additional impact these wider factors on baseline emissions that we can credibly take into account will be a reduction in emissions of 20MtCO_{2e} per year in the CB6 period.
24. The effect of wider adjustments to the baseline is to increase the projected CB5 headroom (before taking into account savings from planned policies and proposals) by 13MtCO_{2e} per year and to reduce the required savings to meet CB6 to 132.6 MtCO_{2e} per year. Further detail on this analysis is set out in the Technical Annex.

Projected emission savings from planned policies and proposals

25. To assess performance against carbon budgets, we forecast a credible level of emission savings generated by new and early-stage government policies and proposals in addition to reductions in baseline emissions.
26. Many of the proposals and policies in the package will be phased in over the next decade or longer. But this plan does not predict the exact shape of the British economy in the CB6 period, and nor should it. Technological

developments could enable some proposals or policies to out-perform expectations, with costs falling faster than we expect. For example, despite recent global macroeconomic pressures, clearing prices for Contracts for Difference remain significantly below the first auction in 2015, with the offshore wind price nearly halving since then. The delivery risk section explains how we account for this.

27. Similarly, factors such as consumer behaviour, future trends and the future economic context are all variable. These will play a huge role in meeting carbon budgets and the exact mix of proposals and policies we need to get there.
28. The UK has consistently overperformed against its carbon budgets, and the UK leads the world on decarbonisation. It is impossible to predict with absolute certainty the shape of the economy, technology and society over a decade away. However, given the UK's consistent success in decarbonisation, it is reasonable to have some confidence in the UK's performance against its carbon budgets.
29. The list of proposals and policies that we set out is, necessarily, a snapshot of our current plan for meeting carbon budgets. As future circumstances change, we will review and adapt the proposals and policies in this report.

Methodology

30. To assess the package of proposals and policies against carbon budgets, we first calculated the expected emissions savings for all proposals and policies where this could be modelled at this stage (see Table 4). A range of analytical models, designed to represent the sectors described in this report, and analytical techniques were used to derive the estimates, using consistent assumptions on shared inputs (such as GDP and fuel prices), and set against an appropriate baseline for each sector.
31. We are confident that the savings estimate for each individual policy and proposal is credible and we have taken into account delivery risk when calculating them (as explained further below and in the Technical Annex).

Cascade effects

32. In addition to policies and proposals outlined in the carbon budgets policy package, there are also cascade effects, which are not accounted for in the sectoral modelling of policy savings. Based on our analysis, it is reasonable to conclude these effects will result in emissions reductions additional to the planned scenario.
33. Cascade effects occur when changes in one system propagate through connected systems, in some cases amplifying or enabling change.^{vii} For example, increased familiarity, trust and social norms associated with the adoption of net zero technologies can often lead to co-adoption. This creates a virtuous cycle between these technologies which can accelerate adoption.

34. These interactions are not typically captured in sectoral modelling of policy savings, and not all sector teams have accounted for them. That is because these effects emerge from the interplay between technologies and policies across the whole economy, rather than within any single sector. We have estimated that we can credibly take into account 5MtCO₂e per year of savings in Carbon Budget 6, due to cascade effects.
35. Further details on cascade effects can be found in the Technical Annex.

Delivery risks

36. The context within which we are delivering this transition is inherently uncertain. There is a wide range of fluctuating external factors which drive changes in greenhouse gas emissions. Our EEP baseline is sensitive to macro-economic changes, changes to fossil fuel prices, behavioural shifts and more. This creates uncertainty and both upside and downside risks, which we manage through regular monitoring, updates to our baseline and, if necessary, taking action to address.
37. Policies included in the EEP baseline have low implementation risk. This is because they are at an advanced stage of development and have either been implemented already or are planned policies where the funding has been agreed and the design of the policy is near final. As we approach the Carbon Budget 6 period, a greater number of proposals and policies that are currently at an earlier stage of development will move into implementation and form part of the EEP baseline, reducing uncertainty.
38. Non-EEP policies are subject to implementation risks inherent in any long-term policy making. It is the government's intention to implement these policies and proposals as currently planned. This produces a snapshot, with projections made on the basis that all policies and proposals are implemented as currently planned, notwithstanding the fact that the policies in the package may not be delivered as currently predicted in the future. The risk of delays to policy delivery due to factors outside the government's direct control, e.g. supply chain constraints, are factored into modelling.
39. We have factored the risk that a policy or proposal will underdeliver, after having been implemented, into the projected savings of non-EEP proposals and policies, and ensured appropriate risk mitigations are in place. This could be due to factors including slower than expected technological developments, slower than expected consumer uptake, or delays in the supply chain. We have also considered the potential for overdelivery and considered steps that can be taken to promote it. This could be due to factors such as faster than expected technological developments, faster than expected consumer uptake, or improvements in the supply chain.
40. Taking those factors into account, the planned savings represent a credible level of emissions savings from current policy plans and proposals. 'Credible savings' are savings that are either expected to be achievable (in the case of known government policies in development) or can be achieved (as a result of early-stage proposals). We are confident that the government either has

measures in place, or measures that could be implemented if necessary, that will prevent underdelivery below the planned savings figure for each individual proposal and policy, and promote overdelivery if needed. Where we considered that risks would not be mitigated successfully, we revised down the emissions savings estimates for the affected policies. We therefore have confidence that each and every proposal and policy will deliver its planned scenario emissions savings.

Other early-stage policies and proposals (with additional savings)

41. There are additional policies and proposals in the package for which we cannot currently model annual savings projections in the same way that we do for the modelled policies and proposals as discussed above. These additional policies are listed in Table 5.
42. The other early-stage policies and proposals include promising areas of policy development in the agriculture and land use sectors, and policies to help create a larger and more resilient market for low-carbon industrial products.
43. We have estimated the scale of savings each early-stage policy will generate in the CB6 period based on currently available evidence. The Technical Annex includes further detail on the methodology. The overall projected savings from these policies is set out in Table 1. These policies carry a high degree of risk as many require further research and development to determine their decarbonisation potential, and many have a longer lead-in time with more stages of development and implementation than those outlined in previous sections. Appendix D includes more specific detail on the delivery confidence of the policies by sector. Nevertheless, government is responsible for considering that it is reasonable to assume that these policies and proposals will generate savings additional to those quantified above in the CB6 period (subject to delivery risks).

Devolved government savings

44. Projected emissions savings have been adjusted to account for savings in devolved and partially devolved policy areas. These are calculated from 'scaling-up' selected policies modelled at a sub-UK level to estimate UK-wide emissions savings from commensurate devolved government policies. The Technical Annex provides further detail on our scaling methodology for calculating devolved government contributions to overall UK efforts.

Measures for enhancing confidence in the planned scenario

45. As set out previously, no additional savings are required to meet CB4 or 5. With our package of proposals and policies, we have quantified 100% of the savings required to meet Carbon Budget 6 from 1990 levels. Mitigations are in place to ensure policies deliver their forecast savings.
46. The package is further strengthened through the inclusion of a range of 'enabling' proposals and policies, which underpin delivery of planned scenario savings. We cannot attribute emissions savings to these proposals and policies

directly, as they support other proposals and policies indirectly to achieve their planned savings and also support wider decarbonisation outside the policy package factored into the baseline and wider factors analysis. Enabling proposals and policies for each sector are itemised in Appendix B Table 6 (sector-specific enablers). 'Cross-cutting' enabling policies and proposals (Appendix B Table 7) underpin and support policy delivery across multiple sectors. These proposals and policies support innovation, leverage private finance, develop the workforce, leverage international and local interventions and support the public in making low-carbon choices. These cross-cutting policies reinforce confidence in the implementation and effectiveness of other sector-specific and quantified policies, and in the wider factors. Cross-cutting enabler policy areas include:

- **Innovation and R&D:** Accelerating the development, demonstration and deployment of critical low carbon technologies to increase the certainty of meeting carbon budgets, reduce energy system costs of the net zero transition and position the UK to lead in clean energy industries. Ensuring a robust scientific evidence base for policy decisions and delivery across all carbon budget sectors. This also supports the modelled wider factor savings.
- **Private finance/green finance:** Unlocking the scale of investment required to drive the transition to net zero and create long-term sustainable growth by de-risking investments, crowding in private capital and creating a sustainable finance regulatory framework to equip the market with the information and tools needed to allocate capital efficiently.
- **Skills and jobs:** Equipping the workforce with the necessary skills to implement new technologies, upskilling and supporting jobs to support the delivery of sectoral ambitions. This contributes to building a resilient economy that can adapt and thrive in a low-carbon future.
- **Public participation:** Ensuring that climate policies are designed in a way that is responsive to people's needs and empowering individuals and communities to access the benefits of the transition through information and support, accelerating the uptake of low carbon technologies and choices.
- **Local net zero:** Empowering local government and communities to accelerate to net zero, in line with the unique needs and opportunities of each area. Accelerating the adoption and delivery of low-carbon programmes and solutions and fostering innovation specific to local contexts.
- **International:** Promoting greater international ambition and coordinated global action allowing shared knowledge, aligning standards and technology development, making decarbonisation faster and cheaper for all, ensuring stability and opportunities for growth and trade.
- **Embedding net zero:** Ensuring climate objectives are systematically integrated across all policy areas, enhancing coherence, accountability and effective delivery of decarbonisation. This drives consistent action, maximises resource efficiency and helps build lasting public and institutional confidence in the net zero transition.

47. These cross-cutting enablers form an integral part of the pathway to a successful economy-wide transition to net zero and provide additional confidence in the assessed savings for modelled proposals and policies. They will also help to foster the trends and cascade effects we have incorporated into our analysis.
48. The UK's Emissions Trading Scheme (ETS) also reinforces confidence in delivery of savings for sectors subject to a cap on emissions. This is because emissions in the ETS are capped at a level that is aligned to our net zero target. Underperformance or non-implementation of policies in traded sectors would increase demand for ETS allowances to cover the excess emissions, increasing the carbon price and incentivising decarbonisation by alternative means. Furthermore, the ETS can drive decarbonisation in the areas where there is no supply-side policy to promote decarbonisation.
49. Currently, the ETS covers power, fuel supply, part of the industry sector, domestic aviation, flights departing from the UK to the European Economic Area, flights departing Great Britain to Switzerland and flights between the UK and Gibraltar. The UK ETS authority plans to extend the ETS to cover domestic shipping in 2026 and waste incineration in 2028.^{viii} The Authority also intends to expand the UK ETS to include emissions from international voyages (subject to public consultation).^{ix} The UK ETS Authority intends to continue the UK ETS beyond 2030 until at least 2050, with the scheme remaining aligned with our net zero targets, therefore giving businesses the certainty they need to invest in decarbonisation.
50. The full list of proposals and policies to enable carbon budgets to be met are presented in Appendix B. Figures are included at a UK level except in relation to Agriculture, LULUCF and Waste policies where we have provided savings at an England-level as the vast majority of these policy areas are devolved. F-gas policy savings are presented at a Great Britain level. We have provided separate, scaled-up UK wide figures, representing the remaining estimated emission savings in these sectors, in line with our scaling methodology. Further detail on the assumptions and methodology used are provided in the Technical Annex.

Governance processes

51. We have robust mechanisms in place to monitor, manage and mitigate delivery risks to keep us on track for our carbon budgets.
52. The Secretary of State for the Department for Energy Security and Net Zero (DESNZ) is chair of the Clean Energy Superpower Mission Board, which is a Cabinet Committee. The Mission Board is the principal ministerial governance mechanism organising Departments to deliver on the Mission. It sits at the apex of our climate governance.
53. A wider framework of cross-governmental and departmental governance structures led by officials support the Mission Board. They scrutinise and approve analysis and report progress in delivering on the proposals and policies. These processes maintain accountability and ensure appropriate

action is taken to deliver the necessary emission reductions. Where necessary, issues are then escalated to ministerial governance, ensuring that decision-makers retain sight of key issues and barriers. This combination of ministerial and official-level governance ensures that progress can be tracked and risks managed effectively.

54. Annual progress reports from the CCC provide an independent assessment of progress to guide our policy development and support delivery. We also track delivery against a range of metrics - these can be found in Annex 2 of the government response to the CCC's 2025 progress report in reducing emissions.

Timescales

55. The timescales over which the proposals and policies take effect represent modelled estimates of when emissions savings are expected to begin and end. This is informed by a forecast of how soon after policy implementation we would expect emissions savings to materialise; and for how long we anticipate the policy to continue to deliver emissions reductions.
56. While the government has committed to implementation dates for some proposals and policies, for others the implementation date remains subject to change as the policy develops. Further, some proposals and policies depend on funding decisions at future Spending Reviews. When emissions savings start to take effect is therefore dependent on the evidence underpinning the modelling as well as when the policy is implemented – this means that the timescales presented in Appendix B are subject to change. All proposals and policies are expected to deliver emissions savings until at least 2037, the end of the Carbon Budget 6 period.

Consideration of the 2030 and 2035 Nationally Determined Contributions

57. The government is committed to delivering its international commitments, including the 2030 and 2035 Nationally Determined Contributions (NDCs) under the Paris Agreement. The UK reported to the United National Framework Convention on Climate Change (UNFCCC) on progress towards meeting the 2030 NDC in the 2024 Biennial Transparency Framework (BTR).^x Following the submission of the BTR, the UK underwent the UNFCCC technical expert review, which provided recommendations and encouragements on how to improve clarity and transparency for future reports. Going forward we will report on progress to the 2030 and 2035 NDC every 2 years.
58. We have quantified emissions savings projections of 37.1MtCO₂e or 66% reduction from 1990 levels by 2030, representing 96% of the required savings. This is based on the planned scenario for proposals and policies and wider factors applicable in 2030. We also project a reduction of 129.8MtCO₂e or 81% by 2035 representing 99% of the required savings for the 2035 NDC from 1990 levels. This has been calculated based on the planned scenario, wider factors and additional savings from cascade effects and other early-stage policies.

59. The UK continues to bring forward policies, making best efforts to meet its commitments under the Paris Agreement. The government will seek to improve delivery and, where appropriate, will explore further measures, to ensure that the UK will meet its international commitments.

Conclusion

60. We consider that this plan has the necessary components to enable Carbon Budgets 4, 5 and 6 to be met. This conclusion takes into account projected emissions savings from planned proposals and policies as well as emissions reductions that we forecast will occur independently of government action. We have taken policy delivery risk into account when projecting emissions savings from policies and proposals. There are also mechanisms in place to monitor and mitigate risks for each individual policy.

61. Table 1 shows the expected performance against Carbon Budgets 4, 5 and 6. Where there is a positive figure in this last row of the table, it indicates that we expect to have reduced emissions beyond the level required by the budget; if it were negative, it would indicate that further emissions savings would be required to meet the budget.

Table 1: Total projected emissions against CB4 to CB6 (MtCO₂e)

	CB4 5-yr (average per year)	CB5 5-yr (average per year)	CB6 5-yr (average per year)
Years covered	2023 - 2027	2028 - 2032	2033 - 2037
Budget limit	1950 (390)	1725 (345)	965 (193)
CBGDP adjusted baseline	1840 (368)	1654 (331)	1727 (345)
Wider factors	22 (4)	64 (13)	99 (20)
Savings from new and early-stage proposals and policies	24 (5)	172 (34)	598 (120)
Cascade effects	0	10 (2)	24 (5)
Other early-stage policies and proposals	1 (0)	4 (1)	43 (9)
Residual emissions (after policy savings)	1793 (359)	1403 (281)	963 (193)
Performance against carbon budgets	157 (31)	322 (64)	2 (0)

Appendix A: Sector definitions

Table 2: Sector definitions

Sector	Sector definition
Power	Emissions from power stations (Major Power Producers only), including those generating energy from waste.
Fuel Supply	Emissions from the extraction, processing and production of fuels (chiefly oil, gas and hydrogen).
Industry	Emissions from manufacturing and refining: industrial processes, fuel combustion in industrial buildings, and industrial Off-Road Machinery. Includes emissions from manufacturers generating their own electricity and heat (autogeneration) such as Combined Heat and Power (CHP).
Heat and Buildings	Emissions from public, commercial and residential buildings, including domestic product use.
Domestic Transport	Emissions from all forms of road and rail transport, domestic aviation and domestic shipping (including fishing vessels).
International Aviation and Shipping	Emissions from fuel used in international aviation, as measured by UK bunker fuel. For international shipping, 50% of emissions from all journeys between a UK port (or an offshore installation in the UK's EEZ) and a port (or offshore installation) in another country, excluding any emissions produced at berth.
Agriculture	Emissions from ruminant livestock, agricultural soils (from fertiliser use and slurry application) and agricultural machinery (such as stationary combustion sources and off-road machinery).
Forestry and Other Land Use (LULUCF)	Emissions and removals from land use change, forestry, peatlands, agro-forestry and hedgerows.
Resources and Waste	Emissions from the treatment and disposal of solid and liquid waste and landfill, including emissions from incineration not used to generate energy (e.g. incineration of chemical waste).
Fluorinated Gases (F-gases)	Fluorinated gas emissions, primarily from use in refrigeration, air-conditioning, heat pumps, aerosols and high voltage switchgear.
Greenhouse Gas Removals ²	Negative emissions from engineered removal technologies, including direct air and bio-energy carbon capture and storage.

² Nature-based solutions, such as afforestation, are included in the Agriculture and LULUCF sub-sector.

Appendix B: Tables of proposals and policies and projected emissions savings

In this appendix we list the individual proposals and policies which will enable the Carbon Budgets to be met. These are set out over five tables (in separate documents):

- Table 3 – Policies captured in the Energy and Emissions Projections (EEP)
- Table 4 – Modelled proposals and policies
- Table 5 – Other early-stage proposals and policies
- Table 6 – Sector enablers
- Table 7 – Cross-cutting enablers

Explanation of presented emission savings figures

1. Emission savings are presented on an average annual basis over each carbon budget period covering CB4, CB5 and CB6. Due to presentational rounding, the sum of individual policy savings may not exactly match aggregated totals shown within the CBGDP.

Explanation of approach to presenting timescales of policy effects

2. To fulfil the statutory requirement to set out the period over which the proposals and policies are expected to take effect, Table 4 (modelled proposals and policies) indicates the year in which our modelling anticipates emissions reductions would start. For some proposals and policies, it is highly uncertain when the policy may be implemented – in these cases we have indicated the carbon budget period rather than a specific year. Table 5 (early-stage proposals and policies) also indicates the year or period from which we expect proposals and policies to take effect.
3. In all cases, the timescales over which we expect policies to take effect are not commitments – these may change according to developments in the evidence underpinning the modelling, the timing of policy implementation (unless the implementation date is an existing public commitment) and decisions on future spending (where applicable). All proposals and policies are expected to deliver emissions reductions until at least 2037, the end of Carbon Budget 6.

Explanation of power policies represented by a single emissions figure

4. DESNZ simulates the power sector using the Dynamic Dispatch Model (DDM), with emissions savings determined by comparing indicative net zero consistent scenarios against a scenario where no further government action is taken to decarbonise the power sector (which does not need to be net zero compliant).^{xi} For all scenarios, the model builds sufficient capacity to ensure security of supply, with the capacity mix balanced to keep system costs low. Although

specific capacity mixes are required by these scenarios, DDM modelling has shown that there are a range of capacity mixes consistent with net zero, although renewables are a key backbone of a decarbonised power system.^{xii}

5. We provide a single emissions savings figure for the whole sector because power sector proposals and policies all contribute to a single interlinked dynamic system. Calculating individual emissions savings (where capacity for a single technology does or does not materialise because of the policy) will yield significantly different values depending on whether that policy is evaluated in isolation or in conjunction with one or more other policies. This non-additive nature also means that single policy emissions savings are sensitive to the exact configuration of the chosen scenario, so two net zero consistent scenarios may yield different emissions savings for the same policy.
6. In this context, generating emissions savings for individual policies is likely to be both misleading and inaccurate. Risks to power sector decarbonisation are therefore not defined by the level of emissions savings for a given policy but rather in how each policy facilitates and accelerates the delivery of low carbon capacity and whether the policy retains optionality; that is, provide avenues for a large number of technologies to participate in the power sector, diversifying the technology mix and, in doing so, de-risking the system as a whole.
7. Emissions savings attributed to greenhouse gas removal technologies such as power BECCS (Bioenergy with Carbon Capture and Storage) are accounted for in the Greenhouse Gas Removal section; whereas the contribution of that technology to low-carbon power generation as part of the power system are represented as part of the single Power sector carbon accounting line.
8. More information on how policies in the power sector are modelled can be found in the Technical Annex.

Table 3: Policies captured in the Energy and Emissions Projections (EEP)

Notes:

Policies highlighted green are reported in aggregate, therefore contain various implementation statuses and dates. Policies listed as 'NA' (not applicable) are quantified within an aggregated category or, in the case of policy #5, the method for calculation savings is being reviewed so emissions savings are excluded.

These emissions projections include all planned, adopted, implemented and expired climate change policies. The following UNFCCC-consistent categories describe the implementation status of policies:

- Expired are closed policies that still provide legacy carbon savings;
- Implemented policies and measures are those for which one or more of the following applies:
 - i. national legislation is in force;
 - ii. one or more voluntary agreements have been established;
 - iii. financial resources have been allocated;
 - iv. human resources have been mobilised.
- Adopted policies and measures are those for which an official government decision has been made and there is a clear commitment to proceed with implementation.
- Planned policies and measures are options under discussion having a realistic chance of being adopted and implemented in future.

More information is available in the published Energy and Emissions Projections Annex D

#	Policy Characteristics		Implementation		Savings															
	Policy Name	Policy Description	Implementation Status	Implementation Date	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	
1	Agricultural policies	Agricultural policies are a group of English, Scottish and Welsh policies and programs: the Agricultural Action Plan (England), the Climate Change Plan (Scotland), and the Climate Smart Agriculture (Wales). These policies aim to reduce emissions through a range of resource-efficiency and land management measures. Relevant policies are quantified in the aggregate 'Agricultural policies'.	Various	Various	1.28	1.35	1.41	1.48	1.55	1.61	1.68	1.75	1.82	1.88	1.88	1.88	1.88	1.88	1.88	1.88
2	Aviation - Domestic	Includes the SAF mandate. The SAF mandate will start in 2025 at 2% of total UK jet fuel demand, increase on a linear basis to 10% in 2030 and then to 22% in 2040. From 2040, the obligation will remain at 22% until there is greater certainty regarding SAF supply. The mandate will encourage the innovation of advanced fuels that can generate greater emission reductions and the diversification of feedstocks to reduce dependencies on scarce resources.	Various	Various	0.00	0.00	0.02	0.05	0.07	0.08	0.10	0.11	0.12	0.13	0.13	0.16	0.16	0.17	0.18	0.18

3	Aviation - International	Includes the SAF mandate. The SAF mandate will start in 2025 at 2% of total UK jet fuel demand, increase on a linear basis to 10% in 2030 and then to 22% in 2040. From 2040, the obligation will remain at 22% until there is greater certainty regarding SAF supply. The mandate will encourage the innovation of advanced fuels that can generate greater emission reductions and the diversification of feedstocks to reduce dependencies on scarce resources.	Various	Various	0.12	0.44	0.77	1.48	2.23	2.93	3.64	3.81	4.20	4.42	4.60	4.82	5.35	5.81	6.33
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4	Car policies	<p>In 2020, Regulation (EU) 2019/631 entered into force in the EU and regulates CO₂ emissions from both cars and vans. Between 2020 and 2024 the industry wide CO₂ emissions target for cars is 95g CO₂/km.</p> <p>In 2021, following EU exit, Regulation (EU) 2019/631, was retained in UK law and several statutory instruments were laid to correct the regulations to ensure they work in a UK only context.</p> <p>From 2024, the Vehicle Emissions Trading Schemes Order 2023, implementing the ZEV Mandate, requires that an annually increasing percentage of cars be zero emission starting at 22% in 2024 reaching 80% in 2030. The schemes also include CO₂ targets and targeted flexibilities to allow manufacturers with different starting points to comply. Regulation also allows for complementary measures called eco-innovations which can lower a vehicle's average CO₂ emissions using technologies which are not captured during official CO₂ emission laboratory tests. For example, smart diesel heaters and integrated starter generators. The Local EV Infrastructure (LEVI) Fund supports local authorities in England to work with industry and transform the availability of EV charging for drivers without off-street parking.</p> <p>The funding will support the installation of tens of thousands of local chargers, ensuring the rollout continues at pace to support drivers in every part of the country. £343 million capital and £37.8 million resource has been allocated to</p>	Various	Various	3.00	4.35	6.21	8.43	10.96	14.37	18.25	23.12	27.50	31.58	35.26	38.65	41.76	44.75	47.50
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		<p>113 local authorities in England, awarded over the financial years 2023/24 and 2024/25. Local authorities have been placed into one of two tranches to receive LEVI Capital funding; local authorities in Tranche 1 submitted applications during 2023/24, and Tranche 2 LAs during 2024/25.</p> <p>The £37.8 million LEVI Capability funding provides local authorities with funding to secure dedicated in-house expertise to plan, procure and tender the delivery of local chargepoints in their areas. This follows an initial £8 million Capability funding provided in 2022/23.</p> <p>The LEVI Pilot, launched in August 2022, and expanded further in February 2023, provided over £61 million in public and private investment, funding 25 local authorities across England to deliver 3,400 chargepoints and 1,000 gullies.</p> <p>The LEVI Pilot was designed to test operating models, inform policy development and stimulate chargepoint roll-out ahead of the main fund.</p> <p>To support local authorities with chargepoint rollout, the LEVI Support Body, comprised of the Energy Saving Trust, Cenex and PA Consulting, offer expert advice and support to local authorities throughout the Fund's timeline.</p>																	
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5	Electricity supply policies: recent decarbonisation policies in the electricity supply industry	Electricity supply policies' are a bundle of decarbonisation policies in the electricity supply industries. Recent policies (post-LCTP) are quantified in the aggregate 'Decarbonisation policies in the electricity supply industries'.	Various	Various	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A							
6	Forestry policies	Forestry policies are a range of post-2009 policies aimed at driving afforestation and reforestation. Relevant policies are quantified in the aggregate 'Forestry policies' which include the planting rates resulting from the Environment Act afforestation target to increase tree canopy and woodland cover to 16.5% of land area in England.	Various	Various	-0.24	-0.27	-0.26	-0.22	-0.18	-0.13	-0.08	-0.03	0.05	0.14	0.23	0.33	0.43	0.52	0.63

7	Heavy Goods Vehicles (HGV) policies	<p>EC Regulation 661/2009 sets minimum requirements and introduces labelling for the rolling resistance, wet grip and external rolling noise of tyres. Industry and Government are taking a range of actions to reduce freight emissions, including the Freight Transport Association's Logistics Carbon Reduction Scheme, which encourages members to record, report and reduce emissions from freight. The Mode Shift Revenue Support scheme encourages modal shift from road to rail or inland waterway where the costs are higher than road, and where there are environmental benefits to be gained. It currently helps to remove around 800,000 lorry journeys a year from Britain's roads. A similar scheme, Waterborne Freight Grant, can provide assistance with the operating costs associated with coastal or short sea shipping.</p> <p>- A voluntary, industry-supported commitment to reduce HGV greenhouse gas emissions by 15% by 2025, from 2015 levels, was introduced in 2018.</p> <p>- New EU Heavy Duty Vehicle (HDV) CO₂ emission standards regulation came into effect in July 2019. This established, for the first time, CO₂ reduction targets for HDVs in legislation based on data reported by manufacturers under Regulation (EU) 2018/956. Following EU exit, these Regulations have been retained and have been corrected by Statutory Instruments (SIs) to ensure they work in a UK context.</p>	Various	Various	1.04	1.21	1.60	1.98	2.34	2.69	3.02	3.64	4.23	4.79	5.28	5.74	6.14	6.48	6.78
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8	Public Service Vehicles (PSV) policies	<p>The Green Bus Fund (GBF) allowed bus companies and local authorities in England to compete for funds to help them buy new low carbon emission buses. The four rounds of the fund, which ran from 2009- 2014, added around 1250 Low Carbon Emission Buses onto England's roads. The GBF has now been replaced by the Low Emission Bus Fund (LEBS) which offered £30m for bus operators and local authorities across England and Wales to bid for low emission buses and supporting infrastructure. This scheme funding is open from 2016-2019 and the successful bidders were announced in July 2016, adding more than 300 extra low emission buses to fleets. In Autumn 2016, a further £100m was announced to increase the amount of low emission buses on the road. £11.1m was used to fund those who narrowly missed out on LEBS funding, and £48m formed the Ultra-Low Emission Bus Scheme which was launched in March 2018. Winners of this scheme were announced in February 2019. The remaining funding formed the Clean Bus Technology Fund, which was used to fund retrofitting solutions for existing bus fleets to a minimum Euro VI standard, and the winners of this fund was announced in February 2018. This was in addition to the previous £27m of Clean Bus Technology Fund rounds in 2013 and 2015. There was also a £5m Clean Vehicle Technology Fund in 2014. These funding schemes have contributed to an extra 5000 low emission buses on the road.</p>	Various	Various	0.01	0.10	0.24	0.32	0.37	0.42	0.46	0.51	0.54	0.57	0.60	0.63	0.66	0.67	0.69
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9	Van (LGV) policies	<p>In 2020, Regulation (EU) 2019/631 entered into force in the EU and regulates CO₂ emissions from both cars and vans. Between 2020 and 2024 the industry wide CO₂ emissions target for vans is 147g CO₂/km.</p> <p>In 2021, following EU exit, Regulation (EU) 2019/631, was retained in UK law and several statutory instruments were laid to correct the regulations to ensure they work in a UK only context.</p> <p>From 2024, the Vehicle Emissions Trading Schemes Order 2023, implementing the ZEV Mandate, requires that an annually increasing percentage of vans be zero emission starting at 10% in 2024 reaching 70% in 2030. The schemes also include CO₂ targets and targeted flexibilities to allow manufacturers with different starting points to comply. Regulation also allows for complementary measures called eco-innovations which can lower a vehicle's average CO₂ emissions using technologies which are not captured during official CO₂ emission laboratory tests. For example, smart diesel heaters and integrated starter generators.</p> <p>To help address payload penalty issues and encourage uptake of cleaner vans, a derogation from the European Union third Driving Licence Directive (2006/126/EC) has been introduced to allow Category B (car) licence holders to operate alternatively fuelled vehicles up to a maximum authorised mass of 4.25 (rather than 3.5) tonnes.</p>	Various	Various	1.32	1.46	1.72	2.15	2.77	3.62	4.61	5.84	6.92	7.84	8.67	9.38	10.01	10.64	11.23
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		<p>Complementary measures to support the uptake of ultra-low emission vans include the Plug-in Van Grant and various tax incentives; for instance zero emission vans only pay a small proportion of the van benefit charge and are not subject to the van fuel benefit charge. Electric vehicle (EV) infrastructure is directly supported through the Workplace Charging Scheme grants for EV chargepoints for employees and fleets, the Electric Vehicle Homecharge Scheme grants towards home EV chargepoints, the On-street Residential Chargepoint Scheme and the public-private £400 million Charging Infrastructure Investment Fund, launched in September 2019. Highways England have committed £15 million to ensure that 95% of the Strategic Road Network will be within 20 miles (32.2km) of a charging point. A reliable, accessible public charging network to support EV drivers on long journeys is essential. Ensuring this is visible and functional will build consumer confidence, which is vital for mass EV adoption.</p> <p>Around 98% of motorway service areas in England have open-access chargepoints available [DfT Analysis/MSAO self-reported], meaning they can be used by any electric car or van regardless of manufacturer. There are currently over 980 open-access rapid (50kW) and ultra-rapid (150kW+) chargepoints at motorway service areas in England. More than 775 are ultra-rapid (150kW+) chargepoints which can deliver around 120-145 miles of range in just 15 minutes for a typical electric</p>							
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		<p>vehicle [Oct 2024 DfT Analysis/MSAO self-reported].</p> <p>The RCF pilot will fund a portion of the cost of upgrading the electricity grid at motorway service areas (MSAs) where it is currently not commercially viable for industry to do so. The government expects the private sector to deliver chargepoints, but will, under the RCF pilot, fund non-commercially viable costs of future-proofing grid capacity.</p> <p>Applications to the Rapid Charging Fund pilot are currently being assessed. Further information will be made available in due course.</p>																	
10	Active travel spending	Committed active travel spending from 2011/12 onwards including from ring-fenced and non-ringfenced funds including the Local Growth Fund, Other Government Infrastructure Funds (e.g. the Housing Infrastructure Fund),	Implemented	2011	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00

		Highways Maintenance Fund, Transforming Cities Fund, Integrated Transport Block, Local Sustainable Transport Fund and Cycling Ambition Cities Fund.																	
11	Additional Renewables in Generation (Renewable Energy Strategy)	Increases Renewable Obligation (RO) targets in electricity supply so as to meet the UK's overall renewables target for 2020 as set out in the Renewables Directive (RED, 2009/28/EC).	Implemented	2009	N/A														
12	Boiler Plus (technical standards for domestic boiler installations)	The policy objectives are to deliver additional energy and carbon savings from the domestic heating sector in England by lowering overall gas demand from domestic properties. It aims to do this by increasing the deployment of devices which increase the efficiency of domestic heating systems, through controls and measures to make gas boilers heat homes more efficiently. The policy instrument is a technical standard set through statutory guidance under the Building Regulations framework. This requires existing households in England to install an additional energy saving measure from a choice list at the point of installing a new or replacement combi gas boiler in an existing dwelling.	Implemented	2018	0.29	0.34	0.39	0.44	0.49	0.53	0.58	0.63	0.68	0.73	0.68	0.63	0.58	0.53	0.49
13	Boiler Upgrade Scheme (BUS)	The Boiler Upgrade Scheme (BUS) was established as a scheme offering upfront capital grants (initially £5000 for ASHP & Biomass and £6000 for GSHP; subsequently increased to £7500 for ASHP and GSHP) to property owners to install heat pumps and in some limited circumstances, biomass boilers, to replace fossil fuel heating systems. The scheme opened in spring 2022.	Implemented	2022	0.07	0.14	0.16	0.17	0.17	0.17	0.17	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18

14	Building Regulations 2010 Part L	An uplift to the Building Regulations which set minimum energy performance standards for new buildings and when people carry out controlled 'building work' to existing properties including extensions, conversions and certain categories of renovation and replacement windows and boilers.	Implemented	2010	5.97	6.04	6.28	6.40	5.88	5.39	5.07	4.67	4.49	4.32	4.16	4.02	3.87	3.71	3.56
15	Building Regulations 2013 Part L	An uplift to the Building Regulations which set minimum energy performance standards for new buildings and when people carry out controlled 'building work' to existing properties including extensions, conversions and certain categories of renovation and replacement windows and boilers.	Implemented	2013	0.10	0.09	0.10	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
16	Building Regulations 2021 Part L	An uplift in the standard for new and existing homes with the intention that Part L 2021 supports the FHS as a 'stepping stone' by encouraging the use of low carbon tech. Regs came into force in June 2022.	Implemented	2022	0.13	0.27	0.45	1.25	1.51	1.88	1.96	2.05	2.13	2.20	2.27	2.32	2.38	2.43	2.48
17	Building Regulations Part L (2002+2005/6)	An uplift to the Building Regulations which set minimum energy performance standards for new buildings and when people carry out controlled 'building work' to existing properties including extensions, conversions and certain categories of renovation and replacement windows and boilers.	Implemented	2002	8.71	8.21	7.64	7.08	6.54	6.01	5.53	5.05	4.59	4.12	3.66	3.19	2.72	2.26	1.79

18	Capacity Mechanism	Part of the Government's Electricity Market Reform package, the Capacity Mechanism ensures security of electricity supply by encouraging investments in electricity generation capacity. Part of the government's Electricity Market Reform package, the Capacity Market ensures that sufficient capacity is available to meet winter peak demand, by providing funding via auction of £/kW for capacity or capacity savings available to the system. It is intended to incentivise necessary investment in electricity capacity at the least cost for energy consumers to help secure electricity supplies for the future. The first capacity market auction was held in 2014 for delivery 4 years ahead in 2018. The scheme has EU State aid approval for the period 2014-2024.	Implemented	2014	N/A														
19	Carbon Emissions Reduction Target (CERT) Uplift and Extension (2010-12)	CERT extension - increased the targets originally set under CERT by 20% and required domestic energy suppliers with a customer base in excess of 50,000 (later increased to 250,000) to make savings in the amount of CO ₂ emitted by householders. The extension also refocused subsidy towards insulation measures and away from electricity saving measures such as low energy lighting - and introduced a super priority group (households in receipt of certain means-tested benefits) to make energy reductions in low income and vulnerable households.	Expired	2010	1.49	1.43	1.42	1.38	1.35	1.33	1.33	1.30	1.27	1.25	1.25	1.25	1.25	1.25	1.25
20	Carbon Price Floor	The Carbon Price Floor (CPF) is designed to further reduce the use of emission-intensive fossil fuels and increase the proportion of electricity	Implemented	2013	N/A														

		generation and supply from low carbon sources.																	
21	Carbon Trust measures	The Carbon Trust provides a range of measures from general advice to in-depth consultancy and accreditation, to reduce emissions and save energy and money to businesses and public sector organisations of all sizes.	Expired	2002	0.08	0.07	0.06	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22	Catchment Sensitive Farming	Delivers practical solutions and targeted support to enable farmers and land managers to take voluntary action to reduce diffuse water pollution from agriculture to protect water bodies and the environment.	Implemented	2006	N/A														
23	Climate Change Agreements (CCA)	Climate Change Agreements (CCAs) offer participating energy-intensive industries a discount from the Climate Change Levy (CCL) in return for meeting targets for emission reductions. The current CCA scheme started in 2013. From 1 April 2022, holders of a CCA have had a 92% discount on the CCL rate for electricity, a 77% discount on the CCL rate for LPG, and an 86% discount on the CCL rate for gas and any other taxable commodities. From 1 April 2023, the discount on the CCL rate for gas and any other taxable commodities was increased to 88% and then to 89% from 1 April 2024. From 1 April 2025, the discount on the CCL rate for gas and other taxable commodities will remain the same. The UK Government has recently consulted on the key aspects of the future scheme, where reforms may be required, and what some of those reforms may entail. The Government Response, published in October 2024, confirmed that the new CCA scheme will run from January	Implemented	2013	N/A														

		2026, setting energy efficiency and carbon reduction targets out to the end of 2030 with reduced CCL rates available for eligible participants until March 2033.																	
24	Climate Change Levy (CCL)	The Climate Change Levy (CCL) was introduced in 2001. It is levied on the supply of energy to business and public sector consumers to incentivise them to reduce energy consumption. Each of the four main groups of taxable commodities (electricity, gas, solid fuels, and liquefied petroleum gas [LPG]) has its own main rate per unit of energy. Eligible energy-intensive industries may pay reduced main rates of CCL through CCAs, or be exempt from the CCL (for mineralogical/metallurgical processes). Budget 2016 announced that CCL rates would increase from April 2019, moving to an electricity-to-gas ratio of 2.5:1 compared to the previous 2.9:1 ratio. In the longer term, the Government intends to rebalance the rates further, reaching a ratio of 1:1 by 2025. Rates have been announced up until 2025.	Implemented	2001	N/A														
25	Community Energy Saving Programme (CESP)	Community Energy Saving Programme (CESP) - area based regulation that targeted households across Great Britain, in areas of low income, to improve energy efficiency standards, and reduce fuel bills. CESP was funded	Expired	2009	0.08	0.07	0.07	0.07	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.05

		by an obligation on larger energy suppliers and also the larger, electricity generators.																	
26	Contract for Difference (CfD) (2014-2025)	Contracts for Difference (CfDs) in the electricity market provide greater certainty and stability of revenues for low carbon generation. CfDs are offered to new capacity through Allocation Rounds, which can trigger a competitive auction if the total value of bids exceeds specified budgets. There is also a bilateral CfD in place for the Hinkley Point C nuclear plant.	Implemented	2014	N/A														
27	Contract for Difference (CfD) (2025-2035)	Planned continuation of Contracts for Difference (CfDs) for new low carbon capacity after 2020.	Planned	2025	N/A														
28	CRC Energy Efficiency Scheme	The CRC (formerly the Carbon Reduction Commitment) is a mandatory UK-wide emissions trading scheme (launched in 2010). It encourages the uptake of energy efficiency measures in large non-energy intensive private and public sector organisations that use energy not covered by the EU ETS or Climate Change Agreements. It covers around 5000 medium and large users of energy across the business and public sector. The scheme is split into phases. Phase 1 ran from 1 April 2010 until 31 March 2014. Phase 2 runs from 1 April 2014 until 31 March 2019. In the 2016 Spring Budget, the Chancellor announced there would be no further sales of CRC allowances after Phase 2 (i.e. following the 2018/19 compliance year) and legislation was laid in July 2018 to close the scheme after Phase 2. From April 2019, the CCL will be increased to recover the revenue	Implemented	2010	0.86	0.85	0.85	0.57	0.34	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

		forgone from CRC allowances and a new streamlined energy and carbon reporting framework for quoted companies of all sizes and large unquoted companies and large Limited Liability Partnerships will come into force UJ-wide.																	
29	EEC1 (energy efficiency commitment), EEC2 (2002-2008) & Baseline Carbon Emissions Reduction Target (CERT) (2008-2010)	EEC I: GB wide regulation that required all electricity and gas suppliers with 15,000 or more domestic customers to achieve a combined energy saving of 62 TWh by 2005 by incentivising their customers to install energy-efficiency measures in homes. EEC II - energy suppliers with more than 50,000 domestic customers required to deliver a total of 130 TWh lifetime energy use reductions in GB households, primarily through the promotion of energy efficiency measures. Carbon Emission Reduction Target (CERT) – GB regulation that required all domestic energy suppliers with a customer base in excess of 50,000 domestic customers to make savings in the amount of CO ₂ emitted by householders.	Expired	2002	3.58	3.42	3.40	3.32	3.21	3.11	3.11	3.06	3.05	3.05	3.05	3.06	3.06	3.05	3.04

30	Energy Company Obligation (ECO)	The Energy Company Obligation (ECO) is a statutory obligation on energy suppliers with over 250,000 domestic customers and delivering over a certain amount of electricity or gas to make reductions in carbon emissions or achieve heating cost savings in domestic households. ECO focuses on insulation measures, and also heating improvements to low income and vulnerable households. It ran until March 2017. ECO initially ran to March 2015 (also known as 'ECO1') and was extended in April 2014 to March 2017 ('ECO2').	Expired	2013	0.64	0.62	0.62	0.61	0.60	0.59	0.59	0.59	0.59	0.59	0.59	0.59	0.59	0.58	0.58
31	Energy Company Obligation (ECO) 3	The reformed scheme (ECO 3) will run from autumn 2018 to March 2022. The scheme focuses completely on low income and vulnerable households. Supplier thresholds were lowered to 200,000 domestic customers from 2019, and 150,000 domestic customers from 2020. A new 'Innovation' element was introduced to incentivise new better performing measures and cost-effective delivery techniques (up to 10% of scheme), and up to a further 10% of scheme for a monitoring regime to better understand measure performance. The LA Flexible Eligibility mechanism was increased to up to 25% of the scheme.	Expired	2018	0.26	0.26	0.26	0.25	0.24	0.23	0.23	0.24	0.24	0.25	0.26	0.26	0.26	0.26	0.26
32	Energy Company Obligation (ECO) 4	ECO 4 will run between April 2022 to March 2026. The scheme focusses on low income and vulnerable households, although the Local Authority Flexible Eligibility mechanism brings in a larger cohort of eligible households that may not meet the low-income eligibility criteria. LA Flex has been increased to a maximum of 50% of the overall	Implemented	2022	0.18	0.27	0.36	0.35	0.35	0.34	0.34	0.33	0.34	0.34	0.34	0.34	0.34	0.34	0.34

		households into which energy suppliers can deliver measures. It will focus on improving as many homes' EPC ratings to band C or D. Since its launch, the GB Insulation Scheme – another energy supplier obligation scheme - was launched in 2023. High costs of delivery in the GB Insulations Scheme have led to changes that are due to be consulted upon, designed to bring the overall cost of the scheme back to its original estimate.																	
33	Energy Company Obligation (ECO) Extension	The 2015 Spending Review announced that ECO would be replaced with a new, lower cost scheme that would run for 5 years (to March 2022) and will tackle the root causes of fuel poverty. The 5-year extension will take place in the two phases, with the ECO Extension (April 2017 - Sept 2018) acting as a bridge between the expired ECO scheme and the new fuel poverty focused scheme, ECO 3, which will run from December 2018 to March 2022. The Local Authority Flexible Eligible mechanism was introduced under ECO2 Extension, enabling LAs to determine eligibility and refer households to obligated suppliers. Up to 10% of Affordable Warmth could be delivered through this route.	Expired	2017	0.19	0.19	0.19	0.18	0.18	0.18	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.19

34	Energy Performance of Buildings Directive (EPBD) 2017 Cost Optimal Review and Nearly Zero Energy Buildings (NZEB) (2018 and 2020)	The Government is required to report to the European Commission by June 2017 to demonstrate that UK building standards for energy performance remain 'cost optimal'. Cost-optimal energy performance means that the lifetime cost-benefit analysis is positive. Minimum energy performance requirements must be compared against calculated cost-optimal levels using the Comparative Methodology Framework.	Implemented	2017	N/A														
35	Energy Performance of Buildings Directive (EPBD) Recast 2010	Extension of the Energy Performance of Buildings Directive (EPBD) requirement for public buildings to display Energy Performance Certificates to include buildings over 250 metres squared from 9 July 2015.	Implemented	2010	N/A														
36	Energy Performance of Buildings Directive (EPBD; UK transposition)	Energy Performance Certificates (EPCs) are required when any building is sold, rented out or constructed, and sometimes after refurbishment work. EPCs give information on a building's energy efficiency in a sliding scale from 'A' (very efficient) to 'G' (least efficient).	Implemented	2007	0.47	0.44	0.43	0.41	0.39	0.37	0.37	0.36	0.35	0.35	0.35	0.35	0.35	0.35	0.35
37	Energy Savings Opportunity Scheme (ESOS)	A mandatory energy assessment scheme for all large undertakings (non-SMEs) in response to requirements contained Article 8 of the EU Energy Efficiency Directive (2012/27/EU). Organisations which employ 250 or more people, or employ fewer than 250 people but have both an annual turnover in excess of £44m and annual balance exceeding £38m (phase 3 thresholds), must measure their total energy consumption and carry out audits of the energy used by their	Implemented	2014	0.68	0.66	0.65	0.63	0.60	0.57	0.57	0.54	0.53	0.52	0.52	0.51	0.51	0.50	0.50

		buildings, industrial processes and transport to identify cost-effective energy saving measures, by 5 December 2015 and every four years thereafter. In the phases of ESOS to date, between 7,000 and 7,500 organisations and corporate groups qualified and complied with the ESOS regulations.																	
38	Energy Savings Opportunity Scheme (ESOS) - Improvements from Energy Act 2023 (Buildings)	<p>These are quantified savings estimated to result from improvements to the ESOS scheme (main policy is described in "Energy Savings Opportunity Scheme" policy line above).</p> <p>As part of the Energy Act 2023 (followed by secondary legislation) a number of changes were made to strengthen the ESOS. This includes including standardising and improving the quality of ESOS audits and requiring public disclosure of energy consumption and high-level energy saving recommendations. To note: in line with the published Impact Assessment of these regulatory changes (IA No: BEIS001(F)-22-EEL), the only improvement for which carbon savings have been quantified relates to the introduction of mandatory disclosure of results from the audit.</p> <p>Carbon savings from these improvements take effect from phase 3 onwards. These savings have been split out by whether the savings relate</p>	Implemented	2023	0.00	0.15	0.07	0.06	0.06	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05

		to energy used for industrial processes or buildings.																	
39	Energy Savings Opportunity Scheme (ESOS) - Improvements from Energy Act 2023 (Industrial Processes)	<p>These are quantified savings estimated to result from improvements to the ESOS scheme (main policy is described in "Energy Savings Opportunity Scheme" policy line above).</p> <p>As part of the Energy Act 2023 (followed by secondary legislation) a number of changes were made to strengthen the ESOS. This includes including standardising and improving the quality of ESOS audits, and requiring public disclosure of energy consumption and high-level energy saving recommendations. To note: in line with the published Impact Assessment of these regulatory changes (IA No: BEIS001(F)-22-EEL), the only improvement for which carbon</p>	Implemented	2023	0.00	0.23	0.22	0.21	0.20	0.19	0.19	0.19	0.19	0.18	0.18	0.18	0.19	0.19	0.19

		<p>savings have been quantified relates to the introduction of mandatory disclosure of results from the audit.</p> <p>Carbon savings from these improvements take effect from phase 3 onwards. These savings have been split out by whether the savings relate to energy used for industrial processes or buildings.</p>																	
40	Environmental Stewardship (Entry Level Schemes and Higher-Level Stewardship)	Provides income foregone support under Pillar 2 of the CAP for farmers to undertake management options that benefit biodiversity, resource protection and water quality.	Implemented	2005	N/A														
41	EU/UK Emissions Trading System (ETS)	The ETS sets a limit (cap), which reduces year-on-year, on the total number of greenhouse gas emissions that can be emitted by scheme participants across the EU. Emitters must surrender enough allowances to cover their emissions each year. These allowances can be traded on carbon markets which determine the Carbon Price. This combination of a guaranteed limit on total emissions reducing over time, a market defined price on carbon and the ability to trade allowances, helps to drive investment in low-carbon technologies and reduce greenhouse	Implemented	2005	N/A														

		gas emissions in the most cost-effective way.																	
42	F-gas regulations	The F-gas regulations introduced a 79% phase down in the quantities of hydrofluorocarbons that can be placed on the EU market and was delivered via a gradually reducing quota system; a number of bans on the use of certain F-gases in some new equipment; a ban on the use of very high GWP HFCs for the servicing of certain types of refrigeration equipment; and some strengthening of obligations in the 2007 regulation relating to leak checking, repairs, F-gas recovery and technician training. These regulations were introduced by the EU in 2014 and passed into UK law in 2015.	Implemented	2014	4.51	4.88	5.19	5.48	5.79	6.11	6.43	6.76	7.12	7.53	7.97	8.42	8.89	9.29	9.68
43	Feed-In Tariffs (FITs)	Feed-in Tariffs (FITs) support organisations, businesses, communities and individuals to generate low-carbon electricity using small-scale (5 MW or less total installed capacity) systems. Electricity suppliers are obliged to pay the regulated tariffs to eligible generators.	Implemented	2010	N/A														
44	Fluorinated GHG Regulation	Control (containment, prevention and reduction) of F-gas emissions through recovery, leak reduction and repair and some very limited use bans. Mandatory certification requirements to work with F-gases.	Implemented	2007	N/A														

45	Forestry Act Felling Licence Regulations and Environmental Impact (Forestry) regulations	Strong regulatory framework that controls felling. It only allows deforestation for purposes of nature conservation and prevents the afforestation of deep peat. Legislation updated 1999 and 2017.	Implemented	1999	N/A														
46	Great British Insulation Scheme	The Great British Insulation Scheme is a £1bn energy company obligation (additional to ECO4) to improve EPC D-G properties across two eligibility groups: a 'low-income group' (households on means-tested benefits, those in social housing and Local Authority or Supplier Flex referrals) and a 'general group' (homes in Council Tax bands A-D in England and A-E in Scotland and Wales). Scheme targets are set based on £200m of spend on the low-income group and £880m of spend on either the low-income or general group (including £80m of household contributions) and will run Spring 2023 to March 2026.	Adopted	2023	0.02	0.07	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
47	Green Gas Support Scheme	The Green Gas Support Scheme (GGSS) is a tariff subsidy to support the generation of biomethane by anaerobic digestion, for injection into the gas grid. It launched in November 2021 and will be open for applications until 2025, operating in England, Scotland and Wales. It is funded through the Green Gas Levy. The GGSS has been extended to 31 March 2028 to provide sufficient time for prospective applicants to commission on the scheme before it closes.	Implemented	2021	0.01	0.11	0.22	0.35	0.48	0.57	0.60	0.62	0.63	0.63	0.63	0.63	0.63	0.63	0.63

48	Green Heat Network Fund (GHNf)	GHNf is £328m fund that provides capital support to develop low carbon heat network infrastructure. Its objective is to accelerate the low carbon transition of new and existing heat networks and increase waste heat recovery from heat sources not currently exploited. GHNf supports greater deployment of large heat pumps (air-source, ground-source and water-source), waste-heat recovery (including heat exchangers and heat pumps boosting heat from industrial/commercial processes and energy-from-waste plants), solar thermal with storage, and biomass (where this is sustainably sourced and complies with air-quality legislation).	Implemented	2022	0.00	0.00	0.03	0.07	0.18	0.29	0.40	0.47	0.50	0.50	0.50	0.50	0.50	0.50	0.50
49	Green Homes Grant Local Authority Delivery Scheme	The GHG Local Authority Delivery Scheme (LAD), Phases 1 and 2, was a scheme that budgeted up to £500m for energy efficiency and low-carbon heating improvements for low-income households.	Implemented	2020	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
50	Green Homes Grant Voucher Scheme	The Green Homes Grant voucher scheme was announced in 2020 as an economic stimulus scheme. It opened on 30th September 2020, but early closure was announced resulting in applications ending on 31st March 2021. Up to £320m budget is allocated for FY21/22, but current applications will come out of this budget. Policy savings represent an estimate of savings as a result of estimated installations later on in the year as a result of applications to the scheme, which have now closed, and so estimated energy savings could change significantly.	Expired	2020	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04

51	Grown in Britain	Industry-led action plan announced in Government's Forestry and Woodlands Policy Statement (2013) which aspires to encourage businesses to invest in woodland creation and sustainable forest management practice.	Implemented	2013	N/A														
52	Heat Network Efficiency Scheme (HNES)	The Heat Network Efficiency Scheme (HNES) provides funding to public, private and third sector applicants in England and Wales to support improvements to existing district heating or communal heating projects that are operating sub-optimally and resulting in poor outcomes for customers and operators.	Implemented	2023	0.01	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
53	Heat Networks Investment Project	The Heat Networks Investment Project (HNIP) is a capital funding scheme across England and Wales to encourage the development of heat networks. The HNIP supports heat network projects through grants and loans, with a key objective to build a sustainable market for heat networks to support the decarbonisation of heat in buildings and help the UK reach her carbon budgets. It also aimed to deliver wider benefits in terms of mobilising wider investment, reducing bills, cutting carbon and forming a key part of wider urban regeneration in many locations. The scheme is now closed and has successfully allocated all its funding to support the commercialisation and construction of projects through a competitive process.	Expired	2017	0.00	0.01	0.01	0.03	0.05	0.05	0.06	0.07	0.08	0.08	0.09	0.09	0.09	0.09	0.09

54	Heat Networks Metering and Billings Regulations	The Heat Network (Metering and Billing) Regulations 2014 aim to introduce fairer billing and incentivise energy savings, by requiring heat suppliers to install heat metering devices where cost-effective and to bill based on consumption. The approach to assessing cost-effectiveness was suspended in 2015 due to methodological issues. Since then, this aspect of the Regulation has not been enforced. Amendments to the Regulation are required to support the installation of customer-level metering devices, reduce administrative burden, support wider UK climate goals, and enable consistency across heat network customers and compliance with the requirements of the Energy Efficiency Directive (EED).	Implemented	2020	0.11	0.12	0.13	0.13	0.13	0.13	0.13	0.13	0.04	0.03	0.02	0.01	0.00	0.00	0.00
55	HGV natural gas policy	The Government has implemented measures to encourage alternatively fuelled HGVs including through reduced fuel duty rates for road fuel gases, and increasing rewards for renewable gaseous fuels under the Renewable Transport Fuel Obligation. We have recently consulted on proposed legislative amendments which would further increase support for renewable transport fuels suitable for heavy goods vehicles. The Government has helped operators establish and run fleets of alternatively fuelled HGVs through the Low Carbon Truck Trial. £11.3m funding has been provided, via competition, to part fund and test around 370 commercial vehicles, with most using a gas or dual	Implemented	2012	N/A														

		fuel system (diesel and gas), and to develop refuelling infrastructure.																	
56	Home Upgrade Grant 2	The Home Upgrade Grant (HUG) provides energy efficiency upgrades and low carbon heating via local authorities, to households in England that are low income, off the gas grid and have an Energy Performance Certificate (EPC) between D and G.	Implemented	2023	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
57	HS2 Woodland Fund	Grant to support woodlands to create a green corridor of connected wildlife habitats alongside the railway and restore degraded ancient woodlands.	Implemented	2017	N/A														
58	Industrial Emissions Directive (as it applies to Large Combustion Plant Directive)	As transposed into UK law, the IED replaced the LCPD from 1 January 2016 with similar (although more stringent) provisions set out in chapter III of the Industrial Emissions Directive (2010/75/EU) (IED). Those provisions apply in respect to any plant newly permitted since 7 January 2013. Three compliance routes are available to generating plants; to abate emissions and comply with more stringent limits by 2020; to comply with less stringent limits but face a 1,500 hour per year load factor constraint; or to close by 2023.	Implemented	2016	N/A														

59	Industrial Energy Transformation Fund (IETF)	The Industrial Energy Transformation Fund (IETF) was announced in the autumn Budget in 2018. The Fund will support businesses with high energy use, such as energy intensive industries, to transition to a low carbon future. It will help companies cut their energy bills and carbon emissions through investing in energy efficiency and low-carbon technologies. The IETF has a UK-wide budget of £315m over five years to 2024.	Implemented	2019	0.07	0.08	0.11	0.19	0.19	0.20	0.20	0.20	0.20	0.19	0.19	0.19	0.19	0.19	0.18
60	Industrial Energy Transformation Fund (IETF) Phase 3 Extension	<p>Grant funding for industrial energy efficiency and decarbonisation deployment projects and engineering studies. Based on additional funding of £185m of government spend out to 2028.</p> <p>DESNZ manages the IETF for England, Wales, and Northern Ireland. The Scottish Government have elected to use their Barnett share of the funding to support a sister Scottish IETF (SIETF) scheme.</p> <p>The IETF supports industrial sites with high energy use to transition to a low carbon future. The fund targets existing industrial processes, helping industry to reduce energy consumption by investing in more efficient technologies and reduce emissions by bringing down the costs and risks associated with investing in decarbonisation technologies. Funding is allocated through a competitive process aimed at supporting the highest quality and most</p>	Implemented	2024	0.00	0.00	0.00	0.00	0.04	0.09	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10

		transformative bids. The fund is open to a broad range of industrial sectors of all sizes and will support applicants, both within and outside of industrial sectors of all sizes and will support applicants, both within and outside of industrial clusters.																	
61	Industrial Heat Recovery Support (IHRS)	The policy aims to increase industry confidence to invest in the technology potential to recover heat from industrial processes, and increase the deployment of such technologies across manufacturing and data centres in England and Wales. It establishes a fund for feasibility studies that examine the potential for industrial businesses to adopt heat recovery technologies and a fund to subsidise the deployment of heat recovery technologies.	Implemented	2018	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00
62	Large Combustion Plant Directive	The Large Combustion Plant Directive (LCPD, 2001/80/EC) sets limits on emissions of sulphur dioxide, nitrogen oxides, and dust from combustion plants with a thermal capacity of 50 MW or greater. This has now been replaced by the Industrial Emissions Directive.	Expired	2007	N/A														

63	Nitrates Action Plan	This ensures improved compliance with the Nitrate Directive (91/676/EEC). Designated revised "Nitrate Vulnerable Zones" (NVC) established a range of mandatory measures to reduce nitrate pollution to water in each NVC. It includes also code of good practice for areas outside NVZs.	Implemented	2013	N/A														
64	Ozone Depleting Substances Regulation	This regulation implements obligations under the Montreal Protocol and EU Regulations (2037/2000/ EC and 1005/2009/EC) on ozone depleting substances. With the exemption of some critical use exemptions, CFCs and halon use is banned and HCFC use was banned from 2015. Most ozone depleting substances are potent greenhouse gases, so reductions in their use both protects the ozone layer and provides some GHG emissions mitigation.	Implemented	2009	N/A														
65	Pilot Energy Advice Service	The Pilot Business Energy Advice Service offers small and medium sized enterprises in the West Midlands free energy assessments and match funded grants for identifying and funding measures to increase energy efficiency. 4,000 energy assessments are available for SMEs. The pilot will allow us to learn lessons and gather evidence to inform future policy making, and reduce energy use delivering bill savings.	Implemented	2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

66	Private Rented Sector (PRS) Energy Efficiency Regulations	<p>There are two distinct parts to the Private Rented Sector Energy Efficiency Regulations. The first part represents the 'Tenants' energy efficiency improvements' provisions, which came into force in 2016. The second part represents the 'Minimum level of energy efficiency' provisions which were implemented in 2018. This implies a requirement for any properties rented out in the private rented sector to have a minimum energy performance rating of E on an Energy Performance Certificate (EPC), unless the property meets the conditions for an exemption, and that exemption has been registered on the PRS Exemptions Register. The regulations came into force for new lets and renewals of tenancies in England and Wales with effect from 1 April 2018 and for all longer-term tenancies on 1 April 2020 (1 April 2023 for non-domestic properties). In April 2019 these regulations were further strengthened with respect to the domestic sector only, to require a contribution of up to £3,500 from landlords towards the cost of improving their property towards EPC Band E (previously landlords of domestic properties were only required to take action where third party funding was available to meet the improvement costs). It will be unlawful to rent a property which breaches the requirement for a minimum E rating, unless one of the limited number of exemptions applies.</p> <p>There is no minimum requirement for private rented sector properties in Northern Ireland currently.</p>	Implemented	2016	0.53	0.46	0.45	0.42	0.37	0.32	0.31	0.29	0.28	0.27	0.27	0.27	0.27	0.26	0.26
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67	Products policy (EUP) - Adopted	The Ecodesign Directive and the Energy Labelling Framework Regulation operate by setting minimum performance and information requirements (respectively) for energy-using products. They aim to take the least efficient products off the market and to give consumers clear energy use-related information to guide their purchasing decisions. This is implemented through product-specific regulations.	Adopted	2008	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A								
68	Products Policy (Implemented 2008)	The Ecodesign Directive and the Energy Labelling Framework Regulation operate by setting minimum performance and information requirements (respectively) for energy-using products. They aim to take the least efficient products off the market and to give consumers clear energy use-related information to guide their purchasing decisions. This was implemented through product-specific EU regulations, replicated in UK law.	Implemented	2008	1.57	1.02	0.96	0.70	0.35	0.04	0.08	-0.05	-0.06	-0.07	-0.07	-0.05	-0.05	-0.09	-0.13	
69	Products Policy (Implemented 2009 - 2016)	The Ecodesign Directive and the Energy Labelling Framework Regulation operate by setting minimum performance and information requirements (respectively) for energy-using products. They aim to take the least efficient products off the market and to give consumers clear energy use-related information to guide their purchasing decisions. This was implemented through product-specific EU regulations, replicated in UK law.	Implemented	2009	2.88	2.64	2.82	2.68	2.36	1.96	2.04	1.79	1.80	1.80	1.81	1.86	1.86	1.80	1.75	
70	Products Policy (Planned)	The Ecodesign Directive and the Energy Labelling Framework Regulation operate by setting minimum performance and information requirements (respectively) for energy-	Planned	2023	0.00	0.00	0.00	0.01	0.03	0.03	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.04	0.04

		using products. They aim to take the least efficient products off the market and to give consumers clear energy use-related information to guide their purchasing decisions. This is implemented through product-specific regulations.																	
71	Public Sector Decarbonisation Scheme	The Public Sector Decarbonisation Scheme provides grants for public sector bodies to fund heat decarbonisation and energy efficiency measures. This return includes the £1bn of funding allocated in phase 1 of the scheme, £0.075bn of funding made available in phase 2, and £1.425bn of funding made available in phase 3.	Implemented	2020	0.30	0.38	0.43	0.43	0.43	0.43	0.43	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
72	Public Sector Energy Efficiency Loans Scheme	The Public Sector Energy Efficiency Loans Scheme, managed by Salix Finance Ltd, provides interest-free loans in England, Scotland and Wales to public sector organisations for energy efficiency schemes. These loans are intended to provide the capital cost of energy efficiency retrofit work and other measures to be installed. These loans have a payback period of five years (eight for schools) during which the repayments are met with the energy bill savings from the energy efficiency measures. Thus, once the loan has been paid off, the organisations continue to benefit from energy savings for the lifetime of these measures. This funding is then recycled once it has been returned to the Scheme and once again loaned out. DESNZ provides the most amount of funding to the Scheme but there is also some funding from the Scottish Government, the Welsh Government and the Department for Education.	Implemented	2004	N/A														

73	Rail electrification	<p>Major programme of rail electrification underway to replace older diesel trains with modern, low-emission electric trains. This means that operators are contractually obliged to meet emissions levels based on running modern electric rather than diesel traction. Trans Pennine Express (TPE) and Northern are examples where 11% and 17% reductions in CO₂e emissions per vehicle km respectively where contracted based on electrification schemes. Reducing costs: electric trains tend to be cheaper to buy, operate and maintain than diesels. They are also lighter so do less damage to the track. So whilst there is clearly a large capital cost associated with installing new electrification infrastructure, this can be compensated over time by the lower operational costs of electric trains. Increasing capacity and reliability and reducing journey times: electric trains tend to outperform equivalent diesels in terms of reliability, acceleration and carrying capacity. Reducing environmental impacts: electric trains are quieter and more carbon efficient than diesels and zero emission at point of use which helps with local air quality.</p> <p>Future electrification projects included in the latest EEP update includes electrification of Midland Mainline up to Leicester, Wigan-Bolton electrification and Transpennine Route Upgrade, as well as the replacement of rolling stock fleets to diesel-electric bi-modes at life expiry. These are implicitly in the return and are not modelled as part of a policy-off scenario.</p>	Implemented	2013	N/A														
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74	Renewable Heat Incentive (RHI)	<p>The Renewable Heat Incentive is a Great Britain (GB) wide scheme which provides financial incentives to increase the uptake of renewable heat, and it is comprised of two schemes:</p> <ul style="list-style-type: none"> - The Non-Domestic Renewable Heat Incentive (NDRHI), which provides financial incentives to businesses, the public sector and non-profit organisations. Eligible installations receive quarterly payments for 20 years based on the amount of heat generated. The NDRHI has closed to new applications on 31 March 2021. - The Domestic RHI (DRHI), which provides financial incentives to promote the use of renewable heat in domestic properties. Eligible installations receive quarterly payments for 7 years based on either the estimated amount of renewable heat generated, or their metered heat use. The DRHI has closed to new applications on 31 March 2022. <p>In Northern Ireland, a separate Renewable Heat Incentive scheme operated before being suspended on 29 February 2016.</p>	Implemented	2011	3.50	3.46	3.48	3.47	3.45	3.44	3.43	3.34	3.32	3.26	3.07	2.83	2.31	1.85	1.24
75	Renewable Transport Fuel Obligation, (RTFO) - 5% by volume	<p>The RTFO set a 4.75% target for biofuel use by diesel and petrol suppliers to be achieved by 2014. Targets are by volume rather than by energy. Implemented the EU Renewables Directive (2009/28/EC).</p>	Implemented	2007	2.88	3.01	3.03	3.06	3.07	3.08	3.09	3.11	3.12	3.13	3.14	3.16	3.17	3.19	3.21

76	Renewable Transport Fuel Obligation, (RTFO) - Increase target to meet RED	This policy sets enhanced overall targets of 9.75% (by volume) for biofuel use by diesel and petrol suppliers by 2020 and at least 12.4% in 2032. It implements the EU Renewables Directive (2009/28/EC) as amended by the ILUC Directive (2015/1513).	Implemented	2018	4.51	4.91	5.04	5.19	5.27	5.31	5.28	5.15	5.01	4.91	4.62	4.35	4.06	3.88	3.73
77	Renewables Obligation	Sets an annual obligation on electricity suppliers to source a proportion of their generation from renewable sources. Obligations can be met by providing Renewable Energy Certificate (ROCs) or paying into the RO buy-out fund. The RO closed to new applicants on 31 March 2017.	Expired	2002	N/A														
78	Revised UK Forestry Standard	Revised (2017) national standard for sustainable forest management, previously revised in 2011 to include a new guideline on climate change, covering both adaptation and mitigation.	Implemented	2011	N/A														
79	Rural Development Programme (2007 - 2013)	Woodland creation grants provided through EU co-financed Rural Development C87 Programmes in all four countries of the UK.	Expired	2007	N/A														
80	Rural Development Programme (2014 - 2020)	Woodland creation grants provided through EU co-financed Rural Development Programmes in England.	Implemented	2014	N/A														
81	Small and Medium Enterprises (SME) Loans	The Carbon Trust provided interest free loans of £3,000 - £400,000 for small and medium sized businesses to invest in energy efficiency equipment and renewable technologies. These loans were designed so that in most cases the forecast reduction in energy costs would be similar to the total repayment amount.	Expired	2004	0.03	0.03	0.03	0.02	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

82	Smart metering	The smart metering programme will replace traditional meters with smart electricity and gas meters in all domestic properties, and smart or advanced meters in smaller non-domestic sites in Great Britain. Smart meters will bring to an end manual meter reads and estimated bills, enabling prepayment customers to top-up remotely without leaving the home and providing consumers with near-real time information on their energy consumption to help them save energy and cut their bills. It will provide energy networks with better information upon which to manage and plan current activities. Smart meters will also assist the move towards smart grids which support sustainable energy supply and will help reduce the total energy needed by the system. There are now over 35.5 million smart and advanced meters in homes and small businesses across Great Britain. In July 2023, the Smart Metering Implementation Programme published minimum installation levels for Years 3 and 4 of its current targets framework, in order to maintain roll out momentum.	Implemented	2012	1.06	1.15	1.26	1.33	1.39	1.41	1.45	1.44	1.46	1.47	1.48	1.49	1.50	1.48	1.49
83	Social Housing Decarbonisation Fund (demo)	The Social Housing Decarbonisation Fund (SHDF) Demonstrator project is an initial investment to learn lessons and catalyse innovation in retrofitting for the SHDF. This is a fund of up to £61m to support the installation of energy performance measures in social homes in England.	Implemented	2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
84	Social Housing Decarbonisation Fund (Wave 1)	The Social Housing Decarbonisation Fund (SHDF) supports the installation of energy efficiency upgrades and low carbon heating in social homes in	Implemented	2022	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01

		England that have an Energy Performance Certificate (EPC) between D and G. Wave 1 of The Fund provided up to £160m for registered providers of social housing.																	
85	Social Housing Decarbonisation Fund (Wave 2.1)	The Social Housing Decarbonisation Fund (SHDF) supports the installation of energy efficiency upgrades and low carbon heating in social homes in England that have an Energy Performance Certificate (EPC) between D and G. Wave 2 of the scheme will allocate up to £800m to registered providers of social housing.	Implemented	2023	0.02	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
86	Soils For Profit	Provides on farm reviews and training on soils manures and nutrients. The programme closed in 2013.	Expired	2009	N/A														
87	Streamlined Energy and Carbon Reporting for business (SECR)	SECR is a reporting framework which obligates all large (as defined by the Companies Act 2006) UK registered companies to report their energy use and associated emissions relating to electricity, gas and transport in their annual reports. Companies will also be required to provide an intensity metric and disclose any energy efficiency actions undertaken during the reporting period. Quoted companies will in addition be required to report their global energy use and GHG emissions.	Adopted	2019	0.51	0.49	0.48	0.46	0.44	0.41	0.40	0.38	0.37	0.36	0.36	0.35	0.35	0.34	0.33
88	Sustainable Warmth (LAD3 and HUG1)	The Sustainable Warmth Scheme provides funding for local authorities (LAs) to upgrade energy inefficient homes of low-income households in England. Up to £500m was allocated across LAD3 and HUG1.	Implemented	2022	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
89	Warm front	Warm Front installed heating and insulation measures to make homes warmer and more energy efficient for private sector households in England vulnerable to fuel poverty. The scheme	Expired	2000	0.25	0.25	0.25	0.25	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26

		offered a package of heating and insulation measures of up to £3,500 (or £6,000 where oil central heating or other alternative technologies are recommended).																	
90	Warm Home Discount (WHD)	The Warm Home Discount (WHD) scheme provides an energy bill rebate of £150 to low income and vulnerable households in England, Wales and Scotland. It is assumed that recipients will spend a portion of the rebate on increased energy consumption for heating. The scheme was first introduced in 2011 and was reformed in 2022 (in England & Wales) to improve the fuel poverty targeting and provide the majority of rebates automatically. The scheme will continue until March 2026.	Implemented	2011	-0.42	-0.41	-0.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
91	Waste measures	There are a number of waste measures with the aim of increasing recycling/reuse and reduce harmful disposal. The Waste Framework Directive (2008/98/EC) is the general framework of waste management requirements and sets rules governing the separate collection of waste. The Landfill Directive (1999/31/EC) sets rules governing the disposal of waste to landfill. The UK Landfill Tax escalates tax on biodegradable waste sent to landfill. There are other waste measures targeting other waste streams, such as the Waste Incineration Directive (2000/76/EC). The overall effect is	Implemented	1996	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

		reducing environmental impacts of waste, such as landfilling biodegradable waste and its associated CH4 emissions.																		
92	Woodfuel Implementation Plan	Initiative to develop supply chains, including through support for harvesting/processing and woodland access, to increase woodfuel supply from existing woodland.	Expired	2011	N/A															
93	Woodland Carbon Code	Voluntary Code and associated carbon registry (2013) for UK domestic woodland carbon schemes to encourage private sector funding for woodland creation projects. Recognised as component of net GHG emissions reporting for businesses in Government's Environmental Reporting Guidelines.	Implemented	2011	N/A															
94	Woodland Carbon Fund	The Woodland Carbon Fund is an exchequer-funded grant to support the creation of large-scale productive woodlands which also enhance natural capital.	Implemented	2016	N/A															
95	Woodland Creation Planning Grant	Grant to support the planning of large-scale productive woodlands, compliant with the UK Forestry Standard.	Implemented	2015	N/A															

Notes to accompany Table 4 – Modelled proposals and policies

Explanation of UK-wide approach to emissions

The carbon budgets apply to the whole of the UK economy and society. In preparing this package of proposals and policies, we have consulted with devolved governments who we continue to work with to deliver our UK-wide carbon budgets. Emission reduction figures are included at a UK-wide level, with the exception of the agriculture, forestry and other land use (AFOLU) and waste sectors, where we have provided savings at an England-only level, as the vast majority of these policy areas are devolved. F-gases are modelled on different geographical scopes, with some presented at a GB-wide level and others at an England-wide level. We have provided separate, assumed UK figures, representing estimated projections for ongoing carbon savings for CB4, CB5 and CB6, for these sectors. Simple assumptions have been used to generate an initial estimate for emissions savings in these sectors, in Scotland, Wales and Northern Ireland. Further detail on the methodology and the geographic scope of F-gas policies is included in the Technical Annex.

#	Policy characteristics				Planned scenario Average Annualised Savings (MtCO ₂ e)		
	Sector	Policy Name	Policy Description	Timescale in which the policy takes effect (under planned scenario)	CB4 5-yr (average pa)	CB5 5-yr (average pa)	CB6 5-yr (average pa)
1	Agriculture & LULUCF	Increase feed analysis and use of precision feeding to not exceed animal requirements.	<p>Precision feeding involves the assessment of animal feed to ensure the composition and volume of feed meets, but does not exceed, animal requirements. This can reduce emissions and emissions intensity by maximising feed utilisation, stabilising fermentation in the stomach, improving animal health, and minimising nutrient excretion in manure.</p> <p>It is expected that industry adoption of precision feeding will increase as a market-led take up of precision feeding is already</p>	2024 - 2050	0.002	0.01	0.03

			<p>occurring. The AIC (Agricultural Industries Confederation) maintains a register of accredited feed nutritionists to facilitate this by providing technical advice on best feeding practice. In addition, precision mixing machinery is available for the preparation of mixed rations.</p> <p>The role of government is in supporting and accelerating the take up of precision feeding. The government will provide funding under the Farming Innovation Programme, which could support the development of technology related to precision feeding.</p>				
2	Agriculture & LULUCF	<p>Animal Feed</p> <p>Use of methane suppressing feed products (e.g. 3NOP, nitrate additives) to reduce methane emissions from livestock.</p>	<p>Methane-suppressing feed products (for example 3NOP, nitrate additives) within feed rations are used to reduce the amount of methane produced by ruminant livestock (e.g. cattle). The Food Standard Agency (FSA) and Food Standards Scotland (FSS) are responsible for the authorisation process of feed additives in Great Britain. We will continue to work with the FSA and FSS, industry and the sector to support establishment of a mature market with a range of proven safe and effective methane suppressing feed products. We continue to use evidence gathered through published research, stakeholder engagement and a UK-wide call for evidence to better understand the opportunities and challenges associated with their use and inform policy development.</p>	2024 - 2050	0.01	1.29	1.61

3	Agriculture & LULUCF	Nutrient Management Integrating grass/herbal leys in rotation in arable systems.	<p>Leys are temporary grasslands made up of legume, grass and herb species. Diversification of arable cropping systems with grass/herbal leys can increase the positive effects of rotation practices. This measure reduces greenhouse gas emissions and emissions intensity by improving soil organic matter leading to positive impacts on crop yield, soil structure, resistance to erosion losses and could reduce nitrogen fertilizer application. Grass leys are also likely to reduce nitrogen leaching from the soil.</p> <p>This is included as an action in the Sustainable Farming Incentive (SFI). Under this action, the government pays for the integration of multi-species leys including a mix of legume, grass and herb species into the fallow land of an arable rotation. [NB. This measure provides carbon savings starting before the start date and there is already existing, market led, uptake across sectors to deliver emission reductions. Additionally, due to the significant lead in time for the projected savings to start, and the modelling system used, there may be minor emissions savings before the anticipated start year, e.g. due to proactive and engaged farmers and land managers taking steps themselves, ahead of any policy intervention].</p>	2024 - 2050	0.0002	0.001	0.01
4	Agriculture & LULUCF	Nutrient Management Avoiding use of Nitrogen in excess	Support nutrient and manure management across the farming sector, to optimise the use of nitrogen and avoid excess	2024 - 2050	0.001	0.01	0.02

		through the development of an agronomist led nutrient management plan.	<p>application.</p> <p>Current agreement holders in the Sustainable Farming Incentive, Farming Rules for Water and Nitrate Regulations will contribute to this outcome as well as industry practice.</p> <p>Positive impacts include reduced Greenhouse Gas emissions from synthetic fertilisers and reduced energy use and the loss of nitrogen into the environment.</p>				
5	Agriculture & LULUCF	Pesticides Improved crop health through improved pest and disease control practices.	<p>Support improved crop health to increase yield quality and reduce yield losses, through current agreement holders undertaking Sustainable Farming Incentive (SFI) Integrated Pest Management (IPM) actions, and the Farming Innovation Programme (FIP).</p> <p>Through the SFI, Defra is paying farmers to adopt IPM and precision application techniques which can improve productivity, crop health and reduce pesticide use. This can help reduce emissions by supporting farmers to reduce reliance on pesticides, and activities such as fuel used during pesticide application.</p>	2024 - 2050	0.0004	0.001	0.004
6	Agriculture & LULUCF	Improved farm fuel and energy efficiency	Support reductions in farm non-traded carbon dioxide (CO ₂) emissions from motive power, pumps and drives. Actions include, amongst others, transition to low-/zero-carbon fuel sources, the use of minimum till, which can cultivate the land using	2024 - 2050	0.07	0.12	0.29

			mechanical measures other than ploughing to reduce soil disturbance, and the use of no till, which uses direct drilling methods instead of cultivation machinery, thereby reducing fuel emissions. Currently, some projects in the Farming Innovation Programme (FIP) are developing this technology and equipment (for example, the use of electronic robots that could reduce the need for fossil fuel powered tractors in some instances) and the Farming Investment Fund (FIF) Farming Equipment and Technology Fund and Improving Farm Productivity schemes have provided grants towards the purchase of some, but not all, relevant equipment.				
7	Agriculture & LULUCF	Silvoarable agroforestry	Increasing the adoption of in-field silvoarable agroforestry systems to 10% of all arable land by 2050.	2026 - 2050	0.001	0.02	0.09
8	Agriculture & LULUCF	Hedgerows	New planting of 45,000 miles of hedgerows in England by 2050.	2024 - 2050	0.02	0.05	0.09
9	Agriculture & LULUCF	Advice & Guidance: Care with Nutrients Analyse manure prior to application to match crop requirements.	Analysing the nitrogen content of slurry, prior to application on crops and grassland, can improve nutrient management, ensuring nitrogen applications do not exceed crop requirements to minimise emissions of nitrous oxide (N ₂ O). Increasing industry adoption is expected as part of a market-led take up of precision farming that is already occurring. Government will work with industry to identify the most appropriate mechanisms for change.	2024 - 2050	0.00005	0.0001	0.0003
10	Agriculture & LULUCF	Advice & Guidance: Care with Nutrients	Increasing the inclusion of clover into pasture areas and ensuring the proportion	2024 - 2050	0.02	0.09	0.23

		Biological fixation of nitrogen on grassland using grass-legume mixtures.	<p>of clover in the mixed grassland is at least 20%. Clover captures atmospheric nitrogen, which is made available to pasture, reducing mineral fertiliser requirements and associated nitrous oxide (N₂O) emissions. We are already seeing a farmer led movement to more biological and on-farm solutions to nutrients.</p> <p>Government supports wider adoption through environmental land management schemes and increasing more widespread industry practice.</p>				
11	Agriculture & LULUCF	Advice & Guidance: Care with Nutrients Covering slurry tanks with a retrofitted, permeable cover.	Covering slurry with a permeable or impermeable cover is advised through the Code of Good Agricultural Practice for reducing Ammonia Emissions and there is some evidence that some types of permeable covers also reduce GHG emissions. Intensive pig farms that are required to hold an environmental permit are required to cover slurry with an impermeable or permeable cover.	2024 - 2050	0.00002	0.00003	0.0002
12	Agriculture & LULUCF	Advice & Guidance: Care with Nutrients Covering slurry tanks with a retrofitted, impermeable cover.	Covering slurry with a permeable or impermeable cover is advised through the Code of Good Agricultural Practice for reducing Ammonia emissions and there is evidence that impermeable covers also reduce GHG emissions. Intensive pig farms that are required to hold an environmental permit are required to cover slurry with an impermeable or permeable cover. In the short term, focus is on supporting take up through e.g. grants provided through	2024 - 2050	0.01	0.01	0.06

			Farming Investment Fund Slurry Infrastructure Grants.				
13	Agriculture & LULUCF	Advice & Guidance: Healthy Herd Reseeding temporary pasture/forage crops with high sugar grass varieties.	Reseeding temporary pasture with high sugar grass varieties. High sugar grasses have the potential to increase livestock's nitrogen usage efficiency. This has the potential to reduce nitrogen lost through livestock urine and subsequent emissions to the environment. Government is considering the role in, and options for encouraging the reseeded of temporary pasture with high sugar grass varieties.	2024 - 2050	0.002	0.003	0.02
14	Agriculture & LULUCF	Advice & Guidance: Healthy Herd Use of conventional breeding practices (not genomics or gene editing) to breed healthier cattle with lower emissions.	Using conventional production focussed breeding metrics such as Estimated Breeding Value (EBV which do not require gene editing or genetic modification) reduces emissions intensity in cattle, without compromising welfare or fertility. This process allows the identification of desirable genetic effects in individuals and enables cattle to be bred with lower rates of methane production. Continuing market-led uptake from farmers is expected. Ongoing research and development to improve breeding metrics and measures such as funded annual animal health and welfare visits (to support improved fertility and reproduction rates) are expected to support that uptake.	2024 - 2050	0.01	0.01	0.04
15	Agriculture & LULUCF	Advice & Guidance: Healthy Herd Increased milking frequency (using robotic milking)	The principle of this measure is that increasing milking frequency increases productivity per cow, i.e. more milk is produced with the same number of animals. The evidence base relating to feed use	2024 - 2050	0.005	0.01	0.03

		systems not hormones).	efficiency and subsequent rates of methane production is under review. Additional analysis is required to further determine projected emissions reductions.				
16	Agriculture & LULUCF	Advice & Guidance: Healthy Herd Multi-purpose breeds or multi-use of cows - (milk, calves and meat).	The dairy sector in the UK is typically formed of high milk yielding, specialised dairy breeds such as Holstein and British Friesian. This measure entails switching from these specialised breeds to dual purpose breeds that have good milk yields and meat production qualities, such as the Norwegian Red and Red Poll. Meat produced within the dairy herd typically has lower emission intensity than beef produced in suckler systems, although the extent to this is dependent on the suckler system the beef is produced in.	2024 - 2050	0.04	0.07	0.24
17	Agriculture & LULUCF	Advice & Guidance: Healthy Soils Cultivating common crop varieties that have better nutrient uptake.	Support and accelerate the adoption of the cultivation of varieties of already common crops in the UK which use nitrogen more efficiently, reducing the risk of Nitrous Oxide (N ₂ O) emissions. Projects in the Farming Innovation Programme (FIP) are developing this in part. In addition, Defra's Genetic Improvement Networks (GINs) aim to improve the main UK crops by identifying genetic traits to improve their productivity, sustainability and resilience. NB. This measure shows carbon savings starting before the start date. While government action to deliver this may not yet be in place, some market-led, uptake across sectors already exists.	2024 - 2050	0.00001	0.00005	0.0003

18	Agriculture & LULUCF	Advice & Guidance: Healthy Soils Growing cover crops within a rotation to maintain soil cover during fallow periods.	Support and accelerate adoption of cover crops within a rotation to maintain soil cover during fallow periods to ensure co-benefits (e.g. for nature and water quality, from the capture of carbon and the retention of nutrients) are realised. This is included in Sustainable Farming Incentive.	2024 - 2050	0.01	0.06	0.15
19	Agriculture & LULUCF	Advice & Guidance: Healthy Soils Maintain a soil pH that is optimum for crop or grass growth (e.g., liming).	Support and accelerate within the industry, farmers and land managers to adopt soil analysis for pH and carry out soil liming (application of magnesium or calcium rich materials to soils) on arable grassland. This will be supported through a mix of government and industry mechanisms including current Sustainable Farming Incentive (SFI) agreement holders and increased uptake through industry best practice. The application of lime improves the soil pH on land which is below the optimal pH for crop or grass growth. This allows more carbon to be captured below ground through improved productivity and efficient use of nutrients from the soil.	2024 - 2050	0.02	0.12	0.32
20	Agriculture & LULUCF	Advice & Guidance: Healthy Soils Precision Farming (arable/grassland) using machine guidance and other technologies to control	Support and accelerate the use of machine guidance (MG) and variable rate nitrogen application technologies (VRNT) in arable and temporary grassland field operations to help farmers reduce overlaps/avoids gaps and adjust the application rate of fertiliser to match need better in that precise location within the field in order to reduce Nitrous	2024 - 2050	0.01	0.02	0.06

		and adjust fertiliser application.	oxide (N ₂ O) emissions. Funding has been available towards the capital cost of some precision farming technology and equipment to facilitate this measure through the Farming Investment Fund, and new innovations could be supported through the Farming Innovation Programme depending on the challenge being addressed. The Current agreement holders in Sustainable Farming Incentive (SFI) are incentivised to apply Nitrogen (and other major nutrients) using Variable Rate Application (VRA) equipment. The range and balance of delivery mechanisms needed to achieve the reductions through efficient fertiliser application will be reviewed over time.				
21	Agriculture & LULUCF	Advice & Guidance: Healthy Soils Reversing, reducing and preventing surface and subsoil soil compaction.	Promote reducing and remediating surface and subsoil compaction through current agreements in the Sustainable Farming incentive, alongside regulatory protection from initiatives such as Farming Rules for Water. Compaction compromises the movement of air, water and nutrients within soil which can reduce crop yields and increase emissions.	2024 - 2050	0.01	0.02	0.10
22	Agriculture & LULUCF	Animal Health	Improving the health of cattle can reduce emissions intensity by improving the efficiency of livestock production, through improved fertility, reducing mortality and morbidity. This is in part through access to vet services including disease testing and advice to improve welfare and productivity.	2024 - 2050	0.02	0.03	0.12
23	Agriculture & LULUCF	Animal Health	Improving the health of sheep can reduce emissions intensity by improving the	2024 - 2050	0.004	0.01	0.02

			efficiency of livestock production, through improved fertility, reducing mortality and morbidity. This is in part through access to vet services including disease testing and advice to improve welfare and productivity.				
24	Agriculture & LULUCF	Fertilisers Use of plant biostimulants to promote growth and reduce emissions.	Plant biostimulants are plant or soil additives that claim to stimulate natural plant processes with the aim of improving one or more of the following characteristics of the plant or plant rhizosphere: nutrient use efficiency; tolerance to abiotic stress; quality traits; and availability of confined nutrients in soil or rhizosphere. There is a wide variety of product types (microbial and non-microbial) with different modes of action in crops and soils. Also, new products are constantly being developed. Due to these variables the reduction in greenhouse gas emissions intensity was based on a typical effect of plant biostimulants in cool and temperate climates, according to available literature at the time of research completion, which was increasing the yield of cereal crops (including maize). The projected emission saving comes from modelled assumptions relating to reduced inputs, due to efficiencies associated with increased yield. The evidence on the efficacy of plant biostimulants is mixed and currently lacking under UK conditions. Further research is required to optimise their use. Defra's R&D is developing evidence on novel and enhanced efficiency fertiliser products, including plant biostimulants. NB. This measure shows projected emission savings	2024 - 2050	0.0001	0.0004	0.002

			starting before the start date. While government action or support to deliver implementation at pace may not yet be in place, due to the lead in time for the projected savings to start, and the modelling system used, there may be minor emissions savings before the anticipated start year e.g. due to proactive and engaged farmers and land managers taking steps themselves, ahead of policy.				
25	Agriculture & LULUCF	Fertilisers Use of nitrification Inhibitors (chemical additives to fertilisers) to reduce nitrous oxide emissions.	Nitrification inhibitors are chemical additives that inhibit or delay biochemical processes reducing the production of nitrous oxide (and nitrate leaching in some circumstances). The reduction in greenhouse gas emission intensity was calculated based on the application of nitrification inhibitors with synthetic fertilisers. Further research is needed to fully understand the different nitrification inhibitor active ingredients available on the UK market, and the performance of nitrification inhibitors under a variety of UK soil types and climatic conditions. There are also evidence gaps on nitrification inhibitor optimum application rates (particularly with slurries and digestate) and their impacts on the environment. Agri-food evidence programmes are developing evidence on novel and enhanced efficiency fertiliser products, including nitrification inhibitors to inform future policy and regulation development.	2024 - 2050	0.004	0.01	0.02

26	Agriculture & LULUCF	Targeted Breeding to deliver lower emissions. Selectively breeding livestock which, through quantitative testing, are shown to emit fewer GHGs.	The measure involves improving breeding, using testing to ensure that breeding goals involve promoting lower GHG emissions. The measure involves farmers collecting performance information on the individual animals being tested and feeding back this information to help with breeding goal development (the goals include lower methane emissions). Projects in Defra's Farming Innovation Programme (FIP) are developing the science ahead of any further refinement of policy measures. NB. This measure shows carbon savings starting before the start date. While government action or support to deliver implementation at pace may not be in place, there is existing, market led, uptake across sectors to deliver emission reductions. Additionally, due to the significant lead in time for the projected savings to start, and the modelling system used, there may be minor emissions savings before the anticipated start year, e.g. due to proactive and engaged farmers and land managers taking steps themselves, ahead of policy.	2024 - 2050	0.0001	0.0002	0.0008
27	Agriculture & LULUCF	Divergence of afforestation outcome from EEP assumptions	The difference in carbon savings between how much new woodland is actually being planted (and expected to be planted) and the planting profile originally assumed to be required to meet the Environment Act's target of 16.5% tree cover by 2050, as represented in the EEP reference scenario. This measure contributes to wildlife-rich habitats and water quality targets alongside its contribution to net zero.	2024 - 2050	0.004	0	0.004

28	Agriculture & LULUCF	Biomethane - potential future support (post Green Gas Support Scheme) - upstream savings	A policy framework to deliver increased production of biomethane and associated carbon savings, subject to consultation. This will follow the current Green Gas Support Scheme (GGSS) and increase the amount of biomethane injected into the gas grid.	2029 - 2050	0	0.13	0.46
29	Agriculture & LULUCF	Peat Restoration (Blended Finance (2025-2050))	The Government plans to expand nature-rich habitats such as wetlands and peat bogs. We will restore approximately 280,000 ha of peatland by 2050 (inclusive of the Nature for Climate Peatland Grant Scheme (NCPGS) funded restoration). Beyond 2026, the main delivery vehicles will be incentives through the new environmental land management (ELM) schemes. Landscape Recovery will provide long-term funding to support large-scale peatland restoration projects. Private finance will be vital if we are to meet our peatland restoration objectives and it is important that peatland projects are able to make the most of new revenue streams, including carbon finance, that provide rewards for the environmental benefit they deliver. The Government is implementing a range of policies that will mobilise private investment. These include working with the IUCN to attract investment via carbon credits through the Peatland Code.	2025 - 2050	0.03	0.17	0.38
30	Agriculture & LULUCF	Increasing responsible management of lowland agricultural peatlands	In the lowlands we will invest in water infrastructure, facilitation grants and paludiculture trials. This funding will enable farmers and land managers to make changes to their water management and	2025 - 2050	0.0002	0.03	0.06

			undertake more sustainable actions on peat.				
31	Agriculture & LULUCF	Ending the sale of peat in horticulture	We will legislate a ban on the sale of peat and peat-containing products when Parliamentary time allows.	2031 - 2050	0	0.01	0.04
32	Agriculture & LULUCF	Devolved Policy Savings in the Agriculture and LULUCF sector	Modelling for UK-wide consistency for the Agriculture and LULUCF sectors	2024 - 2050	1.37	3.43	5.67
33	Buildings	Future Homes Standard	Under the Future Homes Standard (FHS), which will be published in the next few months, new homes will have low-carbon heating, such as heat pumps and high levels of energy efficiency. Solar panels will also be included in the FHS for the majority of new homes. Cutting people's energy bills and boosting the nation's energy security with clean, homegrown power, in line with the Prime Minister's Plan for Change.	2027 - 2050	0.002	0.41	1.35
34	Buildings	Future Buildings Standard	The Future Buildings Standard (FBS), to be published in the next few months, will set our new buildings on a path that moves away from relying on volatile fossil fuel markets and ensures they are fit for a net zero future, highly efficient with low carbon heating. We expect new non-domestic buildings under the FBS to be built with solar panels.	2028 - 2050	0	0.06	0.17
35	Buildings	Non Domestic Private Rented Sector Minimum Energy Efficiency Standards	PRS regulations will raise the minimum energy efficiency standards (MEES) for privately rented non-domestic buildings where cost-effective. Government aims to publish its response to a consultation this year, setting out its position.	2026 - 2050	0.03	0.27	0.34

36	Buildings	Biomethane - potential future support (post 2027/28)	A policy framework to deliver increased production of biomethane and associated carbon savings, subject to consultation. This will build on the current Green Gas Support Scheme (GGSS) and increase the amount of biomethane injected into the gas grid.	2028 - 2050	0	0.42	1.46
37	Buildings	Ecodesign: Updates to Minimum Product Standards	Proposals to update and increase minimum energy performance standards across multiple product categories including cooking appliances, lighting and tumble dryers, which will help reduce running costs. Modelled savings based on improved efficiency requirements and ecodesign standards. Final savings subject to policy development, consultation and decisions regarding final policy position.	2026-2050	0.01	0.05	0.05
38	Buildings	Heating Appliance Standards (Boiler)	A package of measures to improve boiler efficiency by updating ecodesign and energy labelling product standards for space heaters. The government consulted on proposals and we are currently analysing responses and will publish a government response in due course.	2026 - 2050	0.02	0.42	0.72
39	Buildings	Increase energy performance of heat pumps	We consulted on amendments to the ecodesign and energy labelling regulations covering heat pumps at the start of 2025. We are currently analysing responses and making policy decisions and will publish a government response in due course.	2026 - 2050	0	0	0
40	Buildings	Additional domestic installations of low-carbon heating technologies from 2030 - 2037	Our vision is that, over the next decade, low-carbon solutions will become the natural choice for all households. The positive interventions that will be set out in the Warm Homes Plan will look to reduce the upfront	2030-2050	0	1.05	10.48

			<p>and running costs of a heat pump, support industry to invest in low-carbon heating deployment, improve the consumer journey and ensure that a range of low-carbon technologies are available to consumers.</p> <p>By the early 2030s, we expect that over one million existing homes will transition to low carbon heating solutions every year, as part of the normal cycle of replacing an existing heating appliance (such as a gas boiler) at the end of its life. By 2035, low-carbon heating will represent the vast majority of all heating system replacements. We will deliver this objective by ensuring that the switch to low-carbon heating makes sense for everyone and that all households are able to benefit from the lower lifetime costs that clean technologies can unlock compared to fossil fuel equivalents.</p> <p>We will continue to refine our approach and consider the supporting interventions needed to realise this outcome over the coming years. We will not take forward the previous government’s proposal (published in October 2021) to implement regulations restricting fossil fuel heating installations in off-gas grid properties by 2026, and will consult on any future proposals relating to off-gas grid homes.</p> <p>We will consult in due course on our assessment of whether hydrogen should play a role in home heating as an additional</p>				
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			option to other low carbon heat technologies such as heat pumps and heat networks. As hydrogen is not yet a proven technology for home heating, any role would come much later and would likely be limited. If we conclude that hydrogen could play a role then some of the savings to be delivered by heat pump deployment in on gas grid homes could instead be delivered through hydrogen heating.				
41	Buildings	Clean Heat Market Mechanism	The Clean Heat Market Mechanism, introduced on 1st April 2025, provides the UK's heating industry with a stable policy context for investing in the transition to clean heat. This helps to ensure more households can benefit from clean energy, protected from the volatility of international gas markets. The programme supports the scaling up of heat pump deployment, to incentivise supply chain growth and deliver significant carbon savings.	2025 - 2050	0.05	0.24	0.24
42	Buildings	Boiler Upgrade Scheme (extension)	The Boiler Upgrade Scheme supports the installation of heat pumps and, in limited circumstances, biomass boilers in domestic and small non-domestic buildings in England and Wales through a grant of up to £7,500 to subsidise the upfront costs of low carbon heating compared to fossil fuel heating. The scheme will support the scaling up of heat pump deployment, enable supply chain growth and deliver significant carbon savings. We have almost doubled the budget for the Boiler Upgrade Scheme for this financial year to £295 million. Funding	2025 - 2050	0	1.25	1.43

			for the Boiler Upgrade Scheme will continue and will increase each year up to 2029/30.				
43	Buildings	Social Rented Sector Minimum Energy Efficiency Standards	On the 2nd July the government published a consultation on introducing minimum energy efficiency standards for the social rented sector. If introduced, this standard would require social homes to meet EPC C or equivalent by 2030 unless a valid exemption applies. Introducing a minimum energy efficiency standard in the social rented sector would improve the energy performance of social homes, making homes warmer and less susceptible to damp and mould, while also lowering energy bills and lifting social homes out of fuel poverty. The government are currently analysing responses to this consultation and will publish a response in due course.	2025 - 2050	0.06	0.17	0.16
44	Buildings	Domestic Private Rented Sector Minimum Energy Efficiency Standards	Existing MEES regulations require privately rented homes to have a minimum EPC rating of E to be let, or for a valid exemption to have been registered. In February 2025 we published our consultation on improving energy efficiency standards in the private rented sector in England and Wales. The consultation includes proposals for rented homes to achieve Energy Performance Certificate C or equivalent by 2030. The proposals outlined in the consultation look to help tackle fuel poverty, support the government's growth agenda, and support the mission to make the UK a clean energy superpower by decarbonising a key part of the housing stock and reducing energy	2025 - 2050	0.001	0.23	0.37

			demand. We will publish the government response to this consultation this year.				
45	Buildings	Warm Homes: Local Grant	The Warm Homes: Local Grant will provide energy performance measures and low carbon heating to low-income households living in privately owned EPC band D-G homes in England to tackle fuel poverty and deliver progress towards Net Zero 2050 and the Carbon Budgets. £500m has been allocated to participating Local Authorities to deliver the scheme between 2025 and 2028. A portion of this funding has been devolved to Mayoral Combined Authorities through integrated settlements.	2025 - 2050	0.01	0.02	0.02
46	Buildings	Energy System Obligation	In August 2025 the government published a consultation on extending the current iteration of ECO until the end of 2026, to ensure continuity of provision for low-income and vulnerable households and to support the supply chain until a new energy system obligation is fully operational.	2026 - 2050	0.04	1.06	2.49
47	Buildings	Social Housing Decarbonisation Fund (SHDF) - Wave 2.2	The purpose of the Social Housing Decarbonisation Fund (SHDF) is to improve the energy performance of Social Housing in England. SHDF will upgrade a significant amount of the social housing stock to meet an Energy Performance Certificate (EPC) Band C standard, delivering warm, energy-efficient homes, reducing carbon emissions and fuel bills, tackling fuel poverty, and supporting green jobs. Wave 2.2 is a top up of SHDF Wave 2.1, following broadly the same policy design, with a focus on widening scheme access to less mature	2024 - 2050	0.004	0.01	0.01

			landlords who did not access funding under Wave 2.1. Delivery commenced in April 2024, and is scheduled to deliver until 2026 using co-funding.				
48	Buildings	Warm Homes: Social Housing Fund (WH:SHF) - Wave 3	<p>WH:SHF Wave 3 replaced the SHDF in 2024, and commenced delivery in Spring 2025. There are 2 new routes to funding for Wave 3 of the scheme – Strategic Partnerships (for organisations with a proven track record of successful delivery) and the Challenge Fund (all applications meeting the minimum requirements of the scheme will be awarded funding). A key focus for Wave 3 is facilitating the subsequent adoption of low carbon heating systems.</p> <p>A portion of this funding has been devolved to Greater Manchester and West Midlands Mayoral Combined Authorities through Integrated Settlements.</p>	2025 - 2050	0.03	0.09	0.09
49	Buildings	Warm Homes: Social Housing Fund (WH:SHF) - Future Phases	The recent Spending Review announced £13.2bn for the Warm Homes Plan, including further funding for the WH:SHF out to 2029/30.	2028 - 2050	0	0.17	0.19
50	Buildings	Heat Network Regulation (previously 'Heat Network Market Framework')	We will introduce new primary legislation to ensure that heat networks are regulated. The primary aim of regulation is to ensure consumers are protected in terms of pricing and quality of service, however these regulatory measures are also designed to grow the market for low-carbon heat networks and ensure the decarbonisation of existing ones.	2027 - 2050	0.03	0.46	0.55

51	Buildings	Green Heat Network Fund	<p>The Green Heat Network Fund (GHNF) is a capital grant fund that supports:</p> <ul style="list-style-type: none"> - the commercialisation and construction of new low and zero carbon (LZC) heat networks (including the supply of cooling); and - the retrofitting and expansion of existing heat networks. <p>It aims to develop and grow the heat network market and to address some of the challenges of decarbonising the UK's heat sector. The GHNF is open to organisations in the public, private and third sectors in England.</p>	2031 - 2050	0	0.09	0.56
52	Buildings	Heat Network Zoning	<p>Heat network zoning will transform the development of heat networks in towns and cities across England. By designating zones where heat networks are expected to offer the lowest-cost solution for decarbonising heat, local communities will have the tools to accelerate the development of heat networks, ensuring that more homes and businesses can access greener, cheaper heat.</p> <p>Carbon savings are achieved by displacing existing fossil fuel heating systems with heat networks supplied by low carbon sources.</p> <p>We will be supporting at least 10 of the biggest English towns and cities to establish their heat network zones soon after Heat Network Zoning Regulations go live.</p>	2029 - 2050	0	0.26	1.90

53	Buildings	Heat Network Efficiency Scheme	The Heat Network Efficiency Scheme (HNES) provides funding to public, private and third sector applicants in England and Wales to support improvements to existing district heating or communal heating projects that are operating sub-optimally and resulting in poor outcomes for customers and operators.	2025 - 2050	0.004	0.02	0.02
54	Buildings	Public Sector Decarbonisation Scheme - Phase 4	The Public Sector Decarbonisation Scheme provides grants for public sector bodies in England* to install heat decarbonisation and energy efficiency measures. This supports the aim of reducing carbon emissions from public sector buildings, contributing to emission saving targets under Carbon Budgets, and is funded until 2028. *and reserved sites (such as MOD bases) across the UK.	2025 - 2050	0.06	0.15	0.15
55	Buildings	On gas and off gas grid non-domestic buildings	Our vision is that over the next decade, clean heating solutions will become the rational choice for non-domestic buildings and heat networks. We want to ensure all these buildings can benefit from lower lifetime costs, versus fossil fuel equivalents, when switching to a clean heating system and we want to make it easier for all buildings to make the switch. To deliver this we will be working to reduce the cost to fuel switching, including the cost of electricity for those that invest in electrification and looking at the role of direct capital support, including for the public sector.	2028 - 2050	0	0.39	2.38

			This will support private investment and market innovation in low carbon heating, improving the consumer journey and ensuring a range of low-carbon technologies are available. We will outline additional detail on our plans to support non-domestic buildings and heat networks to decarbonise in the Warm Homes Plan and will continue to develop the right balance of incentives to support buildings to choose to move to clean heat in non-domestic buildings and will consult on these in due course. Our aim is that by 2035 clean heat will be the rational choice for building owners and will represent the majority of heating systems in non-domestic buildings.				
56	Domestic Transport	Emissions pricing for domestic shipping	Inclusion of domestic shipping emissions in the UK Emissions Trading Scheme (ETS)	2024 - 2050	0.02	0.11	0.39
57	Domestic Transport	Fuel regulation for domestic shipping	Subject to consultation from 2026, we will introduce domestic fuel regulations to drive the uptake of zero and near-zero GHG emission fuels and energy sources, following global fuel regulations to be implemented from 2027 and supported by increased modelling capability	2024 - 2050	0.03	0.31	1.28
58	Domestic Transport	Energy efficiency for domestic shipping	Improvements to the energy efficiency of vessels operating domestically, delivered through energy efficiency measures agreed at the International Maritime Organization (IMO).	2024 - 2050	0.02	0.04	0.04
59	Domestic Transport	Measures for smaller vessels	Informed by our call for evidence and stakeholder engagement, we will develop proportionate measures to reduce emissions from smaller vessels	2024 - 2050	0.01	0.08	0.32

60	Domestic Transport	Efficiency improvements to the new non-zero emission car and van fleet.	Commitment to phasing out new internal combustion engine cars from 2030. From 2030 to 2035, only the sale of new cars that are hybrid electric vehicles (HEVs) plug-in hybrid vehicles (PHEVs), alongside zero emission vehicles (ZEVs) will be allowed. Non-ZEV fleet-wide average CO ₂ cap for new cars sold post-2030, with a 10% improvement against the 2021 baseline. No technology definition will apply for new non-zero emission (ZE) vans sold after 2030, allowing the continued sale of new Internal Combustion Engine (ICE) vans, HEV vans and PHEV vans post-2030, until 2035. All new cars and vans must be zero emission from 2035.	2024 - 2050	0	0	0
61	Domestic Transport	Increased average car occupancy.	Measures including collaboration with local authorities and businesses to promote sustainable commuting to increase average car occupancy.	2028 - 2050	0	0.58	0.75
62	Domestic Transport	Diesel train replacement	Replacement of some end-of-life passenger diesel fleets with fully electric or battery-hybrid trains by funding associated necessary infrastructure e.g. charging and small sections of electrification.	2035 - 2050	0	0	0.04
63	Domestic Transport	Freight electrification	Explore new schemes for freight in-fill electrification, connecting key UK infrastructure into the electrified national rail network.	2046 - 2050	0	0	0
64	Domestic Transport	Future electrification	Identifying and assessing future rail electrification schemes.	2037 - 2050	0	0	0.01
65	Domestic Transport	Further reducing emissions from the road vehicle stock	A number of potential policy levers could be introduced to encourage a faster transition away from fossil-fuelled driving, increasing	2033 - 2037	0	0	5.13

			the rate at which the vehicle fleet decarbonises. This includes building on progress to increase the attractiveness of ZEVs relative to their fossil fuel counterparts, which has seen over 1.6 million drivers make the switch to a zero emission vehicle to date.				
66	Domestic Transport	Increasing the take-up of Sustainable Aviation Fuels (SAF)	Reducing emissions from domestic aviation by mandating the use of sustainable aviation fuel (SAF) in aviation fuel, with target percentages increasing over time. Implementing enabling policies to support the uptake and production of SAF such as grant funding for UK production of SAF, the introduction of a Revenue Certainty Mechanism to incentivise investment in UK SAF, and international capacity building to support a global SAF market.	2025 - 2050	-0.0005	-0.001	-0.01
67	Domestic Transport	Supporting development and take-up of zero emission flight (ZEF)	Zero Emission Flight (ZEF) R&D through the Aerospace Technology Institute (ATI); supporting the Civil Aviation Authority (CAA) to develop a regulatory framework for nascent technology; and aiding the development of standards for ZEF at the International Civil Aviation Organization (ICAO).	2025 - 2050	0.0004	0.01	0.01
68	Domestic Transport	High fuel efficiency savings	Promoting continued improvements in efficiencies of airspace, aircraft and operations by enabling airspace modernisation; funding R&D to support the development of more efficient aircraft; and implementing the International Civil Aviation Organization's (ICAO) CO ₂ standard for new aircraft.	2025 - 2050	0.004	0.03	0.07

69	Domestic Transport	Carbon pricing - domestic	Domestic carbon pricing mechanisms to drive emission reductions in domestic flights within the UK. UK domestic flights are covered by the UK Emissions Trading Scheme (ETS).	2026 - 2050	0.0003	0.001	-0.001
70	Domestic Transport	Reductions in urea use, liquefied petroleum gas	Indirect benefit of other policies reducing the use of urea and liquid petroleum gas in road vehicles.	2024 - 2050	0.00002	0.002	0.02
71	Domestic Transport	Aircraft support vehicle decarbonisation	Policies to decarbonise non-road mobile machinery (NRMM) will support emission savings from machinery used at airports.	2026 - 2050	0.02	0.20	0.40
72	Domestic Transport	Accelerated transition to zero emission L-Category Vehicles	Ending the sale of new non-zero emission light-powered 2, 3 and 4 wheeled (L-category) vehicles from 2040.	2025 - 2050	0.004	0.02	0.04
73	Domestic Transport	Accelerated transition to zero emission vans	The Vehicle Emissions Trading Schemes (VETS) Order consists of the zero-emission vehicle (ZEV) mandate, which sets annual targets for new ZE vans sold in the UK. The targets start at 10% for vans in 2024, rising steadily to reach 70% of vans by 2030, on a pathway to 100% by 2035. The Order also contains a CO ₂ emissions regulation to ensure that the emissions of new non-ZE (i.e. petrol and diesel) vans sold in the UK stay at or reduce below 2021 levels.	2024 - 2050	-0.01	0.27	2.39
74	Domestic Transport	Accelerated transition to zero emission medium- and heavy-goods vehicles (MHGVs).	Consulting on our regulatory approach to reduce CO ₂ emissions from new non-zero emission HGVs and to phase out the sale of new non-zero emission HGVs up to 26 tonnes by 2035, with all new HGVs being zero emission by 2040. Supporting the transition with measures to reduce up front purchase costs of zero emission trucks and supportive infrastructure provision.	2024 - 2050	0.02	0.28	2.06

75	Domestic Transport	Accelerated transition to zero emission buses (ZEBs)	Legislating in the Bus Services (No. 2) Bill to end the use of new non-zero emission buses (ZEBs) on registered local bus services in England.	2024 - 2050	0.01	0.08	0.31
76	Domestic Transport	Accelerated transition to zero emission cars	The Vehicle Emissions Trading Schemes (VETS) Order consists of the zero-emission vehicle (ZEV) mandate, which sets annual targets for new ZE cars sold in the UK. The targets start at 22% for cars in 2024, rising steadily to reach 80% of cars by 2030, on a pathway to 100% by 2035. The Order also contains a CO ₂ emissions regulation to ensure that the emissions of new non-ZE (i.e. petrol and diesel) cars sold in the UK stay at or reduce below 2021 levels.	2024 - 2050	0.01	0.42	3.77
77	Domestic Transport	Increased uptake of active travel as a proportion of journeys taken	Investment in active travel in line with the statutory Cycling and Walking Investment Strategies.	2024 - 2050	0.001	0.02	0.07
78	Engineered Removals	Deploying engineered GGRs to balance anticipated residual emissions	Greenhouse Gas Removal (GGRs) technologies are a group of methods that actively remove greenhouse gases, predominantly CO ₂ , from the atmosphere for highly durable storage, achieving negative emissions. GGR technologies will be important for reaching net zero, balancing residual emissions from hard-to-decarbonise sectors.	2029 - 2050	0	0.51	17.40
79	Fuel Supply	CCUS Contributions to Fuel Supply	The 2025 Spending Review included funding to develop plans and engage with CCUS clusters, with a view to achieving a Final Investment Decision this parliament, subject to project readiness and affordability. CCUS could enable the	2034 - 2050	0	0	0.22

			decarbonisation of several gas terminals, supporting decarbonisation of the fuel supply sector.				
80	Fuel Supply	Biomethane - potential future support (post Green Gas Support Scheme) - biogeneration savings	A policy framework to deliver increased production of biomethane and associated carbon savings, subject to consultation. This will follow the current Green Gas Support Scheme (GGSS) and increase the amount of biomethane injected into the gas grid.	2029 - 2050	0	-0.21	-0.73
81	Fuel Supply	Low Carbon Hydrogen Economy	Hydrogen production rollout to meet demand in hydrogen-requiring sectors. Hydrogen has a key role in supporting our Clean Energy Superpower mission, by providing low carbon dispatchable power generation to support a renewables-based power system, and decarbonising hard-to-electrify industrial sectors and heavy transport.	2029 - 2050	0	-0.03	-0.09
82	Fuel Supply	Hydrogen funding and Gas Shipper Obligation (GSO)	The Energy Act 2023 enables two options for funding the HPBM: a levy on gas shippers (the Gas Shipper Obligation (GSO)) and government funding. The Government intends for the GSO to be the long-term funding mechanism for HPBM payments to initial hydrogen production projects, and it may also fund further hydrogen production projects, subject to future decisions on funding. We expect to introduce the GSO in 2027, subject to legislation being in place. The GSO will initially be placed on licensed gas shippers in Great Britain only.	-	0	0	0
83	Fuel Supply	Hydrogen Production Business Model	The HPBM has been designed to incentivise investment in new low carbon	-	0	0	0

			hydrogen production and encourage users to switch to low carbon hydrogen. It is delivered through a 15-year private law contract and provides price support through a variable premium design whereby the producer is paid a subsidy for each qualifying unit of low carbon hydrogen sold.				
84	Fuel Supply	Hydrogen Storage Business Model	The HSBM aims to support investment in and the development of large-scale geological hydrogen storage. We are designing the hydrogen storage business model with the intention of providing investors with the long-term revenue certainty they need to establish and scale up the deployment of hydrogen storage infrastructure through a cap and floor mechanism.	-	0	0	0
85	Fuel Supply	Hydrogen Transport Business Model	The HTBM aims to incentivise investment in hydrogen transport infrastructure. We are developing the HTBM as a Regulated Asset Base model, alongside a government support mechanism. A RAB model is intended to help de-risk investment through the provision of regulated returns, which can be recovered from users via network charges, and to address monopoly risks by ensuring that only fair and reasonable costs are recovered. The initial focus for the business model will be on onshore pipeline infrastructure, which transports hydrogen as a gas.	-	0	0	0
86	Fuel Supply	Low Carbon Hydrogen Standard and Certification Scheme	The Low Carbon Hydrogen Standard (LCHS) establishes a set of requirements, including a maximum greenhouse gas	-	0	0	0

			<p>emissions threshold, for hydrogen production to qualify as 'low carbon.' It also outlines a methodology for calculating these lifecycle emissions. Adhering to this standard ensures that government-supported hydrogen production directly contributes to achieving our carbon reduction targets.</p> <p>Government recognises the important role a low carbon hydrogen certification scheme could play in enabling the growth of the UK's hydrogen economy, and international trade. Government intends to publish a UK Hydrogen Strategy and the role of Certification will be considered as part of this. This Strategy will outline Government's vision for hydrogen with an aim to meet the needs of the hydrogen market, in line with Government's new objectives.</p>				
87	Fuel Supply	Reducing Methane Leakage through the Distribution Network (HSE & Ofgem)	This is a Health and Safety Executive (HSE) policy which aims to reduce methane leakage from the Gas Distribution Networks through the replacement of old iron mains pipes with new plastic pipes, through the Iron Mains Risk Reduction Programme (IMRRP). Ofgem funds this work through the RIIO-2 price control (as set out in the price control framework). Leakage rates for plastic pipes are around 99% lower than for metallic pipes.	2024 - 2050	0.88	1.25	1.40
88	Fuel Supply	Net Zero Hydrogen Fund	The Net Zero Hydrogen Fund (NZHF) is worth up to £240 million and is intended to support the commercial deployment of low	-	0	0	0

			carbon hydrogen projects during the 2020s through the award of grants for development expenditure or capital expenditure. The NZHF has been designed to support all forms of hydrogen production, provided projects meet eligibility requirements.				
89	Fuel Supply	Flaring and Venting Abatement	Flaring' is the burning of gas; 'venting' is the release of unburned gas during oil and gas production. Both are essential for safety and emergency purposes and are also carried out during normal production operations where it is not feasible to export or reuse the gas. The North Sea Transition Authority (NSTA) is the regulator for flaring and venting and operators are required to have consents in place for the flaring and venting. The NSTA defines three categories of flaring and venting: Routine, Non-routine and Safety. The UK has committed to end routine flaring and venting by 2030. The NSTA also expects that flaring and venting and associated emissions should be at the lowest possible levels in the circumstances and that all new developments should be planned and developed on the basis of zero routine flaring and venting.	2026 - 2050	0.06	0.38	0.13
90	Fuel Supply	Electrification of Upstream Oil and Gas Production	Electrification describes the process of adapting existing or new oil and gas platforms so that they are powered by electricity rather than gas turbines or diesel generators. Through the North Sea Transition Deal, industry is committed to reducing its emissions by 10% by 2025,	2030 - 2050	0	0.90	1.34

			25% by 2027 and 50% by 2030, against a 2018 baseline.				
91	IAS	Emissions pricing for international shipping	Impact of regional and global carbon pricing mechanisms, including domestic levers subject to consultation and future international agreements	2024 - 2050	0.01	0.08	0.15
92	IAS	Fuel regulation for international shipping	Reductions in the GHG intensity of fuel from regional measures, such as FuelEU, and global regulatory measures, subject to future international agreement.	2024 - 2050	0.04	0.52	1.74
93	IAS	Energy efficiency for international shipping	Facilitating improvements in the energy efficiency of international shipping vessels via R&D, regulations and the implementation of International Maritime Organization (IMO) standards	2024 - 2050	0.03	0.05	0.04
94	IAS	Measures for smaller vessels	Informed by our call for evidence and stakeholder engagement, we will develop proportionate measures to reduce emissions from smaller vessels	2030 - 2050	0	0.000003	0.002
95	IAS	Accounting for emission reductions and removals delivered by the International Civil Aviation Organization's Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).	Reflecting Eligible Emissions Units purchased by UK-registered airlines for CORSIA compliance on UK-departing flights in the UK's annual statement of emissions between 2033-37, where we are satisfied that they represent high integrity reductions and removals and are sourced from countries that have ambitions consistent with the Paris Agreement temperature goal. The UK will continue working internationally to strengthen CORSIA and the broader international carbon market regime. This contribution to Carbon Budget 6 is additional to the role of carbon pricing in	2033 - 2037	0	0	2.80

			incentivising reductions in the carbon intensity of international flights.				
96	IAS	Increasing the take-up of Sustainable Aviation Fuels (SAF)	Reducing emissions from international aviation by mandating the use of sustainable aviation fuel (SAF) in aviation fuel, with target percentages increasing over time. Implementing enabling policies to support the uptake and production of SAF such as grant funding for UK production of SAF, the introduction of a Revenue Certainty Mechanism to incentivise investment in UK SAF, and international capacity building to support a global SAF market.	2025 - 2050	-0.05	-0.42	-1.03
97	IAS	Supporting development and take-up of zero emission flight (ZEF)	Zero emission flight R&D through the Aerospace Technology Institute (ATI); supporting the Civil Aviation Authority (CAA) to develop a regulatory framework for nascent technology; and aiding the development of standards for ZEF at the International Civil Aviation Organization (ICAO).	2025 - 2050	0.04	-0.16	0.04
98	IAS	High fuel efficiency savings	Promoting continued improvements in efficiencies of airspace, aircraft and operations by enabling airspace modernisation; funding R&D to support the development of more efficient aircraft; and implementing the International Civil Aviation Organization's (ICAO) CO ₂ standard for new aircraft.	2025 - 2050	0.06	1.06	1.82
99	IAS	Carbon pricing - international	Domestic and global carbon pricing mechanisms to drive emission reductions in flights between the UK and other countries. Includes coverage of flights from the UK to	2026 - 2050	0.14	1.15	2.28

			the European Economic Area and Switzerland in the UK Emissions Trading Scheme (UK ETS) and implementing and working to strengthen the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) which covers international flights between 129+ countries.				
100	Industry	Non Domestic Private Rented Sector Minimum Energy Efficiency Standards	PRS regulations will raise the minimum energy efficiency standards (MEES) for privately rented non-domestic buildings where cost-effective. Government aims to publish its response to a consultation this year, setting out its position.	2026 - 2050	0.01	0.10	0.12
101	Industry	Industrial Carbon Capture Business Models as part of ECC and HyNet North West Anchor	<p>The Industrial Carbon Capture (ICC) Business Model will provide upfront capital support and ongoing revenue support for ICC as part of the ECC and HyNet CCUS Cluster Anchor Projects.</p> <p>The design of the proposed business model has two elements including an up to 15-year contract that provides the emitter with a payment per tonne of captured and stored CO₂, which is intended to cover operational expenses, Transport and Storage charges and repayment of, and a rate of return on, capital investment in carbon capture equipment. It also includes capital grant co-funding for a portion of the capital cost of capture projects, which will be available for initial projects only and is intended to mitigate against certain risks associated with these projects.</p>	2029 - 2050	0	0.37	0.62

			We published an updated version of the ICC Contracts in October 2023.				
102	Industry	Industrial Carbon Capture beyond initial ECC and HyNet North West anchor projects	<p>This policy represents Industrial Carbon Capture savings needed beyond the initial ECC and HyNet Anchor projects.</p> <p>We are evolving the ICC business models for the next allocation phases of the CCUS Programme. In April 2024, we set out how the ICC business models will change. We plan to share further details on planned changes in due course.</p>	2031 - 2050	0	0.31	3.77
103	Industry	CCUS-enabled hydrogen via ECC and HyNet North West anchor projects.	<p>Hydrogen Production Business Model support to Carbon Capture Usage and Storage (CCUS)-enabled hydrogen projects allocated through the CCUS cluster programme. The Hydrogen Production Business Model (HPBM) provides revenue support funding to successful projects to overcome the operating cost gap between low carbon hydrogen and high carbon counterfactual fuels.</p> <p>UK projects that meet the eligibility and strict evaluation criteria can apply to receive Hydrogen Production Business Model support over a 15-year period. Successful projects are awarded and sign a Low Carbon Hydrogen Agreement (LCHA). In the ECC and HyNet clusters, two CCUS-enabled hydrogen projects are in negotiations with Government with the potential to provide up to 1GW of low-carbon hydrogen production capacity.</p>	2029 - 2050	0	0.60	0.85

104	Industry	CCUS-enabled hydrogen beyond initial anchor projects.	<p>Hydrogen Production Business Model support to Carbon Capture Usage and Storage (CCUS)-enabled hydrogen projects allocated through the CCUS cluster programme. The Hydrogen Production Business Model (HPBM) provides revenue support funding to successful projects to overcome the operating cost gap between low carbon hydrogen and high carbon counterfactual fuels.</p> <p>UK projects that meet the eligibility and strict evaluation criteria can apply to receive Hydrogen Production Business Model support over a 15-year period. Successful projects are awarded and sign a Low Carbon Hydrogen Agreement (LCHA). The HPBM is kept under review to ensure it meets our policy objectives and enables the development of additional projects in the pipeline.</p>	2033 - 2050	0	0	0.88
105	Industry	Hydrogen Allocation Round 1	<p>The Hydrogen Allocation Rounds (HARs) are a government funding mechanism to support low carbon hydrogen production across the UK.</p> <p>A HAR allocates Hydrogen Production Business Model (HPBM) revenue support funding to successful projects, to overcome the operating cost gap between low carbon hydrogen and high carbon counterfactual fuels.</p> <p>UK projects that meet the eligibility and evaluation criteria can apply to receive</p>	2025 - 2050	0.02	0.11	0.11

			<p>Hydrogen Production Business Model support over a 15-year period. Successful projects are awarded and sign a Low Carbon Hydrogen Agreement (LCHA).</p> <p>HAR1 will deliver positive outcomes to kickstart the hydrogen industry, creating jobs and growth across the country.</p>				
106	Industry	Hydrogen Allocation Round 2	<p>The Hydrogen Allocation Rounds (HARs) are a government funding mechanism to support low carbon hydrogen production across the UK.</p> <p>HARs allocate Hydrogen Production Business Model (HPBM) revenue support funding to successful projects, to overcome the operating cost gap between low carbon hydrogen and high carbon counterfactual fuels.</p> <p>UK projects that meet the eligibility and strict evaluation criteria can apply to receive Hydrogen Production Business Model support over a 15-year period. Successful projects are awarded and sign a Low Carbon Hydrogen Agreement (LCHA).</p> <p>HAR2 launched in December 2023. On 7 April 2025, the Government announced a shortlist of 27 projects across England, Scotland, and Wales that were invited to the next stage of the HAR2 process, which includes due diligence and cost assurance. We are currently in the Due Diligence stage of the process, working as swiftly as</p>	2027 - 2050	0.004	0.41	0.50

			possible to progress projects to the next stage.				
107	Industry	Fuel Switching (Electrification, Hydrogen and Biomass)	<p>Fuel Switching reflects remaining potential from Industrial fuel switching to low carbon fuels such as electricity, hydrogen and bioenergy. It quantifies fuel switching savings that could be achieved in addition to those reported against Hydrogen Allocation Rounds (HARs) 1 and 2, and Carbon Capture, Usage and Storage (CCUS) enabled Hydrogen.</p> <p>We are setting out an ambition that by the 2040s most industrial sites will be exclusively using low-carbon equipment for their process heating, with electrification accounting for the majority of that. We will investigate the full suite of policy measures available to support both the development of the supply chain, particularly for electric industrial technologies, and firms' decision-making, in order to enable us to realise that ambition. We will work with industry to determine the optimal approach, starting with an evidence gathering exercise.</p> <p>We do not intend to introduce further carbon pricing to Industry or Buildings in the UK in the rest of the 2020s, beyond currently announced intentions of the UK ETS Authority, and on ETS linking.</p> <p>Electrification: Large scale fuel switching to electrification will require enabling policies</p>	2024 - 2050	0.98	3.48	10.50

			<p>to upgrade the electricity generation and distribution grid and address financial barriers such as fuel cost and high upfront capital expenditure. Our 2023 call for evidence highlighted the main barriers to electrification as being high electricity costs relative to gas, grid connection delays, technology gaps and confidence. The recent Industrial Strategy set out the introduction of a 'Connections Accelerator Service' to strengthen support for strategically important demand connections and announced planned industrial electricity bill discounts through the British Industry Supercharger uplift and introduction of the British Industrial Competitiveness Scheme (BICS). We will consult on eligibility for BICS imminently.</p> <p>We are continuing to develop further policies to bring down electricity costs relative to gas, and intend to consult on options to reduce costs and make electrification an economically rational choice for a wider range of businesses and organisations.</p> <p>Hydrogen: The Government aims to support hydrogen fuel switching in hard-to-electrify industrial processes. The upcoming Hydrogen Strategy will set out government's priorities for hydrogen based on where it is considered to have the greatest economic and technical potential compared to alternative decarbonisation pathways.</p>				
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			<p>Support is through the Hydrogen Production Business Model, Net Zero Hydrogen Fund, and investment in hydrogen Transport & Storage. Wider enablers include carbon pricing, product standards, the removal of the Climate Change Levy on hydrogen electrolysis, a new British Standards Institution specification for hydrogen use industry, Decarbonisation Readiness regulations for electricity generation, and a new hydrogen skills curriculum.</p> <p>Biomass: Sustainable Biomass is a renewable low carbon source of energy (i.e., bioenergy) and input material for industrial processes. Bioenergy could enable carbon savings where other low carbon fuel alternatives are not available or in the form of bioenergy, carbon capture and storage (BECCS), to generate negative emissions. In the near term, biomass can play an important role as a transitional fuel-switching option for industrial sites. Over the medium to longer term, government support will focus on uses that deliver the greatest system-wide benefit. As committed to in the Biomass Strategy 2023, the government will be consulting on developing and implementing a cross-sectoral common sustainability framework. This framework will set consistent minimum criteria for government supported uses of biomass, improving transparency and comparability across sectors. It will help ensure that any future government support is assessed</p>				
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			against the same sustainability standards. This should make it easier to prioritise government support to biomass applications that deliver the greatest benefits.				
108	Industry	Industrial Energy Efficiency	Policy development currently underway to determine how to deliver emissions savings associated with energy efficiency. Policy development will review success of existing policies, such as IETF and pilot BEAS.	2024 - 2050	0.66	1.30	1.85
109	Industry	Industrial Resource Efficiency	Industrial resource efficiency encompasses strategies that avoid waste, improve process efficiencies, and support re-use, recycling and remanufacture, as well as the adoption of low carbon materials and feedstocks. Work is ongoing to co-ordinate and develop a range of cross-government interventions in consultation with industry as part of the Circular Economy Strategy development.	2024 - 2050	0.29	1.09	2.56
110	Industry	Industrial Energy Transformation Fund (Phase 1 & 2)	Since 2020 the Industrial Energy Transformation Fund (IETF) has supported industrial sites with high energy use to transition to a low carbon future. The competitive grant fund targets existing industrial processes, helping industry to reduce energy consumption by investing in more efficient technologies and reduce emissions by bringing down the costs and risks associated with investing in decarbonisation technologies. The last window for the IETF closed for applications in 2024. The benefits will support Carbon Budgets 5 to 7. Competitions for Phases 1	2020 - 2041	0	0.06	0.07

			and 2 were open for applications between 2020 and 2022.				
111	Industry	Industrial Energy Transformation Fund (Phase 3)	Since 2020 the Industrial Energy Transformation Fund (IETF) has supported industrial sites with high energy use to transition to a low carbon future. The competitive grant fund targets existing industrial processes, helping industry to reduce energy consumption by investing in more efficient technologies and reduce emissions by bringing down the costs and risks associated with investing in decarbonisation technologies. The last window for the IETF closed for applications in 2024. The benefits will support Carbon Budgets 5 to 7. Phase 3 was open for applications in 2024.	2024 - 2050	0.001	0.003	0.003
112	Industry	Steel Decarbonisation Policy	Steelmaking expected to be electrified in the 2030s. We will be publishing a steel strategy later this year, following a recent consultation to inform its input.	2030 - 2050	0	4.00	3.71
113	Industry	Industrial Off-Road Machinery (ORM)* and Construction Policy *formerly known as Non-Road Mobile Machinery (NRMM)	This policy represents modelled potential for emissions savings within the construction sector and industrial off-road machinery through fuel switching to electricity, biofuels and hydrogen and the adoption of energy efficiency measures. Realising this potential will require further policy to be developed. The government has committed to produce an Off-Road Machinery Decarbonisation Strategy that will set out how the sector can further decarbonise while maintaining competitiveness, attracting investment and	2024 - 2050	0.09	0.87	2.34

			supporting growth. The government published a summary of responses to its call for evidence on Non-Road Mobile Machinery (NRMM) decarbonisation options in January 2025.				
114	Multiple (savings attributed to removals projects)	ECC and HyNet North West Anchor	<p>The HyNet and East Coast Clusters will enable a storage capacity of up to 4Mtpa on ECC and 4.5Mtpa on HyNet with full utilisation of the network. On 10th December 2024, the East Coast Cluster reached financial close. On 24th April 2025, HyNet's T&S network also reached financial close. Protos and Padeswood capture projects reached FID in early September 2025.</p> <p>In the recent Spending Review, the Government allocated £9.4 billion in capital budgets over the Spending Review period. This will maximise CCUS deployment to fill the storage capacity of the East Coast Cluster and HyNet Cluster.</p> <p>These are a group of initial CCS projects in HyNet, situated in the North West of England and North Wales and East Coast Cluster, Teesside, and will be followed by additional projects, referred to as expansion projects, which will connect to the existing cluster T&S network.</p>	-	0	0	0
115	Multiple (savings attributed to	CCUS Expansion	The current Carbon Capture Usage and Storage (CCUS) expansion process will advance the delivery of CCUS, contributing to the lowest cost pathway to CB6, including	-	0	0	0

	removals projects)		through development funding for the Acorn and Viking clusters. A final investment decision will be taken on these clusters later this Parliament, subject to project readiness and affordability. We will explore additional CCUS capacity and emitters at existing and new sites that could be operational to contribute to lowest cost pathway to CB6, as demonstrated by the National Wealth Fund's investment into the Peak cluster, and through new market transition delivery approaches to deliver the efficient level of CCUS that meets our evolving needs. Further CCUS deployment is dependent on decisions at future spending reviews.				
116	Multiple (savings attributed to removals projects)	CCUS Market Transition	CCUS Vision was published in December 2023 to show a pathway towards establishing a self-sustaining market, including non-pipeline transport. The Market Transition considered that a three-phase process could occur of: a market creation stage; a market transition; and finally, a self-sustaining CCUS market.	-	0	0	0
117	Multiple (savings attributed to removals projects)	Business Model for Transport and Storage (T&S) of CO ₂ , including associated economic regulatory framework and legislation	The Business Model for Transport and Storage (T&S) of CO ₂ , includes the associated economic regulatory framework and legislation to support the development of T&S networks for the deployment of CCUS clusters using a regulated asset base model. The economic licence and supporting network code will be overseen by an economic regulator, OFGEM.	-	0	0	0
118	Power	Power sector decarbonisation	Emissions savings associated with power sector decarbonisation. By nature of the	2024 - 2050	-0.36	1.08	6.85

			power sector, HMG cannot allocate savings to the power policies so the aggregate savings will be captured here.				
119	Power	Great British Energy (GBE)	GBE is being established with a mission to accelerate the deployment of clean energy to boost energy security, reduce bills, create jobs and ensure that UK taxpayers, billpayers and communities benefit from the clean energy transition.	-	0	0	0
120	Power	ONW Strategy implementation (inc. ONW Council)	The Onshore Wind Taskforce Strategy sets out over 40 actions, primarily government commitments, to resolve the key blockers to onshore wind in the UK. It aims to boost onshore wind deployment and deliver economic benefits for local communities, businesses and the consumer The strategy is the main output from the Onshore Wind Taskforce, established in July 2024 and now disbanded. The Onshore Wind Council, a newly created forum, co-chaired by Industry and UK Government, will provide a platform for continued strategic engagement between UK Government and the ONW Sector and will drive delivery of the actions set out in the Strategy.	-	0	0	0
121	Power	Solar on Car Parks	The Government is considering the potential of solar installations in car parks. A call for evidence on this subject closed recently, and the Government is considering potential future policy options.	-	0	0	0
122	Power	Ground mount solar planning	Delivering Clean Power by 2030 will require the rapid deployment of ground mount solar. The Government is working to ensure that	-	0	0	0

			the planning system supports the rapid increases in deployment needed to meet its ambitions.				
123	Power	Hydrogen to Power Business Models	A business model to de-risk investment in low carbon hydrogen-fuelled electricity generation by mitigating identified deployment barriers. This will support the deployment of low carbon dispatchable generation, security of electricity supply and delivery of a clean power system.	-	0	0	0
124	Power	Centralised Strategic Network Plan (CSNP)	The CSNP is expected to be delivered by NESO in 2027. The design will provide a holistic long term plan to develop the electricity transmission grid, connecting generation to centres of demand and covering energy vectors including Hydrogen and Gas.	-	0	0	0
125	Power	Electricity Networks: Sector Growth Plan	A growth plan for the electricity networks sector led by industry, with DESNZ support, to unlock domestic supply chain opportunities and develop the skilled workforce needed. By assessing current UK capabilities and identifying promising growth areas, this will enable greater collaboration to establish coordinated actions.	-	0	0	0
126	Power	Launch Bill Discounts Scheme for New Electricity Transmission Infrastructure	Where communities live near clean energy infrastructure, they should directly benefit from it. In March 2025, the Government announced the creation of a bill discount scheme, which would be established through the Planning and Infrastructure Bill introduced to Parliament in March 2025. This was	-	0	0	0

			<p>published alongside community funds voluntary guidance, which forms part of a dual approach to ensure that communities can directly benefit from hosting clean energy infrastructure.</p> <p>The Government has proposed giving households living near new or significantly upgraded electricity network transmission infrastructure a discount on their electricity bills of up to £250 a year, over up to 10 years. This is to recognise the contribution of communities in hosting this infrastructure, which is vital to fulfilling the Government's Clean Power Mission and ensure these communities can directly benefit.</p>				
127	Power	OFTO Regime reform	<p>We are reforming the Generator Commissioning Clause (GCC) period in which generators have to divest transmission assets they build to independent Offshore Transmission Owners (OFTO). These reforms will make the GCC longer, more flexible, and more reactive to the needs of industry, and allow the regime to keep delivering offshore transmission assets in a cost effective way.</p>	-	0	0	0
128	Power	System Access Reform	<p>A NESO-led programme to deliver planning reforms to the access of the transmission network for upgrades and maintenance. This includes developing a more strategic plan aligned with the government's 2030 clean power target, and improving the existing process for network access.</p>	-	0	0	0

129	Power	Transitional Centralised Strategic Network Plan 2 Refresh (tCSNP2 Refresh)	NESO is expected to publish the tCSNP2 Refresh in 2026, providing an update to their Beyond 2030 Report which covers transmission recommendations required to deliver 21GW of offshore wind in the mid to late 2030s.	-	0	0	0
130	Power	Offshore Wind Manufacturing Investment Scheme (OWMIS)	This scheme supported investment in port infrastructure and manufacturing in the offshore wind supply chain. It was implemented to support development of offshore wind supply chain capacity. The scheme therefore indirectly supports emission reductions by de-risking the delivery of offshore wind capacity.	-	0	0	0
131	Power	ONW Planning Policy	Recognising that onshore wind is an efficient, cheap and widely supported technology, government is seeking changes to planning policy in England to enable new onshore wind to build.	-	0	0	0
132	Power	Solar Council	On June 30th, a Solar Roadmap was published. This set out plausible deployment scenarios, and 72 actions to remove barriers. Delivery of these actions, and monitoring of challenges and opportunities for the solar sector, will be overseen by a Ministerially chaired Solar Council.	-	0	0	0
133	Power	Clean Energy Skills and Supply Chains	The Government is working to ensure that the skills and supply chain needed to build solar capacity are available, enabling the delivery of solar capacity. The newly established Office for Clean Energy Jobs will ensure we have the good jobs we need, spread across the country.	-	0	0	0

134	Power	Advice and Guidance to Public Sector Procurement	Government published the 'Solar on the Government Estate: A Senior Leaders' Handbook' in February 2025. This document provides strategic guidance for senior leaders across government departments on deploying solar panels across the public estate.	-	0	0	0
135	Power	Warm Homes Plan - Finance (solar)	The Government will invest £13.2bn to help households take up energy-saving measures, like rooftop solar.	-	0	0	0
136	Power	Floating Offshore Wind Manufacturing Investment Scheme (FLOWMIS)	The Floating Offshore Wind Manufacturing Investment Scheme (FLOWMIS) will provide grant funding to support the development of port facilities for large-scale floating offshore wind deployment. The scheme was launched in March 2023 and the applicants being taken forwards for due diligence were announced in March 2024. The Government signed a £55.7m grant agreement with Port of Cromarty Firth in March 2025 and is continuing to work closely with the port to progress the project to the start of construction.	-	0	0	0
137	Power	Great British Energy - Nuclear	Great British Energy - Nuclear (GBE-N) was established in 2023 as an expert nuclear delivery body that can provide the specialist capability and skills necessary to help deliver the government's nuclear programme. Following a robust, two-year procurement process, Great British Energy – Nuclear (GBE-N) has selected Rolls Royce SMR as its preferred bidder to partner with to build the UK's first small modular reactors, subject to final	-	0	0	0

			government approvals and contract signature.				
138	Power	Power Bioenergy with Carbon Capture and Storage (BECCs) Business Model	<p>Greenhouse Gas Removal (GGR) technologies such as BECCS technologies can play a key role in supporting net zero targets. The government is developing a first of a kind (FOAK) business model for power Bioenergy with Carbon Capture and Storage (BECCS) to incentivise negative emissions, with the co-benefit of producing low-carbon electricity.</p> <p>In the near-term, government intervention, such as business model support, is expected to be key to overcoming immediate barriers to deployment and leverage private investment in GGR technologies. The government's long-term ambition is for a competitive negative emissions market, underpinned by demand in the Voluntary Carbon Market and the UK Emissions Trading Scheme. The purpose of Greenhouse Gas Removals (GGRs), including power BECCS, is to balance the residual emissions from sectors that are unlikely to achieve full decarbonisation by 2050.</p>	-	0	0	0
139	Power	Dispatchable Power Agreement (DPA)	The Dispatchable Power Agreement (DPA) is the government's business model to support the deployment of Power CCUS in the UK. When deployed, Power CCUS will provide flexible low carbon electricity that will reduce overall power sector emissions.	-	0	0	0

			The first DPA contract for a Power CCUS project was signed in late 2024 when we reached financial close with the Net Zero Teesside (NZT) project.				
140	Power	Sizewell C Project	The multi-year Spring 2025 Spending Review announced £14.2bn of support for Sizewell C over the next five years. This was followed by the project achieving Final Investment Decision (FID) on 22 July, the first for a UK nuclear project since 2016, and representing the government's biggest investment in clean, homegrown energy this century. FID confirmed government's position as the largest single shareholder in the Sizewell C company, meaning it will - for the first time - work closely with experienced private sector partners to keep the project on track. The next major milestone for the project is reaching Revenue Commencement, which is expected in autumn 2025. This is the point at which the new Regulated Asset Base (RAB) mechanism under which Sizewell C will be funded will take effect.	-	0	0	0
141	Power	Power Carbon Capture, Usage and Storage (CCUS)	Power CCUS enables the decarbonisation of existing or newly built gas-fired power plants by capturing the carbon that they emit and storing it permanently underground. Power CCUS is a form of flexible, low-carbon electricity generation that can play an important role in reaching the government's Clean Power 2030 Mission and the 2050 Net Zero target.	-	0	0	0

			The first contract for a Power CCUS project was signed in late 2024 when we reached financial close with the Net Zero Teesside (NZT) project.				
142	Power	Offshore Wind Environmental Improvement Package (OWEIP)	The Offshore Wind Environmental Improvement Package (OWEIP) is led by Defra and will support the accelerated deployment of offshore wind, whilst maintaining environmental protections. The OWEIP will be implemented through regulations and guidance to adapt environmental assessments for offshore wind, enable strategic compensation and introduce industry funded Marine Recovery Funds. The government has secured legislation through the Energy Act to deliver the OWEIP and Defra are developing statutory instruments and non-legislative measures. This package will support de-risking the delivery of the government mission to radically increase the delivery of offshore wind by 2030 and longer-term targets such as Carbon Budget 6 and Net Zero.	-	0	0	0
143	Power	Interconnectors	Government is supportive of additional interconnection beyond 2030, where future projects can play an optimal role in GB's future decarbonised power system. Interconnection will be considered as part of strategic planning developed by NESO. DESNZ is supportive of Offshore Hybrid Assets (OHAs), especially Multi-Purpose Interconnectors (MPIs), and is working with NESO/Ofgem to ensure that these projects	-	0	0	0

			are deliverable in GB. Interconnector development is a developer-led process in GB in which Interconnection projects are given regulatory approval through independent regulator Ofgem.				
144	Power	Review, consult, update Energy National Policy Statements	The National Policy Statements set out the government's policy for the delivery of energy infrastructure and provide the legal framework for planning decisions. The current suite of energy National Policy Statements was updated by the Department for Energy Security and Net Zero in January 2024. In July 2024 the government launched a review of the energy NPSs to ensure they reflected the government's energy priorities as set out in the Clean Power 2030 Action Plan and further in the government response to a consultation on national planning policy, which included reintroduction of onshore wind into the Nationally Significant Infrastructure Projects (NSIP) regime. Following a review of the energy NPSs (EN-1 to EN-5) the government drafted updates to EN-1 (the overarching energy NPS), EN-3 (renewable energy infrastructure), EN-5 (electricity networks). These were consulted on publicly and will be published by the end of 2025.	-	0	0	0
145	Power	Electricity Network Infrastructure: Consents, Land Access and Rights	Fair and proportionate Electricity Network Infrastructure Consents, Land Access and Rights processes are a crucial factor in meeting the country's need to build more network infrastructure. To ensure the system is fit for purpose, the government has	-	0	0	0

			reviewed existing processes to assess whether they are sufficient to support our Clean Power ambitions and Net Zero. As a result of that review, the government has consulted (Jul-Sep 25) and proposes a range of reforms to these processes to enable the rapid deployment of future network connections, while ensuring that the rights of landowners are respected.				
146	Power	Offshore Wind Industry Council	The quarterly OWIC Executive Council is co-chaired by the DESNZ Secretary of State and industry and attendees include senior representatives from across industry, government and partners such as the Crown Estates. The Council sets the strategic direction of the sector, working closely with the OWIC Board to drive forward the joint OWIC programme. Several workstreams and projects have been established under OWIC, including the Industrial Growth Plan.	-	0	0	0
147	Power	Electricity Networks Price Controls	Network companies are natural monopolies tightly regulated by Ofgem through a price control process known as RIIO (Revenue = Incentives + Innovation + Outputs). This determines how much they can invest and sets an investible, but not excessive, rate of return. The investment allowance is set for a specified period and embeds incentives for innovation, efficient operation and delivery. Network companies create business plans including targets based on Ofgem's price control framework. Ofgem assesses business plans and can financially reward	-	0	0	0

			network companies for meeting / exceeding targets.				
148	Power	Marine Spatial Prioritisation programme	The cross-government, Defra-led Marine Spatial Prioritisation programme aims to support strategic planning of renewables and other sea users by optimising use of the marine space, maximising coexistence between different sea users and balancing this with restoring and protecting the marine environment in England.	-	0	0	0
149	Power	Energy Code Governance Reform	The detailed rules contained in the gas and electricity industry codes play a key role in facilitating the energy market in Great Britain. To decarbonise the sector by 2030, lower bills and make Britain a clean energy superpower, the energy codes and their governance arrangements need to be reformed to ensure they remain fit for purpose.	-	0	0	0
150	Power	Review of Electricity Market Arrangements (REMA)	The Review of Electricity Market Arrangements (REMA) is key to ensuring our electricity market arrangements support a decarbonised, secure, and affordable electricity system. We have weighed the remaining options carefully and have announced as part of our REMA Summer Update (published in July 2025) that we will retain a single national, GB-wide, wholesale market pricing regime. We will also introduce a package of reforms, collectively known as 'reformed national pricing', which will deliver a more strategic and coordinated approach to the energy system, provide stronger signals for efficient siting of new	-	0	0	0

			assets and improve overall operational efficiency, whilst also increasing stability and certainty for investors.				
151	Power	Radar and Offshore/Onshore Wind	<p>The Department is working with industry, MOD, and The Crown Estate to find mitigation solutions to air defence radar interference from offshore wind turbines. Similarly, Government is working with industry to formulate a long-term strategy to address civil radar interference issues. This policy is not expected to lead to emissions savings directly. This package will unblock the delivery of approximately 13GW of offshore wind capacity in the 2030 pipeline.</p> <p>The Department is also working with MOD and industry to deliver mitigations to civil and military aviation radar interference issues for onshore wind (ONW). The Onshore Wind Strategy published in July 2025 committed to find solutions to these issues. The 2023 Survey of Onshore Wind Impacts on Aviation and Defence indicated that up to 10GW of the future ONW pipeline is either currently or anticipated to be affected by objections on the grounds of interference with aviation and defence infrastructure.</p>	-	0	0	0
152	Power	Future Nuclear Enabling Fund (FNEF)	<p>The Future Nuclear Enabling Fund (FNEF) of up to £120m was announced in the 'Net Zero Strategy: Build Back Greener' in 2021. The aim of the FNEF is to help industry reduce project risks, so they are better positioned for future investment decisions.</p>	-	0	0	0

			This will support the nuclear sector's potential to contribute to meeting the UK's energy needs and to support the sector's opportunities for growth and innovation. The delivery window for FNEF was extended to March 2026, allowing the existing grant supported projects an additional 12 months to complete to achieve expected outcomes and benefits.				
153	Power	Floating Offshore Wind Taskforce	This joint industry-Government Taskforce is focused on identifying key enabling actions for the sustainable development of a world leading floating offshore wind sector in the UK. It published its 'Industry Roadmap 2040' (considering requisite port infrastructure) in 2023, and a 'Vision for 2050' report in October 2024, identifying the potential economic benefits of floating offshore wind deployment and five Missions to help deliver on them. A Phase III pivoting to ensuring delivery of these missions is now under consideration.	-	0	0	0
154	Power	Connections reform	Government recognises the need for significant reform of the connections process, so that ready-to-go clean power projects can be connected quicker, instead of being held up by speculative schemes. Connections reform is a critical enabler for our clean power by 2030 ambition, expected to bring forward £200bn of investment in network and project build by 2030. The Clean Power 2030 Action Plan, published on 13 December 2024, provided	-	0	0	0

			<p>capacity ranges to allow National Energy System Operator (NESO) to align the reformed connection processes with our strategic needs.</p> <p>Ofgem approved proposals in mid-April for connections reform which will deprioritise almost 500GW of capacity from the oversubscribed connections queue. The released network capacity can then be reallocated to accelerate the connection of viable projects that align with our strategic needs, as well as to demand customers.</p>				
155	Power	Strategic Spatial Energy Plan (SSEP)	In October 2024, the UK, Scottish and Welsh governments jointly commissioned the National Energy System Operator to develop a Strategic Spatial Energy Plan (SSEP), the first ever spatial energy plan for GB, to support a more actively planned approach to energy infrastructure. The first iteration of the SSEP will cover infrastructure for electricity generation and storage (including relevant hydrogen assets), on both land and sea, across GB.	-	0	0	0
156	Power	Electricity System Flexibility	This policy aims to make electricity use more flexible, helping to lower overall system costs by reducing the need to build extra network and generation capacity for peak times. It also allows consumers to save money by choosing to use electricity when it is cheaper during the day.	-	0	0	0
157	Power	Onshore Wind Community	Government wants communities to participate in and directly benefit from hosting onshore wind in their local area.	-	0	0	0

		Engagement and Benefits	<p>On 4 July, government published updated voluntary guidance for community benefits for onshore wind in England. This sets out best practice approaches to ensure developments have a lasting positive impact on communities.</p> <p>This includes guidance on different models of community benefits such as community funds, local electricity bill discounts and shared ownership, support available to communities when co-designing and administering funds, and a resource kit for communities with detailed case studies and example documentation.</p> <p>The Onshore Wind Strategy published in July 2024 also set out additional policies to support community engagement, such as embedding best practice principles of engagement into planning guidance.</p>				
158	Power	Contracts for Difference (CfD) Allocation Rounds	<p>The Contracts for Difference (CfD) scheme is the government's main mechanism for supporting new low-carbon electricity generation projects in Great Britain. CfDs are awarded through annual, competitive auctions, with the lowest-priced bids successful. Allocation Round 6, the most recent round, secured a record number of renewables projects. This along with future CfD rounds will support goal of delivering clean power by 2030, contributing to delivery of our carbon budgets.</p>	-	0	0	0

159	Power	Capacity Market Autumn Consultation, December Package, Multi-Price CM and Phase 2 reforms	<p>The Capacity Market is the government's main mechanism for ensuring electricity security of supply. Existing and new build capacity compete in auctions to obtain agreements, under which they commit to making their capacity available when needed in return for guaranteed payments to support investment in new and existing capacity.</p> <p>Government has fully implemented the changes outlined in its Phase 2 consultation responses (July and October 2024) and changes following October 2024 and December 2024 consultations have either been implemented or are expected to be implemented following conclusion of the Parliamentary processes.</p> <p>The consultation on further changes to the Capacity Market, including on its auction design and processes, is ongoing. Changes to the CM are designed to enhance security of supply by supporting capacity adequacy and delivery assurance.</p>	-	0	0	0
160	Power	Decarbonisation Readiness	As we work towards the government's Clean Power 2030 target, it is vital we pursue reliable sources of low carbon flexible electricity generation that can supplement renewables when the sun is not shining and the wind is not blowing. To meet this challenge, this government is investing in low carbon flexible technologies such as Power with Carbon Capture and Storage and Hydrogen to Power to ensure	-	0	0	0

			<p>we have the energy flexibility our country needs. As these new technologies scale up, we will continue to need reliable, mature technologies, including unabated gas, to provide energy security although we expect unabated gas to move to strategic reserve role. It is only right that we should expect any new or substantially refurbishing combustion plants to be built net zero ready.</p> <p>The new Decarbonisation Readiness legislation will ensure that new build and substantially refurbishing combustion power plants are built in such a way that they can easily be decarbonised by converting to either hydrogen-firing or retrofit carbon capture technology, within the plant's lifetime. This legislation strengthens and expands the existing Carbon Capture Readiness requirements by removing the 300MW de-minimis and allowing for decarbonisation through conversion to hydrogen-firing as well as carbon capture technology.</p>				
161	Waste & F-gases	Improving respiratory patient outcomes while supporting the reduction of medicines containing high global warming potential (GWP) F-Gases	Supporting the transition from specific high GWP medicines to low GWP alternatives in respiratory care, where available. This will be done by following best practice guidelines and improving care and patient outcomes.	2024 - 2050	0.25	0.43	0.47
162	Waste & F-gases	Additional hydrofluorocarbons (HFC) phasedown	Implementation of additional phasedown step(s) to meet the Kigali Amendment requirement to reduce HFC consumption by	2035 - 2050	0	0	0.06

		step(s) to secure 85% cut.	85% by 2036, compared to current target of 79% phasedown by 2030. This will follow the same process laid out for the existing phasedown step(s) in the F gas Regulation ((EU) No 517/2014).				
163	Waste & F-gases	Proposal to extend HFC phasedown to secure a near phaseout of 98.6% reduction by 2048.	Proposal to extend the HFC phasedown to go further than the Kigali Amendment requirement (to reduce HFC consumption by 85% by 2036) by securing a near phaseout 98.6% reduction in HFCs placed on the market for the first time by 2048.	2033 - 2050	0	0	1.22
164	Waste & F-gases	Near elimination of biodegradable municipal waste to landfill - Collection and packaging reforms	Seeking to eliminate as far as possible the landfilling of biodegradable municipal waste is key to meet our net zero objectives and support the development of a Circular Economy. The Collection and Packaging reforms will, in combination with exploring the feasibility of any additional measures, help achieve this ambition.	2025 - 2050	0.08	1.33	2.20
165	Waste & F-gases	Data improvement for industrial waste water treatment	Further improvements in modelling improve reporting and reduce uncertainty.	2030 - 2050	0	0.03	0.06
166	Waste & F-gases	Monitoring emissions from wastewater treatment and subsequent optimisation of existing operations to minimise process and other emissions.	Work with water companies to roll out innovation and new practice funded for pioneering companies through PR24, for example to encourage the widespread deployment of new sensors for the detection of emissions from a full range of sites, treatment stages and environmental conditions to enable optimisation of current processes to reduce greenhouse gas leakage and minimise production.	2026 - 2037	0.01	0.11	0.21
167	Waste & F-gases	High proportion of conventionally	Work with water companies to upgrade existing treatments which use anaerobic	2025 - 2050	0.01	0.05	0.07

		digested sludge from wastewater treatment is upgraded to Advanced Anaerobic Digestion (AAD).	digesters to Advanced Anaerobic Digestion, which emit less greenhouse gas and capture waste energy as heat and natural gas.				
168	Waste & F-gases	Alternative treatment processes for wastewater - e.g., anaerobic treatment/Membrane Aerated Biofilm Reactor (MABR)/alternative ammonia removal processes.	Work with the water industry to use new funding earmarked in PR24 including to expand into more sustainable wastewater treatment techniques and encourage the development and adoption of new wastewater treatment processes which will improve the efficiency of wastewater treatment and reduce greenhouse gas production and contribute to the circular economy by allowing resources to be reused.	2030 - 2050	0	0.02	0.07
169	Waste & F-gases	Devolved Policy Savings in the Waste & F-gas sector	UK-level estimates of future carbon savings - Waste & F-gas sectors	2024 - 2050	0.06	0.42	0.69

Note to accompany Table 5 – Other early-stage proposals and policies

9. These are proposals and policies for which we cannot currently quantify associated emissions savings to the same level of robustness as the modelled proposals and policies, for example in relation to some early-stage proposals, where we are still assessing the available evidence. See overall aggregated estimate in Table 1.

#	Sector	Policy name	Policy description	Timescale from which the policy takes effect	Potential scale of savings in the CB6 period (MtCO _{2e} per year)
1	Agriculture & LULUCF/Waste &F-gases	Defra early-stage policies	<p>This measure is exploring additional emissions savings (through emerging policies and technologies) across England's waste, coastal, marine, peatland, and agricultural systems. We have provided an overall savings figure for this Defra early-stage measure, rather than disaggregate the impact of individual sectors within it (agriculture, the natural environment and waste) which are intrinsically linked at a systems level. This measure is still subject to research as well as policy development, however we believe, to a reasonable level, that this measure could contribute 5.1MtCO_{2e} per year in CB6.</p> <p>There are several policy streams and areas for potential that Defra</p>	Subject to exploring and understanding the evidence further, the measures could support CB6 onwards	5.1

			<p>is exploring to create additional emissions savings not currently captured in the pathway. These policies are at an early stage, currently focused on evidence generation, but are considered promising in their potential to deliver carbon savings.</p> <p>The areas include:</p> <ul style="list-style-type: none"> -Saltmarsh creation and restoration - enhancing carbon sequestration and storage while improving biodiversity and coastal resilience. -Assessment of seaweed (macroalgae) farming potential in England's coastal waters to sequester carbon and produce sustainable biomass for bioenergy. -Investment in peatland research to improve mapping and emissions data, enabling a more targeted and effective mitigation strategy. -Support increased methane capture from landfill gas sites including through exploring the implementation of long-term methane capture scheme, with 		
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			<p>suitable transitional arrangements.</p> <p>-Additional agricultural decarbonisation: exploring additional emissions savings from agricultural decarbonisation through emerging policies and technologies not currently captured in the agriculture pathway. This could include reducing endemic disease in pigs, improving productivity, and lowering the sector's overall carbon emissions.</p>		
2	Buildings	Amendments to Streamlined Energy and Carbon Reporting (SECR) for business	<p>SECR requires quoted companies of any size, and 'large' unquoted companies and limited liability partnerships (LLPs), to report their greenhouse gas emissions and energy use in their annual reports that are submitted to Companies House. 'Large' is defined as meeting two or more of the following requirements: balance sheet of more than £18 million, turnover of more than £36 million, and/or 250 or more employees. Government is considering changes to support energy efficiency and decarbonisation by businesses.</p>	Potentially for CB4/CB5	<0.1
3	Buildings	Energy Company Obligation (ECO4) Extension	<p>Extensions to the existing ECO, which place an obligation on entities in the energy sector to</p>	Apr 2026-Oct 2026 or Apr 2026-Dec 2026 tbc	<0.1

			improve EPC D and below homes. Eligibility is for low-income group or lower council tax bands. This has been consulted on. We will respond to the consultation in due course.		
4	Buildings	Government Incentives for Home Decarbonisation	A long-term commitment to investigate the role of various government supported incentives for a wide range of home decarbonisation and energy efficiency measures.	CB4 and CB5	<0.1
5	Buildings	Amendments to Energy Savings Opportunity Scheme	A mandatory energy assessment scheme for all large undertakings (non-SMEs) which employ 250 or more people, or employ fewer than 250 people but have both an annual turnover exceeding £38.9m and an annual balance sheet total exceeding £33.4m. It requires organisations to measure their total energy consumption and carry out audits of the energy used by their buildings, industrial processes and transport to identify cost-effective energy saving measures, and to report this information to the Environment Agency. The scheme requires organisations to report this information every four years, and the next reporting deadline is 5 December 2027. It is estimated that around 10,000 organisations	From CB4 or CB5	<0.1

			participate in the scheme. Government is considering changes as part of Phase 5 to support energy efficiency and decarbonisation by businesses whilst reducing their burden in doing so.		
6	Industry	Demand for low carbon products	Policies that help create a large, resilient market for low carbon industrial products by building industry confidence in decarbonisation, and support UK industry in its transition towards a sustainable future. A technical consultation on proposals has just closed.	CB4, CB5 and CB6	1.5-2
7	Industry	Amendments to Energy Savings Opportunity Scheme	A mandatory energy assessment scheme for all large undertakings (non-SMEs) which employ 250 or more people, or employ fewer than 250 people but have both an annual turnover exceeding £38.9m and an annual balance sheet total exceeding £33.4m. It requires organisations to measure their total energy consumption and carry out audits of the energy used by their buildings, industrial processes and transport to identify cost-effective energy saving measures, and to report this information to the Environment Agency. The scheme requires organisations to report this	From CB4 or CB5	<0.1

			<p>information every four years, and the next reporting deadline is 5 December 2027. It is estimated that around 10,000 organisations participate in the scheme. Government is considering changes as part of Phase 5 to support energy efficiency and decarbonisation by businesses.</p>		
8	Industry	Amendments to Streamlined Energy and Carbon Reporting (SECR)	<p>SECR requires quoted companies of any size, and 'large' unquoted companies and limited liability partnerships (LLPs), to report their greenhouse gas emissions and energy use in their annual reports that are submitted to Companies House. 'Large' is defined as meeting two or more of the following requirements: balance sheet of more than £18 million, turnover of more than £36 million, and/or 250 or more employees. Government is considering changes to support energy efficiency and decarbonisation by businesses.</p>	Potentially from CB4/CB5	<0.1
9	Industry	Amendments to Combined Heat and Power Quality Assurance (CHPQA)	<p>CHPQA is a voluntary certification programme which assesses the quality of UK CHP sites of all fuel types, granting successful sites with access to renewable subsidies and a range of tax reliefs to reflect the efficiency gains from CHP generation. Since</p>	From CB5	0.1-0.5

			<p>2001, CHPQA has been effective in creating access to secure and affordable heat and power. Government continues to keep the CHPQA programme under review to ensure the programme continues to offer energy and carbon saving benefits, particularly given the rapid decarbonisation of the grid. The savings indicated here give initial indications of the impacts that any changes to the programme might have.</p>		
10	Engineered Removals	Novel or small-scale engineered Greenhouse Gas Removal (GGR) technologies such as carbon negative building materials or marine carbon dioxide removal methods.	<p>There are a variety of novel engineered GGR approaches, such as carbon negative building materials and marine carbon dioxide removals, which could deliver negative emissions. However, further work is needed to understand the feasibility of deploying these approaches at large scale in the UK – including a robust evidence base on storage permanence and reversibility, regulatory barriers, and wider environmental impacts.</p>	CB5-6	<0.1
11	Buildings	Non-Domestic non-rented energy efficiency standards	<p>We will continue to investigate the full suite of policy measures available to further support greater energy efficiency in owner-occupied non-domestic and commercial buildings in the 2030s.</p>	2031 - 2050	0.9

12	Industry	Non-Domestic non-rented energy efficiency standards (industry)	We will continue to investigate the full suite of policy measures available to further support greater energy efficiency in owner-occupied non-domestic and commercial buildings in the 2030s.	2031 - 2050	0.2
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Table 6: Sector enablers

#	Sector	Policy name	Policy description	Timescale from which the policy takes effect	Role in Carbon Budget Delivery
1	Agriculture & LULUCF	Consider the role of emissions targets to drive decarbonisation	Assess the role and efficacy of introducing agriculture specific emissions targets, such as targets split between individual greenhouse gases to drive decarbonisation across the agriculture and land use sectors.	Defra will consider whether an emissions target for agriculture as part of a wider package of levers could help further incentivise behaviour to reduce emissions.	<p>Emissions targets, or targets split between individual greenhouse gases, could help us reduce emissions in the agricultural sector. This is an early-stage proposal which we will explore further. A target(s) could help us drive down emissions in the agriculture sector.</p> <p>Initial consideration has found including the agriculture sector as part of any air quality targets may duplicate existing work and so may not be effective. Agriculture was included in the COP26 methane memorandum - however, further work needs to be considered on whether there should be a more prescriptive role for agriculture on a national level.</p> <p>Given methane's substantial contribution to agricultural emissions, establishing specific methane reduction targets could enable more precise monitoring, reporting, and verification of agriculture's most significant GHG (as CO₂e). In 2023, methane emissions from</p>

					agriculture totalled 27.2MtCO ₂ e, representing 48% of the UK's total methane emissions. By comparison, CO ₂ emissions from agricultural were 6.9MtCO ₂ e in 2023, 2% of the UK's total CO ₂ emissions.
2	Agriculture & LULUCF	Develop the evidence on agroecological farming systems	We are seeing farmers undertake practices for example to improve soil health. Defra is supporting R&D on the productivity, sustainability, and wider trade-offs of agroecological farming systems which integrate livestock and crop production to improve soil health. Some examples of agroecological practices include the introduction of cover crops and herbal leys.	Planned to begin in CB4 R&D is ongoing as part of a long-term programme of work developing evidence on agroecological systems. Some of this research is delivered collaboratively via EU programmes, which also address circularity in mixed systems and have an emphasis on climate change mitigation and adaptation. Defra is a voting member of the Agroecology Working Group on the Select Committee on Agricultural Research (SCAR)	Agroecological systems are likely to reduce the application of synthetic fertilisers, increase soil organic matter and improve soil structure. Although soil carbon has a finite limit, optimising soil health in this way can help with long term productivity, and enhance resilience to climate change-driven floods and drought.
3	Agriculture & LULUCF	Increase the use of robust Monitoring, Reporting and Verification of	To support food system decarbonisation and address growing demand for comparable data, particularly for scope 3 and finance reporting, Defra is supporting farmers and businesses in the supply chain to	CB4 onwards	For farmers and land managers, accurately understanding the environmental impacts of their operations is the crucial first step in taking effective action to reduce those impacts. Carbon audits provide valuable insights that can help farm

		<p>GHG emissions (MRV)</p>	<p>understand their emission sources and take further actions to decarbonise their businesses through the following measures:</p> <p>Standardisation of carbon footprinting methods Defra is developing a suite of footprinting standards, including a standard for product level emissions footprinting, standard background models for farm carbon calculations and minimum expectations for calculator tool providers. In doing so, we aim to increase trust in GHG emissions data across the food system. This is currently intended to be a voluntary approach, and we will be working with representatives from across the whole food supply chain to drive adoption.</p> <p>Data Sharing Infrastructure (DSI) and Governance Defra is supporting the development of data sharing infrastructure to make MRV quicker and easier and to maximise the value of this data to its owners across the agri-food sector. Alongside, Defra is considering suitable governance models for ownership and ongoing maintenance of the footprinting</p>		<p>businesses plan and action decarbonisation. Having a robust environmental baseline is also critical for farmers to access nature markets and other private investment because they must be able to demonstrate that their actions will directly result in the delivery of genuinely additional environmental outcomes.</p> <p>Conducting a carbon audit can also help farmers meet the growing demands from their supply chain partners for detailed GHG emissions data. This data underpins robust scope 3 company reporting, product-level footprinting and food & drink eco-labelling. Improved data will enable the food and drink industry to reliably monitor progress and focus efforts on net zero. To ensure this data is consistent and credible, a standardised methodology for farm carbon accounting is essential. It enables reliable benchmarking, supports supply chain reporting and decision-making, and builds trust across the sector.</p>
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			<p>standards and data sharing infrastructure under development.</p> <p>We continue to engage with farmers and the wider agricultural community to understand their needs as part of policy development.</p>		
4	Agriculture & LULUCF	Explore the role of alternative financial strategies and mechanisms to drive decarbonisation.	We will continue to review the long-term potential for alternative financial strategies and mechanisms to support cost-effective decarbonisation in Defra sectors.	CB5 and 6 onwards	This is an enabler policy. The application of financial strategies and mechanisms to a sector could support the uptake of pre-existing measures associated with Carbon Budget delivery by providing an economic signal for polluters to reduce their emissions or be subject to paying the costs of their emissions.
5	Agriculture & LULUCF	Further policy to increase nutrient use efficiency to improve farm productivity and reduce emissions.	Continue to monitor the effectiveness of current nutrient efficiency policy measures and market forces and consider development of additional policy levers to further enhance or strengthen delivery if needed e.g., through regulation, standards, advice, guidance and incentives.	This is an early-stage proposal and next steps have not yet been determined. The potential emissions reductions are contingent on further research.	Increase nutrient use efficiency to improve farm productivity and reduce emissions.
6	Agriculture & LULUCF	Increase the use of safe, best practice, high-	The Timber in Construction Roadmap was relaunched in February 2025 with increased	N/A	Safe and sustainable use of timber in construction can support the UK's transition to a zero-waste, low-carbon

		performing timber in construction.	ambition (originally published December 2023). It sets out how government and industry can increase the safe and sustainable use of timber in construction, including key actions. Increasing the use of timber in construction and the development of the roadmap was a commitment in the England Trees Action Plan and Net Zero Strategy, as it can support decarbonisation of the built environment through storing carbon in, for example, timber homes. This work has been taken forward through the cross-government and industry Timber in Construction Working Group.		economy. Promoting timber as a low-carbon building material can help create highly energy-efficient and homes with reduced embodied carbon, while also contributing to housebuilding targets. Timber not only reduces carbon in the environment, but also stores carbon over the long term and drives investment into domestic tree planting and woodland creation.
7	Agriculture & LULUCF	Regulatory approaches to activities on lowland peat soils	Following the provision of necessary water management infrastructure, explore how we can go beyond our farming scheme incentives to achieve rewetting of lowland peat soils.	Savings are anticipated from CB6 onwards.	Current farming activities involve draining water from peat, which leads to carbon emissions. The majority of peatland is privately owned, and incentive schemes are demand-led; therefore, rewetting peat soils will be the prerogative of landowners once the water infrastructure is in place. Regulatory approaches, for instance to water table depths or water management, could incentivise landowners to move towards managing peatland more

					responsibly, therefore reducing GHG emissions.
8	Agriculture & LULUCF	Paradigm shift in water management on lowland peatlands	Major investment in water storage and water level management infrastructure is required to transform the management of water to rewet lowland peatlands. This would enable us to raise water levels safely in a controlled way to an appropriate depth that would lead to lower GHG emissions.	Savings are anticipated from CB6 onwards.	Rewetting by raising and maintaining higher water levels in peat soil reduces emissions and offers opportunities for continued productive agriculture and growing new crops suited to wetter soils, as well as supporting lowland peat restoration activities. This is because peat restoration is sensitive to water table depth, so managing this is integral to meeting our peatland targets on our Net Zero pathway. Further R&D needs to be completed before we can accurately quantify the carbon savings and feasibility of delivering any increased ambition.
9	Agriculture & LULUCF	Paludiculture: Implementation of a roadmap towards commercially viable paludiculture	This includes delivery of the Paludiculture Exploration Fund (2022-26) which comprises a community engagement project and a competitive grant scheme.	Savings are anticipated from CB6 onwards.	Raising and maintaining water levels just below the surface of peat soil, as required for paludiculture, reduces carbon emissions and offers opportunities for continued productive agriculture and growing crops suited to wetter soils.
10	Buildings	Making electricity cheaper	This policy looks to accelerate the electrification of home heating by bringing down the cost of electricity bills, whilst at the same time protecting those households unable to make the switch away from gas just yet.	CB4, CB5, CB6	Implementing this policy will help incentivise consumers to choose low-carbon technologies by tackling distortions in the price signal created by the relative price of electricity and gas. This will enable delivery of decarbonisation and electrification,

			We will set out our plans in due course.		for example through increased uptake in heat pumps.
11	Buildings	Consumer Advice and Information (CAI)	We are upgrading our gov.uk offer - this digital service will create a single access point for all consumers at varying points in their retrofit journey. It will bring together: information on retrofit advice on how to upgrade their home with energy efficiency and clean heat measures, including low cost/no cost solutions; links to trusted installers; information on sources of funding; checking eligibility and applying for government grants and funding schemes; and guidance on how to self-fund with basic information on green finance options, enabling consumers to understand their funding options beyond grants if ineligible/requiring additional finance	Delivery over the next 2 years	<p>This service is an enabler that will support homeowners with trusted information enabling them to make informed green choices.</p> <p>It is assumed that through raising awareness, providing a trusted source of information, and a more streamlined approach to accessing available schemes, consumers will go on to take action that improves their home efficiency and/or deploys clean heat - which will lead to reductions in carbon. This has potential to support and contribute to all domestic retrofit focussed policies.</p>
12	Buildings	The Energy Technology List (ETL)	A scheme featuring over 8,000 independently verified and accredited energy efficient products across 62 sub-technology groups, backed by the Department for Energy Security and Net Zero (DESNZ).	The ETL is an established, long running scheme. The timeline for this scheme is ongoing.	A government list of approved energy efficient products that meet robust, market leading, energy saving criteria. The ETL is a trusted procurement tool for the private and public sectors. DESNZ annually reviews the eligibility criteria and products that qualify for inclusion.

13	Buildings	EPC Reform	<p>The government is reforming Energy Performance Certificates (EPCs) to better align them with our key policy objectives of achieving Clean Power by 2030 and accelerating to Net Zero.</p> <p>We have recently consulted on reforms to improve the accuracy, detail and utility of EPCs, including updating EPC metrics, refining requirements for EPC certificates and strengthening quality control.</p>	Introduced from 2026	<p>EPC reform will strengthen the policy framework needed to reduce emissions from buildings and so play a critical enabling role in meeting the UK's Carbon Budgets.</p> <p>The proposed changes will provide homeowners and tenants with accurate information and guidance about the energy performance of their homes to allow them to make informed investment and purchase decisions. A reformed framework will also enable more accurate and effective targeting of government schemes and regulatory requirements such as minimum energy efficiency standards (MEES), which will support the decarbonisation of buildings.</p>
14	Buildings	Green Gas Levy	Funds the Green Gas Support Scheme by placing a levy on all licensed GB fossil fuel gas suppliers. Savings are accounted for under the Green Gas Support Scheme.	The Green Gas Levy launched in 2021, and will run until 2043.	The Green Gas Levy raises the capital required to fund the GGSS by placing a levy on licensed GB fossil fuel gas suppliers - the scheme works on a per meter point design.
15	Buildings	Heat Pump Investment Accelerator Competition	Provides grant funding to manufacturers to invest in new factories or expand or repurpose existing factories to increase UK domestic manufacturing of heat pumps and heat pump components. Round 1 of the Competition provided up to £30m	Round 1: 2025/26 to 2026/27 Round 2: 2026/27 to 2029/30	To provide non-refundable grant funding to support investment in new or expanding/extending/retooling existing factories to manufacture heat pump units or heat pump components.

			of funding to be provided across FY 2025/26 and 2026/27. A second, expanded, round of the Competition has been confirmed in the Industrial Strategy with £90m of funding across FY 2026/27 to 2029/30.		
16	Buildings	Funding for skills and capacity building	<p>Since 2021, the Department has invested £20 million in skills competitions to deliver over 23,000 training opportunities in retrofit and energy efficiency.</p> <p>Since the launch of the Heat Training Grant in July 2023, over 4,600 heat network trainings have been delivered, and 82,000 heat pump installation courses have been supported through the scheme.</p> <p>We have also launched the Warm Home Skills Programme. The £8m Warm Homes Skills Programme is an open grant competition that will deliver up to 9,000 training places across England, providing opportunities for people to develop skills in areas that include fitting solar panels, installing insulation and assessing and coordinating retrofit.</p>	<p>Heat Training Grant (HTG): 2023/24 to 2024/25 and HTG 2: 2025/26</p> <p>Warm Homes Skills Programme 25-26 to 26-27.</p>	<p>The supply chain needs to continue to grow and upskill to deliver measures towards our net zero and fuel poverty targets to the required standards. In the short term we need PAS certified and TrustMark registered installers to deliver our home decarbonisation capital spend projects and other retrofit/fuel poverty schemes however significant supply chain growth will be required in the longer term to support retrofit of all building types.</p> <p>For the Clean Heat workforce, we need to continue supporting existing heating installers to upskill to become MCS certified heat pump installers and grow the heat network workforce to meet ambitious deployment targets we will set out in the Warm Homes Plan. This workstream supports skills training and capacity building in the retrofit supply chain, including through delivery of subsidised training via the Warm</p>

					Homes Skills Programme and Heat Training Grant.
17	Buildings	Consumer protection reform	Bring forward an overhaul of consumer protections and oversight of retrofit installations to improve quality and ensure speedy access to redress where needed.	TBC - delivery by 2028/2029 is the aim	To ensure high quality energy efficiency, low carbon heating and microgeneration installations.
18	Defra (cross-cutting)	Creation of Local Nature Recovery Strategies (LNRs)	Creation of Local Nature Recovery Strategies (LNRs). 48 responsible (combined, county or unitary) authorities preparing strategies to target interventions for nature recovery and the wider environmental benefits of nature recovery.	It is anticipated that 48 LNRs which collectively cover the whole of England should be published by December 2025 or shortly after. It is intended that public, private and voluntary sectors will work together to deliver the proposals in the published strategies. Defra SoS will direct when strategies must be reviewed and republished - but this must be every 3-10 years. This means that LNRs will remain up to date and ambitious and directing appropriate interventions on an ongoing basis.	LNRs are an enabler that improves the targeting of other policies that deliver environmental outcomes through use of nature based solutions by identifying locations and encouraging greater efficiency through improved integration. Their contribution to carbon savings will be reflected mainly via improvements to other policy and delivery areas (e.g. working closely with land owners and managers to better target the delivery of nature based solutions). Actions such as tree planting and peat restoration - which will be a focus for LNRs - will deliver carbon savings through sequestration. LNRs will help them to deliver more, but the exact contribution is impractical to quantify.

19	Defra (cross-cutting)	National Framework of Green Infrastructure Standards	Launch a new national Green Infrastructure Framework of Principles and Standards in 2022 and support local authorities in embedding them in Local Plan policies for nature, climate and health and wellbeing.	CB4 onwards, but is likely to increase significantly in CB5 and CB6, because the process from planning a development to building it can take several years	The Green Infrastructure Framework Principles and Standards for England, including its Urban Tree Canopy Cover Standard, will enable the planning and maintenance of good quality green infrastructure networks, that deliver climate mitigation as one of their multiple benefits, but not with a measurable contribution to carbon budgets.
20	Domestic Transport	Continue the supportive policy environment that helps consumers transition to zero emission vehicles whilst also ensuring sustainable public finances.	Wider Government policies, such as taxation, to support the ZEV transition.	CB4, CB5 and CB6	Incentivising the transition to zero emission vehicles through a supportive policy environment across Government. For example, this has included favourable Benefit-in-Kind rates for zero emission cars through the Company Car Tax regime, and preferential first-year rates for zero emission cars in Vehicle Excise Duty.
21	Domestic Transport	Grant funding to support consumers, operators and fleet owners in transitioning to zero emission road vehicles	De-risking further investment by fleet operators, supporting development of technology and commercial models.	CB4, CB5, CB6	Supporting the uptake of zero emission vehicles and wider emissions reductions
22	Domestic Transport	Communication and awareness campaigns	Supporting the transition to zero emission vehicles by ensuring accurate and consistent information is available to	CB4, CB5 and CB6	Supporting the transition to zero emission vehicles by ensuring

			<p>consumers. Collaborating with industry on delivering positive communications campaign/messaging, tackling negative perceptions and misconceptions to promote benefits of EV ownership. Raising awareness of the benefits of EV ownership.</p>		<p>accurate and consistent information is available to consumers.</p>
23	Domestic Transport	Supporting the rollout of EV charging infrastructure through the delivery of grant funding to less mature market segments	<p>Including the Local Electric Vehicle Infrastructure (LEVI) fund, the EV Pavement Channels grant, the On-Street Residential Chargepoint (ORCS) scheme, workplace/residential chargepoint grants and policies for upgrading grid capacity at strategic locations on the Strategic Roads Network. Resource funding for LAs to lead public EV infrastructure delivery and capital funding will accelerate the equitable transition to zero emission vehicles. Zero Emission Heavy Goods Vehicle and Infrastructure Demonstrator and Depot Charging Scheme funding. Zero Emission Buses Regional Areas (ZEBRA) programme supporting the rollout of charging infrastructure at bus depots.</p>	CB4, CB5 and CB6	Supporting the uptake of zero emission infrastructure; and supporting wider emissions reductions by de-risking further investment by fleet operators, supporting development of technology and commercial models.

24	Domestic Transport	Regulations and planning reform for chargepoint experience and deployment	Improving consumer experience of charging infrastructure to encourage drivers to switch to zero emission vehicles, accelerating uptake and fleet turnover. Ensuring chargepoints have smart functionality to reduce demand on the grid and that charging infrastructure support schemes incentivise flexible charging. Ofgem will, via the price controls and end-to-end connections review, ensure that DNOs offer quality connection offers and smooth and rapid connections to all customers, including chargepoint operators. Overcoming barriers to accelerate chargepoint rollout, including by consulting on: removing barriers to those in rented and leasehold properties; removal of the covered car park exemption from the Building Regulations Part S; and expanding permitted development rights for cross-pavement solutions. Government will work with Ofgem and industry to ensure that public charging costs for EV users are fair and efficient, including considering the impact of standing and capacity charges, and through Ofgem consulting on ways to	CB4, CB5 and CB6	Improving consumer experience of charging infrastructure to encourage drivers to make the switch to EVs, which will contribute to realising the carbon savings anticipated by the ZEV Mandate.
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			ensure tenants using their landlords' EV chargepoints are not overcharged.		
25	Domestic Transport	Taking a strategic approach to the decarbonisation of the UK freight sector	Providing direction on infrastructure requirements.	CB4, CB5 and CB6	Supporting the decarbonisation of the UK freight sector, including through providing direction on infrastructure requirements to improve operator confidence and increase demand.
26	Domestic Transport	Embedding active travel and public transport in planning	The revised Manual for Streets, new Connectivity Tool, and updated Planning Practice Guidance on Transport work together to support vision-led, sustainable development. Supporting planners and decision-makers to select sustainable locations and prioritise active travel, public transport, and climate resilience, build at higher densities, offer modal choice and shape people-first, well-designed streets and places.	CB4, CB5 and CB6	Creating better alignment of transport and spatial planning, which can improve the sustainability of new developments in locational terms and deliver transport improvements, supporting the uptake of public transport and active travel.
27	Domestic Transport	Supporting decarbonisation in local transport planning	Publishing best-practice guidance for Local Authorities (LAs) on how to quantify the carbon impact of local transport policy interventions. Updating guidance for local authorities on Local Transport Plans.	CB4, CB5 and CB6	Supporting decision-making by providing local transport authorities with guidance on how to improve local transport

28	Domestic Transport	Modal shift of freight to non-road modes	Supporting mode shift of freight to less carbon-intensive modes, such as rail and waterborne freight. Great British Railways will have a statutory duty placed on it to promote the use of rail freight and be set growth targets. The Mode Shift Revenue Support grant has been extended to 31 March 2026	CB4, CB5 and CB6	Decarbonising the UK's road freight sector and reducing congestion on roads through supporting mode shift of freight to less carbon-intensive modes, such as rail and waterborne freight.
29	Domestic Transport	Measures to reduce emissions at berth	Consideration of policies that could strengthen ports' role in reducing emissions at berth and supporting maritime decarbonisation. Following the Net Zero Ports Call for Evidence, published in March 2025, measures to support this are being explored.	CB4, CB5 and CB6	Ports can play an important role in maritime decarbonisation. They will support the shipping sector to decarbonise by providing the right infrastructure and reduce emissions at berth.
30	Domestic Transport	Removal of barriers to large scale zero-emission van usage, through changes to regulations.	Bringing regulatory parity between zero emission vehicles and their petrol and diesel equivalents, to make it as easy as possible for businesses and consumers to switch.	CB4, CB5 and CB6	Removing barriers and cutting red tape, bringing regulatory parity between zero emission vehicles and their petrol and diesel equivalents, to make it as easy as possible for businesses and consumers to make the switch to zero emission vans.
31	Domestic Transport	Transforming public transport services and infrastructure to deliver sustainable	Supporting modal shift to public transport and active travel, including through legislation such as the Bus Services Bill and Railways Bill; and investment to improve public transport and	CB4-6	Supporting more people to choose to walk, wheel and cycle, and use public transport, reducing emissions from reduced use of single-occupancy private cars.

		travel choices for passengers	active travel infrastructure via Active Travel England and Transport for City Regions Settlements alongside other funding mechanisms.		
32	Engineered Removals	Innovation Funding	Delivery of £100 million innovation funding	CB4	The research, development and demonstration of Greenhouse Gas Removals across several programmes have provided evidence for policy development and progressed the next generation of carbon removal technologies. Benefits include CAPEX and OPEX reductions, novel concepts both in removals technology and supporting digital tools, evidence and data for environmental permitting, job creation, development of UK expertise in this nascent sector and follow on contracts with commercial partners both in the UK and overseas.
33	Engineered Removals	GGR Business Model	Develop markets and incentives for investment in GGRs by developing a business model to incentivise early investment in GGRs.	CB5 and CB6	Business model support will be required in the near term in order to address financial barriers to deployment and provide investors with confidence to bring forward early GGR projects. Designing and delivering on a GGR business model will be important for unlocking investment in a sufficiently broad portfolio of technologies.

34	Engineered Removals	Integration of GGRs into the UK ETS	To include engineered GGRs in the UK ETS subject to further consultation, the development of a robust standard and methodologies and management of wider impacts.	CB5 and CB6	Inclusion of GGRs in the UK ETS will support the deployment of GGRs in the UK by providing long-term demand and policy certainty to GGR developers, which is essential for GGRs being deployed in the UK. The ETS would therefore provide a means for meeting long-term GGR deployment ambitions whilst providing an opportunity to transition to a competitive market which is able to sustain GGR deployment without government support.
35	Engineered Removals	GGR Standard	To develop an engineered GGR Standard and methodologies that projects supported under the Government's business model will be required to use.	CB5 and CB6	This policy will enable the deployment of engineered GGRs by establishing a robust Standard and methodologies that underpin the Government's business model support and a future negative emissions market. The GGR Standard plays a critical role in preserving the integrity of any market for negative greenhouse gas emissions and instilling public and investor confidence that removals are genuine. It will set out accounting and sustainability frameworks to ensure that GGR projects deliver verifiable, permanent, and sustainable removals of CO ₂ from the atmosphere.
36	IAS	Supporting the scaling up of UK	Introducing a Revenue Certainty Mechanism (RCM) for UK SAF	CB4, CB5 and CB6	Derisking emerging SAF production technologies and supporting the

		SAF production industry	production to tackle barriers to investment in SAF production. Grant funding, including the Advanced Fuels Fund (AFF), to fund UK commercial and demonstration scale SAF production projects. Funding and policy support to establish a UK SAF Clearing House for cross-industry support for the development, testing, qualification and production of SAF.		scaling-up of SAF production in the UK, reducing risks around availability and supply to help meet the SAF Mandate's targets.
37	IAS	Support building a global SAF production market, reducing risks around availability and supply to meet SAF mandate targets	Working internationally to support the International Civil Aviation Organization's (ICAO) target to reduce emissions from global aviation fuel by 5% by 2030. Capacity building support to other states to develop their own SAF industries and improving access to SAF financing in developing countries.	CB4, CB5 and potentially thereafter	Supporting the building of a global Sustainable Aviation Fuels (SAF) production market, reducing risks around availability and supply to meet the SAF Mandate's targets.
38	IAS	Improved operational efficiencies to reduce emissions	Collaborating with national and international authorities to enable airspace modernisation, including through establishing a UK Airspace Design Service to improve delivery confidence in airspace modernisation activities to help reduce aviation emissions.	CB4, CB5 and CB6 (ongoing annual savings to 2050)	Supporting progress towards the achievement of high ambition annual average fuel efficiency savings, reflecting the impact of operational and air traffic management improvements.

39	IAS	Support to accelerate the transition to more efficient aircraft	R&D funding for more efficient aircraft, through Aerospace Technology Institute funding and research programmes. Working internationally, including through the International Civil Aviation Organisation (ICAO) to implement strengthened aircraft CO ₂ standards.	CB5 and CB6	Supporting progress towards achieving high ambition fuel efficiency savings by accelerating development and commercialisation of more efficient aircraft. This includes supporting R&D into aircraft technologies and work through ICAO to support shaping the global aircraft market and supply chains to deliver emissions savings.
40	IAS	Support to accelerate the transition to zero emission flight	Grants and R&D funding for zero emission aircraft development, such as through Aerospace Technology Institute funding and research programmes and eventually uptake of these aircraft. Working internationally, including through the International Civil Aviation Organization, to prepare to develop international standards for zero emissions aircraft and start building capacity of other states to prepare for and implement zero emission flight.	CB6 (entry into service from 2035, greatest impact of zero emission flight-focused enablers from CB7 onwards).	Supporting the development and uptake of zero emissions aircraft. Zero emission flight is nascent, and zero emission aircraft are not forecast to enter the fleet until the mid-2030s. Funding for R&D will support zero emission aircrafts' entry to the fleet.
41	IAS	Funding for research and development (R&D) for the technologies required for	Funding for innovative solutions to be developed across technology-readiness levels (TRLs) delivered through the UK Shipping Office for Reducing Emissions (UK SHORE) programme.	Emission savings expect to be ongoing following demonstrations of clean maritime technologies. The Government-wide Spending Review process has confirmed that the UK SHORE programme will	Providing R&D funding to accelerate towards market readiness the technologies necessary to decarbonise the UK maritime sector across a range of TRLs.

		maritime decarbonisation		receive additional funding following FY 25/26.	
42	IAS	Continued UK support for and leadership of the development of 'green shipping corridors' (zero emission routes)	Develop at least one international green corridor from the UK by the end of 2027/2028 and at least three domestic green corridors in the UK by the end of 2027/2028, supporting demonstration and deployment of clean maritime technologies and unlocking investment by bringing together stakeholders across the sector's value chain.	CB4, CB5 and CB6	Supporting maritime decarbonisation by coordinating stakeholders to demonstrate and deploy clean maritime technologies and unlock investment.
43	Industry	Reducing market barriers to electrification	The current price of electricity can be a significant economic barrier for many industrial consumers to electrify, a key tool to enable heat decarbonisation in industrial processes. We are continuing to develop further policies to bring down electricity costs relative to gas, and intend to consult on options to reduce costs and make electrification an economically rational choice for a wider range of businesses and organisations.	CB5 onwards	Electrification is expected to be a key route for decarbonisation of the non-domestic sector.
44	Industry	Industrial Resource Efficiency	Industrial Resource Efficiency encompasses strategies that avoid waste, improve process efficiencies, and support re-use, recycling and remanufacture, as	CB 5 onwards	Cross cutting and sector specific initiatives will help to drive more resource-efficient outcomes and the transition to a circular economy, for example by encouraging reductions

			well as the adoption of low carbon materials and feedstocks. Work is ongoing to co-ordinate and develop a range of cross-government interventions in consultation with industry as part of the Circular Economy Strategy development.		in material use, re-use, repair, and recycling.
45	Industry	Circular Economy Statements and pre-deconstruction audits	Integrate circularity into the planning and development process, encouraging the adoption of voluntary Circular Economy Statements and pre-deconstruction audits	CB5 onwards	Embedding circularity principles into the planning system can help to drive more resource-efficient outcomes and the transition to a circular economy in the built environment, for example by encouraging the use of second-life construction products, or retaining building structures instead of complete demolition.
46	Industry	Encouraging the adoption of whole-life carbon measurement and reporting in buildings and infrastructure	Encouraging the use of Whole-life Carbon assessments (WLCs) to evaluate carbon emissions across all stages of a building or structure's life – from material extraction to deconstruction. Through accounting for whole-lifecycle emissions, the carbon impacts of materials and design choices become visible, encouraging decisions which reduce carbon intensity per year, and which align with circular economy principles.	CB 5 onwards	Reporting and standards can help to drive the uptake of lower carbon materials more resource-efficient outcomes and the transition to a circular economy in the built environment, for example by encouraging the use of low carbon concrete, or the lean design of buildings. Overall this can reduce demand for high emissions, virgin construction materials (especially concrete, steel), reducing UK industry emissions.

47	Industry	Incentivising the use and lifetime extension of existing buildings	The government will investigate options to incentivise the use and lifetime extension of existing buildings.	CB 5 onwards	Adjusting incentives to support reuse and retrofitting of buildings would reduce the amount of inert construction materials going to waste and improve the resource efficiency outcomes of the built environment. This in turn can reduce demand for new emissions intensive construction materials.
48	Industry	Developing vehicle eco-design and extended producer responsibility rules	Reviewing the type approval and ELV regulations, and any other relevant frameworks or regulations, to identify measures, both at design and end-of-life, that would improve the circularity of passenger and light goods vehicles.	CB 5 onwards	These policies would seek to optimise in use and end-of-life management of vehicles to support lifetime extension and recovery reuse of all vehicles and the materials and components that they contain. This in turn can reduce demand for new emissions intensive construction materials.
49	Industry	Incentives to promote lighter vehicles	A policy to conduct a review and consult on the policy options to incentivise lightweight vehicles.	CB 5 onwards	Vehicles contain emissions intensive materials and there is a trend toward heavier and larger vehicles. By supporting strategies to reduce the weight of vehicles in a way that does not detract from our ambitions to grow the market for electric vehicles we can reduce emissions both at the tail pipe and within the vehicle supply chain.
50	Industry	Sustainable feedstock for chemicals	The government will investigate options to encourage the	CB 5 onwards	Transitioning toward sustainable, non-fossil feedstocks will reduce the

			defossilisation of the chemicals sector.		overall carbon footprint of the chemicals sector.
51	Industry	Embedding circularity in public procurement	Investigate options for embedding circularity in public procurement. This will lead to lower emissions from public procurement activities and support the market for low carbon products.	CB 5 onwards	Ensuring circularity is embedded in public procurement presents an opportunity for Government and the public sector to lead by example through reducing the emissions associated with public procurement activities and supporting the market for low carbon products.
52	Industry	Industrial Energy Efficiency	Policy development currently underway to determine how to deliver emissions savings associated with energy efficiency. Policy development will review success of existing policies, such as IETF and pilot BEAS.	CB4 to 2050	Support policy development to determine how to deliver rest of emissions savings associated with energy efficiency.
53	Waste & F-gases	Wastewater Research and Investment: Water company research and investment	Water company research and investment into reducing process emissions from wastewater treatment plants, e.g., anaerobic treatment, membrane activated biofilm reactors, alternative ammonia removal processes and nature-based solutions.	CB4-6	Wastewater savings are dependent on the water industry investing in the process, there are no legislative requirements driving these measures. The Water Industry holds responsibility to drive this through existing industry tools and processes such as the WINEP, UKWIR and opportunities from regulator driven funding mechanisms such as the Ofwat Innovation Fund.

54	Industry	Whole-life carbon assessments	Support the identification of hot spot areas with the highest carbon impact and reduction opportunities in transport infrastructure projects.	Started in 2023. N/A on ending.	Carbon management plans (CMP) include a comprehensive whole life carbon assessment, and a plan to reduce carbon across the project lifecycle in line with PAS2080 principles.
55	Domestic Transport	Development of standards for battery trains	Developing standards across the rail network to allow for improved implementation of battery electric and hybrid electric train technology.	CB5-7	Utilising battery power and hybrid electric trains may be a better value for money option to decarbonise than Overhead Line Electrification.

Table 7 - Cross-cutting enablers					
#	Sector	Policy name	Policy description	Timescale from which the policy takes effect	Role in Carbon Budget Delivery
1	Embedding (Enabler)	Annual Statement on the State of Climate and Nature	Intention to give an annual statement on the state of the climate and nature - use parliamentary time to speak with transparency about the scale of the crises and how the choices we make as a country influence the course of global action.	Ongoing	We intend to give an annual statement on the state of the climate and nature, using parliamentary time to speak with transparency about the scale of the crises and how the choices we make as a country influence the course of global action.
2	Embedding (Enabler)	Assessing Climate and Environmental Impacts of Fiscal Events	HMT's Green Book sets out that all policies, programmes, and projects must be developed and assessed against how well they deliver on the government's climate and environmental objectives, as well as other policy priorities. To ensure due consideration is paid to the climate and environmental impacts of fiscal decisions, HMT has established processes to assess the climate and environment impacts of fiscal events, using these to inform (alongside other policy considerations) decisions made.	Ongoing	This policy supports the delivery of Carbon Budgets by ensuring that the climate impacts of spending bids and budget measures are considered as part of fiscal decision-making processes led by HMT.

3	International (Enabler)	Bilateral and multilateral collaboration	<p>Build on the legacy of our G7 and COP26 Presidencies and COP campaigns to strengthen collaboration in key sectors. Utilise bilateral relationships (and extensive climate attaché network) and multilateral fora to develop strategic partnerships on climate action, including through the G20.</p>	<p>This is an ongoing commitment with much of the work driven by regular multilateral and bilateral governance (e.g., annual COPs underpinned by intersessionals throughout the year). The effects of this work will last indefinitely but we are focusing particularly on driving action this decade to keep 1.5 degrees within reach.</p>	<p>Promoting greater international ambition and coordination across climate and energy policy supports our Carbon Budget Growth and Delivery Plan and the Government's Mission to make the UK a Clean Energy Super Power by addressing multiple issues and making decarbonisation faster and cheaper for all, offering opportunities for growth and trade. . It is not possible to quantify the potential impact to UK emissions.</p>
4	Investment (Enabler)	Breaking down the barriers to investment	<p>Our stakeholder engagement has highlighted three priority barriers to growth for the Clean Energy Industries. Unblocking these will benefit the growth of Clean Energy Industries directly – delivering increased confidence in deployment pipelines and supply chain investments – and will drive growth across the whole economy. These are: Planning, Electricity grid connection, and Industrial energy prices.</p> <p>Our Clean Power Action Plan also highlighted further barriers to clean energy deployment and the actions we are taking to address these (such as improving the way</p>	2024 onwards	<p>Unblocking these barriers to investment will benefit the growth of Clean Energy Industries directly – delivering increased confidence in deployment.</p>

			Contracts for Difference are allocated).		
5	Embedding (Enabler)	Carbon Exclusion Measure Procurement Policy Note	Procurement Policy Note 006 is entitled "Taking account of Carbon Reduction Plans in the procurement of major government contracts". The policy sets out that for major government contracts (those worth over £5m p.a.) suppliers need to have a commitment to Net Zero, provide a Carbon Reduction Plan and set out the environmental measures that will be in place through the contract delivery. These are conditions of participation: unless they are met the supplier cannot compete for or be awarded the public contract.	Ongoing	The government is committed to leveraging procurement spend to help tackle climate change and reduce greenhouse gas emissions.
6	Embedding (Enabler)	Carbon reduction contract schedule	Procurement Policy Note 016 is entitled "Carbon reduction contract schedule". This policy provides standard T&Cs to support contract specific decarbonisation objectives to be set and delivered and provides a framework to monitor and assess the supplier's decarbonisation performance.	Ongoing	The government is committed to leveraging procurement spend to help tackle climate change and reduce greenhouse gas emissions.

7	Embedding (Enabler)	Clean Energy Superpower Mission Governance	Ministerial Mission boards and robust senior official level governance provides oversight of carbon budget delivery. This structure enables swift escalation and mitigation of issues and decisions.	Ongoing	The Clean Energy Superpower Mission governance will support the delivery of carbon budgets by providing a cross-government mechanism to escalate and resolve challenges and blockages to delivery quickly. It is a key part of the essential underpinning architecture for carbon budget delivery and net zero.
8	Investment (Enabler)	Clean Industry Bonus	The Clean Industry Bonus (CIB) provides an incentive for purchases from sustainable and short supply chains alongside clean energy deployment schemes. It is currently only operational within the Offshore Wind Sector, aligned to the Contract for Difference (CfD) process and funded by billpayers. The payment of incentives under CIB-type models is a strong incentive for investment in short and sustainable supply chains. However, they need to be assessed on a value for money basis and require sector-specific scheme designed based on market structure and maturity. Given the success of the scheme in the Offshore Wind sector, we are considering expansion to the Hydrogen and Onshore Wind	Ongoing	Supporting delivery of local social and economic value in public procurement.

			sectors. Government will consider options for CCUS and work with Ofgem to explore options for network components. With consideration given to proposals that would boost domestic manufacturing of key components.		
9	Embedding (Enabler)	Climate and Environment Curriculum and Standards	Includes training on the UK's climate framework that is available to every civil servant, offering the opportunity to specialise in climate and environmental policy throughout their career and embedding climate considerations into standards for the Civil Service Policy Profession.	Ongoing	Training and standards aimed at improving net zero knowledge and capability across the civil service supports policy makers in delivering the UK's carbon budgets.
10	Investment (Enabler)	Climate related disclosures	The government has in place a strong framework of climate-related reporting requirements. The disclosures increase transparency in the market and provide comparable and decision-useful information for investors, which enables investment decisions and encourages behavioural change. This includes existing Taskforce for Climate-related Financial Disclosures (TCFD) requirements and Streamlined Energy and Carbon Reporting regulations	2026 onwards	Significant flows of private finance will be needed to meet our carbon budgets. For financial institutions to effectively allocate their capital, they must have access to the right information and data to price and manage risks, identify opportunities and get comfortable with building exposure to new sectors and technologies. The UK's climate-related financial and non-financial disclosure standards will help enable

		<p>(SECR). The Department for Business and Trade published a consultation, which closed in September, with the new exposure draft reporting standards for use in the UK (to be known as the UK Sustainability Reporting Standards). These are based on the International Sustainability Standard Board (ISSB) Standards reporting standards and will be made available for voluntary use initially. Government and the Financial Conduct Authority are also considering whether they should be mandatory for certain entities. Greater use of these standards internationally will reduce the costs to businesses of reporting on sustainability matters in multiple jurisdictions and maximise the consistency of information for investors, allowing them to deploy their funding to maximum effect and support economic growth. A high quality and competitive sustainability assurance market is critical to drive trust and credibility in the delivery of these standards. As such, the Department for Business and Trade have also consulted on the development of a voluntary oversight regime for</p>		<p>efficient allocation of capital, reducing the delivery risk of other carbon savings.</p>
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			assurance of sustainability-related financial disclosures.		
11	Embedding (Enabler)	Common Biomass Sustainability Framework	We are launching a consultation on the development of a common biomass sustainability framework, which will set out minimum requirements on biomass sustainability for all sectors using bioenergy that are subject to government incentive schemes. This will enable greater consistency between sectors, as well as strengthening existing biomass sustainability criteria in line with latest evidence and improvements to current monitoring, reporting and verification practices.	Implementation will depend on outcome of consultation and other bioenergy policies.	Currently, biomass plays an important role in our energy system, generating around 9% of the UK's total energy supply across the power, heat and transport sectors in 2023. For biomass to continue to play a role in supporting the government's ambitions to be a clean energy superpower and accelerate towards net zero by 2050, confidence in the sustainability of biomass must be improved. The common biomass sustainability framework will enable greater consistency and ensure that effective sustainability standards coupled with robust monitoring, reporting and verification regimes continue to underpin biomass use in the UK. As a result, the common framework is an enabling policy for multiple bioenergy policies that contribute to carbon budgets, e.g. biomethane future framework, SAF Mandate, pBECCS business model and many others.

12	Embedding (Enabler)	Competition and Markets Authority (CMA) Strategic Steer	Each Parliament, the government publishes a strategic steer to the Competition and Markets Authority (CMA), which sets out the government's priorities for the CMA. The latest steer recognises the important role that the CMA has in delivering net zero by enabling innovation.	The steer is published once per Parliament and the CMA should explain in their annual report how they have taken account of the actions in the steer.	The steer sets out how the government expects the CMA to support and contribute to government priorities, which includes supporting the positive benefits of innovation and recognising the key role it plays in driving net zero.
13	Innovation (Enabler)	Consideration of additional policy-based innovation levers	In Summer 2026, we will establish a set of timebound priority innovation challenges, co-developed with industry and focused on the most pressing innovation needs for CB6 and the industrial strategy. This mission-led approach will mobilise the public and private sectors around cleantech innovation priorities and create market pull to accelerate innovation and drive delivery of our carbon budgets.	This programme will prioritise support for the most pressing innovation needs for CB6 and beyond. The timeframe for emissions savings will depend on the specific technologies and the speed at which they can be deployed at-scale and, to avoid double counting, emissions savings be counted in the relevant sector deployment plans rather than against the innovation which enabled it.	The Cleantech Innovation Challenges aim to galvanise action and investment across the public and private sectors in order to unlock faster development and deployment of low-carbon technologies needed to meet Carbon Budgets. Innovation challenges will be co-developed with industry to target the highest priority innovation opportunities and seek to reduce deployment barriers.
14	Embedding (Enabler)	DESNZ Appraisal Guidance	On-going assurance of the department's application of principles set out in the HMT Green Book and supplementary guidance.	Ongoing	On-going review of analytical guidance and approaches, and assurance of analysis to support net zero appraisal will support ministers by improving the quality and consistency of evidence on which to base decisions - improving the

					quality of policy outcomes for the UK.
15	International (Enabler)	Developing efficient UK-EU electricity trading arrangements	Under the Energy Title of the Trade and Cooperation Agreement, the UK and EU have committed to developing new more efficient electricity trading arrangements over electricity interconnectors at the day-ahead timeframe based on the concept of 'Multi-region loose volume coupling' (MRLVC). The UK and EU have also agreed to explore the UK's possible participation in the EU's internal electricity market, including participation in the EU's trading platforms at all times.	<p>In December 2024, the Specialised Committee on Energy issued a Recommendation and published a shared roadmap to commence a 12-month concept validation phase of MRLVC to determine its viability. Implementation of MRLVC is subject to the outcome of the concept validation work requested by the SCE.</p> <p>We are undertaking exploratory talks with the EU regarding the UK's possible participation in the Internal Electricity Market.</p>	<p>More efficient UK-EU electricity trading arrangements would increase trading opportunities replacing generation with those from less carbon intensive sources. It would also increase the commercial viability of new interconnector projects in the North Sea and English Channel, including Offshore Hybrid Assets, which would reduce emissions in a similar manner.</p> <p>In December 2024, the Specialised Committee on Energy issued a Recommendation and published a shared roadmap to commence a 12-month concept validation phase of MRLVC to determine its viability. The UK and EU have also agreed to explore the UK's possible participation in the EU's internal electricity market, including participation in the EU's trading platforms at all times.</p>

16	Innovation (Enabler)	Driving innovation in key low-carbon tech by taking leadership role in Mission Innovation (MI) 2.0	Driving innovation in key low-carbon tech by taking leadership role in Mission Innovation (MI) 2.0. Through our leadership of the Secretariat, our active role on the MI Steering Committee, and profiling MI through our COP26 Presidency, we have cemented Mission Innovation as the leading forum for international clean energy innovation and global collaboration. The UK also co-leads two global innovation Missions under MI: the Green Powered Future Mission and the Clean Hydrogen Mission, as well as the Heating and Cooling Innovation Community. The UK also participates in five other Missions: Net-Zero Industries, Integrated Biorefineries, Carbon Dioxide Removal, Zero-Emission Shipping, and Urban Transition. The UK also provides annual reporting through an MI Member Insight Report that provides a summary of the UK's innovation activities and participation as qualitative overview efforts.	This will depend on the specific innovations, technologies, and sub-technologies being considered, as well as the speed at which they can be scaled up.	This policy aims to drive enhanced international action and investment in research and innovation for clean energy solutions.
17	Skills and jobs (Enabler)	Economic Inactivity Trailblazers and Get Britain Working Plans	The current place-based Economic Inactivity and Youth Guarantee trailblazers are being mobilised to test new and innovative approaches to tackling	Ongoing	We will explore whether future programmes led by the Department for Work and Pensions could target specific clean energy priority regions to

			economic inactivity and ensure better join-up of employment, education and training support.		support young and economically inactive people move into Level 2 or below clean energy jobs to meet regional demand.
18	Investment (Enabler)	Embedding climate considerations in the work of financial regulators	Ensuring that the Financial Policy Committee and Prudential Regulation Committee under the Bank of England support the government's approach to the net zero transition. Alongside this, the government has already taken steps to ensure these Committees, as well as the FCA, continue to support the UK to lead the world in sustainable finance. The PRA has consulted on enhancing banks' and insurers' approach to managing climate-related risks.	Added to remit letters 2024	For our sustainable finance policy framework to be effective, and for it to reduce overall delivery risk for our carbon budgets, we need to ensure that regulation within our financial and professional services sector is joined up on considering the importance of climate risks while also being growth-focused. This policy helps deliver that and therefore de-risks the delivery of carbon budgets.
19	Skills and jobs (Enabler)	Energy Skills Passport	The Energy Skills Passport is an industry led initiative overseen by Renewable UK and Offshore Energy UK and supported by the UK and Scottish Governments to help workers from carbon-intensive industries access opportunities in new clean energy sectors. After launching the first phase of the Skills Passport in January 2025, the government will continue to support Renewable UK and Offshore	Policy in effect - for the duration of this Parliament	The skills passport will help to support the delivery of carbon budgets through the supporting the transference of oil and gas workers to offshore wind roles, thereby increasing the workforce of the sector.

			Energy UK to expand the digital tool. This will include adding more offshore and onshore wind job roles and career pathways to the digital tool, and expanding cross-sector career pathways for critical roles such as welding. We will also explore the inclusion of additional clean energy sectors, such as electricity networks and nuclear, to support oil and gas worker transitions and enable cross-sector mobility.		
20	Investment (Enabler)	Enhancing impact of Public Finance Institutions and increasing the use of blended finance for carbon budget delivery	Government is working closely with the UK's Public Financing Institutions to deliver the clean energy mission and net zero, including National Wealth Fund, Great British Energy, British Business Bank, UK Export Finance, UK Research and Innovation. The changes to the Fiscal Rules and new Financial Transaction Control Framework (FTCF) have demonstrated an increased focus on the use of blended finance in support of the mission and HMT has set up the Strategic Public Investment Forum to encourage close working with the public financing institutions.	2025 onwards	Blended finance structures and the Public Finance Institutions are key delivery mechanisms for HMG net zero policies. Blended finance models have the opportunity to crowd in more private finance than alternatives, and as such may increase investment and improve likelihood of reaching deployment targets. The recent increased focus on the use of Financial Transactions to deliver government spend only further underlines the importance of continuing to prioritise blended finance, co-design with the PuFIns and improvements in coordination between PuFIns.

21	International (Enabler)	Ensuring GEDSI (Gender, Equality, Diversity and Social Inclusion) in ICF	Commitment to monitoring the impacts of our climate and clean energy policies to assess the need for targeted support for disproportionately impacted groups. This will include working to advance gender equality and diversity in the clean energy sector.	By 2030	A gender diverse energy sector is vital for driving energy transition and in doing so will enable a more effective and efficient reduction of global carbon emissions. For example, the UK is working with international organisations like the International Energy Agency to strengthen work on gender equality and diversity in the energy sector. The UK supports the POWERful Women initiative and other energy sector groups in their work towards increasing gender equality in the clean energy sector. The UK signed up to the Clean Energy Ministerial Clean Energy Education and Empowerment (C3E) Initiative in 2020. The initiative, now known as Equality in Energy Transitions, aims to advance women's participation in the clean energy revolution and enable greater gender diversity in the clean energy professions.
22	Innovation (Enabler)	Government portfolio of net zero research and	Government portfolio of research and innovation (2025-30) to deliver on the Clean Energy Superpower Mission and aligned with the clean energy industries	This portfolio will provide funding over the Spending Review period from 2025/26 to 2029/30. Innovation is a critical enabler of deployment	Innovation is a critical enabler for delivering the Clean Energy Superpower Mission and UK Carbon Budgets. This policy will provide research and

		innovation programmes	growth sectors identified in the Industrial Strategy. This will build on the £4.2 billion of public investment for net zero research and innovation over 2022-2025 as set out in the Net Zero Research and Innovation Framework Delivery Plan.	plans, and the pace of innovation must be sufficient to ensure clean energy technologies are ready to deploy in-line with sector decarbonisation plans. Whilst this support is expected to unlock emissions reductions across priority sectors, the realisation of these savings will depend on successful deployment of clean energy technologies as predicted, which in turn relies on a range of factors including a supportive policy environment and private sector adoption of new technologies.	innovation funding to support the development, demonstration, and deployment of critical technologies to decarbonise priority sectors across the UK economy. This policy aims to support carbon savings by improving the performance, reducing the cost, or increasing the ease-of-use of new technologies so that they can be deployed at greater scale and pace, or by developing emerging technologies that could have a disruptive impact on the net zero pathway.
23	Local NZ (Enabler)	Great British Energy funding	Great British Energy's first year of funding supports four programmes: 1) £180m of funding for a solar scheme programme for schools and hospitals; 2) £10m funding pot for Mayoral Strategic Authorities to support locally-led energy projects; 3) the Local Net Zero Hubs Programme, the five Local Net Zero Hubs supports local government across England to develop net zero projects and attract commercial investment,	2025-2026, CB4 (and beyond, for the ~30-year duration of assets' lifetimes) Ongoing for the Local Net Zero Hubs	The delivery of these programmes will support Mayoral Strategic Authorities, schools and hospitals to invest in decarbonising their estate by deploying local clean power generation assets. Local Net Zero Hubs support Local Authorities (LAs) in England to develop net zero projects and attract commercial investment, while the GBE Community Fund enables urban and rural communities to access grant funding to

			including through information and knowledge-sharing; 4) the Great British Energy Community Fund a £5m fund which allows rural and urban communities across England to access grant funding to develop local renewable energy projects for investment.		develop majority community-owned local renewable energy projects. This bundle of supports can unlock additional carbon saving through the deployment of net zero technologies that the local and community sectors would not usually be able to deliver, or would not be delivered at the same pace or scale, by lifting critical barriers to delivery.
24	Skills and jobs (Enabler)	Growth and Skills Offer	This government is transforming the apprenticeships offer into a new Growth and Skills Offer (GSO), which will give greater flexibility to employers and learners and support the industrial strategy. In August we introduced new foundation apprenticeships for young people in targeted sectors, as well as shorter duration apprenticeships. These flexibilities will help more people learn new high-quality skills at work and fuel innovation in businesses across the country. We will introduce new short courses in areas such as digital, artificial intelligence, and engineering, funded through the growth and skills levy, to support	Foundation and shorter duration apprenticeships launched in August 2025, and the short courses announced in the Industrial Strategy will be introduced from April 2026.	Upskilling the country's workforce is vital to meet the government's clean energy by 2030 mission, with the GSO playing a major role in supporting employers to develop the skills they need. Skills England continues to work with employers to ensure that new and existing apprenticeships reflect green skills. For example, the domestic electrician apprenticeship trains people to maintain domestic heat pumps, solar panels and electric vehicle charging points.

			Industrial Strategy sectors from April 2026.		
25	Investment (Enabler)	High Integrity Voluntary Carbon Markets	<p>Voluntary purchase of carbon credits from UK based projects use of carbon credits could accelerate achievement of our carbon budgets, enhance global climate ambition, mobilise much-needed finance, and deliver cost-effective abatement. Actions to build integrity and trust across these markets are critical for this potential to be realised.</p> <p>Stakeholders have called for greater clarity on what constitutes a high-quality carbon credit, how credits should be used in voluntary climate action, and reflected in claims. At COP29, the UK Government launched six Principles for Voluntary Carbon and Nature Market Integrity. In April 2025 we consulted on how these Principles could be put into practice, through guidance, policy and potentially regulation. The Voluntary Carbon and Nature Markets (VCNM) consultation closed in July 2025, with a response to follow in early 2026.</p>	2026 onwards	The VCNM consultation has sought views on a range of measures to support the implementation of the UK Governments Principles for Voluntary Carbon and Nature Market Integrity. Collectively the implementation of these Principles can strengthen trust and confidence in (a) the integrity of carbon credits, and (b) their use within ambitions voluntary climate action.
26	International (Enabler)	ICF3	This is the UK's international finance commitment between 2021/22-2025/26. We have	ICF spend is committed to the period 2021/22-2025/26.	This investment will support low and middle income countries to increase their level

			committed to deploy £11.6bn with a commitment to ensuring balance between adaptation and mitigation across DESNZ, FCDO, Defra and DSIT spending departments		of ambition in their NDCs, including by investing more in the protection and restoration of critical ecosystems, such as forests, peatland and marine habitats which are major carbon sinks. A more ambitious global effort could reduce the cost of certain low carbon technologies more quickly, catalysing, and de-risking our own transition.
27	Embedding (Enabler)	Improve join-up between the CCC and JNCC	The JNCC and CCC will work together in scientific partnership, including through the sharing of data and analysis, to tackle climate breakdown and accelerate nature recovery.	Ongoing	The JNCC and the CCC have committed to work more closely together to help tackle the climate and nature crises. This partnership will bring together a wealth of data and expertise in an integrated way, helping government shape the right solutions for both climate and nature.
28	Investment (Enabler)	Improved communications with investors on carbon budget measures	DESNZ is enhancing its approach to providing investor-facing information, working with other departments including the Department for Trade's Office for Investment. Progress so far includes improving policy clarity for investors, the publication of an Investor Prospectus as part of the CBGDP package, launching the Clean Power Action Plan, the	2023 onwards	Better marketing activities and improved investor-facing information on the investment opportunities of net zero can help to provide financial institutions with the decision-useful data they need to instil investor confidence. This will help to mobilise private capital

			Industrial Strategy (including Clean Energy Industries sector plan) and the 10 Year Infrastructure Strategy. We continue to collaborate with the Office for Investment and external stakeholders in Net Zero Council and Transition Finance Council.		in projects that deliver emissions savings.
29	Local NZ (Enabler)	Increase and stimulate investment in Net Zero at the local level through place-based programmes	Embedding net zero principles through place-based programmes, including ensuring net zero is considered and appraised throughout the development of programmes. Ensuring UK programmes such as Freeports, Investment Zones and Devolution deals embed net zero principles.	Ongoing	<p>The delivery of these programmes will support Mayoral Strategic Authorities, schools and hospitals to invest in decarbonising their estate by deploying local clean power generation assets.</p> <p>Local Net Zero Hubs support Local Authorities (LAs) in England to develop net zero projects and attract commercial investment, while the GBE Community Fund enables urban and rural communities to access grant funding to develop majority community-owned local renewable energy projects. This bundle of supports can unlock additional carbon saving through the deployment of net zero technologies that the local and community sectors would not usually be able to deliver, or would not be delivered at the</p>

					same pace or scale, by lifting critical barriers to delivery.
30	Innovation (Enabler)	Innovate UK	Provision of advice, networking opportunities, skills development and testing facilities, as well as innovation loans via InnovateUK.	Ongoing - policy in effect. However, impact on CBs will depend on specific innovations, technologies, and sub-technologies being considered, as well as the speed at which they can be scaled up.	InnovateUK provides a broad range of innovation support to help businesses grow through their development and commercialisation of new products, processes, and services. Supporting the commercialisation of key technologies will be critical to delivering net zero.
31	Local NZ (Enabler)	Local Net Zero Accelerator Programme	A 2-year pilot initiative designed to assess the capacity of three Combined Authorities to draw in commercial investment for green growth. The three pilot areas will be testing whether you can aggregate commercial and non-commercial assets into a bundle and seek investment for the whole.	Ongoing	The Local Net Zero Accelerator Programme is assessing the capacity of three Combined Authorities to draw in commercial investment for green growth. If these aggregated bundles reach investment ready status and attract investment these bundles will support place-based decarbonisation across net zero sectors in the pilot areas. Lessons learned from the programme will be shared across local government and this may support further carbon savings.

32	Skills and jobs (Enabler)	Local Skills Improvement Plans	Local Skills Improvement Plans set out the skill priorities for an area and the actions that providers, employers and others can take to meet them. Work to develop the next cycle of LSIPs will begin in Autumn 2025 and will cover 2026-2029. Skills England is working with DESNZ to develop advice on how LSIPs can support the Clean Energy Superpower Mission and clean energy skills for inclusion in statutory guidance which will underpin the development of the LSIPs. In areas with clean energy clusters, we would expect LSIPs to show how the pipeline of skills will drive growth in this sector.	The employer representative bodies were designated in Autumn 2022 to begin developing the LSIPs, which were published in all areas of the country in August 2023, for an initial three-year period. Work on the next cycle of LSIPs is due to begin autumn 2025.	LSIPs seek to identify the changes needed to better align skills provision with the needs of the local labour market. This includes helping employers and learners understand the pathways and standards available to acquire the skills needed for jobs that are directly or indirectly linked to the net zero transition (e.g. wind turbine maintenance, electrical installation). This will help limit supply chain constraints, thereby de-risking delivery of existing policies.
33	Embedding (Enabler)	National Procurement Policy Statement	The National Procurement Policy Statement sets out the government's policy priorities for public procurement. A new statement was published in February 2025 which encompasses sustainability through reference to the Clean Energy Superpower Mission and states that contracting authorities should ensure their suppliers tackle their environmental impact (including reducing their greenhouse gas emissions).	New National Procurement Policy Statement came into force on 24 February 2025.	The government is committed to leveraging procurement spend to help tackle climate change and reduce greenhouse gas emissions. The policy statement encourages the consideration of the government missions in public procurement.

34	Embedding (Enabler)	Net Zero Council	<p>The Net Zero Council is the main stakeholder advisory forum supporting the accelerating to net zero pillar of our mission. It is a partnership between government, the private sector, civil society, local government and trade unions. The Council provides advice to government to support net zero strategy development, coordinates action to address cross-economy challenges and helps to maximise the many economic and societal opportunities offered by the net zero transition.</p>	Duration of this parliament	<p>The Net Zero Council is helping to enable delivery of our carbon budgets by supporting work to ensure that government's net zero strategies meet the needs of stakeholders. It is also taking forward work to support businesses and wider stakeholders to take actions to reduce their emissions and tackle barriers to decarbonisation, including by supporting the development and implementation of sector-led decarbonisation roadmaps, supporting small and medium sized businesses and informing approaches to public engagement.</p>
35	Embedding (Enabler)	Net Zero Duty	<p>The duty restates Ofgem's principal objective to protect the interests of existing and future energy consumers. But it adds a specific mandate to achieve it by supporting the Government meet its legal obligation to get to net zero by 2050</p>	The Net Zero Duty is in force as of 26th December 2023.	<p>Amending Ofgem's duties so that there is explicit reference to having due regard to the government's net zero target to help focus strategically on the long-term costs to consumers of not achieving net zero. The Net Zero Duty is now in-force (i.e. delivered) as of 26th December 2023.</p>

36	Embedding (Enabler)	Net Zero Regulators-Government Forum	The Net Zero Regulators-Government Forum provides a platform for regulators and government to collaborate on regulation and policy in support of the accelerating to net zero pillar of the Clean Energy Superpower Mission. It enables strategic coordination on cross-sector challenges, helping to improve regulatory cooperation and system-wide net zero delivery.	Started in 2023	While the Net Zero Regulators-Government Forum does not directly deliver carbon savings, it plays a vital role in supporting the UK's carbon budgets by improving coordination between regulators and government.
37	International (Enabler)	North Seas Energy Cooperation	Under the Energy Title of the Trade and Cooperation Agreement, the UK and EU signed a Memorandum of Understanding on offshore renewable cooperation with the participants of the North Seas Energy Cooperation (NSEC) setting out the basis for cooperation in renewables development in the North Seas.	Ongoing - policy in effect.	Cooperation with European partners in the North Seas will help to accelerate the transition away from oil and gas, supporting our Net Zero ambition, as well as enhancing and decarbonising our domestic energy production through greater deployment of offshore wind. Cooperation will also provide opportunities to develop low carbon hydrogen production and develop and deploy carbon capture, usage and storage (CCUS) and potentially to develop cross-border CO ₂ transport and storage solutions.
38	Innovation (Enabler)	Pension review	Pension funds are one of the largest groups of institutional investors in the UK with	This will depend on the specific innovations, technologies, and sub-	This policy aims to establish a DC pensions market with fewer, larger schemes which

			<p>significant influence over the flow of investments in the economy. They can play a crucial role in the overall UK growth agenda.</p> <p>The government introduced the Pension Schemes Bill on 5 June 2025. The Bill provides the necessary legislative framework to implement the government's ambitious reforms for the pensions market.</p> <p>The Bill sets out a vision for a DC pensions market with fewer, larger schemes which can use the benefits of scale to invest in productive assets, such as infrastructure and private assets, to deliver enhanced outcomes for savers, as well as better support the economy as a whole. The Bill is expected to receive Royal Assent in Spring 2026.</p>	<p>technologies being considered, as well as the speed at which they can be scaled up.</p>	<p>can better use the benefits of scale to invest in a broader range of assets, such as infrastructure projects and innovative companies, including those contributing to UK net zero commitments.</p>
39	Investment (Enabler)	Policy focus on transition finance	<p>The government is committed to growing the UK's transition finance market and has begun delivering recommendations from the Transition Finance Market Review. In February 2025, the Chancellor announced the co-launch of the Transition Finance Council (TFC) with the City of London Corporation.</p> <p>Chaired by Lord Alok Sharma,</p>	2024 onwards	<p>Transition finance refers to financial instruments and services to support companies to decarbonise, particularly in harder-to-abate sectors. The transition finance market will play a key role in supporting decarbonisation within UK companies and the sectors in which they operate, by incentivising investment into</p>

		<p>the TFC drives momentum and thought leadership in transition finance.</p> <p>Government departments and regulators observe its Strategic Steering Group.</p> <p>Plans to support the market were outlined in the Financial Services Growth and Competitiveness Strategy (15 July).</p> <p>This includes:</p> <ul style="list-style-type: none"> · Launching a transition finance research project, led by DESNZ, to expand the quantitative evidence base on existing and future transition finance needs, barriers and most effective interventions in the UK market. · Supporting the FCA, in partnership with the PRA and the GFI, to spearhead a transition finance pilot to engage with the market on practical matters relating to scaling transition finance. · Engaging international partners, including through the International Platform on Sustainable Finance and OECD, as well as bilateral engagement, to share best practice and explore areas of mutual collaboration on transition finance 		<p>decarbonisation technologies and services, and clean energy industries. This will be important when it comes to challenges such as industrial decarbonisation. The UK is taking decisive action to ensure its financial services sector leads in supporting the global transition to net zero, capturing a major share of the \$7.5 trillion annual global investment opportunity through 2030 and creating opportunities for firms and communities across the UK.</p>
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			<p>policy. Working with the Transition Finance Council on their presence at COP30</p> <ul style="list-style-type: none"> · Developing sector-specific investment guides to support the mobilisation of private finance into Clean Energy. · Launching the National Wealth Fund with additional capital, risk appetite, and resources to proactively explore blended finance solutions. The government also increased the British Business Bank's (BBB) financial capacity to £25.6 billion, enabling a two-thirds increase in investments. As a result, the BBB will commit an additional £4 billion of capital to support investment and growth in the IS-8. · Department for Energy Security and Net Zero is continuing to build on the work of the Net Zero Blended Finance project, exploring innovative blended finance for net zero, working with public finance institutions and UK Government Investments (UKGI), and collaborating on approaches to ensure more private sector involvement in the design of catalytic finance interventions. It will now work proactively with GFI 		
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			<p>and others in the private sectors on innovative financial structures for the clean energy mission. The government has noted the progress made by the TFC including its publications on Guidelines for credible transition finance and Finance Playbook. While there has been substantial progress since the Review as outlined by the TFC Mid-year report by the TFC, we will continue to work with the TFC to work together to encourage transition finance, including supporting for the Council and wider efforts to scale the market and unlock greater investment into decarbonising activities and entities.</p>		
40	Public Participation (Enabler)	Provision of customer-facing advice and information channels to enable consumer decision making in energy efficiency	<p>We are currently working to enhance our digital advice and information services by developing a single website on GOV.UK (HEAT) which will offer consumers a comprehensive range of content on energy efficiency measure, enabling them to make decisions on their own energy efficiency journeys. This will include an automated income and means-tested benefits checker to allow applicants to check eligibility and</p>	Ongoing	<p>Work is currently underway to make our digital services more consumer-friendly by adding more advice resources and relocating all current digital channels into one site, thereby making the customer journey much easier. The working title of this new website is the Home Energy Advice Tool (HEAT). A new and improved phonenumber is also scheduled to accompany our new digital services.</p>

			<p>apply for capital grants. This will be accompanied by a dedicated phonenumber. Our current digital and phonenumber energy efficiency services continue to offer consumers advice on how to make their homes more energy efficient and on eligibility for certain financial support schemes.</p>		<p>The Department for Energy Security and Net Zero's current information and advice services continues to offer three digital channels for consumers to access advice on energy efficiency and clean heat. They also enable customers to assess eligibility, and create referrals, for financial support towards retrofit measures. Upon the launch of HEAT, these websites will cease to exist as standalone entities and their functionality will be incorporated into the new channel.</p> <p>These services are supported by a dedicated advice phonenumber which also acts as a digital assistance channel for customers who are unable to access digital support.</p> <p>All of these services, existing and planned, act as 'enablers,' assisting consumers in making decisions to install retrofit and/or clean heat measures in</p>
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					their homes.
41	Embedding (Enabler)	Public sector emission reduction targets	As part of our commitment to produce guidance on emissions monitoring and reporting for the sector, we are considering how targets can further incentivise decarbonisation.	TBC. Not yet implemented.	Direct emission reduction targets could further incentivise decarbonisation in public sector organisations, supporting the aim of reducing direct emissions from public sector buildings by 75% by 2037.
42	Embedding (Enabler)	Public sector emissions monitoring and reporting guidance	To help public sector organisations reduce greenhouse gas emissions from public sector buildings, the government has committed to produce guidance on emissions monitoring and reporting for the sector.	We have publicly committed to publish the guidance in 2026.	This policy supports the aim of reducing direct emissions from public sector buildings. Producing voluntary guidance on emissions monitoring and reporting for public sector organisations will ensure they have the right information and incentives to identify decarbonisation opportunities and better manage energy consumption.
43	Public Participation (Enabler)	Publication of the Net Zero Public Participation Plan in 2025	Government-led engagement and communications to increase public awareness and understanding of the action government is taking to deliver the net zero target in the UK. This includes development and publication of accessible explainer materials related to the updated carbon budget plan,	1-5 years	We will publish a plan this year which sets out how we will continue to support individuals and communities to take action to access the benefits of the transition. The plan will also promote effective use of public engagement to improve policy design and delivery, ensuring climate policies are designed in

			setting out what policies will mean for people's day to day lives, including how they heat their homes, travel and products and services they buy and use.		a way that is responsive to people's needs.
44	Public Participation (Enabler)	Publication of the Net Zero Public Participation Plan in 2025	Providing information and support to increase the public's understanding and awareness of their role in the net zero transition and the impactful actions they can take to reduce their emissions. This includes campaigns supporting uptake of heat pumps, EVs and energy efficiency measures.	Ongoing	We will publish a plan this year which sets out how we will continue to support individuals and communities to take action to access the benefits of the transition. The plan will also promote effective use of public engagement to improve policy design and delivery, ensuring climate policies are designed in a way that is responsive to people's needs.
45	Public Participation (Enabler)	Publication of the Net Zero Public Participation Plan in 2025	Removing barriers to the uptake of lower carbon choices. This includes working across government to ensure that social and behavioural science is considered at all stages of the net zero policy making process, and engaging with businesses, finance and consumer advice organisations to identify potential opportunities for support and intervention.	Ongoing	We will publish a plan this year which sets out how we will continue to support individuals and communities to take action to access the benefits of the transition. The plan will also promote effective use of public engagement to improve policy design and delivery, ensuring climate policies are designed in a way that is responsive to people's needs.

46	Public Participation (Enabler)	Publication of the Net Zero Public Participation Plan in 2025	Involving the public in our plans for reaching net zero, ensuring that perspectives from a broad range of society are sought and acted on, producing policies that respond to people's needs and are more trusted and effective.	Ongoing	We will publish a plan this year which sets out how we will continue to support individuals and communities to take action to access the benefits of the transition. The plan will also promote effective use of public engagement to improve policy design and delivery, ensuring climate policies are designed in a way that is responsive to people's needs.
47	Public Participation (Enabler)	Publication of the Net Zero Public Participation Plan in 2025	Partnering with organisations, including businesses, schools, museums, charities and faith organisations, to actively empower people and communities to participate in the net zero transition. This includes promoting and supporting projects through government communications and through engagement and representation at events.	Ongoing	We will publish a plan this year which sets out how we will continue to support individuals and communities to take action to access the benefits of the transition. The plan will also promote effective use of public engagement to improve policy design and delivery, ensuring climate policies are designed in a way that is responsive to people's needs.
48	Skills and jobs (Enabler)	Regional Skills Pilot	Following skills mapping earlier this year to identify skills support needed to deliver clean power by 2030, and support workers moving into clean energy we are, subject to relevant approvals, funding up to £900,000 for skills pilots in four areas. We will use the learnings from the pilots to	Phase 1 completed by April 2025 and Phase 2 completed by end of FY 25/6.	The Regional Skills pilot will help support the delivery of carbon budgets through helping government and local and devolved partners develop a better understanding of what local interventions are the most

			<p>inform future policy.</p> <ul style="list-style-type: none"> • In Aberdeen and Aberdeenshire we will fund retraining for up to 200 oil and gas workers to support their transition into renewable and sustainable sectors. •In Cheshire West and Chester, the North West Net Zero Hub will pilot short employer led upskilling courses for up to 160 workers that support upskilling for priority clean energy occupations and provide apprenticeship support for up to 15 apprentices including tutor training for SME employers. •In North and North East Lincolnshire the Midlands Net Zero Hub will provide financial assistance for the local workforce to access clean energy training, deliver short technical and clean energy modules to up to 120 learners and establish skill pathways to increase local awareness about the benefits of clean energy jobs. •In Pembrokeshire, we will fund delivery of Stackable Micro Credentials (SMC) to enable up to 200 economically inactive individuals and workers to gain skills in clean energy sectors. 		<p>successful in building the clean energy workforce.</p>
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49	Investment (Enabler)	Regulating Environmental, Social, and Governance (ESG) ratings providers	Regulating Environmental, Social, and Governance (ESG) ratings providers to improve transparency, address conflicts of interest, and reduce greenwashing. The government has now laid the legislation required to give effect to this.	Legislating later in 2025	For our sustainable finance policy framework to be effective, and for it to reduce overall delivery risk for our carbon budgets, we need the right information to be available to investors within our financial and professional services sector. This policy helps deliver that by bringing improved integrity to the market and therefore de-risks the delivery of carbon budgets..
50	Innovation (Enabler)	Research & Development Missions Accelerator Programme (R&D MAP)	The Research & Development Missions Accelerator Programme (R&D MAP) is a new multi-year programme to solve targeted problems that will crowd in private and third sector investment to accelerate delivery of each mission. The programme will fund the research and development of science, technology and innovation solutions for specific, targeted problems of the national Missions and will contribute to the Plan for Change milestones. This includes contributing to the Clean Energy Superpower Mission's aim of delivering clean power by 2030 and accelerating to net zero.	This will depend on the specific innovations, technologies, and sub-technologies being considered, as well as the speed at which they can be scaled up.	The programme will fund the research and development of science, technology and innovation solutions for specific, targeted problems of the national Missions and will contribute to the Plan for Change milestones. This includes contributing to the Clean Energy Superpower Mission's aim of delivering clean power by 2030 and accelerating to net zero.

51	Embedding (Enabler)	Section 19 of the Environment Act 2021	Places a legal duty on Ministers of the Crown to have 'due regard' to the environmental principles policy statement (EPPS) when making policy. The duty came into force on 23 November 2023. The five principles are integration, prevention, rectification at source, polluter pays, and the precautionary principle.	The final Environmental Principles Policy Statement was laid before Parliament on 31 January 2023. The duty to give due regard to the statement commenced on 01 Nov 2023.	The Environmental Principles Policy Statement plays a key role in delivering on our net zero commitment to tackle climate change, by placing environmental considerations at the heart of policymaking across government.
52	Skills and jobs (Enabler)	Sector-based Work Academy Programme	Sector-based Work Academy Programme (SWAPs) offer those who are receiving certain benefits the opportunity of training towards a job in a particular industry, alongside a work placement, and a guaranteed interview. The Department for Work and Pensions is increasing the numbers of people starting a SWAP from 80,000 to 100,000 in 2025/26.	Ongoing	There are SWAPs in the clean energy sector, for example Jobcentre Plus teamed up with Moulton College and Northamptonshire-based firm GenCarbon to deliver a bespoke SWAP on solar panel installation. Supporting people into clean energy jobs will help to ensure recruitment demand in clean energy industries is met as these sectors grow to help deliver the net zero transition.
53	Skills and jobs (Enabler)	Skills Bootcamps	Skills Bootcamps are short, flexible training courses for adults of up to 16 weeks and with a direct line of sight to a job. They are co-designed with employers to meet short-to-medium term skill shortages and to boost productivity. Skills Bootcamps	Ongoing	Skills Bootcamps support carbon budget delivery through the provision of training, and career progression, in green sectors and roles that support the reduction of emissions and the transition to net zero. Examples include upskilling

			<p>operate in priority sectors central to drive economic growth such as construction, renewable energy, and more green skills needed by employers.</p> <p>In the future, Skills Bootcamps will be delivered by funding local areas directly, thereby empowering them to have more control over regional skills development and to tackle place-based economic inactivity.</p>		<p>workers into job roles that support greater energy efficiency in domestic and commercial buildings, and to work with green technologies that contribute to the lowering of carbon emissions.</p>
54	Embedding (Enabler)	Social Value Model	<p>The Social Value Model is the delivery mechanism for the National Procurement Policy Statement - enabling Contracting Authorities to reflect HMG priorities in the design of their procurements. The Clean Energy Superpower Mission and sustainability are reflected in the Social Value Model.</p>	Ongoing	<p>The government is committed to leveraging procurement spend to help tackle climate change and reduce greenhouse gas emissions.</p>
55	Skills and jobs (Enabler)	Stakeholder engagement and social inclusion	<p>The Office for Clean Energy Jobs engages across key groups relevant to the clean energy sector workforce including trade unions and industry. Engagement with trade unions will be key to ensure issues such as job quality, pay, terms and conditions remain at the forefront of delivery of the clean energy mission.</p>	Policy in effect - for the duration of this Parliament	<p>Stakeholder engagement is supporting the delivery of policies which help to deliver net zero and reduces risks to delivering our Carbon Budgets. For example, it can accelerate or extend the savings achieved across the Office for Clean Energy Jobs work plan. Social mobility is supporting the</p>

			<p>On social mobility, we are working to ensure that clean energy jobs are inclusive for workers of all backgrounds, including through the industry-led Social Inclusion Forum. The Forum is chaired by Energy and Utility Skills Partnership, with support from POWERful Women and Government, and is assessing the impact of, and enabling coordination between, Equality, Diversity, and Inclusion and social mobility initiatives.</p>		<p>delivery of Carbon Budgets through raising awareness of clean energy jobs and thus increasing the clean energy workforce.</p>
56	Investment (Enabler)	Sustainable Finance Education Charter	<p>In 2019, the previous government partnered with the Green Finance Institute and leading UK-based finance professional bodies to launch the first-ever Green Finance Education Charter which commits signatories to integrating green finance and sustainability into their core curricula, new qualifications and the continued professional development of members. In 2023 this evolved to become the Sustainable Finance Education Charter to broaden skills and knowledge beyond climate and green finance to wider aspects of sustainability. This government will continue to support the Charter's aims and</p>	2023 onwards	<p>For our sustainable finance policy framework to be effective, and for it to reduce overall delivery risk for our carbon budgets, we need the right skills and expertise to be available within our financial and professional services sector. This policy helps deliver that and therefore de-risks the delivery of carbon budgets.</p>

			consider any relevant updates may be needed to reflect the evolving sustainable finance landscape.		
57	Skills and jobs (Enabler)	Technical Excellence Colleges	DfE will introduce specialist TECs, transforming existing further education colleges to specialise in training skilled workforces for local and national employers, including in clean energy industries.	Construction TECs launched from April 2026. The next wave of TECs to be announced in Autumn 2025.	<p>Ten construction TECs launched in August 2025 and we aim to work with them to explore the possibility of including clean energy as part of construction skills provision as a requirement of their delivery plans. Construction TECs will equip learners with the construction skills needed to support future clean energy growth.</p> <p>Clean energy TECs will be a hub of excellence, with advanced facilities and resources, including expert staff, cutting-edge course materials, and strong employer partnerships. They will work with strategic authorities, businesses, trade unions and local government to provide young people with better training and job opportunities, and to provide the highly trained clean energy workforce that local economies need.</p>

58	ETS (enabler)	The Emissions Trading Scheme	The UK Emissions Trading Scheme (UK ETS) is a cap-and-trade scheme which incentivises cost-effective abatement at the pace required to deliver net zero. It does so by placing a cap on emissions in the sectors it covers and creating a market to price these emissions.	2024-2050	<p>The UK ETS prices the 'carbon externality' that greenhouse gas emissions represent. It currently covers power, heavy industry and some aviation; around 25% of UK territorial emissions. The scheme provides a long-term price signal that, when supported by complementary mechanisms and policies, can deliver a stable investment case for decarbonisation. The UK ETS cap declines over time. As of 2024, the cap is aligned with the net zero trajectory; this provides a strong mitigation against the traded sector's emissions will exceeding its net zero consistent decarbonisation pathway.</p> <p>The UK ETS drives emissions reductions directly through the carbon price feeding into decisions on decarbonisation investment and operational decisions (e.g. switching off coal-fired power stations) and the scheme provides a backstop for the traded sector.</p> <p>Carbon pricing provides a cost-efficient, market-based way of supporting the transition to net</p>
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					zero. We have therefore announced initial expansion of the UK ETS, subject to further consultation: wider coverage of emissions by sectors already in the scheme, including coverage of CO ₂ venting by the upstream oil and gas sector from 2025; expansion to domestic maritime emissions in 2026; to energy from waste and waste incineration in 2028; and our intention to integrate engineered greenhouse gas removals (GGRs) in the UK ETS. We have also committed to exploring further expansion of the UK ETS to uncovered sectors, including high emitting sectors. Expanding the scheme will align a greater proportion of our emissions to its net zero consistent cap and can also support business models for the development of negative emissions.
59	Embedding (Enabler)	The Greening Government Commitments (GGCs)	Set out the actions UK government departments and their partner organisations will take to reduce their impacts on the environment.	The GGCs are set and refreshed every five years. The current framework covers the period 2021-25 and fall into CB3 and CB4. The next framework will cover April 2025 until April 2030. This will	This policy provides government departments and their partner organisations with targets to reduce their emissions. This will help these organisations to decarbonise

				take the policy towards the end of CB5.	and ultimately helping to meet Carbon Budgets.
60	Skills and jobs (Enabler)	The Jobs and Careers Service	The Jobs and Careers Service will aim to get more people into work and to support those seeking better opportunities with the means to find better paid work and careers. We will support people to take up roles in priority occupations through the nationwide network of Jobcentres and wider employment and careers support system.	Ongoing	As set out in the Clean Energy Workforce Strategy, building on this commitment and a pilot in Wales, we will make green upskilling, including a focus on clean energy, available for all staff in the Jobs and Careers Service to enhance awareness of clean energy roles, opportunities, and career pathways. We will work with clean energy firms to enhance workforce supply routes from Jobcentre Plus, and create Green Workforce hubs to co-locate Jobcentre Plus with careers advisors and offer SWAPs and short modular training.
61	Skills and jobs (Enabler)	The Youth Guarantee	<p>The Youth Guarantee will ensure all 18-21-year-olds in England can access education, training, or support to find jobs or apprenticeships.</p> <p>As part of this, the government will offer a guaranteed job to young people on Universal Credit, who are unemployed for over 18 months, to gain essential skills and experience and prevent</p>	Youth Guarantee Trailblazers launched in Spring 2025.	We will support young people to access careers in growth driving sectors, including clean energy, through the new Youth Guarantee. We will look to support pre-employment training to help give young people the skills they need to be prepared for work, and signpost opportunities for clean energy jobs. A number of our current Trailblazers are in

			the damaging effects of long - term unemployment.		areas with clean energy demands, and we are considering our approach to wider roll-out.
62	International (Enabler)	Trade and climate	<p>The UK will seek to increase and facilitate trade in green goods and services through our trade policy, our pipeline of free trade agreements (FTAs) and our seat at the World Trade Organization (WTO). We will seek to reaffirm our commitment to the Paris Agreement in all UK trade agreements and will ensure that they preserve our regulatory autonomy to pursue our climate targets.</p> <p>We will use our multilateral fora to galvanise international partners to adopt climate-ambitious trade policy, and to promote global trade rules that are aligned to net zero and the Paris Agreement.</p>	Ongoing - policy in effect.	<p>Trade is essential to delivering our Clean Energy Superpower Mission, from securing the investment and components we need, to reducing the costs of green goods and services through global competition and securing the markets for UK-produced clean tech sectors.</p> <p>Our Trade Strategy sets out the trade partnerships and supply chain work that directly supports our Mission.</p>
63	Investment (Enabler)	Transition plan requirements	<p>The government's manifesto committed to "mandating UK-regulated financial institutions (including banks, asset managers, pension funds and insurers) and FTSE 100 companies to develop and implement credible transition plans that align with the 1.5°C goal of the Paris Agreement". The</p>	2025 onwards	<p>A strong sustainable finance policy framework - including transition planning - is critical to driving investment into the sectors that are crucial to meeting our carbon budgets. Transition planning, and the transition plans produced, are an important tool for companies to transition to net</p>

			<p>government has consulted on how best to take forward this commitment in a way that:</p> <ul style="list-style-type: none"> - supports an orderly transition in line with global climate goals - enhances transparency for investors and promotes efficient capital allocation - supports companies in capturing the opportunities from the global net zero transition - supports the growth of the UK's financial services industry by ensuring its sustainable finance framework is internationally competitive and maintains the UK's status as a global financial hub. <p>The consultation closed on 17 September and we will respond in due course on the next steps.</p>		<p>zero and communicate to investors how they will be managing risks and securing opportunities associated with our transition to net zero. This policy can therefore allow investors to more effectively allocate capital.</p>
64	Innovation (Enabler)	UK participation in Horizon Europe	<p>UK participation in Horizon Europe, the world's largest collaborative research programme worth around £80 billion from 2021 to 2027, will help us reach our net zero goals. With a minimum of 35% of funding earmarked for climate change projects, this collaboration with other world leaders in net zero research will drive further progress. This funding will support international</p>	<p>This will depend on the specific innovations, technologies, and sub-technologies being considered, as well as the speed at which they can be scaled up.</p>	<p>There will be funding that will support collaboration with EU partners in order to progress net zero research.</p>

			research collaboration with the EU and others to drive progress on net zero.		
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Appendix C: Deployment assumptions underpinning quantified savings

The table below shows deployment assumptions for each sector, based on the emissions profile of proposals and policies in this report. Given ongoing uncertainties, the policy mix that will meet carbon budgets, and related deployment assumptions, are subject to change; these are illustrative and should not be interpreted as government targets.

Table 8: Sector deployment assumptions

Sector	Deployment assumption	Unit	2023	2025	2030	2035
Power	Electricity generation ^a	TWh	270	274	316	434
Power	Low carbon generation as a percentage of total projected generation required in 2035, GB ^b	%	38%	43%	63%	98%
Industry	Low carbon fuels consumption as percentage of final energy consumption in industry ^c	%	41%	43%	47%	59%
Industry	Resource and energy efficiency savings	MtCO _{2e}	0.3	0.9	2.3	5.4
Industry	Industry demand for industrial CCUS (including BECCS)	MtCO _{2e}	-	-	0.5	4.3
Fuel Supply	Low carbon hydrogen production	TWh	0	0	4.1	24.3
Fuel Supply	Electrical power demand from offshore oil and gas installations as a percentage of their total power demand	%	0%	19%	31%	34%
Fuel Supply	Change in offshore oil and gas emissions with respect to 2018 baseline	% change vs 2018	-28%	-34%	-61%	-76%
Heat & Buildings	Cumulative heat pumps installed domestically	Million installations	0.3	0.5	2.5	9.3
Heat & Buildings	Yearly homes treated by new domestic energy efficiency measures ^d	Million homes	0.1	0.5	1.6	0.1
Heat & Buildings	Low carbon fuels consumption as a percentage of total fuel consumption in commercial buildings (excluding heat networks)	%	76%	76%	76%	76%
Heat & Buildings	Total heat supplied by heat networks	TWh	14.6	16.4	25.5	36.1

Heat & Buildings	Yearly biomethane injected into the grid	TWh	4.7	6.1	9.4	14.7
Heat & Buildings	Low carbon fuels consumption as a percentage of total fuel consumption in non-domestic buildings (excluding heat networks)	%	70%	70%	70%	70%
Agriculture & LULUCF	Yearly area of peatland under restoration in England	Ha	-	6,900	7,943	9,208
Agriculture & LULUCF	Yearly area of afforestation in England	Ha	3,130	5,765	7,455	8,127
Agriculture & LULUCF	Yearly additional area of additional perennial energy crop and short rotation forestry planted (miscanthus)	Ha	0	0	0	144
Agriculture & LULUCF	Proportion of farmers taking actions to reduce GHG emissions on farms ^e	%	60%	54%	67%	74%
Waste & F-gases	Level of HFC placed on the market for the first time relative to 2015 baseline level	%	45%	31%	10%	7%
Removals	Total GGRs, including BECCS and DACCS	MtCO ₂ e	0	0	0.7	21.8
Domestic transport	ZEVs as a percentage of total car fleet	%	3%	5%	21%	48%
Domestic transport	ZEVs as a percentage of total van fleet	%	1.4%	3%	16%	41%
Domestic transport	ZEVs as a percentage of total HGV fleet	%	0.1%	0.2%	3%	22%
Domestic transport	ZEVs as a percentage of total bus and coach fleet	%	2%	8%	16%	36%
Domestic transport	Low carbon fuels ^f used in road transport as a percentage of total fuel use (in litres)	%	8%	9%	10%	11%

Domestic transport	Proportion of short journeys (less than 5 miles) in towns and cities that are walked or cycled	%	-	-	50%	55%
Domestic transport	SAF use in domestic aviation as percentage of total fuel use (in tonnes)	%	0.4%	2%	10%	15%
Domestic transport	Low carbon fuels ^f use in domestic shipping as percentage of total fuel use (in TWh)	%	1.0%	2%	7%	32%
IAS	SAF use in international aviation as percentage of total fuel use (in tonnes)	%	0.4%	2%	10%	15%
IAS	Low carbon fuels ^f use in international shipping as a percentage of total fuel use (in TWh)	%	1.0%	1.0%	8%	34%
Overall	GDP carbon intensity (including IAS emissions in 2035)	tCO ₂ e/GDP £m2025	140	128	92	55
	GDP energy intensity	MWh/GDP £m2025	712	684	548	453

^a Electricity generation figures are net of electricity imports/exports and storage positions and include generation from Major Power Producers including Energy from Waste.

^b Percentage share of low carbon generation for 2035 is calculated using gross electricity generation pre import/export and storage positions and includes generation from Energy from Waste.

^c For 2023, percentage of low carbon fuels is derived from modelled projections of industrial energy use.

^d This does not include any energy efficiency improvements that are initiated privately by individuals or organisations, nor does it cover upgrades made outside of official government programmes and regulatory requirements.

^e This metric is currently under review ahead of the future CB7 strategy. This is to ensure it is the most appropriate metric to understand the deployment of the Agriculture mitigation measures outlined in this plan and track future progress. The current metric is not indicative of the deployment of every Agriculture policy within the CBGDP, which are subject to separate individual assumptions.

^f The table includes several deployment assumptions covering relevant low carbon fuels in different sectors. The low-carbon fuels included are the following: electricity, biofuels, solid biomass, hydrogen, ammonia and methanol.

Appendix D: Sectoral summaries of delivery confidence

1. Delivery confidence for all proposals and policies – particularly those delivering in later carbon budget periods – will be impacted by technological developments, societal changes and future spending arrangements. Below we set out further detail for each sector.

Power

Introduction

2. In 2023, power sector emissions were 44 MtCO_{2e}, making up 10% of total UK net GHG emissions (including IAS). Gas combustion makes up around 75% of power emissions.
3. Delivering deep decarbonisation of power is key both to delivering sector carbon savings and unlocking the path to net zero across transport, industry and heating buildings. Meeting growing demand for electricity while also decarbonising the power system in line with the sixth carbon budget and the government's Clean Energy Superpower Mission will require substantial expansion of renewable low carbon generation, with government and industry working together to accelerate deployment. This will start with 80 network and enabling infrastructure projects and an investment of an estimated £40 billion on average per year in the coming years. Underpinning this investment, we will work to ensure appropriate planning arrangements, acceleration of grid connections and strong supply chains.
4. The Clean Power 2030 Action Plan, published in December 2024, sets out both the definition of clean power and our strategy for achieving it by 2030. It gives ranges for how much of each technology will be required over and above current installation. To build on this, the government is investing record amounts in clean energy, climate and nature, including nuclear, with £63 billion of government capital funding, alongside a suite of measures announced in our recent industrial strategy. Investment through our public finance institutions, including a £1 billion GBE clean energy supply chain fund can catalyse far greater private investment into the growth sectors of the future. The Strategic Spatial Energy Plan (SSEP) was officially commissioned to the National Energy System Operator in October 2024 by the UK, Scottish and Welsh governments and will build upon the Clean Power 2030 Action Plan. The SSEP will support a more actively planned approach to energy infrastructure across England, Scotland and Wales, land and sea between 2030 to 2050. It will do this by assessing and identifying the optimal locations, quantities and types of energy infrastructure required for generation and storage, as well as relevant hydrogen assets, for GB, to meet our future energy demand with the clean, affordable and secure supply that we need. The first iteration will be published by NESO before the end of 2026. It will be in line with the power sector's effort share for CB6. The SSEP will support government, regulators and industry to deliver an efficient electricity system design that will support faster connection to the grid for renewable generation and storage projects.

Risks and mitigation

5. An efficient planning system for nationally significant infrastructure is essential for the deployment of large-scale low carbon electricity generation technologies like wind, solar,

nuclear, power-Carbon Capture, Usage and Storage (CCUS), power BECCS and hydrogen to power at the pace and scale we need to meet Carbon Budget 6. The urgent need for change means we must undertake a wide-ranging reform programme. We will equip organisations across the planning system with the tools they need to help deliver the necessary energy infrastructure and the government's wider missions. We confirmed changes to our National Planning Policy Framework in December 2024 and will update the National Policy Statements for Energy and Planning Policy Guidance. We will also undertake an ambitious programme of legislative reform, including through the Planning and Infrastructure Bill.

6. The electricity network will need to be expanded so that the new generating capacity can connect to the grid. Great Britain's electricity network must undergo unprecedented expansion, as the economy electrifies, to deliver decarbonisation, energy affordability, energy security and support economic growth, supporting delivery of Carbon Budget 6. We are developing proposals and policies to meet this onshore and offshore, including:
 - a. Fundamentally reforming the connections process, working with NESO, Ofgem, Transmission Owners (TOs) and Distribution Network Operations (DNOs) to prioritise the most essential and viable projects;
 - b. Regulatory reform involving working with Ofgem to explore the appropriateness of tightening the incentives and penalties to drive the acceleration of network buildout delivery;
 - c. Improving networks planning and consenting to provide the levers to accelerate the expansion and upgrades required across our transmission and distribution network;
 - d. And engaging with communities to enable them to benefit from living near new transmission network infrastructure.
7. Nuclear capacity is a key technology in the decarbonisation of the power sector, and faces legislative, planning, policy and financing challenges. The Clean Power Action Plan anticipates a drop in nuclear capacity to 3-4GW in 2030 as the current fleet retires. However, the government is pushing ahead with support for new nuclear, including Hinkley Point C, Sizewell C and the Great British Energy – Nuclear led Small Modular Reactor (SMR) programme. This is why in summer 2025 the government confirmed a final investment decision for Sizewell C and committed £14.2 billion to the end of this spending period to support project construction, as well as over £2.5 billion for SMRs. As an 80% replica of the Hinkley Point C project, currently under construction, Sizewell C is expected to take significant learnings from its sibling power station, thus de-risking overall delivery.
8. Currently, the UK relies heavily on unabated gas to provide flexibility in the electricity system. Gas will continue to play an important role in supporting energy security throughout our energy transition. However, reducing emissions in the power sector will require bringing forward flexible, low carbon technologies that can replicate the role of unabated gas in the electricity system. These include technologies such as power CCUS, hydrogen to power and energy storage.
9. Hydrogen to Power (H2P) has the potential to play a key role in our electricity system at a range of scales. It is also one of the primary technologies capable of providing low carbon long-duration inter-seasonal storage when delivered alongside enabling hydrogen

transport and storage infrastructure. The government response to the H2P consultation, published on 9 December 2024, confirms its commitment to deployment of this novel technology and the development of the H2P business model to accelerate deployment of this technology.

10. As set out in the Clean Flexibility Roadmap in July 2025, we are taking forward actions to maximise the flexibility of electricity use, helping to lower overall system costs by reducing the need to build extra network and generation capacity for peak times.

Industry

Introduction

11. In 2023, industry's GHG emissions were 64MtCO_{2e}, equivalent to 15% of total UK territorial emissions (including IAS)^{xiii} with roughly half of these emissions concentrated in specific 'clusters'^{xiv} – geographical areas with large concentrations of industry. This represents a 12% decrease from 2019 levels and a 60% drop from 1990 levels. The majority of these GHG emissions are from industrial combustion. Industry, therefore, has a significant contribution to make to enable carbon budgets to be met.
12. The government has published its Industrial Strategy this year. The aim of the Strategy is to drive long-term sustainable, inclusive and secure growth through securing investment into crucial sectors of the economy. As set out in the Strategy, the clean energy industries called for by the global transition to net zero present significant economic opportunities for the UK. British manufacturing will also play a foundational role in supporting the growth sectors identified in the Industrial Strategy.
13. We are committed to supporting UK industry to decarbonise, protecting thousands of jobs in regions across the UK and enabling the country to take advantage of new opportunities that can promote growth and wealth creation. We will bring forward a clear plan for industrial decarbonisation in due course. A refreshed Industrial Decarbonisation Plan will set the strategic direction for our approach to working with industry towards a competitive and low carbon industrial base in the UK, ensuring growth opportunities are captured in tandem with emissions reductions.

Risks and mitigation

14. The risks outlined below present key delivery challenges to the industry sectors carbon savings targets. As part of setting out these risks, we have also set out steps to mitigate these risks and support delivery.

Government action

15. Our ambitions are stretching to achieve and need certainty and government support to be met. To de-risk delivery we are looking at what could be delivered with further government action on resource and energy efficiency, fuel switching and CCUS.
16. With the help of the Circular Economy Taskforce, government is developing a Circular Economy Strategy to keep resources in circulation for as long as possible at their highest value, reducing waste and encouraging re-use, remanufacture, recycling and the use of

lower carbon materials. We plan to publish the Circular Economy Strategy in the coming months.

17. The government is supporting fuel switching and energy efficiency through the Industrial Energy Transformation Fund (IETF). Launched in 2020, it made £420 million of funding available to support industrial sites.^{xv} Although the fund has now closed to new applicants, it has successfully supported over 150 projects and will continue to fund deployment of decarbonisation technologies until 2028.^{xvi} Government support for hydrogen is set out in the Fuel Supply section below.
18. The government has also announced its support for the next phase of CCUS deployment in the UK, including providing development funding to advance the delivery of Acorn and Viking clusters and the National Wealth Fund investing £28.6 million into the Peak Cluster. A final investment decision will be taken later this Parliament, subject to project readiness and affordability. Government continues to engage with potential projects to understand and mitigate projects specific problems.

Capital and running costs

19. The delivery of the industrial decarbonisation pathway is reliant on significant investment to enable the uptake of new and emerging technologies as well as access to low carbon energy. Electrification is expected to be a key component in the pathway for industrial decarbonisation,^{xvii} and this will require support to overcome barriers associated with high electricity prices and capital costs as well as electricity grid access. The IETF is supporting projects with the capital costs of switching to electricity and other low carbon fuels (hydrogen and biomass).
20. For too long the competitiveness of British industry has been held back by the high cost of electricity. In the Industrial Strategy, we announced additional support for 7,000 energy intensive firms through the British Industrial Competitiveness Scheme, which will reduce electricity costs by up to £40 per megawatt hour. Through the British Industry Supercharger, the government is also increasing support for the most energy-intensive firms by covering more of the electricity network charges they normally have to pay. From 2026, the discount on these charges will increase from 60% to 90%. These reforms complement the government's clean power 2030 target, which is the only way to bring down bills for good by ending the UK's dependency on volatile fossil fuel markets.

Growing the market for low carbon products

21. It is currently difficult for buyers of industrial products to identify and compare low carbon products. There is a risk that, where buyers are willing to pay a green premium, they may be unable to reliably determine which products are greener. To overcome this, we are developing policies to create a resilient market for low carbon industrial products. A technical consultation on proposals has just closed, with an initial focus on the steel, cement and concrete sectors. The proposals address existing inefficiencies and information failures, for instance by helping standardise approaches to measuring, reporting and verifying embodied emissions data, as well as definitions of what constitutes a low carbon product. The objective is to enable greener purchasing decisions and give producers confidence that there will be demand for their lower carbon products, supporting necessary industry investment in decarbonisation measures by increasing confidence in the profitability of decarbonisation.

Carbon leakage

22. Many industries continue to highlight carbon leakage as a risk preventing investment. The UK ETS is a cap-and-trade scheme which incentivises cost-effective abatement at the pace required to deliver net zero. In the UK ETS, we address this risk by providing sectors at risk of carbon leakage with free allocations, reducing their exposure to the carbon price. No trade-exposed sector which pays the ETS should go without protections against carbon leakage. The UK ETS Authority are currently reviewing the approach to free allocation policy to ensure it can better target support to sectors most at risk, ensuring there is a clear plan for carbon leakage mitigation that gives industry confidence to invest. The outcomes of this review will be published in 2025 with changes implemented in 2027.
23. A UK Carbon Border Adjustment Mechanism (CBAM) will be introduced from 1 January 2027.^{xviii} It will place a carbon price on some of the most emissions intensive industrial goods imported to the UK from the aluminium, cement, fertiliser, hydrogen and iron & steel sectors that are at risk of carbon leakage. This will help ensure that UK decarbonisation efforts lead to a true reduction in global emissions, rather than simply displacing emissions overseas.

Future government decisions

24. Schemes without allocated funding or in an early stage of development carry inherently higher risk and are subject to future decision-making. Delivery can be supported by government undertaking preparatory work to understand key decisions in relation to funding and regulation. This will be subject to technological developments, societal changes, stakeholder views, future spending arrangements and broader policy developments, but preparatory work can enable these factors to be planned for.

Fuel supply

Introduction

25. In 2023, fuel supply emissions were 18MtCO_{2e}, making up 4% of total UK net GHG emissions (including IAS). Oil platforms and refineries make up the largest share of these emissions.

Hydrogen production

26. The government continues to support the rollout of hydrogen production to meet demand across sectors requiring hydrogen to decarbonise. We have established a comprehensive funding, policy and regulatory environment for investment with government funding for policies like the Hydrogen Production Business Model (HPBM), designed to support low carbon hydrogen production. In the Autumn 2024 Budget, we confirmed support for 11 green hydrogen projects from the first Hydrogen Allocation Round (HAR1). In April 2025, the government announced a shortlist of 27 projects across England, Scotland and Wales which have been invited to the next stage of the HAR2 process. These projects are now undergoing due diligence and cost assurance processes. Following HAR1 and HAR2, we have committed to future HARs, with an aim to launch HAR3 by 2026 and HAR4 from 2028. Additionally, CCUS-enabled hydrogen production plants are eligible for HPBM support through the CCUS programme. A further £500 million was also committed to

hydrogen infrastructure, supporting the development of the UK's first regional hydrogen and storage network.^{xix}

27. CCUS-enabled hydrogen production will help turbocharge the low carbon hydrogen sector by paving the way for the UK's first large-scale hydrogen production plant, decarbonising vital industrial sectors. There are currently three CCUS-enabled hydrogen projects in negotiations to connect to the two Track-1 clusters. For the East Coast Cluster in Teesside, this includes bp's H2Teesside (H2T) project, designed to supply low-carbon hydrogen to offtakers across Teesside. For HyNet in Northwest England, this includes Essar Energy Transition Hydrogen's (EETH) Hydrogen Production Plant 1 (HPP1) which will primarily support the decarbonisation of Stanlow Refinery. EETH's HPP2 has also been selected as a stand-by project for negotiations for the HyNet cluster.
28. Hydrogen production itself will not generate emissions savings, but we expect the use of low carbon hydrogen to enable emissions savings in several sectors including agriculture, domestic transport, industry and power, by replacing the high-carbon fuels currently used.

Oil and gas

29. The oil and gas sector continues to make good progress in decarbonising for upstream, as well as steady progress on the midstream gas approach. In March 2025, government launched its consultation on the North Sea's Energy Future, exploring our objective to foster an internationally leading offshore clean energy industry whilst supporting jobs, growth and investment across the North Sea. Government's response to this consultation is currently being prepared and will be published in due course.

Risks and mitigation

Hydrogen

30. Policies intended to contribute towards Carbon Budget 6 carry delivery risks, some of which are inevitable given pace and scale of deployment. We have improved our confidence in the delivery and funding of some key policies in the near term, having launched the Net Zero Hydrogen Fund, Hydrogen Production Business Model and the Low Carbon Hydrogen Standard. The Energy Act 2023 established powers supporting the Gas Shipper Obligation, Hydrogen Production Business Model and Hydrogen Transport and Storage Business Models. Confidence is expected to grow as government and industry action provides clarity on long term funding, production and the final design for Hydrogen Transport and Storage business models.
31. A proportion of hydrogen production depends on CCUS, which carries delivery risks, given the reliance on significant investment and emerging supply chains, which could materially affect the successful delivery of the associated carbon savings enabled by hydrogen for CB6. Government has made significant progress with industry on CCUS, reaching financial close on the East Coast Cluster (ECC) in December 2024 and the Hynet Transport and Storage Network in April 2025, followed by Final Investment Decisions in September with the Protos (Encyclis) and Padeswood (Heidelberg Materials) projects. We are also working to deliver a more self-sustaining CCUS sector (further detail in the GGR section).

Oil and gas

32. Upstream decarbonisation efforts are primarily focused on offshore infrastructure electrification, and cessation of routine flaring and venting, which require industry action and new approaches, so entail delivery risks. Factors driving the delivery risks include the high cost of infrastructure change, bottlenecks in network capacity and scheduling and a challenging investment climate. These could affect the speed at which we electrify and decarbonise. We do not assume that all platforms will electrify. We will continue to work with industry to address regulatory and administrative barriers to electrification.
33. Steady progress is also being made in the gas midstream sector by reducing methane leakage with the Iron Mains Risk Replacement Programme (IMRRP). The IMRRP focuses on replacing at risk aging iron gas mains in the Gas Distribution Networks (GDN) with plastic mains, particularly focusing on replacement of mains within 30 meters of buildings.
34. The IMRRP is an established delivery programme mandated by HSE, that is approaching the end of its 30-year delivery period. In January 2025, HSE published their revision of the IMRRP enforcement policy, now requiring Gas Distribution Networks (GDNs) to introduce a phased approach to condition monitoring for all iron mains, not just 'at risk' ones. HSE have also now explicitly required GDNs to use Advanced Leakage Detection (ALD) techniques to improve leak detection sensitivity and data quality.

Heat and Buildings

Introduction

35. In 2023, buildings emissions were 74MtCO₂e, making up 17% of UK GHG emissions (including IAS) in 2023 and therefore has a significant contribution to support carbon budgets being met. Action is needed on finance, regulation and driving consumer behaviour change. This government intends to publish the Warm Homes Plan shortly, which will deliver warmer, decarbonised homes. The Warm Homes Plan will help people find ways to save money on energy bills and transform our ageing building stock into comfortable, low-carbon homes that are fit for the future.

Risks and mitigation

33. The risks outlined below present key delivery challenges to the H&B sectors carbon savings targets. As part of setting out these risks, we have also set out steps to mitigate these risks and support delivery.

Consumer choices

34. We need to ensure that consumers can be confident in choosing clean heat and other low-carbon technologies if we are to drive emission savings. There are risks that these choices may not be taken due to several factors, including consumer concerns around whether low carbon technologies will be suitable for their home and uncertainty around which sources of information consumers can trust. Should these risks fail to be mitigated against, this could mean there would not be widespread adoption of technologies critical to decarbonising buildings. Government policy can be used to help support consumers choosing clean heat and other low-carbon technologies. We are setting out a range of measures we are implementing as part of the Warm Homes Plan to ensure every stage of a consumer's choice to adopt low carbon heating is as straightforward and seamless as possible.

35. The department has launched the 'Warm and Fuzzy' campaign to promote the Boiler Upgrade Scheme. The campaign seeks to build consumer awareness and understanding of heat pumps, as well as publicising the £7,500 government grant. The private sector and consumer advice providers also have a key role to play in building consumer familiarity with low carbon heating and we will work closely with the industry on future campaigns to ensure that consumers can access reliable, trusted information on what the heat transition means for them in practice.
36. The department also provides advice in a number of areas, including a home retrofit tool on GOV.UK, 'Find ways to save energy in your home', and a phonenumber service to help provide consumers in England with tailored and impartial information about how to improve the energy performance of their homes. The department is working to bring together the existing tools, adding new functionality, to create a simplified consumer journey and single-entry point for advice on energy efficiency measures and clean heating solutions. The new digital service and supporting national phonenumber will also help eligible consumers to access public sources of funding and provide information on how to fund their upgrade privately if not eligible for government grants. The service will also seamlessly enable them to find trusted installers, to undertake their home upgrade. This will help consumers and empower them to make their homes more energy efficient, with lower carbon emissions and cheaper to run.
37. Heat Network Zoning will give greater certainty to consumers and building owners about where heat networks will develop, and where a heat network connection is therefore likely to be their cheapest low-carbon option.

Supply chains

38. There is also a risk that retrofit and low carbon heat supply chains do not grow or upskill sufficiently to enable meeting our energy efficiency and clean heat deployment targets. This sector can face capacity issues that may require support to upskill or retrain staff, but the heat pump workforce has shown encouraging signs, with over 9,000 individuals taking training relevant to heat pumps in 2024.^{xx} Also, within the labour market there are challenges for attracting workers with the right skillset for insulation measures, and around the cost of training, which we are addressing with skills funding across heat decarbonisation and buildings retrofit.
39. Since 2020, over £25 million has been committed to support the uptake and training of skills relevant to the energy efficiency and low carbon heating sectors delivering over 33,000 training opportunities. This includes the Home Decarbonisation Skills Training Competitions which has delivered 23,000 training opportunities in insulation installation and retrofit professional qualifications and the Heat Training Grant which has supported over 12,800 training opportunities relevant to heat pumps and heat networks up to September 2025. In April, the government set out plans to further bolster the retrofit workforce, training up to 18,000 more home retrofitters to install heat pumps, insulation, solar panels and heat networks, alongside a new deal to support the UK's heat pump supply chain. The new £8 million Warm Homes Skills Programme launched that month to continue to train and upskill the workforce of the retrofit supply chain, with the aim of delivering up to 9,000 training places. We have recently published government's first ever Clean Energy Jobs Plan to support delivery of the workforce required for our Clean Energy Superpower Mission.^{xxi}

40. We have committed to providing funding to bolster heat pump manufacturing in the UK through the Heat Pump Investment Accelerator Competition (HPIAC). This includes announcement of two awards under the Competition, investing over £5 million in Ideal Heating and £4.6 million in Copeland Limited. We also confirmed a new HPIAC as part of the Clean Energy Industries Sector Plan (as part of the UK's Modern Industrial Strategy), with £90m of funding across Financial Year 2026/27 to 2029/30, as well as setting out our wider approach to supporting increased investment into growth driving Frontier Industries, which includes Heat Pumps.

Capital costs

41. While product supplies are not directly within government control, they are influenced by demand generated by government schemes or policies. The government is funding the Warm Homes Plan with a total of £13.2 billion over the SR, including £5 billion of financial transactions, and Barnett consequentials. This investment will be allocated across schemes that support the rollout of heat pumps and heat networks, alongside energy efficiency measures and other low-carbon technologies, such as solar and batteries. More detail will be set out in the Warm Homes Plan.
42. We are directly supporting growth of the heat pump market through funding schemes like the Boiler Upgrade Scheme, the Warm Homes: Social Housing Fund and the Energy Company Obligation (ECO4) scheme, plus complementary policies like the Clean Heat Market Mechanism, to ensure that businesses have clarity and confidence to invest throughout the supply chain.
43. As the market for clean heat expands through these measures and further technological advancement is achieved through innovation, we expect the upfront cost of heat pump installation will continue to fall.
44. We are supporting investment in new low-carbon heat networks through the continuation of the Green Heat Network Fund, which will be supported with investment from the National Wealth Fund. Heat Network Zoning is designed to reduce the uncertainty for developers and investors in bringing forward larger-scale heat network projects, and we expect capital costs to reduce over time as the market grows.

Running costs

45. The UK has a particularly high ratio of residential electricity price to gas price compared to many countries in Europe. Our electricity price does not reflect the cheaper wholesale price of clean energy. This means low carbon technologies can be more expensive to run than fossil-fuel powered alternatives. The price disparity between electricity and gas needs to be addressed to make it more attractive for consumers to install clean technologies like heat pumps. Over this Parliament, the government will be working relentlessly to translate the much cheaper wholesale costs of clean power into lower bills for consumers. This will be core to every decision we make. We will set out our plan in due course.
46. While heat pumps are already around three times more efficient than gas boilers, we are confident the UK supply chain can go further. This is particularly the case as existing technology and installation are adapted to the UK housing stock, and market participants specialise. A range of further actions will help drive up efficiency and further reduce running costs: raising product standards for space heating, supporting heat pumps to be

installed at a higher standard and requiring heat pumps to be sold with smart functionality.

47. Heat networks benefit from economies of scale and can use multiple fuel sources, including surplus heat from local sources, which reduces their overall running cost compared to individual solutions, the cost of electricity remains crucial, and we are continuing to develop further policies to bring down electricity costs relative to gas, and intend to consult on options to reduce costs and make low-carbon heat the economically rational choice.
48. We will seek to address high home energy costs by improving energy efficiency and tackling fuel poverty through the Warm Homes Plan, set to be published shortly. Also, the Fuel Poverty Strategy will reflect the impact of these interventions on alleviating fuel poverty through improved home energy performance. In addition, the fuel poverty strategy will set out a plan to make energy more affordable through retail market reforms and targeted energy bill support. We expect to publish the Fuel Poverty Strategy shortly.

Ease of installation

49. Installing a heat pump can be a longer and more disruptive experience than replacing a fossil fuel boiler, although this is not always the case. Consumers comparing the two options may be deterred from choosing a heat pump due to the length of time the installation may take (including potentially some time without heating and hot water) and the potential disruption in their house. The Winter Wave of DESNZ's Public Attitudes Tracker shows that 22% of owner occupiers who were unlikely to install low carbon heating cite the hassle as an important reason.^{xxii}
50. There are also currently steps consumers need to take that are not required for a boiler replacement, e.g. acquiring a valid EPC to access the Boiler Upgrade Scheme, applying for planning permission (in certain cases), and applying to their DNO for approval to connect the heat pump to the network, or for upgrades to the home's connection where needed.
51. Steps have already been taken to address these risks, including updating the permitted development right for air source heat pumps in England in May 2025 to better ensure that installations are appropriate and households can avoid costly, unnecessary planning applications. We have invested £42m in the Heat Pump Ready innovation programme to support the development of innovation which overcomes barriers to heat pump deployment. These will help drive innovative solutions for the survey, design and installation of heat pumps. We will also remove the need to obtain an Energy Performance Certificate under the Boiler Upgrade Scheme.
52. For more complex properties requiring a planning application, grid connection upgrade works, or with unusually large heat loss, we will aim to make processes considerably simpler and more predictable. This includes continuing to explore how we can further streamline the planning process for the small minority of homes where planning permission might be needed, including publishing updated Planning Practice Guidance in Autumn 2025. We are also working with Ofgem, DNOs, manufacturers, installers and the wider industry to improve the connection process for heat pumps, accelerate proactive approaches to unlooping properties, and improve data on connection times.

Future government decisions

53. Schemes without allocated funding or in an early stage of development carry inherently higher risk and are subject to future decision-making. Delivery can be supported by government undertaking preparatory work to understand key decisions in relation to funding and regulation. This will be subject to technological developments, societal changes, stakeholder views, future spending arrangements and broader policy developments, but preparatory work can enable these factors to be planned for.

Natural resources, waste and F-gases

Introduction

54. In 2023, agriculture and other land use emissions were 48MtCO_{2e} making up 11% of total UK net GHG emissions (including international aviation and shipping). Ruminant livestock (particularly cattle) currently make up the largest share of these emissions. Waste and F-gas emissions were 27MtCO_{2e} making up 6% of total UK net GHG emissions (including international aviation and shipping). The largest emissions sources include landfill and air conditioning and refrigeration. Action on these areas can also support economic growth, a circular economy and co-benefits for nature.

55. Many of the delivery risks faced in these sectors are due to a need for further research and innovation, dependencies on other stakeholders to deliver, legislative implementation, supply chain and sector capacity issues and the need to manage potential trade-offs with other priorities, such as food production. There is increased risk to delivery as many of our proposals and policies are in early stages of development. It is crucial we maintain flexibility to adapt our pathway to ensure we maximise co-benefits with priority outcomes. Some of the most significant delivery risks are detailed below. There are links and interdependencies between the different thematic risks.

Risks and mitigations-quantified measures

56. Given the UK's land use profile and that these sectors are largely devolved, a significant proportion of UK-wide emissions reductions savings will be delivered by devolved governments (DGs). Many of the risks to delivery of emissions savings will likely be common across all four nations. Proposals and policies for these sectors may be subject to risks such as the need to manage competing demands on land, dependencies on stakeholders, the appropriate infrastructure being in place, evidence gaps and dependencies on early-stage technologies. Close working will continue with DGs on net zero policy and analysis to support UK-wide delivery, addressing common challenges and sharing best practice to mitigate delivery risks, recognising devolved competence.

Data, evidence and research and development

57. Various measures that form part of the package of proposals and policies are dependent on or enabled by R&D and improved evidence and data. We are addressing this risk through Defra's commitment to spend at least £58 million across 2024-25 and 2025-26 on net zero R&D for the natural resources, waste and F-gases sectors. Across the Farming Innovation Programme (FIP), we have spent £84 million to date with a further £70 million already committed to ongoing projects to support Agri-Technology research and innovation. In the recently published Modern Industrial Strategy, we committed to spend at least £200 million through FIP up to 2030, and up to £63 million has been allocated to FIP innovation grants starting in 2025/26.^{xxiii}

The role of external stakeholders

58. Many actions are dependent on external stakeholders. For example, waste policies are dependent upon successful implementation of the reforms by businesses and local authorities and response from households. We are working closely with businesses and local authorities to support readiness for these new reforms. Also, to restore and manage lowland peatlands, government and industry need to work together to ensure the correct water infrastructure exists to facilitate water management.
59. Some of the agriculture and wider land use measures will be delivered through our environmental land management schemes (ELMs). These are voluntary schemes and depend on sufficient uptake. A record 50,000 farm businesses and half of all farmed land are now in ELM schemes. The largest of these schemes, the Sustainable Farming Incentive, now has more than 39,000 multi-year live agreements delivering more sustainable food production and supporting nature recovery. The government has allocated a record £11.8 billion to sustainable farming and food production over this parliament.^{xxiv} This includes an investment of more than £2.7 billion per year in farming and nature recovery.^{xxv} Farmers will benefit from an average of £2.3 billion a year through the Farming and Countryside Programme, including an increase in environmental land management schemes from £800 million in 23/24 to £2 billion by 28/29.^{xxvi}

Land use

60. There is a risk that competing priorities for land affects delivery of emissions savings. We have a finite amount of land and this needs to support the delivery of net zero alongside other objectives, like improving biodiversity and water quality and maintaining food production. To address this, government has published its Land Use Consultation, introducing a cross-government shared vision for land use in England, including making space for emissions reduction to meet our net zero target and improving resilience to climate change impacts.

Policy development

61. Policy work is still ongoing to increase delivery confidence. For example, delivery of further waste emissions savings beyond those expected from the Collection and Packaging Reforms. In February Defra published a summary of responses to the call for evidence on the near elimination of biodegradable municipal waste to landfill from 2028. We are exploring potential next steps.
62. Engagement with stakeholders and policy development will continue ahead of a consultation.

Other early-stage proposals and policies

63. Many proposals and policies, such as those relating to domestic biomass feedstocks (for example, microalgae and miscanthus), engineered greenhouse gas removals and some aspects of waste decarbonisation, are in early stages of development. Key risks to delivery of the biomass pathway include establishment of the business model for sustainable biomass cultivation, linked with demand from end use sectors including bioenergy with carbon capture and storage, and confidence in uptake of new models for land use.

64. R&D and policy work is ongoing to increase delivery confidence, horizon scan for future opportunities and barriers and model future and retrospective impact of potential policy proposals.
65. Key risks to delivery for the peat pathway relate to the need for new landscape scale water management infrastructure to be installed before restoration/rewetting can occur as well as evidence gaps on how to rewet lowland agricultural peatland.
66. Where legislation is needed to implement policies, there are risks to delivery timeframes.

Transport

Introduction

67. Transport is the UK's largest carbon emitting sector. Domestic transport emitted 110MtCO_{2e} in 2023, responsible for 26% of UK net greenhouse gas emissions (including IAS), rising to 150MtCO_{2e} (35%) when including emissions from the UK's share of international aviation and shipping.^{xxvii} Our approach to decarbonising transport directly supports the government's missions to kickstart economic growth, make Britain a clean energy superpower and build an NHS fit for the future, including by improving the quality of the air that we all breathe through the transition to zero emission vehicles. Our vision for decarbonised transport is one that maximises the opportunities that clean technology offers not just our climate, but also our economy, communities, public health and the places in which we live and work.
68. The package of policies and proposals in this report details our approach to building on this progress. Despite inherent uncertainty in long-term emissions forecasts, we have confidence that the measures outlined will put transport emissions on a pathway that will support meeting carbon budgets. We will continue to review our approach and explore contingency measures as required to ensure transport remains on track to deliver against this pathway, subject to funding decisions at future Spending Reviews.

Risks and mitigations

69. In 2023, road transport accounted for around 90% of domestic transport emissions and around two-thirds of total transport emissions. The majority (70%) of these emissions were produced by petrol and diesel car and van journeys.^{xxviii} Our emissions modelling estimates that an increasing proportion of the car and van fleet is zero emission at the tailpipe up to, including, and beyond the Carbon Budget 6 period – with fossil-fuelled mileage increasingly displaced by journeys powered with electricity. A key risk to road transport's decarbonisation pathway is that zero emission cars and vans do not displace their petrol and diesel counterparts at the rate we forecast. This could result from lower than anticipated consumer or business demand for zero emission vehicles, which in turn could be due to a lack of consumer confidence in charging infrastructure provision or the costs of transitioning for households and businesses. It could also result from wider global supply chain challenges or macroeconomic conditions. Risks to uptake are higher for vans, where fewer models are on the market.
70. The regulatory, vehicle incentive and infrastructure support framework we have in place is likely sufficient to accelerate uptake of zero emission cars and vans to meet assumed deployment trajectories in the current policy environment, and the rate of uptake will

continue to increase as the market continues to mature. The Zero Emission Vehicle Mandate came into force in January 2024, driving sales that made the UK Europe's largest zero emission car market in 2024 and the third largest globally. Zero emission models continue to make up an increasing share of the new car market, and over 4% of the car fleet was battery electric by March 2025.^{xxix} As of 1 October 2025, more than 86,000 public charging devices are currently available, with a new one added on average every 33 minutes over the last 12 months, and over 100,000 more to come through the government's £381 million Local EV Infrastructure Fund alone.^{xxx} The £650 million Electric Car Grant scheme and government investment in charging infrastructure provision, part of a package of over £4.5 billion investment by government to accelerate and ease the transition to zero emission vehicles for industry and consumers, will further mitigate risks to uptake.

71. Heavy goods vehicles (HGVs) were responsible for 16% of domestic transport emissions in 2023.^{xxxi} The market and policy framework for the transition to zero emission HGVs is less mature than for cars and vans, and new zero emission models remain two to three times the price of diesel equivalents. Provision of adequate infrastructure that meets operators' needs, including at depots, is a further challenge. In addition to costs and charging deployment barriers, fleet operators have concerns about ranges and technology options (battery electric and hydrogen fuel cell). Market nascency means risks to our assumed trajectory are significant. To mitigate them, we have confirmed that we plan to consult on regulatory options for phasing out the sale of new non-zero emission HGVs and are developing a Zero Emission HGV and Coach Infrastructure Strategy to provide industry with certainty. We are also supporting operators to make the switch through new vehicle purchase grants, depot infrastructure funding and funding to research, develop and demonstrate zero emission technologies at scale.
72. Unanticipated growth in travel demand, that exceeds the upper range of our projections, is a further risk to achieving anticipated emission reductions. This risk is most acute for our projections of emissions from cars, vans and air travel. DfT analysis is based on the latest internal demand projections for road transport and aviation. For the latter, in line with a precautionary approach to estimating future carbon emissions, DfT modelling accounts for the estimated impact on demand of all known airport expansion plans – mitigating risk that demand will exceed projections. The government's approach to reforming and funding public transport services, will further mitigate the risk of excessive demand growth by helping ensure sustainable travel choices are available and convenient for transport users.
73. Delivery risk is highest where our analysis assumes uptake of technologies still in development and/or that are not yet available at scale, with markets less mature. This includes heavier applications in the road vehicle sector, and decarbonisation solutions across the aviation and maritime sectors. We are also aware that the low carbon fuels that will play a role in reducing emissions from these modes of transport during the Carbon Budget 6 period will be in increasingly high demand globally, with associated risks to supply for UK transport. Government is implementing policy and funding the research, development and demonstration of clean transport technologies to mitigate these risks and position the UK to capture a share of growing global markets. This includes but is not limited to: supporting UK sustainable aviation fuel (SAF) projects by allocating £63 million through the Advanced Fuels Fund's third window, continuing support for the production of SAF in the UK to 2029/30 through the Advanced Fuels Fund, alongside working to introduce a revenue certainty mechanism to unlock investment; providing a further £448 million of R&D investment in clean maritime technologies between 2026 and 2030 through

the UK Shipping Office for Reducing Emissions (UK SHORE), as well as developing regulations to incentivise increased use and supply of low-carbon fuels, both domestically and through the International Maritime Organization (IMO); and funding of up to £200 million for the Zero Emission HGV and Infrastructure Demonstrator programme.

Greenhouse Gas Removals

Introduction

74. Engineered Greenhouse Gas Removals (GGRs) will be important for meeting net zero and enabling our carbon budgets to be met, balancing emissions from hard-to-abate sectors.³
75. GGRs can also make a valuable contribution to the government's growth mission. Government's vision is to build a thriving GGR sector in the UK, creating new investment opportunities and high-quality green jobs in our industrial heartlands. Our vision is to develop a sustainable market in which engineered GGRs are funded by polluting industries to compensate for their residual emissions. The UK Emissions Trading Scheme Authority has committed to integrating engineered GGRs into the UK Emissions Trading Scheme (UK ETS) to provide a long-term market for removals.
76. The government is supporting the GGR sector through its policy framework, which aims to overcome some of the key barriers to deployment in the UK. This includes the GGR business model, a central pillar of our strategy to unlock private sector investment and catalyse large-scale deployment of novel technologies while the market is still in its early stages of development.
77. Government is supporting the supply of high-quality GGRs. The HyNet Track-1 expansion Project Negotiation List (PNL), which includes two GGR projects, was published on the 5th of August 2025. These projects will now proceed to the negotiations phase of the selection process.
78. In addition, the government has been developing a GGR Standard to ensure removals are high integrity. This will be critical to build confidence in the market for carbon removals by ensuring that environmental benefits claimed by GGR projects are measurable and verifiable. Government is also supporting high-integrity Voluntary Carbon and Nature Markets (VCNMs), which it expects will be key to bring pathfinder GGR projects to market, and is progressing integration with the UK Emissions Trading Scheme (ETS) to provide long-term demand.
79. On 10 February 2025, the government also announced an independent review to consider how GGRs can assist the UK in meeting our net zero targets. As set out in the terms of reference published in March 2025, the review considered matters such as the role and opportunities of GGRs in supporting the government's Growth and Clean Energy Superpower Missions, barriers to deployment at scale, the economic cost of deploying GGRs in the UK and approaches to transitioning away from public investment and attracting private investment, including through carbon markets. The government published the review's findings on 23 October 2025. Government welcomes the Review's findings and will respond in due course.

³ Nature-based solutions, such as afforestation, are included in the Agriculture and LULUCF subsector.

Risks and mitigation

80. Achieving large-scale commercial deployment of GGR technologies will require policy support to overcome current barriers to investment and market uncertainties associated with a nascent market for negative emissions. In August 2025, the government published the first version of the GGR Contract, which contains the proposed terms and conditions for GGR projects proceeding to negotiations as part of the HyNet Track-1 expansion process. Projects may also be eligible for capital grant funding to support construction and reduce project costs, which will be delivered through the GGR Grant Funding Agreement. Alongside the GGR Contract and the GGR Grant Funding Agreement, the government has published a GGR Business Model Summary which provides an overview of the key design features of the business model for interested stakeholders. The GGR Business Model is designed to stimulate private investment in GGRs by providing revenue support under a 'contract for difference' mechanism. It aims to capitalise on growing demand for high-integrity GGRs in the voluntary carbon market – and, in the longer-term, the UK Emissions Trading Scheme (UK ETS) – to enable GGR projects to deploy at scale in the UK whilst ensuring value-for-money for taxpayers.
81. In addition, negotiations are ongoing regarding potential subsidy support for large-scale biomass generators. The government has consulted on potential short-term arrangements for large biomass generators to ensure security of supply and maintain the option of future transition to power BECCS. A decision on this was announced in early 2025.
82. Access to CCUS infrastructure is critical to achieve the volumes of removals required to meet net zero. For technologies that rely on long-term geological storage, such as Direct Air Carbon Capture and Storage (DACCS) and BECCS, access to CCUS is essential for large scale negative removals. Engineered GGRs are expected to become a major user of the CO₂ transport and storage network by the mid-2030s. In March 2023, the government committed to launch a process to expand the Track-1 CCUS clusters: HyNet and East Coast Clusters (ECC). As set out above, the HyNet Track-1 expansion Project Negotiation List (PNL) includes two GGR projects. These projects will now proceed to the negotiations phase of the selection process.
83. On CCUS, the East Coast Cluster (ECC) reached financial close in December 2024 as did the HyNet Transport and Storage Network, operated by Liverpool Bay CCS, in April 2025, followed by Final Investment Decisions in September with the Protos (Encyclis) and Padeswood (Heidelberg Materials) projects. The government has backed UK CCUS by announcing £9.4 billion in capital budgets over the Spending Review period to maximise deployment and fill the storage capacity of the East Coast Cluster and Hynet Cluster.^{xxxii} The government is working to deliver an ambitious transition to a more self-sustaining CCUS sector. One which grows the economy, contributes to the Clean Energy Superpower Mission and is done at lowest cost to reach Net Zero. We have recently published two calls for evidence publications on future CCUS policy - CCUS Network Strategy and the Evolution of Economic Regulation for CO₂ Storage.
84. Government remains committed to the ongoing processes we are engaged in with Northern Endurance Partnership (NEP) regarding Teesside and development work for the Humber. We have also recommitted our support for the Acorn and Viking clusters and are providing the development funding to advance their delivery. A final investment decision will be taken later this Parliament, subject to project readiness and affordability.

85. The deployment of GGR technologies that require access to long-term geological storage will be reliant on licenses awarded as part of the UK carbon storage licensing rounds (1CSLR stores and future rounds), together with non-pipeline transport (NPT) to enable projects located outside of the CCUS clusters to deliver removals. The government aims to publish a consultation in due course, intending to include support for NPT costs, risk allocation and economic licensing.
86. The early stage of GGR deployment means there is uncertainty on the future costs and deployment potential of technologies. The government is taking a portfolio approach to support development across a range of GGR technologies and projects. The government's innovation funding has helped to reduce the risks associated with delivering new technologies. The government has invested £100 million in research and innovation for GGRs, including the Direct Air Capture and GGR Innovation Programme, which has supported the development of 12 pilot plants.^{xxxiii} The Innovation Programme is now coming to a close and final reports will be published later this year. This funding also provided £31.5 million through UKRI's Strategic Priorities Fund for the Greenhouse Gas Removal Demonstrators Programme, which includes biochar and enhanced rock weathering projects.^{xxxiv}
87. The government supports the deployment of high integrity removals and has committed to ensuring that GGRs provide measurable and verifiable removals of CO₂ from the atmosphere. In September 2024, the government commissioned the British Standards Institution (BSI) to develop an engineered GGR Standard for DACCS and BECCS initially. Under the first phase of the contract, BSI defined and published methodological Minimum Quality Thresholds (MQTs) for early GGR projects seeking support from the government's Business Model. BSI will develop full GGR standards by 2027. Some GGR technologies may use sustainable biomass, and the relevant BSI standard will also include biomass sustainability criteria. The government is launching a consultation on the development of a common biomass sustainability framework to enable consistency between biomass sectors and strengthen criteria in line with latest evidence.
88. A well-functioning negative emissions market will be essential to reduce investment risk for the private sector. Our vision is to develop a sustainable market in which engineered GGRs are funded by polluting industries to compensate for their residual emissions. In July 2025, the UK ETS Authority set out further detail on the design of the UK ETS market for GGRs, setting out a balanced approach to integrating GGRs alongside the ambitious emissions reduction that are essential to meeting legally binding carbon budgets. Furthermore, our priority in the near term is to harness the potential of the Voluntary Carbon and Nature Markets, to bring pathfinder GGR projects to market and achieve the UK's deployment ambitions at the lowest cost. In November 2024, the government published six Principles for Voluntary Carbon and Nature Market Integrity, to support organisations engaged in action towards net zero and nature positive transitions. Building on these principles, the Voluntary Carbon and Nature Markets consultation was launched in April 2025, seeking to clarify and test proposed policy and governance framework to boost market confidence, by acting to better ensure the integrity of VCNM credits and their use.

Appendix E: Section 10 and sustainable development factors

Table 9: Summary of section 10 and sustainable development factors

Factor	Consideration in relevant government announcements and publications on accelerating to net zero.	Conclusion
Scientific Knowledge	Analysis is based on the latest science available. We have adjusted emissions to account for the latest climate science.	The policies in this package will directly reduce emissions across the UK, in line with the scientific case for strong action on climate change, which remains definitive.
Technology	See the Energy Security and lower bills and Good Jobs and Economic Growth chapters of <i>Unlocking the benefits of the clean energy economy</i> .	The latest evidence on relevant climate technologies has been used for all emissions analysis undertaken for this package of policies.
Economic	See the Good Jobs and Economic Growth chapter of 'Unlocking the benefits of the clean energy economy'.	The package will deliver positive economic and competitiveness impacts, particularly when compared against inaction on climate change and energy security, as set out in the Good Jobs and Economic Growth chapter of 'Unlocking the benefits of the clean energy economy'. These impacts will be felt through several key channels. The package will support the government's plans for regulatory reform. Any future regulations will be designed to minimise the administrative burdens placed on businesses, helping them unlock the growth potential that policies in the package can deliver.
Fiscal	See the investor prospectus for more detail on how public and private finance will work together to deliver the net zero transition.	Taxation and public spending will play a role, but the extent of this will depend on varied policy decisions and economic outcomes across the package of policies and proposals. However, there is evidence, including from the OBR, ^{xxxv} to show that the cost of inaction is far greater than the cost of taking action, so that the package mitigates negative fiscal impacts in the long term. The package of policies and proposals is consistent with but not limited to the outcome of the 2025 Spending Review.
Social	See Appendix F of this report and the Protecting our Natural Environment section of 'Unlocking the benefits of the clean energy economy'.	Policies and proposals contained in this package will deliver significant positive social impacts. This includes positive health outcomes from warmer homes and cleaner air. They will also mitigate distributional impacts caused by upfront costs. However, specific impacts will depend on electricity market developments, consumption patterns and detailed policy funding and design decisions.

		The package includes policies that improve energy efficiency of homes, will reduce bills and benefit fuel poor households. It also includes policies that increase low carbon energy supplies, which can reduce the exposure of UK energy prices to volatile global fossil fuel markets. There will also be a fuel cost saving for drivers who transition to electric vehicles.
Energy Policy	See Section 3a Social considerations for discussion of energy prices and consumption, energy supplies and energy and carbon intensity.	The package of policies and proposals includes policies supporting the UK's transition away from fossil fuels towards clean power whilst maintaining security of supply. This is in line with the government's mission to deliver clean power by 2030 and accelerate to net zero across the economy.
Devolved Circumstances	In addition to UK-level policy which applies across the UK, for some sectors, the analysis has used scaling factors to account for savings from devolved governments in areas of devolved competence where appropriate. This is set out in the Technical Annex.	The policies in this package will directly reduce emissions across the nations of the UK, depending on their differing circumstances and the extent to which policy areas are devolved. There is potential for further reductions where the devolved governments are taking action beyond what is reflected in our assumptions. Devolved governments have their own respective targets and plans for achieving net zero.
International and European	See the Consideration of the 2030 and 2035 Nationally Determined Contributions section of this report.	This package of policies and proposals supports the UK to deliver its international commitments on climate change mitigation, including the 2030 and 2035 Nationally Determined Contributions (NDCs) and to position itself as a leader on the international stage.
International Aviation and Shipping (IAS)	IAS emissions are factored into analysis and into emissions calculations for the sixth carbon budget. This is set out in the Technical Annex.	IAS emissions are included in the sixth carbon budget. For international aviation, we have used the bunker fuel method - which estimates emissions from international aviation based on fuel sold in a country - to calculate emissions. For international shipping, we have used an activity-based measure which calculates 50% of emissions from all journeys between a UK port (or offshore installation) in another country, excluding any emissions produced at berth.
Sustainable Development	See Appendix F of this report and the Protecting our Natural Environment chapter of 'Unlocking the benefits of the clean energy economy'.	The main outcomes of the proposals and policies in this package will have a positive impact on the UK's contribution to the global Sustainable Development Goals, in particular Goal 7 (targeting affordable and clean energy) and Goal 13 (targeting climate action). There are both positive and negative natural capital impacts associated with emissions reduction policies but our view is that, taken as a whole, the proposals and policies will contribute to sustainable development. The environmental effects of the

policy have been considered and assessed against the environmental principles, in compliance with section 21 of the Environment Act 2021.

Appendix F: Summary of impact of proposals and policies across sectors of the economy

Summary of the impacts of the Carbon Budget and Growth Delivery Plan proposals and policies on sectors

1. Proposals and policies (P&Ps) in this section refer to the list of proposals and policies in Appendix B of the s14 report (Tables 3-5). The descriptions of the proposals and policies identify their proposed effects and anticipated impacts. This section seeks to summarise the anticipated impacts of these proposals and policies on different sectors of the economy.
2. There are risks inherent in the delivery of the defined suite of proposals and policies. Please see Appendix D for sectoral summaries of delivery confidence, alongside risks and mitigations.

Power

3. Proposals and policies, as defined above, will have a significant impact on the power sector. The package creates markets for investment and sector growth, offers targeted funding support to reduce technology and infrastructure costs and provides long-term clarity and certainty in terms of future revenue streams.
4. The package will result in the expansion of electricity networks, deployment of sufficient flexible capacity capable of replicating the role of unabated gas on the electricity system, expand renewables and remove planning barriers to support deployment of renewable and low carbon infrastructure to facilitate delivery of a more secure, cleaner and cheaper energy system. As a package the proposals and policies will meet growing demand while supporting the goals of Clean Power 2030 and achieving CB6.

Impacts:

- a) Transforming the power system means creating a decarbonised electricity supply that can support the electrification of transport, heating and industry. This requires replacing fossil-fuel generation with renewable and nuclear sources, expanding flexible capacity and modernising the grid to handle higher demand and more variable supply.
- b) The growth in low-carbon generation assets (e.g. wind, solar) needed to meet a potential 50% increase in electricity demand has the potential to bring forward £30 billion of total (public and private) investment on average per year over CB6 period (2033-2037). Alongside greater investment in renewables, investment in the electricity distribution network will support the expected increase in peak demand, bringing forward £0.5 billion of investment a year on average between 2033-2037. Additionally, Ofgem is proposing investment of £80 billion in transmission networks over the next decade to achieve the clean energy superpower mission and enable economic growth. Jobs in building out renewable generation – in particular wind and solar – could support up to 200,000 total (direct and indirect) jobs by 2035. Reinforcing the onshore electricity network could support up to 300,000 jobs by 2030 directly and across the

supply chain. In addition, measures to increase storage and consumer led flexibility could support up to 55,000 jobs directly and across the supply chain by 2030.

- c) Nuclear is a key part of the government's national mission to be a clean energy superpower. Large-scale nuclear power plants and Advanced Nuclear Technologies (ANTs), including Small Modular Reactors (SMRs) and Advanced Modular Reactors (AMRs), will play an important role in helping the UK achieve energy security and clean power while securing thousands of good, skilled jobs. Each large-scale nuclear power plant – such as Sizewell C, which received a final investment decision from government in July 2025 – could support around 10,000 jobs at peak construction, in addition to providing further employment in the supply chain.^{xxxvi}
- d) Through annual Contracts for Difference (CfD) Allocation Rounds the government offers to support a range of technologies, including offshore wind, onshore wind, solar, tidal, geothermal and floating offshore wind.
- e) The government will also consider opportunities to streamline the planning system to support offshore wind, solar, nuclear power and carbon capture and enable local technology like EV chargepoints and heat pumps.

Fuel supply and hydrogen

- 5. Proposals and policies will support decarbonisation in the oil and gas sector between 2027 and 2040, primarily through electrification. Working alongside regulators, the package will result in the elimination of the practice of 'routine flaring' as soon as possible.
- 6. Proposals and policies are also aimed at growing the emerging hydrogen sector and putting it in a position to act as a key enabler to carbon savings across other sectors - including industry, power and transport by replacing high-carbon fuels used today. The package provides clarity on long-term funding, the legal framework and production. Taken together proposals and policies will support deployment of new low carbon hydrogen production, reduce upfront infrastructure costs and provide greater clarity and certainty around future demand and revenue streams.

Impacts:

- a) Decarbonising our fuel supply and driving the new clean energy industry of hydrogen will help to reduce emissions and has the potential to unlock nearly £4 billion of investment on average per year in CB6 across production, transport and storage, supporting 6,500-11,500 jobs directly and across the supply chain by 2035.
- b) The hydrogen industry will create investment and jobs across the UK's industrial heartlands, with projects from the first Hydrogen Allocation Round set to commit over £400 million of private capital investment between 2024-26 and create over 600 direct jobs in construction and operation.^{xxxvii} We are providing further deployment certainty to drive investment by setting out our aim to launch HAR3 by 2026 and HAR4 from 2028.
- c) Over £500 million support for hydrogen infrastructure will help establish the UK's first regional hydrogen network, driving investment and securing thousands of jobs, boosting industrial heartlands as part of the government's Plan for Change.

- d) In the supply chain, the UK already has world leading manufacturing capabilities – for example in electrolyser and fuel cell manufacturing. The comprehensive Public Financial Institutions offer set out in the Industrial Strategy will drive further investment into these supply chains, ensuring the UK capitalises on its first-mover advantage.
- e) Hydrogen is also a pathway to securing existing, and creating new, critical jobs in the UK's domestic industrial base. Sectors likely to require hydrogen, like refining, glass, chemicals and ceramics, are mostly located around industrial clusters. These sectors currently support 194,000 jobs and contribute £18 billion in GVA.^{xxxviii}
- f) Government remains committed to the North Sea transition and the opportunities it provides to the UK to foster an internationally leading offshore clean energy industry, ensuring good, long-term jobs, growth and investment in communities across the North Sea. We are providing £400,000 of seed funding to Cogent Skills and the Hydrogen Skills Alliance to deliver a Hydrogen and Carbon Capture Skills Accelerator that will begin designing a comprehensive hydrogen and CCUS curriculum.^{xxxix} This will protect jobs by supporting workers to transition to the growing hydrogen and CCUS sectors and ensure we have the workforce needed to deliver the energy transition.
- g) We will be publishing a UK Hydrogen Strategy which will outline our vision for the UK hydrogen economy. It will be grounded in evidence and set out clear priorities for collaboration with industry. It will also detail our plans to get on with the job of delivering these priorities over the coming decade.

Industry

- 7. Our proposals and policies will result in an increased rate of adoption of low carbon technologies and processes, supporting jobs and investment in the UK's industrial heartlands, which have a rich heritage of manufacturing and engineering.
- 8. As well as supporting the adoption of low carbon technologies and processes, the package will also support the reduction of total UK energy demand through energy efficiency measures across industrial processes, with a particular focus on the role of the private sector and the stimulation of investment.
- 9. Our exposure to volatile fossil fuels has made the UK's industrial sector vulnerable and uncompetitive. The volume of output in these industries has fallen by one-third since the start of 2021. In the Industrial Strategy, we announced additional support for 7,000 energy intensive firms through the British Industrial Competitiveness Scheme, which will reduce electricity costs by up to £40 per megawatt hour. Through the British Industry Supercharger, the government is also increasing support for the most energy-intensive firms by covering more of the electricity network charges they normally have to pay. From 2026, the discount on these charges will increase from 60% to 90%.
- 10. The package will also support industry to adopt circular business models and become more resource efficient. Keeping materials and products in circulation through smart design, repair, reuse and recycling will deliver better value for both industry and consumers. This transition can reduce the carbon footprint of our industrial supply chains and provide resource security, including for those components and critical minerals that are vital to delivering our Clean Energy Superpower Mission.

Impacts:

- a) Decarbonising our industrial sector has the potential to attract £3.4 billion annually in public and private investment on average over CB6 in measures such as fuel switching, energy efficiency and on-site CCS installations, potentially supporting up to 20,800 jobs in 2035. Investment and jobs associated with Off-Road Machinery (ORM), steel and CCUS infrastructure (e.g. transport and storage) are not included in the industry totals.
- b) This government is committed to ensuring jobs and skills are strengthened while ensuring a fair transition where workers can benefit from the economic opportunities. Seizing the opportunity provided to British industry by the net zero transition will provide skilled jobs and be key to supporting growth, allowing UK industry to remain competitive globally, and supporting the millions of manufacturing jobs in regions across the UK.

Heat and buildings

11. The package will result in more efficient, low-carbon buildings, reduced energy bills and healthier, more comfortable environments. At the same time, it will reduce our reliance on volatile fossil fuel markets, improving energy security and resilience.
12. Our policy package will result in reduced costs for consumers and businesses, attract greater private investment and strengthen supply chain resilience. Government funding will also provide businesses with confidence and consumers with direct support to upgrade their homes, while supporting the growth of supply chains and skills and the realisation of economies of scale.
13. The package will stimulate private investment and increase green finance options, galvanising supply chains and increasing public and business engagement with energy efficiency, including building public understanding of clean heat technologies and encouraging greater take-up of support.

Impacts:

- a) Heat pump sales have more than tripled since 2019 to over 84,000 in 2024.⁴ We aim to grow the UK heat pump market to cumulative 9.3 million domestic installations by 2035.⁴
- b) The package of policies and proposals, including decarbonisation of heating through growing development of clean heat technology to represent the vast majority of heating system replacements by 2035, and increased deployment of heat networks to deliver 7% of heat (27 TWh) in England by 2035. Across CB6 (2033 to 2037) policies represent an investment opportunity of £20 billion per year on average, incentivised through policies such as capital support schemes and Heat Network Zoning.
- c) Up to 270,000 jobs could be supported by 2030 through the heat pump rollout, heat network expansion and installing energy efficiency and smart technology measures in new and retrofit buildings.

⁴ Includes historic installations from before 2024.

- d) Support a range of technologies across low carbon heating as well as solar and batteries to decarbonise households and reduce energy bills.
- e) Raise consumer standards and improve the performance of heat networks through a new market framework, and identify areas where heat networks are the lowest cost solution for decarbonising heat. We have recently published the third and final DESNZ/Ofgem joint consultation on heat network consumer protection proposals ahead of regulatory commencement in January 2026.
- f) Support generation of biomethane for injection into the gas grid.

Transport

- 14. Decarbonising transport supports the government's missions to kickstart economic growth, make Britain a clean energy superpower and build an NHS fit for the future.
- 15. Our package of policies and proposals for transport aims to drive investment, increase productivity, reduce our exposure to volatile international fossil fuel markets by transitioning to a UK transport system powered increasingly by homegrown renewable energy and tackle the harms of air and noise pollution at source.

Impacts:

- a) The core of our transport policy package is commercially smart regulation developed in consultation with industry, designed to provide market signals through certainty on our direction of travel and encourage investment in the technologies we will rely on to decarbonise the sector. This includes the Zero Emission Vehicle Mandate, which underpins industry plans of up to £6 billion investment in charging infrastructure out to 2030 and is expected to unlock billions of investment and support well-paid jobs across the automotive manufacture supply chain. The UK low carbon fuel industry, supported by an enabling policy framework including the Renewable Transport Fuel Obligation, Sustainable Aviation Fuel (SAF) Mandate, and the forthcoming revenue certainty mechanism for SAF production, has the potential to contribute up to c. £5 billion in Gross Value Added (GVA) as well as supporting up to 15,000 jobs by 2050. Furthermore, analysis included in the Maritime Decarbonisation Strategy estimates that the decarbonisation of the UK maritime sector could support around £130–180 million of GVA and around 1,400–2,100 jobs in the UK on average in each year between now and 2050 in respect to the provision of on-board technologies, fuel storage and engines alone.^{xli}
- b) The decarbonisation package of policies and proposals will also drive air quality benefits, principally through surface transport electrification. Road transport is currently the single largest emissions source of nitrogen dioxide and fine particulate matter pollution in the UK.^{xlii} The transition to zero emission vehicles will gradually eliminate exhaust emissions as a source of air pollution almost entirely and therefore reduce transport's contribution to serious and costly challenges to the health service such as chronic obstructive pulmonary disease, heart disease and strokes. Zero emission vehicles are also quieter than petrol and diesel vehicles and so will help tackle the negative health impacts and social cost of noise from urban traffic.^{xliii}

- c) Our ambitious action to reform and fund improved public transport, alongside our support for active travel, will have further benefits beyond decarbonisation. Where better services or availability of infrastructure for cycling, walking and wheeling leads drivers to switch car journeys for public transport or active travel, we expect reduced congestion and pollution, and safer streets, improving health outcomes for transport users and communities.
- d) Investment in active travel supports our economic growth, health and net zero missions by helping to revitalise high streets; enabling people to live longer, healthier lives; and helping to reduce transport emissions. Walking, wheeling and cycling are the cheapest and most accessible forms of physical activity and some of the most cost-effective interventions to meet the Chief Medical Officer's guidelines of a minimum of 150 minutes activity per week. Physical activity helps to reduce prevalence of certain health conditions by 20-40%, including cardiovascular disease, stroke, type 2 diabetes, dementia and obesity.^{xliv}
- e) As the transition to zero emission vehicles progresses, an increasing proportion of drivers will benefit from savings of up to £1,500 a year in fuel and running costs that they offer relative to an equivalent petrol or diesel vehicle.^{xlv} More drivers are being supported to access these savings through the government's £650 million Electric Car Grant and a growing second-hand electric vehicle market.

Natural resources, waste & F-gases

16. Proposals and policies will maximise co-benefits for climate and nature alongside other priority outcomes, including biodiversity, water quality, climate adaptation, food production and economic growth. The package supports farmers and land managers to provide a range of public goods, including actions to reduce emissions, through a mixture of incentives such as paying farmers to undertake specific actions, advice and guidance and regulatory provisions. The package will also lead to improved capture of data and evidence, with increased funding for R&D and increased engagement with external stakeholders. Proposals and policies will also result in greater clarity on how we can deliver multifunctional landscapes that are resilient to our changing climate whilst meeting our needs for net zero, food production, environmental recovery, housing and infrastructure.

Impacts:

- a) Many measures in the pathway primarily improve productivity and resource efficiency. This has the potential to enable the expansion of nature-based solutions. The measures have the potential to contribute to growth by improving farm profitability and long-term agricultural sustainability, through increasing productivity and opportunities for diversification. Unlocking private investment into nature-based solutions such as afforestation and peatland restoration as well as Biodiversity Net Gain to contribute to restoring nature, sequestering carbon and alleviating risk of flooding.
- b) Trees are central to reducing emissions, tackling biodiversity loss and creating green jobs. The tree planting task force has been launched to oversee the planting of millions of more trees. The Woodland Carbon Code validated 762 projects by March 2025, covering nearly 39,000 hectares and projected to sequester 13.0 million tonnes of CO₂ over their lifetimes.

- c) England's peatlands are vital carbon stores, critical for rare wildlife, water regulation and flood prevention. Restoration under the governments ELM Landscape Recovery scheme will add 35,000 hectares to the nearly 30,000 hectares already restored or underway via the Nature for Peatland Grant Scheme. In addition to these schemes, restoration is also supported through green finance initiatives such as the International Union for the Conservation of Nature (IUCN) Peatland Code which is boosting restoration demand, safeguarding peatlands' benefits and their role in achieving net zero.
- d) Seeking to eliminate as far as possible the landfilling of biodegradable municipal waste from 2028 is key to reduce emissions and support the development of a Circular Economy. The Collection and Packaging reforms will, in combination with exploring the feasibility of any additional measures, help achieve this ambition.
- e) Optimisation of current wastewater processes to reduce greenhouse gas emissions.
- f) The current phasedown of Hydrofluorocarbons (HFCs – the most common type of F-gases) placed on the market for the first time will deliver a 79% cut by 2030 compared to 2015. Subject to consultation, the proposed reform of the phasedown could result in a near phaseout by 2048.

Greenhouse Gas Removals (GGR)

- 17. Proposals and policies will capitalise on the economic benefits from this emerging sector to deliver new export opportunities and high-quality green jobs across the UK.
- 18. The policy package is supporting first of a kind GGR deployment in the UK through the development of the GGR and Power BECCS Business Models, eligibility for Hynet Track-1 Expansion, promoting high integrity Voluntary Carbon and Nature Markets and longer-term demand through ETS integration and ensuring high integrity removals through the development of a GGR Standard.
- 19. We expect a range of GGR technologies to come forward, with the sector both becoming a major user of the CO₂ transport and storage network by the mid-2030s and growing in removals technologies that do not require access to this network.

Impacts:

- a) Carbon Capture Usage and Storage (CCUS), including GGRs, forms part of the most cost-effective route to net zero, and represents a significant economic opportunity, decarbonising industry and power in a way that drives growth.
- b) The CCUS sector is projected to support up to 30,000 jobs and £1.6 billion of GVA annually across the supply chain by the 2030s, rising to 50,000 jobs and £2.8 billion of GVA annually by 2050 (2022 prices). Export demand for CCUS technology could contribute up to £600 million of GVA annually by 2050.
- c) These figures are based on a realistic deployment trajectory for the UK CCUS sector, grounded in real-world projects and aligned with the outcomes of the recent Spending Review. CCUS is a key strategic growth sector, and major CCUS projects, HyNet and the East Coast Cluster, are already supporting thousands of jobs and significant

regional investment, with initial deployment expected to support an average of 4,000 direct jobs annually.

- d) Quantification of GGRs investment potential (£bn) estimates are based on the deployment of engineered-based approaches, only. These methods include Bioenergy with Carbon Capture and Storage (BECCS) and Direct Air Carbon Capture and Storage (DACCS). For technologies that rely on long-term geological storage, such as DACCS and BECCS, access to CCUS is essential for large-scale negative removals.
- e) Investment in the deployment of engineered GGRs has the potential to attract £2 billion (public and private) annual average investment over CB6. By 2035, there is the potential for these technologies to support up to 5,000 jobs directly and across the supply chain.
- f) Government has invested £100 million in research and innovation for GGRs, including the Direct Air Capture and GGR Innovation Programme.^{xlvi} This programme has supported the development of 12 pilot plants. Whilst the programme is now closing, several projects have continued as small operational entities, realising ongoing commercial opportunities, investment, jobs and skills in this emerging sector.

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