Annex D: Economic Benefits Form

Capturing the economic benefits of Net Zero is an important priority for UK government and to do this we need to develop robust, resilient, UK supply chains. In the Autumn Statement the government announced the £960m Green Industries Growth Accelerator (GIGA) to accelerate advanced manufacturing in key net zero sectors, including CCUS. GIGA is expected to support long term jobs in the supply chain, drive economic growth and bolster UK exports, while removing bottlenecks from the supply chain. We encourage projects to collaborate with supply chains towards these priorities.

It is mandatory for Projects to submit a completed version of this form and a failure to do so as part of their initial Application will mean a Project is not considered to have submitted a valid application and so will not progress in the process.

Completion of this form requires input of economic benefit information into the answer boxes provided below. If the information asked for is not available at this stage (e.g. you have not yet identified where you will be sourcing components), please clearly state this, as well as the reason why within your answer. We acknowledge that Projects will be at different stages of development and therefore responses and evidence submitted may be less certain for less mature Projects.

This data will not be considered when assessing Projects against the eligibility criteria or as part of the deliverability assessment, nor will it be used as part of the shortlisting process. Projects that are selected to go through to negotiations may be required to submit more detailed economic benefits data at a later stage.

This document is an Annex to the Track-1x Guidance document and should be read alongside it. Please see the Track-1x Guidance document for further guidance on the assessment process, including how the information will be assessed and note that the caveats and reservations set out in Chapter 2 of that document apply equally here.

**Supporting Information**

While not a mandatory requirement to provide supporting documents in addition to the written statements, it is recommended to submit evidence that may help validate the written statements provided.

**Please clearly reference any supporting documentation submitted against the written response statement it is being used to support, including specific sections or references within the supporting documentation.**

## Economic benefits (up to 1250 words)

Please create a table with a breakdown of where you are planning to source key components (e.g. column vessels and internals, pumps, heat exchangers, tanks, compressors etc.) and services (e.g. equipment supplier services, project management, engineering services etc).

You should state, where known, whether the components or services required for your project are sourced domestically (from within the UK) or are imported. If the information asked for is not available at this stage (e.g. you have not yet identified where you will be sourcing components), please clearly state this, as well as the reason why within your answer. We acknowledge that Projects will be at different stages of development and there

For all items sourced domestically, please include a postcode for where the components or services will be sourced from where possible.fore responses and evidence submitted may be less certain for less mature Projects. Specifically:

* For materials, the postcode should relate to the location where the materials used in your project are manufactured.
* For services and site development, the postcode should relate to the location where the employees delivering the services or site development will be carrying out their work (e.g. for site development this will likely be the postcode of your production facility, for services it may be the postcode of your production facility if they are providing these services on site, or it may be the relevant office location if they are providing desk-based or remote services).

**Do not just provide a postcode for the headquarters of the company from which you are sourcing components or services (unless this is where the relevant employees working on the project will be based).**

If the components or services for a single item are being provided from multiple locations, please provide the postcode for where the majority of the work will be taking place where possible.

Furthermore, please provide the expected approximate value of key components and services you require, where possible.

Please provide supporting evidence to justify the expected source of the key components and services, and their expected approximate value, where possible.

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| **Answer (Please clearly state the word count within each answer):** |

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| **Evidence:**   |  |  |  | | --- | --- | --- | | Document Reference | Document Name | Relevant page/section | |  |  |  | |  |  |  | |

## Supply chain resilience (up to 1250 words)

What processes do you have in place, or plan to put in place, to mitigate risks affecting the supply of key components, and associated materials?

This question focuses on the ‘physical' equipment that will be installed. You should consider the breadth of your supply chains (i.e. capture plant equipment and its key components, supporting equipment e.g. control systems and metering, CO2 compression equipment) during both the installation and then the operational/ maintenance phases.

Please create a table listing all the key components and your approach to mitigate installation and operational/ maintenance risks for each of them. For example, what will happen if there are delays in delivery? What steps will you have to ensure the project is operating as quickly as possible?

Where contracts and/or systems are already in place, documentary evidence of this (e.g., appropriately redacted sections of key documents) is welcomed. Where contracts are not yet in place, evidence that you will ask for the relevant information from your suppliers (e.g., extracts of tender templates, etc) is welcomed. We acknowledge that Projects will be at different stages of development and therefore responses and evidence submitted may be less certain for less mature Projects. However, simply stating that you have systems in place or that you commit to run due diligence/ audits will not be considered evidence.

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| **Answer (Please clearly state the word count within each answer):** |

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Would you be interested in working with Government departments, such as the Department for Business and Trade, to strengthen your supply chain resilience plans and the number of SMEs involved in your project, as well as the development of key skills required?

**Answer (Please clearly state the word count within each answer):**

## New entrants and SMEs (500 words)

Please provide evidence of engagement with new players and/or SMEs.

New entrants and SMEs[[[1]](#footnote-2)], wherever they are from, can help bring disruptive practices, ideas and products to the supply chain. What actions have you taken/ will you take to identify and promote new entrants into your supply chains throughout the duration of your project, and to remove barriers to new entrants? This should include actions to specifically support SMEs, both in the UK and internationally, in the development, construction/ fabrication and operational phases of your project.

Where some/ all contractors have already been selected evidence could include:

* copies of the tender invite(s) and lists of contractors approached (with reasons if no SMEs or new entrants were invited);
* the numbers and contract values (£m) of successful new entrants or SME contractors chosen; and
* reasons why new entrants and SMEs were not selected in tenders where they bid.

Where contractors have not been finalised, please provide evidence of new entrant and SME engagement to date and your procurement policy. This may include consideration of what you believe new entrants or SMEs can provide, which new entrants and SMEs have/ will you engage with, how you are promoting the project more widely (e.g., attendance at hydrogen or SME conferences) and other actions.

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| **Answer (Please clearly state the word count within each answer):** |

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| **Evidence:**   |  |  |  | | --- | --- | --- | | Document Reference | Document Name | Relevant page/section | |  |  |  | |  |  |  | |

## Skills (500 words)

Please state the main skill gaps, shortages or barriers you are facing and state the main skills challenge your project proposes to address through its lifetime.

Please break your answer down into those relating to the direct employees on the project (i.e. those that will be employees of your project company or those employees that will be deployed to work on the project) and then skill gaps, shortages and barriers your construction and operational/maintenance supply chains are facing and what your project proposes to do to address the main skills challenge over its lifetime.

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| **Answer (Please clearly state the word count within each answer):** |

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| **Evidence:**   |  |  |  | | --- | --- | --- | | Document Reference | Document Name | Relevant page/section | |  |  |  | |  |  |  | |

1. Use the UK Government ([here](https://www.gov.uk/government/publications/fcdo-small-to-medium-sized-enterprise-sme-action-plan/small-to-medium-sized-enterprise-sme-action-plan)) and EU definition of SMEs: An SME is any organisation that has fewer than 250 employees and a turnover of less than or equal to £43 million (€50 million) or a balance sheet total less than or equal to £43 million (€50 million). [↑](#footnote-ref-2)