



HM Government

December 2024

ACCELERATING TO NET ZERO

Responding to the
CCC Progress Report
and delivering
the Clean Energy
Superpower Mission



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Accelerating to Net Zero: Responding to the CCC Progress Report and delivering the Clean Energy Superpower Mission

Presented to Parliament pursuant to Section 37 of the Climate Change Act (2008)

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Contents

Foreword.....	6
1. The case for change	7
The UK’s role on the international stage	8
Working with people and businesses to create a positive vision and pathway to net zero	11
Our targets	12
What a mission approach looks like.....	13
The Climate Change Committee’s 2024 Progress Report.....	13
2. Taking immediate action.....	15
Overview	15
Warm homes	17
Clean Power 2030	20
Driving growth, good jobs, and competitive industries	24
Unlocking sustainable and active transport.....	29
Delivering for nature and biodiversity.....	31
Climate Change Adaptation	32
Global leadership in Climate Change.....	33
3. The Devolved Governments	36
The role of the Devolved Governments	36
Scotland	36
Wales	37
Northern Ireland	39
4. Looking ahead	42
Annex 1: Responses to the CCC’s priority recommendations	43
Priority recommendations for the UK Government.....	43
Priority recommendations for the Scottish Government	65
Priority recommendations for the Northern Ireland Executive	90
Annex 2: Summary of Progress Against Net Zero Strategy Reporting Commitments	97

Foreword

Accelerating to net zero offers huge opportunities for Britain. By driving to clean energy we can get off the rollercoaster of volatile fossil fuel markets and protect families from future price shocks. New clean energy industries can support hundreds of thousands of good jobs, boost British manufacturing and drive economic growth.

And as we act on how we heat our homes and buildings, fuel our transport, and protect our natural world, we can cut fuel poverty, clean up our air, increase access to nature and improve quality of life. In short, this is a chance to deliver better lives for the British people and tackle the injustices that scar our society.

At the same time, we can only protect today's and future generations from the escalating costs of the climate crisis if we act globally. We have all seen the impacts extreme weather can cause in Britain, and we know that if we do not act these will get much worse. Britain is just 1% of global emissions, which is why we must join with other countries including with the power of our example.

However, the inheritance of this government was that we were not on course to rise to the climate challenge or seize the opportunities of action. The Climate Change Committee's (CCC) Progress Report, published two weeks after we came to office, found that just a third of the emissions reductions required to meet our 2030 climate target was covered by credible plans. It warned that over the previous year "reversals and delays... hindered progress just when acceleration was needed" and as a result, "rapid action [was] needed to get things back on track."

This is the government's formal response to the CCC's Progress Report. It outlines the immediate steps we have taken to accelerate to net zero and meet our climate targets, as part of the Prime Minister's mission to make Britain a clean energy superpower – delivering on the government's Plan for Change, including our milestone this Parliament to secure our energy supply with homegrown clean power. In five months, we've lifted the onshore wind ban, consented large amounts of solar, delivered a record-breaking renewables auction, kickstarted Britain's carbon capture and hydrogen industries, begun the rollout of our Warm Homes Plan and set out our plan to deliver clean power by 2030.

As a result, we have taken decisions which mean we are already acting or partially acting on all 35 of the CCC's recommendations to the UK Government. However, we are making up for lost time and are under no illusions about the scale of the task ahead. In the coming months we will set out a detailed plan to meet our carbon budgets, including our 1.5-aligned Nationally Determined Contribution for 2035 announced by the Prime Minister at COP29 in November.

Mission-driven government is about acting with much greater urgency and determination than the past. We will continue to drive to clean energy at home and build on this with climate leadership abroad – seizing the economic opportunity of our time, while protecting our children and grandchildren from climate disaster.

1. The case for change

- 1.1. The evidence is clear that without an immediate and rapid increase in global action, the window of opportunity to limit warming to 1.5°C will close and we risk severe and irreversible damage to our planet and our people. The impacts of climate change are already directly affecting our homes, health, water supply, and wildlife. The heatwaves of 2022 are a clear example of this, breaking national temperature records in England, Scotland, and Wales, and resulting in the premature deaths of over 3,000 people in England alone¹.
- 1.2. Meanwhile, the UK's energy insecurity has been laid bare by Putin's invasion of Ukraine. The experience of the last few years has shown us that fossil fuels cannot provide us with the security, or the affordability, we need. Typical energy bills nearly doubled in the space of a year and families are still gripped by a cost-of-living crisis caused by these high bills. So long as we are dependent on fossil fuels, we will be stuck on the rollercoaster of volatile international markets.
- 1.3. Yet, if we seize the opportunity and act now, the net zero transition will be one of the economic opportunities of the century. This is a chance to support hundreds of thousands of good jobs, to drive investment into all parts of the UK, and to protect the UK economy from future price shocks created by reliance on fossil fuels. The evidence is there that this is possible. Since 2015 alone, despite recent global cost pressures, the price of both solar and onshore wind has still fallen significantly, with onshore wind falling by around 50%². We must continue on this path.
- 1.4. Beyond growth and energy security, the transition to a net zero economy can deliver a range of social and health benefits for people right across the UK. Increased opportunities for walking and cycling can help people to become healthier, and increased use of electric vehicles will improve the quality of the air we all breathe. Warmer, decent homes will also show how the transition can make a difference to people's physical health, and overall wellbeing. Smart meters can save people money and hassle by empowering them to more easily control their household energy use. And as we use our land more effectively, we can achieve the transition to net zero whilst strengthening biodiversity and food security.
- 1.5. That is why making Britain a clean energy superpower is one of the five missions of this government - delivering clean power by 2030 and accelerating to net zero across the economy. We are committed to delivering these benefits, making it easier and affordable for people across the country to move towards sustainable lifestyles.
- 1.6. This government made a commitment to tread lightly on people's lives and our mission to make the UK a clean energy superpower will put more power in the hands of consumers, giving them greater control and more choice. This government's approach to net zero is built on the principle of fairness. This includes fairness to workers across the country, where we will decarbonise

¹ <https://www.gov.uk/government/publications/heat-mortality-monitoring-reports/heat-mortality-monitoring-report-2022>

² <https://www.gov.uk/government/news/major-acceleration-of-homegrown-power-in-britains-plan-for-greater-energy-independence>

and reindustrialise with thousands of new jobs and, in doing so, grow the economy. And fairness for communities and those in vulnerable circumstances, particularly disabled people and other groups, where the transition to net zero has the potential to bring significant opportunities, including through warmer, more efficient homes and improved local environments. We will engage with businesses and civil society to remove barriers and increase access to opportunity.

- 1.7. While we accelerate efforts to reach net zero emissions, we must also take action to build our resilience and ensure we are well-prepared for the changing climate. This government recognises that preparing for the future not only means tackling the climate and nature emergencies, but also adapting to the changes that they bring.

The UK's role on the international stage

- 1.8. Globally, we are way off track to meeting the Paris Agreement temperature goal, with current global policies putting the world on course to reach average global warming of more than 3°C by 2100. However, the United Nations Environment Programme (UNEP) Emissions Gap Report 2024 makes clear that we can still close the emissions gaps in 2030 and 2035. This requires urgent policy action.
- 1.9. The UK has an important role to play. While we are responsible for less than 1% of annual global emissions, the truth is that our domestic leadership is essential for energy security, lower bills, and jobs and growth and to set an example and persuade others to act and protect future generations from climate breakdown.
- 1.10. The UK can have significant influence internationally. For example, the UK was the first country to set legally binding carbon budgets and the first major economy to establish a net zero target in law. Now, more than 90% of the world's economy is covered by a net zero commitment.
- 1.11. At COP29, the UK has shown leadership again, announcing that its 2035 Nationally Determined Contribution (NDC) headline target will reduce all greenhouse gas emissions by at least 81% on 1990 levels, excluding international aviation and shipping emissions. The UK recognises the challenging global emissions picture, and that is why we have announced this ambitious NDC, three months ahead of the UNFCCC deadline - to show our commitment to accelerating ambitious action on climate change, and encourage other countries to step forward with their own ambitious targets.
- 1.12. We are setting the bar high and coming forward early, because now is the time for countries to urgently commit to accelerating ambitious action on climate change. Our NDC matches the scale of the crisis, and we need action to match it.
- 1.13. This target meets the requirements of the Global Stocktake, covering all greenhouse gases, sectors and categories (excluding international aviation and shipping emissions). It also aligns with the recommendation of the

independent CCC published on 26 October, and is consistent with the effort required to deliver our ambitious Carbon Budget 6 (2033-2037).

- 1.14. With this ambitious target in place, we have an early advantage in utilising our first-class diplomatic network and strengths in areas essential to the global transition like green finance, offshore wind, and other clean technologies. The UK is committed to working with other countries because we know we cannot achieve our goals - on energy security, bills, jobs and climate - alone.

THE BENEFITS OF GETTING IT RIGHT

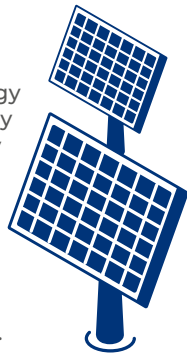
Net Zero

Net zero means that emissions going into the atmosphere are balanced with those being removed. We will need to significantly reduce our emissions, but it is not possible to remove them from everything and so to achieve this balance we will also develop technologies that can take them from the atmosphere or capture them as they are released.

Clean power and energy security

Investing in clean energy at speed and scale can help tackle the climate crisis, create good jobs, protect billpayers and ensure energy security. That is why having a highly ambitious target of clean power by 2030 is one of the two limbs of the Clean Energy Superpower Mission.

Industrial decarbonisation, low carbon heating, and increased EV use will reduce dependence on international fossil fuel markets.



Clean Growth and Jobs

Net zero will be the economic opportunity of the century. The transition will be a chance to create hundreds of thousands of good jobs and drive investment into all parts of the UK.

Reindustrialising the country with thousands of skilled jobs will be key to supporting growth, ensuring businesses are able to not only reduce their emissions but also take advantage of the green transition: allowing UK industry to remain competitive globally, and supporting the millions of manufacturing jobs in regions across the UK.



Improve health outcomes

Moving away from fossil fuel cars to increased use of electric vehicles, public transport and active travel will improve air quality and thus deliver a range of health and wellbeing benefits, relieving pressures on the NHS.

Reduced congestion will save people time, improve journey experience, make roads safer and reduce costs of running cars.

Noise pollution, which is recognised as a growing health risk in the UK, can be improved from reduced road traffic and better insulated buildings. Benefits include cardiovascular health, sleep and wellbeing.



International leadership

The Government is restoring the UK's position as a global leader on climate action, delivering on our domestic commitments and working with our international partners. The UK has set an ambitious NDC emissions reduction target that is aligned with limiting global warming to 1.5 degrees.



Warm homes and tackling fuel poverty

Warmer homes, that are better insulated and powered by clean energy, will work to reduce household bills, protect vulnerable people from cold winters, and can even raise the value of homes.

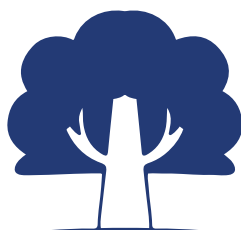
Measures to improve energy-efficiency and ventilation will reduce dampness.

These measures will improve health, wellbeing, care requirements and NHS costs.



Nature and biodiversity

Conserving nature and addressing climate change are two sides of the same coin. There are numerous co-benefits in preserving key ecosystems such as peatlands which are our largest terrestrial carbon store. They are also a haven for rare wildlife and are natural providers of water regulation, helping to reduce the impacts of climate change.



Food security

Agricultural productivity is dependent on climate stability. Managing our land to mitigate climate change is important for food security in the UK.



Working with people and businesses to create a positive vision and pathway to net zero

- 1.15. The clean energy transition is challenging but brings great opportunity. However, government can't tackle this alone. People, businesses, and civil society are all crucial to delivering the net zero transition. This will include adopting clean technologies such as heat pumps, making more sustainable everyday choices such as using public transport, and using resources more efficiently, such as off-peak electric vehicle charging.
- 1.16. We are committed to supporting people and communities to take action. We will set out our strategic approach in this area, including how we will ensure that public views are considered in policy development and that support is in place to enable people to realise the benefits of the transition.
- 1.17. Businesses also have a crucial role in the net zero transition, driving investment, decarbonising their own operations, and working across their sectors and supply chains. More than 90% of global GDP is now covered by net zero targets and global demand for low-carbon products and services is growing rapidly. British businesses are leading the way. This is shown by the global 'Race to Zero' campaign, a commitment to reduce emissions in line with the Paris Agreement - where, as of summer 2024, over half the business and financial organisations signed up were UK-based.
- 1.18. The benefits the transition will deliver for businesses are clear: businesses that commit to tackling their emissions can benefit from reduced energy bills, greater energy security, and an enhanced public perception. Working in partnership with businesses to support their transition to net zero is essential. We are relaunching the Net Zero Council, deepening our partnership with the private sector and civil society. The Council will provide strategic leadership to help address cross-economy challenges and to maximise the opportunities of the transition.
- 1.19. The UK has several strengths and advantages across net zero sectors that make it well-placed to secure the economic opportunities from the energy transition. These range from geological advantages, to utilising our world leading reputation on finance and R&D. We are seizing these opportunities. Working in partnership with industry, Devolved Governments and local government, the UK government will continue to establish the right economic conditions and remove barriers to growth - creating a platform for economic renewal based on the UK's fundamental strengths, and unleashing the full potential of our cities and regions in every nation of the UK.
- 1.20. Devolved Governments and Local Authorities, including Mayoral Combined Authorities, are important players in unlocking this potential for communities and businesses. They have significant influence across energy, housing, and transport sectors, and are well placed to attract private sector net zero investment.

Our targets

- 1.21. Our carbon budgets set a cap on greenhouse gas emissions over a five-year period. In 2019, the Climate Change Act was updated on a more ambitious pathway, committing the UK to reaching net zero emissions by 2050. Future carbon budgets (from Carbon Budget 6) will have to ramp up action to deliver our targets. This means we must go further and quicker.
- 1.22. There has been strong progress to date, with greenhouse gas emissions provisionally down 53% in 2023 on 1990 levels³, and the UK achieving the first three carbon budget targets.
- 1.23. The UK is also taking action on the international stage, as reflected by the announcement at COP29 of an ambitious 2035 NDC, to reduce all greenhouse gas emissions by at least 81% on 1990 levels (excluding international aviation and shipping).

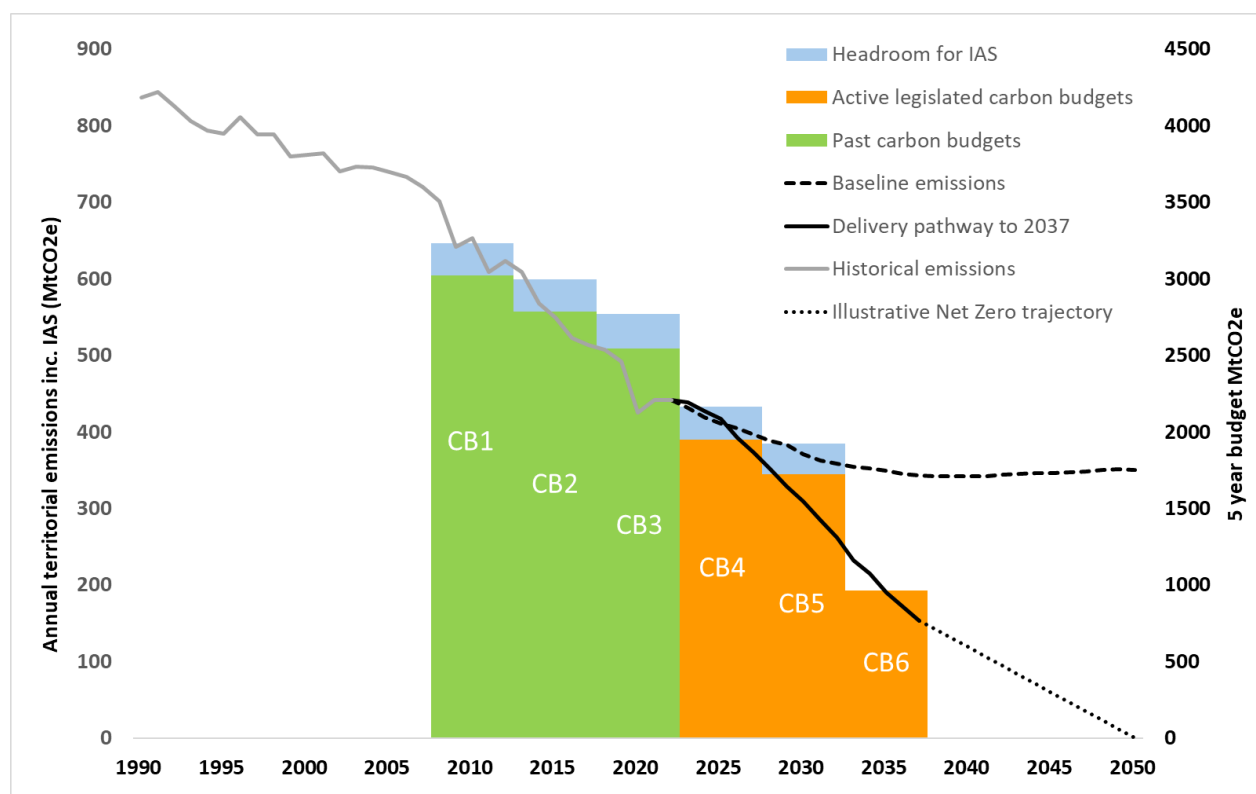


Figure 1. Illustrative emissions reductions to meet UK carbon budgets (CB1-CB6).

- 1.24. Achieving our future carbon budgets, net zero target by 2050, and the NDC commitments that lie along this pathway will be challenging, but there are huge opportunities in this transition. Meeting these targets requires a wide-reaching transformation of the UK economy, with consumers, businesses and government all having a role to play.

³ <https://www.gov.uk/government/news/uk-half-way-to-net-zero>

What a mission approach looks like

- 1.25. Recognising that these targets will only get more ambitious and urgent, the UK government has set out a new approach: mission-driven government. This puts focus on the greatest long-term global challenge that we face, the climate and nature crisis, while ensuring we capitalise on the huge growth and energy security opportunities that a net zero transition can bring.
- 1.26. Mission-driven government means raising our sights as a nation and focusing on ambitious, measurable, long-term objectives that provide a driving sense of purpose for the country. It is about challenging ourselves to deliver the very best service and real improvements to the lives of working people. It means a new way of doing government that is more joined up, pushes power out to communities, and harnesses new technology, all with one aim in mind – to put the country back in the service of working people. Our systems approach⁴ naturally complements this by providing a framework to ensure all parts of the government work collaboratively towards this common mission.
- 1.27. Our Clean Energy Superpower Mission has two pillars: clean power by 2030 and accelerating to net zero. These utilise a Cabinet Level Mission Board, chaired by DESNZ Secretary of State, to drive progress.
- 1.28. We recognise that successful delivery of the Mission and its objectives will be a shared endeavour. This will require extensive engagement and input from our citizens, business, and industry, all working in lock step as part of a joined-up mission approach to deliver the benefits of energy security and net zero.
- 1.29. The relaunched Net Zero Council will act as an advisory group to the accelerating to net zero pillar of the Clean Energy Superpower Mission. The Council will provide a forum for the private sector and civil society share insight and to work in partnership to take forward action to support delivery of our Mission.
- 1.30. The benefits of the net zero transition will not only support delivery of our Clean Energy Superpower Mission, but the wider benefits will also support the government's wider Missions. This includes driving clean growth and generating a new era of clean energy jobs, linked to the Growth and Opportunities Missions, and improving physical and mental health outcomes – including due to improved air quality and warmer homes – linked to the Health mission.

The Climate Change Committee's 2024 Progress Report

- 1.31. The UK government values the important role that the CCC plays as our independent body advising on emissions targets and reporting to Parliament on progress made in reducing greenhouse gas emissions.

⁴ A systems approach means consistently considering policy areas & economic sectors as parts of an interconnected system. This helps to maximise mutually beneficial interactions, account for dependencies and mitigate conflicting interests throughout policy development and analytical processes.

- 1.32. The CCC's 2024 Progress Report made clear its view that urgent action is needed to get on track for the UK's 2030 target. The report highlights the impact that changes to important policies had on progress to delivering the UK's targets. It sets out that, as of July 2024, the CCC assess:
- only a third of emission reductions required to reach the 2030 target are currently covered by credible plans;
 - for those policies in delivery, only five out of 22 indicators are shown to be on track; and
 - from the 27 priority recommendations given to government last year, only two were deemed to have good progress over the last year.
- 1.33. The CCC's report also recognises that action is needed on climate adaptation. This is necessary to address the challenges of the changing climate and build resilience to the impacts we are already experiencing, but also to ensure the long-term resilience of net zero interventions themselves.
- 1.34. The report highlights the important role the Devolved Governments play in delivering the UK's commitments, and the crucial role the UK government has in delivering statutory targets in Scotland, Wales and Northern Ireland. Section 4 sets out more detail on actions taken by the Devolved Governments and future measures.
- 1.35. We take these findings seriously. This publication is just the start. Here we set out our first steps in accelerating to net zero and addressing the CCC's recommendations. In 2025 we will publish a report to update on our plans for fully delivering carbon budgets 4-6. These publications will continue to demonstrate how we will deliver the Clean Energy Superpower Mission, and how we will work with businesses and the public to deliver this.
- 1.36. These moments create momentum towards the upcoming major milestone of setting Carbon Budget 7, which must be set by June 2026. This will be accompanied by a strategy, setting out the next phase of our pathway to net zero, how we plan to decarbonise even more of the UK economy, and the policies and proposals that will deliver it.

2. Taking immediate action

Overview

- 2.1. The scale of the problems that climate change is already causing is stark. That is why we have taken urgent action. In our first five months in office, we have lifted the de facto onshore wind ban, approved four major solar projects, launched Great British Energy, delivered a record-breaking renewables auction, and set out plans to increase the energy efficiency of rented homes to lift a million households out of fuel poverty. We have set up the National Wealth Fund to invest in tomorrow's industries and are leveraging private investment through events such as the International Investment Summit. We are making good progress to delivering both limbs of the Clean Energy Superpower Mission: Accelerating to Net Zero and Clean Power by 2030.
- 2.2. The action taken so far, and decisions this government is taking, means that we are acting or partially acting on all of the CCC's 35 recommendations to UK government, with the Devolved Governments progressing with their respective recommendations. The full responses to all of the CCC's recommendations are in Annex 1.
- 2.3. Actions this government has taken over the last five months go above and beyond the CCC recommendations, but we know we must continue to do more, working alongside communities and businesses, to deliver a net zero transition.

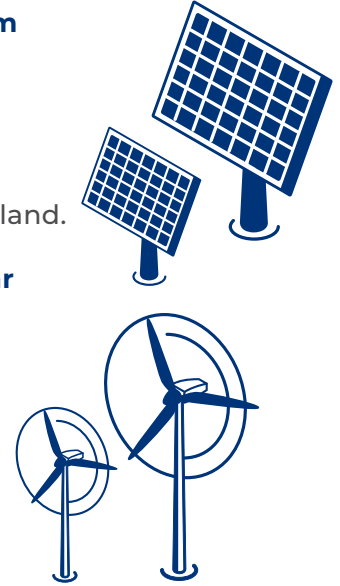
SUMMARY OF KEY ACTIONS

Over the last 5 months, this Government has

- Announced **the UK's ambitious 2035 NDC headline target** to reduce all greenhouse gas emissions by at least 81% on 1990 levels, excluding international aviation and shipping emissions.
- **Launched the Global Clean Power Alliance (GCPA) at the G20** to accelerate clean power deployment globally. The first mission on Clean Energy Finance was supported by 12 countries and the African Union and European Union.



- Launched GBE with **£125m funding announced** for 2025/26. £1.1bn of funding for offshore wind.
- Removed the de facto **onshore wind ban** in England.
- Approved **four major solar projects** and announced a **solar revolution**.
- Announced **11 new electrolytic hydrogen projects** across the UK, supported through the first hydrogen allocation round (HAR).



- Launched new funding rounds for the **Warm Homes: Social Housing Fund and Warm Homes Local Grant**.
- Launched phase 4 of the **Public Sector Decarbonisation Scheme**.
- Increase in budget for the **Boiler Upgrade Scheme** by £30m for 2024/25 so that the final budget is £180m.



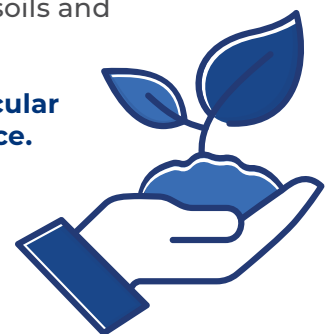
- Pushed forward with both the **SAF mandate** and the revenue certainty mechanism.
- Confirmed funding of over **£200 million** in 2025-26 to accelerate **chargepoint rollout**.



- Announced the launch of **Skills England**.
- Established an **Office for Clean Energy Jobs**.
- Launched the National Wealth Fund, **with £27.8bn** of total capitalisation to leverage private investment.
- Made record funding available of up to **£21.7bn over 25 years** for the HyNet and East Coast Clusters, launching the CCUS industry in the UK.



- Committed to create or restore at least **45,000 miles of managed hedgerows by 2050**, maintain healthy soils and grow cover crops.
- Establishing a **Circular Economy Taskforce**.



Warm homes

- 2.4. *Warmer homes, that are better insulated and powered by renewables and clean energy, will work to reduce household bills and fuel poverty, protect vulnerable people from cold winters, reduce dependency on international fossil fuel markets, and can even raise the value of homes.*

Action taken

- 2.5. This government has **committed to the Warm Homes Plan**, to improve energy efficiency in British homes and workplaces, and to support the conversion to low carbon heating in buildings. We plan on working with combined and local authorities, Devolved Governments, and the private sector to deliver a mix of policies to make our vision a reality. This will be done in a safe, high-quality manner to ensure decarbonisation measures are installed competently and lead to improvements in overall housing quality. The Warm Homes Plan will help people find ways to save money on energy bills and deliver warmer, cleaner to heat homes. Taking the first steps, the government has committed an initial £3.4 billion towards heat decarbonisation and household energy efficiency over the next three years, and will be overseeing around £3.2 billion of investment in warmer homes across 2025 to 2026 from government, social housing providers and supplier obligations.
- 2.6. Government will shortly consult on proposals for **homes in the private rented sector to meet improved minimum energy efficiency standards (MEES) by 2030**, preventing landlords from renting out homes under an energy performance certificate (EPC) rating of C or equivalent. One of the CCC's top ten priority actions focussed on obligations on landlords to improve the energy efficiency of rented homes.
- 2.7. Going further, we will consult in due course on **introducing MEES to the social rented sector by 2030**, requiring all social housing in the UK to meet an EPC rating of at least C or equivalent.
- 2.8. Additionally, we have just launched a consultation on **Reforms to the Energy Performance of Buildings regime**, which covers updating EPC metrics. This will close on 26 February 2025.
- 2.9. The CCC's Progress Report emphasised the importance of removing policy costs from electricity prices to ensure lower running costs of heat pumps compared to fossil-fuel boilers are reflected in household bills. The government is **exploring the options for making the relative price of electricity cheaper compared to gas** to ensure consumers are supported in making cleaner choices. As such, the government is considering the best and most efficient way to bring down the cost of electricity relative to gas and lower the running costs of low-carbon technologies while ensuring fairness to consumers. We will consult on these issues in due course.
- 2.10. As also highlighted by the CCC, we need to **accelerate heat pump roll out**. Installations are key to decarbonising heat and buildings. To encourage the switch to heat pumps, we have:

- Launched **new funding rounds for the Warm Homes: Social Housing Fund and Warm Homes: Local Grant**. These schemes will not only enable landlords and homeowners to switch to low carbon heating, but also support energy efficiency.
- Launched **Phase 4 of the Public Sector Decarbonisation Scheme**, which will help to decarbonise public sector buildings and reduce emissions from these buildings.
- Committed to **removing planning barriers for heat pumps**, one of the CCC's top ten priority recommendations. We intend to remove the planning barriers to heat pump deployment by providing additional flexibility through Permitted Development Rights - allowing more households in England to install an air source heat pump without the need to submit a planning application, including by removing the requirement that they must be installed at least one metre from a property's boundary.
- **Increased the budget for the Boiler Upgrade Scheme by £30 million** for the 2024/25 financial year so that the final budget is £180 million. These changes will ensure heat pump deployment can continue to increase this year, with a further confirmed increase to £295 million for the 2025/26 financial year.
- Committed to providing funding to bolster heat pump manufacturing in the UK through the **Heat Pump Investment Accelerator Competition**. This includes announcement of a first award under the Competition, investing over £5 million in Ideal Heating.
- Announced the introduction of a reformed **Clean Heat Market Mechanism (CHMM)** next year (from 1 April 2025), published a response to the most recent consultation on the scheme, and laid a draft statutory instrument to give effect to it. The CHMM will provide appliance manufacturers with the confidence and incentive to invest in scaling up supply chains and growing sales through making heat pumps an even more attractive choice for households.

2.11. Other low carbon heating solutions will also play a crucial role in the clean energy transition – particularly **heat networks**, which will be especially important in dense urban areas, where they can offer lower costs to consumers and reduced pressure on the electricity grid. We expect heat networks could provide about 20% of all heat in 2050. In addition to the measures listed above, many of which also support heat network deployment, we are taking targeted steps to grow the market for district heating:

- 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. This will, for the first time, **provide consumer protection for heat network users** and secure public trust in lower-carbon heat solutions as part of the net zero transition.

- We have invested over **half a billion pounds in funds and programmes through the Green Heat Network Fund** to develop new low carbon heat networks and the Heat Network Efficiency Scheme to improve existing ones. We recently announced details of the latest projects to benefit from these schemes, including £57 million of funding to support the construction of five heat network projects that will lead to 17,000 homes and buildings benefitting from low carbon, low cost heating, and £2.7 million to improve the operation of 33 existing heat networks and improve the service they provide their customers.
- The government is also working with industry and local authorities to prepare the heat network market for **Heat Network Zoning** and the growth it will generate. We recently announced that seven cities will benefit from £5.8 million of funding to support the development of large-scale heat networks in advance of zoning being introduced from 2025.

What's coming next?

- **Warm Homes Plan in 2025:** We will set out full details of our ambitious Warm Homes Plan in due course to support heat and building decarbonisation and slash fuel poverty for households.
- **Support improved energy efficiency standards and the deployment of clean heat:** We are planning to publish the response to the Non-Domestic Private Rented Sector MEES consultation early in 2025.
- **Introduce Heat Network Zoning:** From 2025, to enable larger-scale strategic heat networks to be built in towns and cities across the country, government has consulted on the details of heat network zoning and will respond to that consultation shortly.
- **Hydrogen for heating consultation in 2025:** The government is assessing the current evidence base before consulting on the role of hydrogen in home heating. This will provide clarity on decarbonising home heating to best support our mission to make the UK a Clean Energy Superpower.
- **Response to the Future Homes and Buildings Standards Consultation:** This will be launched in due course. Standards will set new homes and buildings on a path that moves away from relying on volatile fossil fuels. This will support our ambition that the 1.5 million homes we will build over the course of this Parliament will be high quality, well designed and sustainable.
- **New product standards for heat pumps:** We will launch a consultation to consider how new standards can make heat pumps even more efficient, alongside improvements to gas boilers that will also save carbon and reduce bills for those households who have yet to make the switch.

Clean Power 2030

2.12. *In an increasingly unstable world, the only way to permanently protect hardworking people from increased energy bills caused by volatile global gas markets is to accelerate our pathway towards greater energy independence through the deployment of clean energy. Investing in clean energy at speed and scale can help tackle the climate crisis, create good jobs, protect billpayers and ensure energy security. That is why Clean Power 2030 is one of the two limbs of our Clean Energy Superpower Mission.*⁵

Action taken

2.13. *The government has published the **Clean Power 2030 Action Plan: A new era of clean electricity**⁶, setting out how we will deliver clean power in Great Britain.⁷ In doing this we will tackle three major challenges: the need for a secure and affordable energy supply; the creation of essential new energy industries, supported by skilled workers in their thousands; and the need to reduce greenhouse gas emissions and limit our contribution to the damaging effects of climate change.*

2.14. The government announced the **creation of Great British Energy**, which will be at the heart of our mission to make Britain a clean energy superpower. This will be a publicly owned energy company with a mission to drive clean energy deployment to boost energy independence, create jobs and ensure that UK taxpayers, billpayers, and communities reap the benefits of clean, secure, home-grown energy. Great British Energy will work in partnership with the private sector, public sector organisations, local authorities, and communities to spread skilled jobs and investment across the country. Whilst Great British Energy will be set up to have an early impact and support the delivery of Clean Power 2030, in the longer term it will also help meet future demand from a net zero UK economy.

2.15. We have already **made significant progress in setting up Great British Energy**, including announcing Aberdeen as its headquarters and Juergen Maier as start-up Chair, launching recruitment for its senior leadership team, introducing the GBE Bill, and publishing its Founding Statement. Furthermore, the government announced Great British Energy's first major partnership with The Crown Estate, set out how it will work with the National Wealth Fund to invest quickly, and formed a collaborative agreement with the Scottish government on GBE partnering with Scottish public bodies. We have announced £25 million to establish the company, with a further £100 million of capital funding to spend in 2025/26. This initial investment will see Great British Energy investing in projects in 2025, starting its important work to drive forward clean energy deployment and playing its part in our work to create thousands of jobs across the country.

⁵ While Clean Power by 2030 is a target for Great Britain, this is part of the pathway to reaching net zero by 2050, which includes Northern Ireland and is a UK-wide target.

⁶ <https://www.gov.uk/government/publications/clean-power-2030-action-plan>

⁷ Energy Policy is largely devolved to the Northern Ireland Executive (NIE).

- 2.16. One of the first actions of this government was to **remove the de facto onshore wind ban** in England. Under the ban, in place since 2015, only two turbines were built. Lifting the ban paves the way for developers to start an onshore wind revolution without fear their plans will be unfairly rejected. This was one of the CCC's top ten priority actions.
- 2.17. To complement this, we published a consultation on re-integrating onshore wind into the Nationally Significant Infrastructure Projects Regime – placing it on the same footing as other critical pieces of net zero infrastructure such as nuclear, solar and offshore wind power stations – to encourage more applications.
- 2.18. However, we recognise that simply removing the ban is not enough. To meet our ambitions to radically increase onshore wind and support the decarbonisation of the power sector by 2030, we have **created an Onshore Wind Industry Taskforce** to bring together key government, industry, and other relevant organizations. The Taskforce will identify the barriers that onshore wind developers face to building projects, agree policy interventions to resolve these barriers, and set out commitments in a formal publication.
- 2.19. We used the current National Planning Policy Framework (NPPF) Consultation, launched in July 2024, to seek views on how best to reflect climate change adaptation and mitigation in strengthened planning policies and the technological readiness for carbon accounting in planning. This is in line with the CCC's recommendations to government to make overall planning policy consistency with net zero. The **consultation proposed changes to the NPPF**, which directs decision makers to give significant weight to the benefits associated with renewable and low carbon energy generation, and proposals' contributions to meeting a net zero future. We have now published our response to the consultation⁸.
- 2.20. In July, the DESNZ Secretary of State announced an **increase to the Allocation Round 6 budget**, which made it the largest budget in the history of the scheme. That resulted in the most successful allocation round to date, with 128 projects and 9.6GW of capacity secured. This included the largest floating offshore wind project in the world, contracts for Europe's largest and second largest offshore wind farm projects and a record number of solar projects. Effectively designing and implementing upcoming renewable energy Contracts for Difference auctions was another of the CCC's top ten actions.
- 2.21. The UK is a world leader in floating offshore wind (FLOW), with the largest pipeline of floating wind projects worldwide based on confirmed seabed exclusivity, at over 25 GW. Scotland is host to both the world's first and largest grid-connected floating wind farms. The Crown Estate's ongoing Celtic Sea leasing round has made available seabed for up to 4.5 GW more, and the

⁸ <https://www.gov.uk/government/consultations/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system/outcome/government-response-to-the-proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system-consultation#supporting-green-energy-and-the-environment>

- Floating Offshore Wind Manufacturing Investment Scheme (FLOWMIS)** will provide £134 million in grant funding to support the development of port facilities for large-scale floating offshore wind deployment. The Floating Offshore Wind Taskforce report, setting out a vision for FLOW in the UK to 2050, was published on 9 October at the FLOW Aberdeen conference.
- 2.22. The government has also already taken immediate **action to boost the role of solar** – approving four major solar projects and announcing a solar revolution.
- 2.23. We intend to **include emissions from waste incineration and energy from waste (EfW) in the UK Emissions Trading Scheme (ETS)** from 2028, preceded by a 2-year monitoring, reporting and verification period. The ETS sets a cap on emissions that can be released by covered sectors, which reduces in line with net zero targets. Eligible waste incinerators and EfW operators will be required to submit a UK ETS allowance for every tonne of CO₂ emitted. A consultation on expanding the UK ETS to waste was held earlier this year, and the consultation included a call for evidence on options to incentivise heat offtake through the ETS.
- 2.24. In October the government **published Decarbonisation Readiness requirements**, which require new build and substantially refurbishing combustion power plants in England to be built with a viable route to decarbonise within the plant's lifetime. Decarbonisation Readiness requirements were previously a recommendation of the CCC.
- 2.25. At the Autumn Budget 2024, the government **confirmed that it would provide support for 11 green hydrogen projects** announced in December 2023 following the first Hydrogen Allocation Round (HAR1). The 11 projects will support at least 35 offtakers to switch from imported fuels, such as natural gas and diesel, to domestically produced low carbon hydrogen. This support will be in the form of £90 million in capital grants through the Net Zero Hydrogen Fund, as well as c.£2.3 billion revenue support over 15 years through the Hydrogen Production Business Model. We are continuing to work with these projects so that they take a positive Final Investment Decision. In parallel to completing HAR1, we opened HAR2, whose application window closed on 19 April 2024. Assessment of HAR2 applications is on track, and we are currently working through the shortlisting process internally. The government remains committed to continued support of low carbon hydrogen production, aiming to kick start the UK's hydrogen economy.
- 2.26. We have **taken action on new nuclear projects** - including Sizewell C and small modular reactors – which are crucial to deliver our path to clean, secure energy beyond 2030. This builds on the output of the UK's existing fleet and the expected contribution of the first new nuclear power station in a generation, Hinkley Point C. Sizewell C is in a strong position, having this year alone commenced its Development Consent Order, acquired the main construction site, and been granted its Nuclear Site Licence. The government is the majority shareholder in Sizewell C, and in August 2024 created a new subsidy scheme of up to £5.5 billion to fund the project to June 2026. At the Autumn Budget 2024, the government **confirmed £2.7 billion of funding to**

- continue Sizewell C's development through 2025/26.** The equity and debt raise process for this project will shortly move to its final stages and will continue in the spring, and a Final Investment Decision on whether to proceed with the project will be taken in the multiyear Spending Review in 2025.
- 2.27. **Great British Nuclear (GBN)**, the government's expert new nuclear delivery body, has been administering a small modular reactor technology selection process. In September 2024, GBN down-selected four bidders, who have now been invited to negotiate. Once negotiations have concluded, the companies will be invited to submit final tenders, which GBN will then evaluate. Final decisions will be taken in Spring 2025.
- 2.28. The government has **published its response to the Hydrogen to Power (H2P): Market Intervention Consultation**, which commits to implementing a H2P business model to derisk investment and encourage accelerated deployment of this technology. This marks a key step in paving the way for H2P to support delivery of the Clean Power Mission and the UK's legally binding target net zero targets. H2P can play a key role in our electricity system at a range of scales and is the primary low carbon technology capable of providing low carbon inter-seasonal storage to help ensure the grid remains secure and balanced at all times.

What's coming next?

- **Clean Power 2030 Unit:** The government has created a new unit, led by former Chief Executive of the CCC, Chris Stark, which focuses on delivering the clean power by 2030 limb of the Clean Energy Superpower Mission.
- **Solar Roadmap:** The Solar Taskforce has been reconvened. Publication of the Solar Roadmap will follow shortly and will set out recommendations on how government and industry will work together to achieve our ambition to radically increase the UK's solar capacity by 2030.
- **Onshore Wind Policy Statement:** The Onshore Wind Industry Taskforce will publish a formal report that sets out the route to 2030 and commits to the actions needed to achieve our ambition to radically increase onshore wind deployment.
- **Allocation Round 7 of the Contracts for Difference scheme:** This will open in 2025 and the government will be looking to go even further to keep the pace of renewable deployment in line with our 2030 Clean Power goal.
- **Spatial Energy Plan:** On 22 October 2024, the UK, Scottish and Welsh governments jointly commissioned the National Energy System Operator (NESO) to develop a Strategic Spatial Energy Plan (SSEP). This is the first ever spatial energy plan for Britain, to support a more actively planned approach to energy infrastructure across Great Britain, across both land and sea. This will build upon independent advice provided by NESO on the pathway to delivering clean power by 2030. Publishing a SSEP is one of the CCC's recommendations.

Driving growth, good jobs, and competitive industries

2.29. *This government is determined to leverage private investment, support businesses to decarbonise, and put workers at the centre of the net zero transition. The UK has comparative advantage in certain clean energy industries such as offshore wind, hydrogen, and CCUS, alongside the strengths of a service-based economy. We will capitalise on these to drive growth. This government is committed to ensuring jobs and skills are strengthened while ensuring a fair transition where workers can benefit from the economic opportunities. Reindustrialising the country with thousands of skilled jobs will be key to supporting growth, ensuring businesses are able to not only reduce their emissions but also take advantage of the green transition: allowing UK industry to remain competitive globally, and supporting the millions of manufacturing jobs in regions across the UK.*

Action taken

Unlocking investment

- 2.30. London is already seen to be the leading global hub for sustainable finance – ranked first in the world for a seventh consecutive time in the Z/Yen Green Finance Index. But the government knows that to maintain this leadership we need to give the long-term certainty that the sustainable finance industry needs to scale and focus on key emerging opportunities, like becoming the global hub for transition finance. This will ensure that the UK can continue to win the race for the global business that will drive the green transition and deliver economic growth right here in the UK. Therefore, the government is **delivering the foundations of a world-leading sustainable finance framework**, with sustainable finance as one of the five priority growth opportunities for the UK financial services sector.
- 2.31. This sits alongside our proposals to deliver a major consolidation of the UK pension system to **unlock billions of pounds of new investment for the UK economy** and boost returns for savers. The 2024 Autumn Budget also confirmed £27.8 billion of capitalisation for the National Wealth Fund (NWF), which is expected to mobilise over £70 billion of private investment to support the government's Industrial Strategy, clean energy mission and growth mission.
- 2.32. Great British Energy's initial £100 million capital funding was also confirmed in the 2024 Autumn Budget, **kickstarting investments in clean energy projects in 2025**. To ensure this early funding means effective delivery, while it is established, we expect appropriate Great British Energy investment activity, set by its strategy, to be undertaken by the NWF in line with the NWF's investment and operating principles. This will enable Great British Energy to invest quickly and draw on the NWF's experience and existing pipeline of projects.
- 2.33. In the medium term, Great British Energy will accelerate the delivery of clean energy technologies, working through partnerships, including with The Crown Estate, and in lockstep with the NWF. Through its important work on project

- investment and development, as well as supply chains and local projects, Great British Energy will act on government's commitment to homegrown clean energy, catalysing significantly more private investment and providing opportunities for high quality, well-paid work across the country.
- 2.34. The government has mobilised significant private capital to support the transition to net zero as part of the **£63 billion private investment in the UK confirmed at the International Investment Summit**. This included individual commitments of £8 billion for carbon capture, utilisation and storage, £4 billion for the East Anglia 2 wind farm, £2 billion to build new solar farms and £1.3 billion for new green infrastructure, amongst other sustainable commitments. This shows industry's continued commitment to raise sustainable finance in the UK.
- 2.35. To support long-term, sustainable decision-making by the business and investment community, the government intends to consult on economically significant companies disclosing information using future UK Sustainability Reporting Standards, which will be based on the internationally interoperable ISSB Reporting Standards. Greater use of these standards will **minimise the costs to firms operating across multiple jurisdictions and maximise the consistency of information for investors**, allowing them to deploy their funding to maximum effect.
- 2.36. In the manifesto, the government committed to mandate listed companies and financial institutions to **develop and implement credible transition plans** that align with the 1.5°C goal of the Paris Agreement. The government will consult in the first half of next year on how best to take this forward in support of our ambition to become the global hub for transition finance and ensure the UK's regulatory framework is growth-focused, internationally competitive and maintains the UK's status as a global financial hub. The government's work on transition plans aims to mobilise finance to support the growth and clean energy missions, support better allocation of capital and build confidence in the market, as well as enabling business and investors to manage the risks and seize the opportunities presented by the transition to net-zero.
- 2.37. This will underpin **continued UK leadership on transition finance, which presents a major opportunity to deliver sustainable growth**. McKinsey estimates that the global market opportunity for UK companies supporting this transition could be worth more than £1 trillion by 2030⁹ and the government wants the UK to be ready to seize this. Growing the UK's transition finance market is a key priority, and the government is proud to be delivering on recommendations from the independent Transition Finance Market Review, by co-launching the Transition Finance Council with the City of London.
- 2.38. The government has **launched a voluntary set of principles for carbon and nature markets** ahead of a consultation in the new year. The principles

⁹ <https://www.mckinsey.com/capabilities/sustainability/our-insights/opportunities-for-uk-businesses-in-the-net-zero-transition#:~:text=The%20global%20market%20opportunity%20for,%C2%A31%20trillion%20by%202030.&text=This%20represents%20the%20UK's%20share,the>

for carbon and nature markets respond to longstanding stakeholder asks for greater clarity on how these credits are used and whether they are high-quality. This will unlock the full potential of these markets, which could reach the tens of billions annually by 2030, and more in subsequent decades, under the right conditions.

- 2.39. The government has also taken immediate action to **boost investor confidence, reduce greenwashing and address the lack of transparency behind ESG ratings** by publishing a consultation response and draft legislation which will bring these providers into regulation. To foster innovation and encourage growth in the sector, the government will continue to take a thoughtful and pragmatic approach to further work on a UK Taxonomy, with a consultation on its value and use cases.
- 2.40. We are currently **providing support through the Local Net Zero Hubs** to support local authorities to develop net zero projects and attract commercial investment. This work includes knowledge transfer to support other government programmes such as UK Research and Innovation's Net Zero Living programme. The **Local Net Zero Accelerator Programme** is piloting methods to support local places to leverage commercial investment at scale to accelerate the move to net zero.

Putting workers at the centre of the transition

- 2.41. To support business and boost opportunity, we have **announced the launch of Skills England** – a new national body that will bring together key partners to meet the skills needs of the next decade across all the regions and create a shared national ambition to boost the nation's skills organisation. This will involve working with industry, including consulting on eligible courses under the new flexible Growth and Skills Levy, and help kick-start economic growth. Skills England will collaborate with the Devolved Governments to boost growth and spread opportunities throughout the whole UK. This aligns with the CCC's reflections on the need to support workers in sectors that need to grow or transition.
- 2.42. We have also **established an Office for Clean Energy Jobs**, which will focus on developing a skilled workforce in core clean energy sectors, critical to meeting our mission to make the UK a clean energy superpower and boosting the role of trade unions in the clean energy sector. The Office will work with the Department for Education and support the newly established Skills England, together with the Devolved Governments, to ensure we have the skills we need to deliver the government's missions. The Office will feed into Skills England's wider assessment of the economy's structural skills needs and support targeted delivery of specific policy solutions in the energy sector. The Office is dedicated to ensuring that clean energy jobs are not only abundant, but also high quality, focusing on fair pay, favourable terms, and good working conditions.

Supporting our businesses to decarbonise

- 2.43. The **Industry Energy Transformation Fund (IETF)** supports industry to cut energy consumption and carbon emissions by investing in energy efficiency and low carbon technologies, including fuel switching to low carbon fuels. Phase 3 of the Fund has started and is looking to invest by 2028. The Spring 2024 window closed in April; we hope to be able to say more about a next phase in due course. To date the fund has supported over 150 industrial sites.
- 2.44. On Friday 4 October 2024, the government **launched the CCUS industry in the UK** by confirming it has made record funding available of up to £21.7 billion over 25 years for the HyNet and East Coast Clusters. This announcement enables industry to progress to their own financial investment decisions and, subject to the finalisation of contractual conditions and consideration of statutory processes, start construction on the UK's first two CCUS networks and three capture projects. These first projects will bring in £8 billion of private sector investment and support 4,000 direct jobs, with CCUS as a whole supporting up to 50,000 jobs in the 2030s as the industry matures.
- 2.45. Supporting industry to electrify will be key to both meeting net zero and enabling growth. A 2023 call for evidence returned valuable evidence on the barriers faced by industrial sites regarding electrification. We are **considering the best approach and conducting further stakeholder engagement to tackle these findings**, including on rebalancing electricity costs for industry, minimising grid connection delays, availability and relative support for hydrogen and electrification, driving innovation to develop and demonstrate electrification technologies at a commercially relevant scale, and accelerating site integration.
- 2.46. In January 2024, the UK ETS Authority **aligned the ETS cap with the UK's Net Zero Strategy**. This will lead to a UK ETS cap reduction from around 92 MT CO₂e in 2024 to 49 MT CO₂e in 2030, supporting our ambitious carbon budgets and Nationally Determined Contributions through a significant reduction in allowance supply.

What's coming next?

Unlocking investment

- **Industrial Strategy:** The government will introduce a new Industrial Strategy 'Invest 2035' to drive long-term, sustainable, inclusive and resilient growth through securing investment into crucial sectors of the economy. The Strategy will focus on tackling barriers to growth in our highest potential growth-driving sectors and places, creating the right conditions for increased investment, high-quality jobs, and ensuring tangible impact in communities right across the UK. The Strategy's goal is to capture a greater share of internationally mobile investment and spur domestic businesses to boost investment and scale up their growth.

Putting workers at the centre of the transition

- **Net Zero Skills:** Working with Skills England and the Devolved Governments, we will ensure that the government has clear plans in place to meet skills needs and will publish plans in due course. We will provide clarity on the role of Office for Clean Energy Jobs and the approach to ensuring we have the skilled workforce to meet our Clean Energy Mission and ensure clean energy jobs are good jobs. This links to the CCC's priority recommendation on net zero skills, to support workers in sectors which need to grow or transition, and in communities that may be adversely impacted.
- **North Sea Transition:** The government's priority is a fair, orderly and prosperous transition in the North Sea in line with our climate and legal obligations, which drives towards our clean energy future of energy security, and good, long-term jobs. The government plans to consult with stakeholders, including the offshore industry, on the implementation of its vision for the future of the North Sea and on its manifesto position not to issue new oil and gas licenses to explore new fields.

Supporting our businesses to decarbonise

- **Net Zero Council:** We are relaunching the Net Zero Council, which will provide a platform for government to work in partnership with the private sector and civil society in support of the accelerating to net zero pillar of the Clean Energy Superpower Mission.
- **Supporting industrial electrification:** The government is considering reform of wholesale electricity markets, assessing its potential impacts, and is also planning further engagement with stakeholders as we look to take action on the specific issue of industrial electricity prices. We are also working at pace with Ofgem, the National Energy System Operator and network companies to accelerate grid investment, halve the delivery time of new transmission infrastructure and reform the connections process. Next year, a new process will go live to remove stalled and unrequired projects from the queue, and reallocate capacity to projects that can demonstrate they are ready to connect. This will accelerate connection timescales for industry and new investors.

Unlocking sustainable and active transport

- 2.47. *This government is committed to delivering greener transport, supporting the missions to kickstart economic growth and to make Britain a clean energy superpower, and where consumers can benefit from the efficiencies of technologies like electric vehicles (EVs). As the current largest emitting sector, decarbonising transport is central to delivery of the UK's cross-economy climate targets, whilst directly supporting the Prime Minister's mission to make Britain a clean energy superpower and accelerate our journey to net zero.*
- 2.48. *We have taken action. This includes beginning the overhaul of public transport services and accelerating the switch to zero emission vehicles - changes that will make low carbon options a more attractive first choice for more people. Efforts to encourage public transport use will be complemented by support to encourage people to cycle, walk and wheel more, with additional benefits for health and wellbeing; and whilst rail is already the greenest form of transport, we will make rail greener still through electrification and the introduction of zero emission rolling stock.*

Action taken

- 2.49. The government has taken decisive action through the Passenger Railway Services Bill and Better Buses Bill to **bring public transport services back under public control**, and is committed to ensuring they work better for users. Where better services lead drivers to switch car journeys for public transport, that means reduced congestion, pollution and safer streets – all making the places in which we spend our time healthier and more pleasant.
- 2.50. We will be a world-leader in **the production and use of sustainable aviation fuels (SAF), introducing a SAF mandate from 2025** to generate demand and a Revenue Certainty Mechanism to spur investment in UK production. We will build the foundations today for greener aviation in the future, including delivering on our commitment to encourage airspace modernisation and drive decarbonisation through carbon pricing mechanisms. This is in line with the CCC's recommendation on the rapid growth of the SAF market.
- 2.51. This government has committed to **phasing out new cars that rely solely on internal combustion engines by 2030** and that all new **cars and vans are fully zero emission at the exhaust by 2035**. This is important given over 90% of the UK's domestic transport emissions are produced by vehicles on our roads. The rate of emissions reductions from road vehicles must fall far faster than it has in recent years to meet our carbon targets, and to share the wider benefits of cleaner air, quieter streets, and reduced running costs with more people. There are now more than 1 million electric cars on our roads, and they are having a measurable impact on emissions.
- 2.52. New requirements to reduce the emissions of new non-zero emission cars and vans between 2030 and 2035 will be supported by an **acceleration in the rollout of electric vehicle charging infrastructure** bringing the benefits to communities in all corners of the UK. In the October 2024 Budget, the government confirmed funding of over £200 million in 2025-26 to accelerate

chargepoint rollout, including funding for local authorities to install on-street chargepoints across England. This will build on the UK's existing charging network, which continues to grow at pace with over 71,000 public chargepoints.

- 2.53. Removing planning barriers for faster deployment of EV chargepoint infrastructure is one of the CCC's top ten policy recommendations. A consultation, which included proposed amendments to electric vehicle chargepoint permitted development rights, closed earlier this year. We have now considered responses to the consultation and **intend to provide additional flexibility through permitted development rights** for homeowners and businesses when installing off-street electric vehicle chargepoints. This includes permitting taller upstands, outlets and upstands within 2 meters of the highway, and facilitating the installation of equipment housing to support the operation of bigger and more powerful EV upstands in non-domestic off-street carparks.

What's coming next?

- **Consult on 2030 phase-out of new fossil-fuel cars:** The government will consult on phasing out new cars that rely solely on internal combustion engines from 2030 and will work in close partnership with industry as we implement the transition. Reinstating the 2030 phase-out of new fossil-fuel car and van sales is one of the CCC's top ten priority recommendations.
- **Maximise clean technology opportunities:** Our vision for decarbonised transport will maximise the opportunities that clean technology offers not just our climate, but also our economy. Transport policy as industrial strategy will allow us to transform existing industries – such as our world-leading automotive sector – and grow nascent industries here in the UK, including sustainable aviation fuels and clean maritime technologies. We will multiply the impact of high-ambition domestic delivery by leading internationally, supporting a global transition to decarbonised transport by exporting UK policy and technological innovation.
- **Maritime decarbonisation:** We will take action to decarbonise the UK maritime sector and will continue working with international partners to deliver the measures needed to reduce global shipping emissions at the International Maritime Organization in Spring 2025.
- **Freight and logistics sector transformation:** We will soon set out detailed plans for transforming our freight and logistics sector, helping operators benefit from improved efficiencies and consumers benefit from lower carbon goods. Our vision for freight will combine a zero-emission light- and heavy-goods vehicle fleet with increased rail freight capacity and zero emission vessels at sea – with improved, reliable infrastructure underpinning every element.

Delivering for nature and biodiversity

- 2.54. *Conserving nature and addressing climate change are two sides of the same coin. There are numerous co-benefits in preserving key ecosystems such as peatlands, which are our largest terrestrial carbon store. They are also a haven for rare wildlife and are natural providers of water regulation, helping to reduce the impacts of climate change. The government recognises that future food security will rely on a sustainable and resilient agri-food system which embeds both greenhouse gas mitigation and greater productivity - producing more with fewer inputs. Agricultural productivity is dependent on climate stability. Managing our land to mitigate climate change is important for food security in the UK.*
- 2.55. *The government committed in its manifesto to reduce waste by moving Britain towards a circular economy. As well as offering environmental benefits and the significant opportunity to reduce our carbon footprint, a circular economy offers economic resilience and a real opportunity to drive growth through investment, innovation and the provision of green jobs.*

Action taken

- 2.56. This government is firmly committed to the environmental land management (ELM) schemes and will **continue supporting farmers and landowners in their low-carbon practices**. This involves payments to create or restore at least 45,000 miles of managed hedgerows by 2050, maintain healthy soils and grow cover crops. We are committed to both decarbonising our agriculture sector and delivering food security for Britain.
- 2.57. The ELM schemes will also play a key role delivering our ambitions for forestry and peat. We will **restore hundreds of thousands of hectares of peatland** and we are developing long term delivery mechanisms for peatland restoration. For tree planting, the government has launched a national tree planting taskforce. The government has also committed in the 2024 budget to pledge £400 million in capital across 2024-25 and 2025-26 for tree planting and peatland restoration to protect soils, rivers, and biodiversity, and contribute to climate mitigation and resilience.
- 2.58. To take forward the government's commitment to move to a circular economy, we have **announced that we will establish a Circular Economy Taskforce**, comprising members from industry, academia, and civil society, to lead the **development of a Circular Economy Strategy**. The Strategy will create a future where we keep our resources in use for longer; waste is reduced; we accelerate the path to net zero; we see investment in critical infrastructure and clean energy jobs; our economy prospers; and nature thrives.

What's coming next?

- **Land Use Framework for England:** The government will publish a Land Use Framework for England. It will outline the government's commitment to stewardship of land use change and codesign of land use policy.
- **Simpler recycling:** Moving towards a circular economy will support net zero by decarbonising our waste streams, incentivising the development of new, more efficient technologies, and by reducing the amount of waste that we produce in the first place. We will further minimise waste going to landfill through Simpler Recycling, which will expand and standardise recycling provisions in England. It will end the current postcode lottery in recycling provision and provide citizens with certainty in what they should recycle, with the aim of increasing the municipal recycling rate from ~44% to ~56% by 2035 - and deliver carbon savings worth £10.5 billion.

Climate Change Adaptation

2.59. *Climate change is already affecting the UK, with wetter winters, heat waves in summers, flooding of our land and homes, erosion of our coasts and the degradation of our natural environment. These impacts are expected to increase and adapting to climate change is the only way we will manage these risks and minimise the significant costs and impacts that they pose.*

Action Taken

- 2.60. On climate adaptation, the government is **reviewing the existing approach and considering a range of options** to ensure the UK is better prepared for these changes in the climate by strengthening resilience across government and local communities.
- 2.61. We are also **improving the evidence base to inform our adaptation policy**. In September 2024 we launched a £5 million climate change adaptation hub as part of the Defra- and UKRI-funded Maximising UK Adaptation to Climate Change (MACC) programme to accelerate adaptation action research. The hub will work across the UK to implement and build crucial evidence on the efficacy of adaptation policy and interventions. The MACC programme will also deliver a series of novel climate adaptation research projects, commencing in December 2024, to expand on existing climate hazard evidence and provide solutions-oriented insights on exposure, vulnerability and adaptive action.
- 2.62. We understand that to drive progress on adaptation, it needs to be part of policymaking across the whole of government. This is why Defra and the Cabinet Office, working with HM Treasury, are using the cross-government Climate Resilience Steering Board to **ensure that climate adaptation is embedded into policy- and decision-making across government**.
- 2.63. Local government plays a vital role in climate change adaptation, both proactively through strategic planning and resilience, and reactively through emergency response and recovery. The government is supporting local

authorities and Local Resilience Forums through **improving access to climate data**. The Local Authority Climate Service pilot was launched on 9 October 2024 to provide tailored data and reports on climate change hazards at the local level.

What's coming next?

- **Reviewing our approach:** The government is reviewing the existing approach to ensure the UK is better prepared for the changing climate. We are committed to strengthening the nation's resilience, including in our approach to managing climate risks to the UK, and we are considering a range of options to achieve this. This includes further work to assess and strengthen the framework of objectives and delivery across government and on improving the evidence base for action to increase our climate resilience.
- **Accounting for the Effects of Climate Change Supplementary Green Book guidance:** This helps policymakers and analysts to consider current and potential future climate risks and the vulnerability of a policy, programme or project to these risks. Publication of the revised approach is planned for 2025.

Global leadership in Climate Change

- 2.64. *In a volatile global context, the transition to a more stable, secure, affordable and sustainable future is more urgent than ever before. The UK's domestic action is the first crucial step to restoring UK international leadership on Climate Change. We are committed to working with our international partners to mobilise action for cheap, clean, secure energy as we drive forward the global energy transition.*
- 2.65. *We know we can only have energy security for today's generations if we become a clean energy superpower. We can only have climate security for future generations if Britain shows global climate leadership.*

Action taken

- 2.66. At COP29 the Prime Minister announced the UK's ambitious and credible 2035 NDC target to **reduce all greenhouse gas emissions by at least 81% by 2035, compared to 1990 levels**, excluding international aviation and shipping emissions. This is an ambitious, economy-wide emission reduction target, covering all greenhouse gases, sectors and categories and aligned with limiting global warming to 1.5 °C, as set out in the Global Stocktake, agreed at COP28. This is a signal of the government's commitment to restoring the UK's global leadership on climate.
- 2.67. We **continue to push to unlock financial support** across several different areas. This includes pushing to accelerate reform of the Multilateral Development Banks so that they unlock hundreds of billions more to help the poorest and build a low-carbon global economy. We are also creating a new facility in British International Investment which will work with the City of

- London to mobilise billions in pension and insurance funds, to invest in boosting development and fighting climate change.
- 2.68. The government is building on our 2030 Clean Power goal to **establish a Global Clean Power Alliance** to accelerate the delivery of the global clean power transition. It will bring together a coalition of countries who share our ambition and are ready to take action to overcome the biggest challenges in delivering clean power globally.
- 2.69. The government has **appointed Rachel Kyte as the UK's Special Representative for Climate, and Ruth Davis as the UK's Special Representative for Nature** in a landmark first. They are supporting ministers through senior diplomatic engagement to advance our strategic priorities on climate, nature and clean energy.
- 2.70. We are committed to the protection and restoration of forests and ensuring that nature is at the heart of action on climate. We continue to **work together with partners to tackle forest loss** whilst enhancing local and Indigenous Peoples and Local Communities (IPLC) livelihoods. This is being done through programmes like Investments in Forests and Sustainable Land Use, and Mobilising Finance for Forests. We are also ensuring sustainable stewardship is rewarded through REDD+ ('Reducing emissions from deforestation and forest degradation in developing countries') initiatives like the Amazon Fund and REDD Early Movers, and by scaling high-integrity forest carbon markets through the LEAF Coalition.

What's coming next?

- **Submission of the ICTU to the UNFCCC:** The announcement of the 2035 NDC headline target at COP29 will be followed by submission of the detail underpinning the NDC – known as Information to facilitate Clarity, Transparency and Understanding (ICTU) - to the United Nations Framework Convention on Climate Change (UNFCCC), ahead of the February 2025 deadline.
- **Hosting the International Energy Agency's "Future of Energy Security" Summit:** This Summit will bring together energy ministers and key decision makers from around the world to shape the future of energy security, seeking to build a holistic approach that meets our changing needs as we transition towards net zero energy systems and confront a complex set of energy security risks and challenges. The Summit will be hosted in London on 24-25 April 2025, and we are working with our partners to deliver an impactful and action-oriented event.
- **Leveraging finance:** We are taking action to unlock finance by making the UK the green finance capital of the world by using the City of London to leverage its history of financial innovation and commitment to sustainability to develop and promote green financial products. We will continue to push to accelerate the global transition through existing initiatives such as the Breakthrough Agenda and pursue a new Global Clean Power Alliance, and by co-launching the Transition Finance Council.
- **Submission of the UK's first Biennial Transparency Report (BTR):** Parties to the Paris Agreement are required to submit BTRs every two years, which should among other things cover national inventory reports, progress towards NDCs, climate change impacts and adaptation, and policies and measures. Transparent and clear reporting on the UK's progress towards our international commitments is one of the CCC's recommendations.
- **Submission of the UK's next Biennial Finance Communication:** This is a forward-looking report on the UK's international climate finance support, required under the Paris Agreement.

3. The Devolved Governments

The role of the Devolved Governments

- 3.1. The Devolved Governments in Scotland, Wales and Northern Ireland play a vital role in delivering the UK's overarching net zero ambitions. They each have statutory targets and carbon budgets, which require action in devolved and non-devolved policy areas.

Scotland

Action taken

- 3.2. In the last year, the Scottish Government has undertaken a number of legislative, policy and delivery actions to drive emissions reductions. These actions are additional to the over 200 policies outlined in the most recent Climate Change Plan update¹⁰, and the climate change action policy package¹¹ announced in April 2024.
- **Established a new circular economy policy and legislative framework** through the Circular Economy (Scotland) Act 2024, passed unanimously by the Parliament in June 2024, and the Circular Economy and Waste Route Map, which is due to be finalised by end of 2024. They will help deliver Scotland's transition to a zero waste and circular economy, significantly increase reuse and recycling rates, modernise waste and recycling services, and help tackle plastic pollution and waste.
 - In June 2024, the Scottish Parliament passed the Agriculture and Rural Communities (Scotland) Bill, which will **reform how the government will support farming and food production in Scotland**.
 - In November 2024, the Scottish Government passed the Climate Change (Emissions Reduction Targets) (Scotland) Act. The Act **implements a carbon budget approach to target-setting**, as recommended by the Climate Change Committee.
 - Established a Climate Delivery Framework between national and local government to agree shared approaches to delivering action on climate change. This will enable **better alignment between national and local targets** and to jointly address the challenges and barriers to delivery.
 - Committed up to £5.5 million in funding for 2024-25 for the Scottish network of Community Climate Action hubs across the country, alongside a support package for delivery. The national network of 24 community climate action hubs drive awareness of the climate emergency and empower people to act in their neighbourhoods.
 - In September 2024, Scotland **published its third Scottish National Adaptation Plan** and an associated adaptation monitoring framework. The

¹⁰ <https://www.gov.scot/publications/securing-green-recovery-path-net-zero-update-climate-change-plan-20182032/>

¹¹ <https://www.gov.scot/publications/climate-change-action-policy-package/>

Plan sets out the actions that the Scottish Government and partners will take to respond to the impacts of climate change between 2024-2029.

- 3.3. The Scottish Government remains fully committed to delivering net zero by 2045 and its next Climate Change Plan will **set out its approach to delivering on Scotland's net zero target** in a way which is just and fair for everyone. Between 1990 and 2022, Scotland's emissions halved while the economy grew by 67%, demonstrating that a thriving economy and falling emissions are not just compatible but can support each other.
- 3.4. As emphasized by recent advice from the Climate Change Committee, the Scottish Government knows that the second half of our journey will be even more challenging. This is why it is bringing forward work to deliver ambitious climate change action across the key sectors for emissions reduction.

What's coming next?

- **Draft Implementation Plan:** This will be published by the end of 2024. The Plan will identify the key actions to be taken to deliver Scotland's Vision for Scotland's public EV charging network.
- **Draft Climate Change Plan:** Scotland will consult on the plan, covering the period of 2026 – 2040, setting out a pathway to achieving climate targets.
- **Energy Strategy and Just Transition Plan:** This will be published in due course, as outlined in the Programme for Government 2024/2025. Following consultation in 2023, there have been UK-wide policy developments that have a direct impact on Scotland's energy sector, and it is therefore important that we take time to consider these.
- **Updated route map to achieving our ambition of reducing car use by 20% by 2030.** The route map will set out a timeline for demand management.
- **Next steps on Heat in Buildings and Social Housing Standards:** Scotland will use responses to its recent consultation on proposals for a Heat in Buildings Bill, a Social Housing Net Zero Standard and EPC reform to inform its next steps.

Wales

Action taken

- Just Transition Framework consultation¹², December 2023.
- Welsh Housing Quality Standard¹³ (WHQS) updated and effective from April 2024.
- New workplace recycling regulations¹⁴ implemented in April 2024.

¹² <https://www.gov.wales/just-transition-framework>

¹³ <https://www.gov.wales/welsh-housing-quality-standard-overview>

¹⁴ <https://www.gov.wales/workplace-recycling>

- Heat Strategy for Wales¹⁵, July 2024.
 - National Forest Status scheme¹⁶ launched in September 2024.
 - Reports published by the independent Net Zero 2035 Challenge Group, September 2024.
 - Climate Adaptation Strategy¹⁷, October 2024.
- 3.5. The CCC's latest report underscores the need for Wales to intensify its climate actions, enhance adaptation strategies, and ensure comprehensive and integrated approaches to addressing climate change.
- 3.6. Over the last 12 months, the Welsh Government has been focusing on achieving its ambitious net zero target in preparation for **publishing a plan in 2026**, setting out how Carbon Budget 3 (2026-30) will be met. This includes monitoring the progress of policies and proposals set out in the second Carbon Budget (CB2) plan¹⁸, as well as developing an ambitious pathway for Carbon Budget 3 with collaboration from all emission sectors.
- 3.7. In October 2024, the Welsh Government **published its latest Climate Adaptation Strategy**, aligned to the CCC's systems-based adaption monitoring framework. This supersedes the Prosperity for all: a climate conscious Wales¹⁹, published in 2019. An associated new adaptation monitoring framework will also be published shortly. The Welsh Government's ambition is to enhance climate resilience by focusing on preparing for and responding to the impacts of climate change. The latest plan covers key themes such as resilience building, integration into planning, nature-based solutions, risk management, monitoring and evaluation and increasing public awareness and engagement.
- 3.8. As Wales progresses toward net zero emissions, ensuring an effective and equitable transition is crucial. The Welsh Government aims to not only protect existing industries and workers but also to enhance them by developing future-ready skills and shielding the vulnerable from disproportionate costs. Following a call for evidence in late 2022, The Welsh Government **launched its Just Transition Framework²⁰ for public consultation** in late 2023, with plans to finalise it in 2025. This Framework will guide the CB3 plan in 2026, supporting its commitment to a fair transition by promoting collaboration, managing risks, and maximizing benefits under the Wellbeing of Future Generations Act.

¹⁵ <https://www.gov.wales/heat-strategy-wales>

¹⁶ <https://www.gov.wales/national-forest-wales-guidance-land-managers>

¹⁷ <https://www.gov.wales/climate-adaptation-strategy-wales-2024>

¹⁸ <https://www.gov.wales/net-zero-wales-carbon-budget-2-2021-2025>

¹⁹ <https://www.gov.wales/prosperity-all-climate-conscious-wales>

²⁰ <https://www.gov.wales/just-transition-framework>

What's coming next?

- Timber Industrial Strategy consultation (2025)
- Just Transition Framework (2025)
- Adaptation monitoring framework (2025)
- CCC advice on the level of Carbon Budget 4 (2031-35) is expected in May 2025
- Carbon Budget 3 Plan (2026)

Northern Ireland

Action taken

- Summary of consultation responses for the 2030 and 2040 emissions reduction targets and the level of the first three carbon budgets published in May 2024.
 - Launched the £20 million Energy Efficiency Capital Grant during May 2024.
 - Regulations for Public Body climate change reporting operational on 3 May 2024.
- 3.9. Delivery progresses on the **legislative requirements arising from the Climate Change Act (Northern Ireland) 2022**. The Department of Agriculture, Environment and Rural Affairs met the first requirement of this Act, bringing into operation on 3 May 2024 the 'Climate Change (Reporting Bodies) Regulations (Northern Ireland) 2024', which place climate change reporting duties on specified public bodies.
- 3.10. Following public consultation, a summary of the responses to the setting of Northern Ireland's (NI) 2030 and 2040 emissions reductions targets and first three carbon budgets was published on 8 May 2024. Responses were positive, with over 70% of respondents supporting the proposals.
- 3.11. The Department for the Economy (DfE) continues to lead the **delivery of the Northern Ireland Executive's 'Energy Strategy – Path to Net Zero Energy'**, publishing the 2024 Action Plan and an Open Call for Energy Research. DfE also launched a new 5-year £40 million Energy & Resource Efficiency Programme offering grants of up to £150k to local businesses. DfE continues to scale decarbonisation investment in the public sector estate with £27 million invested in 2024. DfE contributed £2.5 million additional funding into NI Sustainable Energy programme to support low-income households to install energy efficiency measures.
- 3.12. The Department for Communities (DfC) invested £14.365 million capital in the Affordable Warmth Scheme in 2023/24, supporting 2,746 low-income households to install energy efficiency measures in their homes.
- 3.13. The following consultations have been taken forward by NI Departments during 2024:

- **Rethinking Our Resources: Measures for Climate Action and a Circular Economy in NI**, including proposals to improve the quality and quantity of recycling, reduce food waste and landfill rates.
- **Call for Evidence** on A Future Focused Review of the Strategic Planning Policy Statement (SPPS) on the issue of Climate Change, which will help shape future policies to improve how the NI planning system responds to climate change.
- **Call for evidence** on biomethane in May, and a consultation on the future of support for low carbon heating was published in October, to be followed by a further publication on as DfE seeks views on a range of issues relating to heat decarbonisation in the path to net zero energy.
- **Offshore Renewable Energy Installation** policy options for NI, providing opportunity for stakeholder input into offshore renewable energy policy development and will be an important step to reducing emissions from energy production.
- **Support for Low Carbon Heat in the Residential Sector** policy options on heat pump support in Northern Ireland.
- **Design Plan for the Roll-Out of Smart Meters** shaping the roll-out plan and in turn help us reach our Energy Strategy and Climate Change goals and maximise benefits to the consumer.
- **Utility Regulator (Support for Decarbonisation Preparation) Bill** to empower the Utility Regulator to support the department in development of essential net zero energy policies.
- The **NI Blue Carbon Action Plan**, which outlines action to protect and restore natural carbon stores in the marine and coastal environment, and their potential role as nature-based solutions to climate change mitigation and adaptation.
- Pre-consultation stakeholder engagement on **Fuel Poverty strategy**.
- The Northern Ireland Executive is producing a **plan to decarbonise the power sector** in line with the targets enshrined in law via the Climate Change (Northern Ireland) Act (2022) of 80% of electricity consumption to come from renewable sources by 2030 and net zero by 2050. Taking a holistic four nations approach will increase the benefit for the entire UK.
- The Northern Ireland DfE continues to promote the Green Economy and support businesses to optimise strategic opportunities emerging from the global drive to net zero. Northern Ireland is well positioned in the UK and Europe to become an important player in the development of low carbon enabling technologies to assist key opportunity areas such as low carbon heat, energy generation and transport, delivering against global net zero targets.
- By focusing on core net zero technologies, Northern Ireland can also become a global leader and accelerate the growth of a net zero economy. This will have the dual purpose of developing and implementing green technologies that will reduce carbon emissions but also provide the opportunity to grow local supply chains and to export these technologies

and supporting components globally. Northern Ireland can also become a 'greenshoring' destination of choice for companies wishing to establish a low carbon/net zero manufacturing base and supply chains whilst capitalising on all Ireland opportunities within the Single Electricity Market.

What's coming next?

- Set by regulations **NI's first three carbon budgets**, and if assessed as required, amend the Act to set revised 2030 / 2040 emissions reduction targets.
- Publish NI's first **five-year Climate Action Plan for a 16-week consultation**.
- Make regulations to establish a **Just Transition Commission and a NI Climate Commissioner**.
- Publish the **Circular Economy Strategy for Northern Ireland** pending Executive approval.
- Launch a new **Fuel Poverty Strategy** for NI.

4. Looking ahead

- 4.1. This is just the beginning. There is more to come to boost the UK's energy security, protect consumers, and drive forward economic growth.
- 4.2. The upcoming publications and moments for the Clean Energy Superpower Mission will further detail government's ambition and commitments to delivering net zero by 2050 and power decarbonisation by 2030.
- 4.3. We will publish a detailed plan, updating the policies and proposals that will enable us to meet carbon budgets 4 to 6 and our NDCs.
- 4.4. By June 2026, we will set the pathway to Carbon Budget 7, a crucial marker for our pathway to net zero. This will bring with it the next plan for meeting carbon budgets and our 2030 and 2035 NDCs, charting our pathway out to 2042 and keeping us on track for net zero emissions by 2050. The government is committed to thorough consideration of co-benefits in decision-making along the journey to net zero.
- 4.5. All these moments will be underpinned by the UK government's mission-led approach, to ensure we deliver a transition to net zero that maximises growth, and delivers for communities, business and industry.

Annex 1: Responses to the CCC's priority recommendations

Priority recommendations for the UK Government

ID	Sector	Recommendation	Response
R202 4-011	Cross-cutting	<p>Make electricity cheaper. Reduce electricity prices by removing market distortions to help encourage consumers and businesses to move towards lower-carbon electric technologies. This should include removing a range of policy and social costs that are currently levied on electricity bills, including legacy policy costs associated with the historical deployment of less mature low-carbon electricity generation.</p>	<p>The government is keen to explore the options for making electricity cheaper relative to gas, and wants to ensure that consumers are supported in order to make choices which can save them money off bills and will help us reach our 2050 net zero target. Despite heat pumps being typically more than three times as efficient as gas boilers, given the high price of electricity compared to gas, the incentives are not yet good enough for all consumers to make the switch, as this efficiency is not always reflected in the running costs. As such, the government is considering the best and most efficient way to bring down the cost of electricity relative to gas and lower the running costs of low-carbon technologies.</p> <p>We will launch a consultation on these issues in due course to work out the best approach, and an approach that is fair, in particular to those in fuel poverty.</p> <p>The government recognises the importance of continuing to strengthen the UK ETS while maintaining and harnessing the market-based benefits of emissions trading. By placing a net zero consistent limit on emissions, we allow the market to determine the UK ETS allowance price and where and when cost effective decarbonisation happens to deliver the required emissions reductions.</p> <p>The UK ETS Authority brought into force the net zero consistent limit on emissions (the cap) as of 1 January 2024. This will lead to</p>
R202 4-012	Cross-cutting	<p>Strengthen the UK ETS. Make the necessary changes to the Emissions Trading Scheme (ETS) to ensure that the price of allowances in each carbon budget period is larger than the per-tCO2 cost of all necessary decarbonisation approaches (such as carbon capture and storage) outlined in the Carbon Budget Delivery Plan for all emitters covered by the Scheme. This could include a higher</p>	<p>The government recognises the importance of continuing to strengthen the UK ETS while maintaining and harnessing the market-based benefits of emissions trading. By placing a net zero consistent limit on emissions, we allow the market to determine the UK ETS allowance price and where and when cost effective decarbonisation happens to deliver the required emissions reductions.</p> <p>The UK ETS Authority brought into force the net zero consistent limit on emissions (the cap) as of 1 January 2024. This will lead to</p>

ID	Sector	Recommendation	Response
		<p>carbon price floor and/or linkages with the EU ETS.</p>	<p>a UK ETS cap reduction from around 92 MT CO₂e in 2024 to 49 MT CO₂e in 2030, supporting our ambitious carbon budgets and Nationally Determined Contributions through a significant reduction in allowance supply.</p> <p>The UK ETS Authority has consulted on and confirmed its intention to expand to domestic maritime, energy from waste and engineered greenhouse gas removals. In the last year, the UK ETS Authority consulted on the details of these expansions as well as on reforms to market stability mechanisms to protect against demand shocks, such as a supply adjustment mechanism. The Authority will progress and respond to these consultations in due course and will also continue to explore expanding the scheme to more sectors of the economy, including high emitting sectors.</p> <p>These proposed reforms will strengthen the UK ETS and, in combination with other enabling policies, support the cost-effective decarbonisation investment required by Carbon Budgets 4-6 and our Nationally Determined Contributions.</p>
R202 2-128	Cross-cutting	<p>Publish an action plan for Net Zero skills. Publish an evidence-based Green Jobs Plan that includes a comprehensive assessment of when, where and in which sectors there will be skills gaps specific to Net Zero. This should include consideration of particular barriers to inclusive and accessible labour market entry into occupations needed for the transition and government plans for action on the skills system to facilitate entry into these occupations.</p>	<p>DESNZ has set up the Office for Clean Energy Jobs which will advance the role of trade unions and support tackling workforce and skills challenges in core energy and net zero sectors critical to meeting our mission to make the UK a clean energy superpower.</p> <p>Working with Skills England, we will ensure that the government has clear plans in place to meet the skills needs of its programme and will publish our plans in due course.</p> <p>We will also work with industry to support them to increase diversity of the clean energy workforce.</p>

ID	Sector	Recommendation	Response
R202 3-169	Cross-cutting	<p>Publish strategy for workers and communities affected by the transition. As part of the Green Jobs Plan, publish a strategy for workers and communities in those areas of the economy affected by industries that are expected to experience job losses as a result of the Net Zero transition, including by providing reskilling packages and tailored support to transition to alternative low-carbon sectors.</p>	<p>The Office for Clean Energy Jobs and Oil and Gas Teams are taking a proactive role to look at options to ensure a just transition for workers. For example, we recently announced that the UK government has joined as a strategic partner in the Skills Passport project to accelerate its delivery. The Energy Skills Passport aims to support oil and gas workers in transitioning to renewable energy, by mapping out career pathways for suitable roles and recognising transferable skills and qualification, with an initial version expected to be live by January 2025.</p> <p>The government plans to consult on implementing its manifesto position to halt the issuance of new oil and gas licenses for exploring new fields. The response to the consultation will form part of the government's plan for a phased and responsible transition in the North Sea.</p>
R202 4-030	Cross-cutting	<p>Strengthen NAP3 with a vision that sets clear objectives and targets and reorganise government adaptation policy. Adapting to a changing climate is essential to address a wide range of risks and is a pre-requisite for delivering the UK's path to Net Zero. The Third National Adaptation Plan (NAP3) should be strengthened to make adaptation a fundamental aspect of policymaking across all departments, including through setting clear objectives and measurable targets.</p>	<p>In its manifesto, this government recognised that preparing for the future not only means tackling the climate and nature emergencies, but also adapting to the changes they will bring. We are committed to strengthening the nation's resilience, including in our approach to managing climate risks to the UK. We accept the CCC's recommendation for the need to reset and strengthen the government's approach to climate adaptation and to accelerate and further embed progress. We are considering a range of options to achieve this and plan to set out our refreshed approach in due course.</p> <p>In the meantime, Defra and the Cabinet Office, working with HM Treasury, are using the cross-government Climate Resilience Steering Board to ensure that climate adaptation is embedded into policy- and decision-making across government, including through</p>

ID	Sector	Recommendation	Response
R202 3-155	Cross-cutting	<p>Make overall planning policy consistent with Net Zero. Review and update the National Planning Policy Framework to ensure that Net Zero outcomes are consistently prioritised throughout the planning system, making clear that these should work in conjunction with, rather than being overridden by, other outcomes such as development viability.</p>	<p>Spending Reviews. We are working to continue this progress and ensure that climate adaptation is embedded across government.</p> <p>We used the recent NPPF Consultation (launched in July 2024) to seek views on how best to reflect climate change adaptation and mitigation in strengthened planning policies. The consultation proposed changes to the NPPF which direct decision makers to give significant weight to the benefits associated with renewable and low carbon energy generation, and proposals' contributions to meeting a net zero future. In doing so, this would aim to increase the likelihood of local planning authorities granting permission to renewable energy schemes and contribute to reaching zero carbon electricity generation by 2030.</p> <p>Further to this, the consultation also sought views on whether carbon can be accurately measured and accounted for in planning and planning decisions, to establish industry readiness and identify any challenges to widespread use of carbon assessments in planning.</p> <p>We have recently responded to the consultation, including setting out next steps.²¹</p>
R202 3-165	Cross-cutting	<p>Publish guidance for businesses on the use of carbon offsets. Publish guidance for businesses on what activities it is appropriate to 'offset' and when. This guidance should include</p>	<p>The UK government recognises the role high-integrity carbon markets can play in enabling businesses to contribute to the net zero transition. Integrity is critical to unlocking the full potential of these markets. To achieve this, carbon credits must represent the benefits they claim and their use must complement, and not</p>

²¹ <https://www.gov.uk/government/consultations/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system/outcome/government-response-to-the-proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system-consultation#supporting-green-energy-and-the-environment>

ID	Sector	Recommendation	Response
		<p>confirmation that a business can only accurately use carbon credits to claim to be 'Net Zero' once nearly all emissions are reduced, and the remaining emissions are neutralised by high-quality permanent removals. Formalise this definition of Net Zero through existing levers.</p>	<p>displace, ambitious science-aligned action to cut value chain emissions.</p> <p>In recognition of the need for greater clarity on what integrity means in practice, at COP 29 the UK government launched its Principles for Voluntary Carbon and Nature Market Integrity, to support organisations engaged in discretionary action towards net zero and nature positive transitions. Further, the UK government will consult publicly in the new year, on how these principles could be applied to support the high integrity use of markets as finance and ambition raising measures. This will include our intention to endorse key outputs of two global integrity initiatives seed funded by the UK COP26 Presidency: the Integrity Council for the Voluntary Carbon Market, and the Voluntary Carbon Market Integrity initiative (VCMI). The consultation will consider how these outputs could be reflected in UK policy, regulation and guidance. These initiatives have provided some much-needed clarity. It is now important that government and other actors, respond and work towards a common understanding around market rules.</p>
R202 3-162	Cross-cutting	<p>Improve public engagement on low-carbon choices. Empower people to make low-carbon choices by communicating the most impactful ways to reduce emissions, such as changing car travel, home energy use and dietary behaviours and reducing air travel, and support people to make these choices including through regulation and incentives. The Government should lead by example by visibly adopting these low-carbon choices.</p>	<p>This government made a commitment to tread lightly on people's lives and our mission to make the UK a clean energy superpower will put more power in the hands of consumers, giving them greater control and more choice. We are committed to ensuring that everyone has the opportunity to contribute to the transition to net zero, supporting people and communities to take action and demonstrating the benefits of the transition.</p> <p>This government's approach to net zero is built on the principle of fairness. This includes fairness to workers across the country, where we will decarbonise and reindustrialise with thousands of new jobs and, in doing so, grow the economy and deliver good,</p>

ID	Sector	Recommendation	Response
R202 2-119	Cross-cutting	<p>Develop risk mitigation and alternative plans. Develop and begin to implement alternative options to address the range of risks to meeting the 2030 Nationally Determined Contribution (NDC) and carbon budgets. These should broaden the set of emissions reductions pursued. The timeline for implementing the plans should consider the time it takes for policies to take effect.</p>	<p>clean jobs. Communities across the UK will feel the impacts of the transition differently, particularly disabled people and other groups, and focusing on a just transition is crucial if we are all to feel these benefits. We will seek to bring businesses and civil society along with us to achieve this just and prosperous transition.</p> <p>We will set out government's approach to engaging the public in a Public Participation Strategy to be published in 2025. This will include how we will support people to adopt new technologies, as well as opportunities to ensure that public views are considered in the development of policy. We will give particular consideration to involving local communities and engaging more vulnerable groups, as well as empowering other organisations to do the same.</p> <p>Ensuring the voice of disabled people is properly heard is a priority for this government. We aspire to engage closely with disabled people and disabled people's organisations to understand their lived experiences.</p> <p>Government and other organisations must also play their part in decarbonising their own operations. As part of this, the Greening Government Commitments target framework was established, which covers the period April 2021 to March 2025.</p>
			<p>The government is committed to publishing a comprehensive and detailed plan outlining the policies and proposals it has in place to meet the 2030 and 2035 NDC and carbon budgets up to 2037. The plan will include consideration of delivery risks and mitigations. The publication will also provide indicative implementation dates for policies and proposals, however these dates may change as proposals and policies develop over the coming decade. Some are also subject to funding decisions at future Spending Reviews.</p> <p>When developing policies and proposals, the government</p>

ID	Sector	Recommendation	Response
R202 4-029	Surface Transport	<p>Reinstate the phase-out of new fossil-fuel cars and vans by 2030. Bring forward the phase-out date for new petrol and diesel cars from 2035 to 2030. This should be supported by policies to remove barriers to people choosing electric vehicles.</p>	<p>considers alternative pathways and policy levers to meet its carbon targets.</p> <p>As set in its manifesto, the government is committed to phasing out new cars that rely solely on internal combustion engines by 2030. The Zero Emission Vehicle (ZEV) Mandate already requires 80% of all new cars and 70% of new vans to be ZEV by 2030. To support the transition, the government will accelerate the rollout of chargepoints alongside working closely with industry to address concerns and misconceptions about electric vehicle batteries and promote consumer confidence in ZEVs.</p>
R202 4-032	Surface Transport	<p>Remove planning barriers for EV chargers. Implement the changes proposed in the recent consultation on permitted development rights that would make it easier to install electric vehicle charge points.</p>	<p>The government is committed to accelerating the roll-out of charging infrastructure so that everyone, no matter where they live or work, can make the transition to an electric vehicle. In the Autumn 2024 Budget, government confirmed funding of over £200 million in 2025-26 to accelerate chargepoint rollout, including funding for local authorities to install on-street chargepoints across England. This will build on the UK's existing charging network, which continues to grow at pace with over 71,000 public chargepoints. A consultation on amendments to the permitted development right that supports householder and business electric vehicle charging points in off-street settings was held in Spring 2024.</p> <p>We have now considered responses to the consultation and intend to facilitate the further rollout of charge points by providing additional flexibilities for homeowners and businesses when installing electric vehicle charge points. This includes permitting taller upstands, outlets and upstands within 2 metres of the highway and facilitating the installation of equipment housing to support the operation of bigger and more powerful EV upstands in non-domestic off-street car parks.</p>

ID	Sector	Recommendation	Response
R202 4-010	Surface Transport	Accelerate EV van uptake. Develop further policies and incentives to accelerate zero-emission van uptake, working with major van fleet operators to understand and overcome barriers to uptake (for example charging and access to finance).	<p>Alongside favourable tax rules, the plug-in van grant (PIVG) has supported over 90,000 vans and heavy goods vehicles into use across the UK. In the Autumn 2024 Budget, the government announced the extension of the PIVG until at least the 2025/26 financial year. Regulatory flexibilities are already in place for driver licence and operator licence rules to align regulations for heavier alternatively fuelled vans with their petrol and diesel equivalents.</p> <p>Road safety is a primary consideration in assessing any potential future changes to regulatory weight thresholds around driving licences, road worthiness (MOT) testing, drivers' hours and tachograph rules. Steps are also being taken to make it easier for vans and fleets to charge, with chargepoint operators required to open their chargepoints to third party roaming providers, and to offer contactless payment. We will continue to liaise with industry to support the electric van transition.</p>
R202 3-149	Surface Transport	Publish local transport plan guidance. Publish guidance to local authorities on what should be covered in local transport plans to enable people to switch to lower-carbon modes of travel. This should include consistent guidance on how to quantify the emissions reductions that these measures can be expected to deliver as well as long-term clarity on what funding streams will be available to implement plans.	<p>The Department for Transport is working to update Local Transport Plan guidance for local authorities. This guidance will set out how local authorities can support greener, integrated local transport networks, aligning with the Integrated National Transport Strategy the department will also publish.</p> <p>In addition, the Department is planning to publish best practice guidance for local authorities on how to quantify the carbon emissions for local transport policy interventions. The government is committed to giving long-term funding to local authorities for local transport and will confirm details of the funding available as part of future Spending Reviews.</p>
R202 4-016	Buildings	Reinstate the new boiler phase-out to cover all homes. Remove the exemption of 20% of premises from the 2035 phase-	<p>The government's manifesto made clear that it would not force anyone to rip out their boiler. The government believes the best way forward is to put in place the right incentives so that it is in</p>

ID	Sector	Recommendation	Response
R202 4-017	Buildings	<p>out of new fossil-fuel boilers. This should be supported by policies to remove barriers to people choosing low-carbon heating options.</p> <p>Reinstate requirements on landlords to improve energy efficiency in rented properties. Set out and implement plans to improve energy efficiency in privately rented homes in England, filling the emissions reduction gap left by removing requirements for properties to reach EPC C by 2028.</p>	<p>consumers' interests to make the switch to cleaner, affordable heating. We will set out its plans for the transition in the Warm Homes Plan in due course.</p> <p>The requirement for properties to reach EPC C was proposed in a 2020 consultation, but not implemented.²²</p> <p>We will shortly consult on new proposals for homes in the private rented sector to meet increased minimum energy efficiency standards (MEES) in England and Wales by 2030- increasing MEES in the private rented sector and preventing landlords from renting out homes under an EPC rating of C or equivalent.</p> <p>Increasing MEES in the private rented sector would help contribute to reduced energy bills and is therefore important in the delivery of the statutory 2030 fuel poverty target. It would also help drive reduction of domestic carbon emissions in line with net zero. Current minimum standards in the private rented sector require properties to have an EPC band E, or to register a valid exemption.</p> <p>Going further, we will also consult in due course on introducing MEES to the social rented sector by 2030, requiring all social housing in the UK to meet an EPC rating of at least C or equivalent.</p>
R202 4-015	Buildings	<p>Remove planning barriers for heat pumps. Implement the changes proposed in the recent consultation on permitted development rights that would</p>	<p>A consultation, which included proposed amendments to the domestic air source heat pump permitted development right, closed earlier this year. We have now considered the responses and are removing planning barriers to heat pump deployment by providing</p>

²² To note, the requirement for domestic PRS properties to reach EPC C was only a consultation proposal which was not taken forward, rather than a requirement for domestic PRS properties to reach EPC C which was later withdrawn.

ID	Sector	Recommendation	Response
R202 4-013	Buildings	<p>make it easier to install air source heat pumps.</p> <p>Introduce a comprehensive programme for decarbonisation of public sector buildings. Introduce a multi-year programme to decarbonise public sector buildings. This should set out strategic plans for when best to take the required decarbonisation actions in buildings across the public estate and should be supported by long-term capital settlements.</p>	<p>additional flexibility through Permitted Development Rights - allowing more households in England to install an air source heat pump without the need to submit a planning application, including by removing the requirement that they must be installed at least one metre from a property's boundary.</p> <p>Our strategic approach to decarbonising public sector buildings focuses on providing access to capital, access to the specialist skills required to carry out heat decarbonisation planning and project development, and ensuring organisations have the right information and incentives to act. To support this approach, the public sector decarbonisation programme includes the Public Sector Decarbonisation Scheme (PSDS) which provides capital grants for heat decarbonisation projects. This sits alongside other strategic policy measures to strengthen sectoral capacity and capability, such as the Low Carbon Skills Fund and Public Sector Decarbonisation Guidance, and our development of guidance to support organisations to monitor, report and take control of their own emissions.</p> <p>We have launched Phase 4 of the PSDS which will help decarbonise public sector buildings and reduce emissions from these buildings. For Phase 4 of the PSDS we have moved to a more targeted method of allocating funding to ensure that emissions are being cut most effectively. This should improve the targeting of funding towards high quality projects that contribute most to the scheme's carbon saving goal.</p> <p>We also recognise that public sector buildings will have an important role to play in low carbon heat networks; the intention for future phases of PSDS is to encourage heat network connections,</p>

ID	Sector	Recommendation	Response
R202 4-014	Buildings	<p>Accelerate heat pump roll-out. Develop and implement plans to substantially accelerate the installation of heat pumps in the next few years. These should include strongly and credibly signalling that appropriate supporting policies (for example, the Boiler Upgrade Scheme, Home Upgrade Grant, Local Authority Delivery Scheme, Social Housing Decarbonisation Fund, Energy Company Obligation and public sector decarbonisation) will continue to be fully funded as required beyond the Spending Review period.</p>	<p>where relevant. Future funding arrangements will be determined at the spring Spending Review.</p> <p>Heat pumps will have a major role to play in all pathways to net zero. We are taking significant steps to increase deployment. We have increased the budget for the Boiler Upgrade Scheme by £30 million for the 2024/25 financial year so that the final budget is £180 million. These changes will ensure heat pump deployment can continue to increase this year, with a further confirmed increase to £295 million for the 2025/26 financial year. This is alongside the introduction of the Clean Heat Market Mechanism from 1 April 2025, and we have announced the first winner under the Heat Pump Investment Accelerator Competition. To make it easier for homeowners to install a heat pump, we also intend to remove planning barriers to heat pump deployment by extending Permitted Development Rights. Full details of the government's plan to significantly increase heat pump deployment will be set out in the Warm Homes Plan in due course. Industry estimates that year-end sales figures for 2024 will show marked growth on the 60,000 heat pump sales in 2023, which in turn was a record year for UK heat pump sales. Given the measures we are putting in place, we expect that 2025 will be another record year for heat pumps sales.</p> <p>Future funding arrangements will be determined at the multiyear Spending Review in 2025. We will set out further detail on the Warm Homes Plan in 2025.</p>
R202 4-018	Buildings	<p>Simplify the strategic decision on the role of hydrogen for heat. Narrow the scope of the strategic decision on hydrogen prior to 2026 by: publicly affirming that electrical heat is the default</p>	<p>The previous government committed to taking a decision in 2026 on the role of hydrogen in home heating. This has been an area of extensive debate within the sector, and much has changed since the 2026 date was set. The government wants to provide strategic clarity on decarbonising home heating as soon as possible in order</p>

ID	Sector	Recommendation	Response
R202 3-080	Industry	<p>option in all new buildings and existing properties off the gas grid; prohibiting connections to the gas grid for new buildings from 2025; setting out clear routes for other properties or areas where electrification or low-carbon heat networks represent low-regret options; and clarifying the Government's position on the economy-wide priority of use-cases for hydrogen – in particular its potential to help manage peak demands for both heat and electricity and its role in hybrid heating systems.</p> <p>Develop policies for electrification. Develop policies for industrial electrification that address general barriers such as investment constraints, as well as specific barriers for different industrial subsectors including non-road mobile machinery.</p>	<p>to best support our mission to make the UK a Clean Energy Superpower.</p> <p>Over the coming months the government will assess the latest evidence before consulting in 2025 on the role of hydrogen in home heating.</p> <p>Work on the assessment of the safety evidence is continuing to a separate timetable; conclusions are expected later next year.</p>
R202 3-088	Industry	<p>Implement plans for decarbonising iron and steel. Finalise and implement plans for the decarbonisation of the iron and steel industry, whilst ensuring a just transition for local communities.</p>	<p>Developing policies to enable electrification of industry is a critical policy priority. Our recently published summary of responses to the 2023 call for evidence on electrification identified that several barriers to electrification exist, including: high electricity prices (relative to gas); delays to network connections; gaps in technology (particularly for processes involving high temperatures); as well as the need for more clarity over the availability and relative support for hydrogen and electrification. We will bring forward proposals to address these barriers in due course.</p> <p>The government has committed up to £2.5 billion for steel which will be available through the National Wealth Fund and other routes to secure the future for the UK steel sector, on top of the £500 million already earmarked for Tata at Port Talbot steelworks. The government will work in partnership with trade unions and industry to secure a green steel transition that's both right for the workforce and delivers economic growth. The government is also committed to developing an embodied emissions reporting framework and voluntary product standards for steel, while also exploring demand-</p>

ID	Sector	Recommendation	Response
R202 4-007	Electricity Supply	<p>Effectively design and implement the upcoming renewable energy CfD auctions. Ensure funding and auction design for the Sixth and Seventh Allocation Rounds is appropriate to deliver at least 50 GW of offshore wind by 2030, including by defining minimum targeted procurement volumes for future auctions.</p>	<p>side policies such as green procurement and product labelling to help grow the market for low carbon products. These policies aim to improve the quantity, quality, and transparency of embodied emission data, and enable consumers to compare their options and make greener purchasing decisions. Demand-side policies in turn will aim to boost investor and business confidence in the low carbon market and the profitability of decarbonisation.</p> <p>The government is also exploring the possibility of mandatory product standards in the future, which would place upper limits on the emissions intensity of individual products, and could help mitigate the risk of carbon leakage for highly traded products like steel.</p>
R202 4-019	Electricity Supply	<p>Remove planning barriers for onshore wind. Remove the exception for onshore wind energy development within the National Planning Policy Framework, so that these are treated in the same way as other infrastructure planning applications.</p>	<p>In July, the DESNZ Secretary of State announced a 50% increase to the Allocation Round 6 budget, which made it the largest budget in the history of the scheme. That resulted in the most successful allocation round to date, with 28 projects and 9.6GW of capacity secured. This included the largest floating offshore wind project in the world, contracts for Europe's largest and second largest offshore wind farm projects and a record number of solar projects. Allocation Round 7 will open in 2025 and government will be looking to go even further to keep the pace of renewable deployment in line with our 2030 Clean Power goal. We will announce further details in due course.</p> <p>On Monday 8 July the Chancellor announced the immediate removal of the de facto ban on onshore wind in England, disapplying the two tests in the NPPF introduced in 2015. The planning restrictions in place in England since 2015 had meant a single objection to an onshore wind turbine prevents it from being built. Under these restrictions, only two turbines were built in England and the pipeline shrank by over 90%. The action by the</p>

ID	Sector	Recommendation	Response
R202 3-138	Electricity Supply	<p>Publish a strategy for full decarbonisation of electricity. Publish a comprehensive long-term strategy for the delivery of a decarbonised, resilient power system by 2035 at the latest. This should cover the strategic decisions required, the policy requirements (including electricity market reforms), milestones and timeline for delivery, and contingencies for addressing key risks. It should include a portfolio approach to developing low-carbon flexibility options, as well as clarifying any minimal residual</p>	<p>government to remove the de facto ban on onshore wind in England paves the way for developers to start an onshore wind revolution without fear their plans will be rejected.</p> <p>The Chancellor's announcement on Monday 8 July included a commitment to consult on bringing onshore wind back into the Nationally Significant Infrastructure Projects Regime (NSIP) regime – placing it on the same footing as nuclear power stations and offshore wind – to encourage more applications for large onshore wind projects to come forward. To fulfil this commitment, the National Planning Policy Framework (NPPF) consultation proposed that onshore wind is re-integrated into the NSIP regime. We have recently responded to the consultation, including setting out next steps.²³</p> <p>On 13 December, we published the Clean Power 2030 Action Plan. Clean Power 2030 means Great Britain will generate enough clean power to meet our total annual electricity demand, backed up by unabated gas supply to be used only when essential. The Action Plan sets out how government will ensure this is delivered, with chapters covering planning and consenting for new energy infrastructure, networks and connections, renewable and nuclear project delivery, reforms to electricity markets, short-duration flexibility, long-duration flexibility, and supply chains and workforce. The Action Plan also sets out our approach to delivery – defining the government's role in the clean energy transition, where government will work with industry to unlock barriers and take an innovative approach. The Plan also notes the importance of looking</p>

²³ <https://www.gov.uk/government/consultations/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system/outcome/government-response-to-the-proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system-consultation#supporting-green-energy-and-the-environment>

ID	Sector	Recommendation	Response
R202 4-020	Electricity Supply	<p>role unabated gas is expected to play by 2035.</p> <p>Ensure network capacity to meet growing need. Set out the Government's approach to ensuring electricity networks have the capacity to meet growing need due to changes to sources of electricity and increased demand across sectors. This should include fully implementing the Connections Action Plan and Transmissions Acceleration Action Plan at pace.</p>	<p>at a clean power system beyond 2030, where demand is expected to increase.</p> <p>Electricity networks are a critical enabler for achieving a decarbonised electricity system by 2030, and for meeting growing electricity demand to 2050 and beyond. A significant expansion of the network will be required and will need to be delivered at an unprecedented pace, alongside fundamental reform to the network connections process. To achieve this, the government and its delivery partners will continue to deliver the actions set out in the Transmission Acceleration Action Plan, including around strategic planning, reforming the consenting process, providing benefits to communities and enabling supply chains, and the joint government-Ofgem Connections Action Plan, moving away from a "first come, first served" connections process and drastically reducing connection timelines for projects that are ready to connect. In addition, further interventions will be made to accelerate network build and enable the connection of the low carbon generation required for 2030 and beyond.</p> <p>The Clean Power 2030 Action Plan sets out the steps we are taking on electricity networks and connections. These include reforming the connections process, working with NESO, Ofgem, TOs and DNOs to prioritise viable projects that align with the Action Plan; regulatory reform to ensure that the Clean Power 2030 target is better integrated into planning and investment decision making, enabling investment in networks ahead of need; improving networks planning and consenting to provide the levers to accelerate the expansion and upgrades required across our transmission and distribution network to ensure energy infrastructure can support the delivery of the 2030 target; and</p>

ID	Sector	Recommendation	Response
R202 4-005	Electricity Supply	<p>Publish the Strategic Spatial Energy Plan (SSEP) and identify low-regret infrastructure investments. Urgently develop and publish the SSEP and use it to identify a set of low-regret electricity and hydrogen infrastructure investments that can proceed from 2030 onwards.</p>	<p>engaging with communities to enable them to benefit from living near new transmission network infrastructure.</p> <p>On 22 October 2024, the UK, Scottish and Welsh Governments jointly commissioned the National Energy System Operator (NESO) 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 across Great Britain, across both land and sea. This will build upon independent advice provided by NESO on the pathway to delivering clean power by 2030 commissioned in August 2024.</p>
R202 4-022	Fuel Supply	<p>Limit expansion of fossil fuel production. UK policy on future oil and gas production should be aligned with Global Stocktake calls to accelerate the transition away from fossil fuels. As a developed country with a binding commitment to transition to Net Zero, the UK should reassess whether further exploration for new sources of fossil fuels is aligned to the UNFCCC principle of Common but Differentiated Responsibility and the Global Stocktake.</p>	<p>Regarding coal, it is the government's intention to change coal extraction policy through primary legislation to restrict future licencing of all new coal mines. We anticipate this will involve measures to amend the Coal Industry Act 1994 to prevent the prospective granting of licences. This will support our net zero ambitions and our priority to lead on international climate action, based on our domestic achievements. This will be a clear signal to industry, markets and the world that coal mining in the UK does not have a long-term future.</p> <p>In addition, we intend to ban fracking for good. There is currently an indefinite moratorium on high volume hydraulic fracturing to extract shale gas (fracking) anywhere in England.</p> <p>On oil and gas, the government will consult shortly on the implementation of its commitment not to issue new licences to explore new fields. Our priority is a fair, orderly and prosperous transition in the North Sea in line with our climate and legal obligations.</p>

ID	Sector	Recommendation	Response
R202 4-009	International	<p>Set an ambitious 2035 NDC in line with UK's path to Net Zero. Submit a 2035 Nationally Determined Contribution that represents the UK's highest possible ambition in line with UK carbon budgets on the pathway to Net Zero by 2050 to the UN Framework Convention on Climate Change no later than February 2025.</p>	<p>In line with guidance from the Intergovernmental Panel on Climate Change, the scope 1 and scope 2 emissions from UK oil and gas extraction are accounted for in the UK's legally binding carbon budgets, as well as our Nationally Determined Contributions.</p> <p>Following the Supreme Court 'Finch' judgement earlier this year, on 30 October the government launched a public consultation on draft guidance that will help offshore operators understand how to assess end-use (scope 3) greenhouse gas emissions associated with oil and gas extraction projects. The guidance will provide clarity and certainty to industry, helping to ensure a fair, orderly and prosperous transition in the North Sea in line with our climate and legal obligations. The consultation will close on 8 January 2025 and the finalised guidance will be published in the Spring.</p> <p>The UK's 2035 NDC headline target will reduce all greenhouse gas emissions by at least 81% on 1990 levels, excluding international aviation and shipping emissions. This is an ambitious, economy-wide emission reduction target, covering all greenhouse gases, sectors and categories and aligned with limiting global warming to 1.5 °C, as set out in the Global Stocktake, agreed at COP28. This is a signal of the government's commitment to restoring the UK's global leadership on climate. The headline target will be followed by submission of the detail underpinning the NDC – known as Information to Facilitate Clarity, Transparency and Understanding (ICTU) – to the UNFCCC, ahead of the February 2025 deadline.</p> <p>The UK will publish its first Biennial Transparency Report by the 31 December 2024 deadline. It will include detail on our progress towards meeting our 2030 Nationally Determined Contribution target, information on our mitigation, adaptation, and finance goals. Where relevant and aligned with UNFCCC reporting guidelines, the BTR will also include an update on international commitments.</p>
R202 4-023	International	<p>Transparently report on UK progress and international commitments. Publish the UK's Biennial Transparency Report in December 2024, detailing the UK's delivery of and support towards the Paris Agreement's mitigation, adaptation</p>	<p>The UK will publish its first Biennial Transparency Report by the 31 December 2024 deadline. It will include detail on our progress towards meeting our 2030 Nationally Determined Contribution target, information on our mitigation, adaptation, and finance goals. Where relevant and aligned with UNFCCC reporting guidelines, the BTR will also include an update on international commitments.</p>

ID	Sector	Recommendation	Response
R202 3-192	Agriculture and land use	<p>and finance goals - including transparently demonstrating if the UK is on track to meet its 2030 Nationally Determined Contribution - and international commitments outside of formal UN Framework Convention on Climate Change processes, such as the Methane Pledge.</p> <p>Provide funding and delivery support for tree planting. Ensure that funding and support are set at the correct level to meet the UK Government afforestation target of 30,000 hectares per year by 2025, and illustrative Net Zero Strategy targets of 40,000 hectares and 50,000 hectares by 2030 and 2035 respectively. Streamline the process to attract private capital and facilitate private investment in schemes that meet or exceed good woodland, habitat and biodiversity management standards. Further clarity is required regarding funding beyond 2025. Support for delivery of new woodland creation should integrate with nature and adaptation objectives and address contractor availability, capacity to process funding applications and advice for farmers to transition to woodland management approaches.</p>	<p>Capital funding has been pledged to support woodland creation to 2026. While forestry is a devolved measure, the UK government works closely with the Devolved Governments to monitor woodland creation rates across the UK. To help increase tree planting, the government has launched a national Tree Planting Taskforce. We are also working to improve the Woodland Carbon Code, and to make it easier for land-managers to stack multiple revenue streams from multiple ecosystem service markets. We recognise the importance of building capacity in the sector, and we have invested in apprenticeships, skills training, and nursery capacity to facilitate this. The UK Forestry Standard ensures that all woodlands in the UK are designed to support nature and resilience.</p> <p>Our tree planting ambitions will feed into the long term, mission-led government approach, directly supporting the clean energy superpower mission and accelerating towards net zero.</p>

ID	Sector	Recommendation	Response
R202 3-171	Agriculture and land use	<p>Implement a delivery mechanism for peatland restoration. Implement a comprehensive delivery mechanism to address degraded peatland and extend the current restoration ambition set out by the UK Government and the devolved administrations beyond existing timeframes, including through addressing barriers to increasing capacity and facilitating the process to attract private capital and investment. Peat restoration targets include the need to remove all low-productive trees (i.e. less than YC8) from peatland (equivalent to 16,000 hectares by 2025) and restore all peat extraction sites by 2035 (equivalent to 50,000 hectares by 2025).</p>	<p>We will restore hundreds of thousands of hectares of peatland and develop delivery mechanisms for peatland restoration.</p> <p>Private finance will be critical if we are to meet our restoration objectives and it is important that peatland projects are able to make the most of new revenue streams, including the Peatland Code. The government will support the Peatland Code and seek to stimulate growth in the voluntary carbon market. We recognise that sector capacity is constraining the pace of restoration and have research in place to inform the development of a sector capacity action plan.</p> <p>Our peatland restoration ambitions will feed into the long term, mission-led government approach, directly supporting the second mission to make Britain a clean energy superpower and accelerating towards net zero.</p>
R202 3-102	Agriculture and land use	<p>Publish the land use framework. Publish the land use framework and set out how this feeds into a wider agriculture and land use strategy that brings together how land can deliver its multiple functions including: reducing emissions and sequestering carbon, adapting to climate change, food security, biodiversity, domestic biomass production and wider environmental goals. The strategy must clearly outline the relationships and interactions with other relevant strategies and action plans across the UK, be spatially and temporally targeted, and be</p>	<p>The government will publish a Land Use Framework for England. It will outline the government's commitment to stewardship of land use change and codesign of land use policy.</p>

ID	Sector	Recommendation	Response
R202 3-037	Aviation	<p>aligned with action in the devolved administrations.</p> <p>Stop airport expansion without a UK-wide capacity management framework.</p> <p>No airport expansions should proceed until a UK-wide capacity management framework is in place to annually assess and, if required, control the sector's GHG emissions and non-CO2 effects. A framework should be developed by DfT in cooperation with the Welsh Government, Scottish Government and Northern Ireland Executive. After a framework is developed, there should be no net airport expansion unless the carbon intensity of aviation is outperforming the Government's emissions reduction pathway and can accommodate the additional demand.</p>	<p>The government recognises a role for airport expansion where it provides economic growth and is compatible with our legally binding net zero target and strict environmental standards.</p> <p>We are currently considering our wider approach to decarbonising aviation. The government is supporting the use of sustainable aviation fuel (SAF) through the introduction of a mandate from 1 January 2025 and by legislating for a revenue certainty mechanism. We are also committed to airspace modernisation which is expected to have environmental benefits.</p> <p>The government is aware that aviation also has non-CO2 impacts and has established an R&D programme to fund academic and industry research, helping to reduce current scientific uncertainties and identify and develop potential mitigating options.</p>
R202 3-073	Waste	<p>Address rising energy from waste emissions. Implement a whole-systems approach to address energy from waste (EfW) emissions, including setting out the implications of rising EfW use for waste decarbonisation and the need for carbon capture and storage. A moratorium on additional EfW capacity should be introduced subject to a review of capacity needs and how they align with the Government's emissions pathways. Further clarity is also needed on how</p>	<p>It is important to assess the impact on overall emissions, as well as residual waste management need, when considering the CCC's suggestion that there should be some sort of moratorium on new EfW plants. The government is committed to creating a roadmap to a circular economy (CE). As part of this we will consider the role of waste incineration in the context of circularity, economic growth, and reaching net zero.</p> <p>Energy from waste plants can generate power-only (with heat losses) or can capture this heat and provide both heat and power (CHP). Utilising the heat produced from a combined heat and power</p>

ID	Sector	Recommendation	Response
		<p>decisions on allowing further EfW plants will be made.</p>	<p>CHP EfW plant, for example in a heat network, increases its efficiency and displaces the use of natural gas for heating.</p> <p>The government has introduced the waste industrial carbon capture business model. There are currently no alternative pathways for the sector to fully decarbonise. Two waste carbon capture and storage (CCS) projects were shortlisted on the Track-1 Project Negotiation List. Subject to negotiations, these projects will display the commercial viability of CCUS in the residual waste management sector.</p> <p>Planning consent for large EfW plants (>50MW) in England & Wales is determined by the DESNZ Secretary of State in accordance with the Overarching National Policy Statement (NPS) for Energy (EN-1) and for Renewable Energy Infrastructure (EN-3). For an application to be granted, the DESNZ Secretary of State should be satisfied, with reference to the relevant waste strategies and plans, that the proposed plant is in accordance with the waste hierarchy and Defra's assessment of existing capacity.</p>
R202 4-006	Engineered removals	<p>Finalise business models for large-scale deployment of engineered removals. Complete the design of business models for engineered removals, associated standards and methodologies and integration with carbon capture and storage clusters to enable engineered removal project development and delivery in line with the ambition for at least 5 MtCO2 engineered removals per year by 2030.</p>	<p>The government is committed to supporting large-scale deployment of Greenhouse Gas Removals (GGR), supporting HMG's delivery of carbon budgets, while positioning the UK as a global leader in this sector. Bringing carbon removal technologies to market is a critical part of our mission to accelerate our journey to net zero, supporting a just transition and creating good jobs in Britain's industrial heartlands.</p> <p>We will work to finalise the GGR and Power BECCS business models at pace, providing the revenue support needed to attract large-scale private investment and enable GGRs to make a significant contribution to meeting carbon budgets. Initial</p>

ID	Sector	Recommendation	Response
			<p>deployment will take place through the CCUS clusters, subject to affordability and value for money. GGR and Power BECCS projects have already been able to apply for support in a previous allocation round.</p> <p>The emerging market for GGRs must meet the highest standards of integrity in order to deliver genuine environmental improvement and build trust in the market. We have therefore commissioned the BSI to develop standards and methodologies for engineered GGRs (initially DACCS and BECCS), which will ensure that government-sponsored GGR Credits are underpinned by rigorous carbon accounting methodologies and sustainability standards that reflect the latest science and international best practice. The sustainability standard will reference the cross-sectoral biomass sustainability framework and may include sector-specific requirements. As an interim step, we expect that Minimum Quality Thresholds will be published in the first half of 2025 ahead of the full methodologies.</p>

Priority recommendations for the Scottish Government

ID	Sector	Devolved Government	Recommendation	Response
R2024-024	Cross-cutting	Scottish Government	<p>Implement a new legal framework for emissions reduction. Act quickly to implement a new legal framework of carbon budgets set on a trajectory to Net Zero in 2045. This is crucial to restore confidence and avoid a vacuum of ambition around Net Zero. In the meantime, it is vital that policy development and implementation move forward with urgency alongside the development of a new legal framework, to avoid stalling progress in reducing emissions.</p>	<p>The Scottish Government is implementing a carbon budget approach to target-setting, as recommended by the CCC. The Climate Change (Emissions Reduction Targets) (Scotland) Act 2024 passed in November to legislate for this approach. Carbon budget levels will be set in secondary legislation once Scottish Government has received the latest advice on carbon budget levels from the CCC, which is expected in Spring 2025. In the meantime, Scottish Government's net zero target of 2045 will remain, and any credible pathway towards that target will require ambitious and transformative climate action. Scottish Government will continue to implement current plans and policies on net zero and look for opportunities to build on these ahead of the next Climate Change Plan.</p>
R2024-002	Cross-cutting	Scottish Government	<p>Publish and implement the Climate Change Plan. The Scottish Government should produce an updated Climate Change Plan, setting out clear roles and responsibilities for delivering aspects of emissions reduction and climate change adaptation, as well as details of how these will be coordinated and accountability mechanisms. This needs to cover coordination of actions across the Scottish Government, collaboration with the UK Government and</p>	<p>The next Climate Change Plan will set out a pathway to achieving climate targets, contributing to net zero by 2045.</p> <p>In addition, the plan will set out the cost and benefits of policies within the plan, in particular their expected impact on greenhouse gas emissions. The next plan will not just set out policies which will contribute to meeting climate change targets, it will also set out how these policies will be achieved including in conjunction with local authorities, the wider public sector and UK government.</p>

ID	Sector	Devolved Government	Recommendation	Response
R2024-003	Cross-cutting	Scottish Government	<p>partnership with local authorities. It should also include details on the assumptions that underpin the Scottish Government's decarbonisation pathways and how the abatement set out in the Climate Change Plan will be achieved by planned policies, setting out the quantified abatement expected to be achieved by each policy.</p>	<p>The Scottish Government regularly engages with the UK government and the other devolved nations through the Net Zero, Energy and Climate Change Inter-Ministerial Group on a range of net zero policies and issues.</p> <p>Furthermore, building on calls made through a joint letter with the Welsh Government to the DESNZ Secretary of State in November 2023, the recent policy package called for the establishment of a 4 nations climate response group. The announcement also included improved governance for climate change action.</p> <p>Since the CCC's progress report, Scottish Government has agreed with COSLA a climate delivery framework between national and local government to agree shared approaches to delivering net zero. Scottish Government has also worked in partnership with COSLA to establish a Scottish Climate Intelligence Service for local government, which will help build the capacity of local authorities to reduce area-wide emissions.</p> <p>The Scottish Government agrees that clear communication is very important to achieve net zero ambitions, as evidenced by the statutory obligation to produce and implement a Public Engagement Strategy. Scottish Government already communicates with the people of Scotland via a range of initiatives about the most impactful behaviours to reduce</p>

ID	Sector	Devolved Government	Recommendation	Response
R2022-338	Surface transport	Scottish Government	<p>travel. Support people to make green choices, including through regulation and incentives, where powers are devolved.</p> <p>Develop an EV charging implementation plan. Develop an implementation plan to deliver the Scottish Government's vision for the public electric vehicle (EV) charging network. This should ensure the EV transition works for all road users in Scotland and accelerates in line with EV uptake, with sufficient numbers of fast chargers in strategic locations. Growth</p>	<p>emissions. Scottish Government accepts the recommendation to continue a national dialogue on all aspects of lifestyles and household choices which contribute to domestic emissions and global carbon footprint. The Scottish Government takes a systems-level approach which recognises that societal transformation and enabling policy infrastructure must be in place to support individuals to change behaviours sustainably.</p> <p>A positive example of supporting people to make green choices can be seen through the launch of the Under-22 free bus travel scheme in January 2022, which extended the provision of free bus travel to include over 2.2 million people. This makes this scheme the most generous concessionary bus travel scheme in the UK. Evaluation of the scheme shows increasing numbers of young people choosing to travel by bus, with over a third (34%) of cardholders having access to new opportunities.</p> <p>The Scottish Government has now met its target of 6,000 public EV charges points 2 years early. Since 2011 the Scottish Government has invested over £65 million in public EV charging, as a result of this early investment, and rapidly increasing private sector investment, today Scotland has one of the most comprehensive public charging networks in the UK, and the latest official UK Department for Transport statistics show that Scotland has the highest number of public chargers per head of population of any part</p>

ID	Sector	Devolved Government	Recommendation	Response
R2023-332	Surface transport	Scottish Government	<p>of charging infrastructure should stay ahead of growth in EV uptake to avoid charging anxiety being a barrier to EV uptake.</p> <p>Publish a car-km reduction strategy. Publish a detailed strategy, building on the Route Map consultation of 2022, setting out how the Scottish Government will achieve a reduction in car-kilometres and deliver 20-minute neighbourhoods. This should include investment in more sustainable modes of travel, improvements in the</p>	<p>of the UK, except London, and the most rapid charge points of any part of the UK.</p> <p>Scottish Government has also provided £5.7 million to support the installation of 18,861 domestic charge points and £10.8 million to support 1,432 higher powered workplace charge points – all complementing the public network.</p> <p>By the end of 2024, Scottish Government will publish a draft Implementation Plan identifying the key actions to be taken to deliver its vision. The draft will be developed in partnership with key stakeholders who share responsibility for delivering public EV charging across Scotland and outline agreed actions to deliver the right charge points in the right locations to meet the needs of communities across Scotland, including rural and island communities. This draft Plan will include a route map for the delivery of approximately 24,000 additional charge points by 2030 largely funded by the private sector.</p> <p>Following the CCC's 2023 Progress Report for Scotland, the Scottish Government announced in its Programme for Government the following: "We are committed to progress our ambition of a 20% reduction in car use by 2030, with a Route Map including a timeline for implementing demand management". The route map is co-produced with the Convention of Scottish Local Authorities, in recognition of the joint commitment to a just transition</p>

ID	Sector	Devolved Government	Recommendation	Response
			<p>affordability and reliability of public transport and measures to reduce dependency on driving.</p>	<p>to reducing car use, and we will continue to work closely with local and regional partners to update the route map for publication.</p> <p>The route map will also support the implementation of local living and 20-minute neighbourhoods. Guidance on implementation of local living and 20-minute neighbourhoods was published in April 2024.</p> <p>The route map will also ask the UK government to reform motoring taxes, given that they are the most direct levers on the cost of buying or running a petrol or diesel car. Fuel Duty and Vehicle Excise Duty are reserved matters. The Scottish Government will continue to urge the UK government to engage in constructive collaboration on a four-nations basis to design a successor motoring tax regime that reflects changes in the transport sector.</p>
R2024-001	Buildings	Scottish Government	<p>Implement the Heat in Buildings Bill. Provide clarity and a timeline and avoid delays on the Heat in Buildings Bill in order to move towards delivery urgently.</p>	<p>The Scottish Government is considering all of the issues raised in response to its consultation on a Heat in Buildings Bill, and will confirm next steps shortly.</p>
R2022-384	Buildings	Scottish Government	<p>Publish plans for non-residential buildings. Consult on and finalise plans for delivering energy efficiency improvements and low-carbon heating in non-residential buildings. These should include clear target dates for meeting standards and consider the role of targets that look beyond EPCs to</p>	<p>The Scottish Government is analysing responses to recent consultations on proposals for a Heat in Buildings Bill and EPC reform (including non-domestic EPCs) and will use these to inform next steps.</p> <p>Scottish Government awaits the response of the UK government to their consultation on further</p>

ID	Sector	Devolved Government	Recommendation	Response
R2022-376	Industry	Scottish Government	<p>more reliable measures of performance and emissions reductions and clarify whether Scotland will be part of the UK performance-based rating scheme for non-residential buildings.</p> <p>Develop policies for industrial resource efficiency. Develop policies to drive more resource-efficient construction and use of existing low-carbon materials. This should include setting out a plan for phasing in mandatory whole-life reporting followed by minimum whole-life standards for all buildings, roads and infrastructure by 2025, with differentiated targets by function, scale, and public/private construction.</p>	<p>development of the non-domestic private rented sector minimum energy efficiency standards scheme.</p>
				<p>Scottish Government's 2021 response to 'Scotland's Climate Assembly: Recommendations for Action' committed to investigating opportunities for whole life emission reporting. Following this, Scottish Government engaged with Zero Waste Scotland and leading UK embodied carbon experts to scope research, producing the report 'Regulating Embodied Carbon in Scotland's Buildings'.</p> <p>Scottish Government's National Planning Framework 4 emphasises that reducing GHG emissions is a cross-cutting outcome of development and includes policy that requires a minimisation of lifecycle GHG emissions, supporting the use of materials with the lowest forms of embodied emissions, such as recycled and natural construction materials.</p> <p>Scottish Government continue to engage with key organisations and UK counterparts to understand the viability of such action and benefit that can be derived from requirements to report on the broader environmental impact of new development, set through building, or other devolved, regulations.</p> <p>Transport Scotland developed a Projects Carbon tool</p>

ID	Sector	Devolved Government	Recommendation	Response
R2022-356	Agriculture and land use	Scottish Government	<p>Provide funding and delivery support for tree planting. Ensure that funding and incentives are set at the correct level to meet the Scottish Government afforestation target of 18,000 hectares</p>	<p>to measure carbon emissions associated with construction and maintenance of road schemes, enabling estimation of whole-life carbon options which can be considered early in the design process. Scottish Government's fourth Carbon Management Plan details how net zero will be achieved across corporate activities and how emissions managed throughout the supply chain will be challenged.</p> <p>Current roads construction contracts include adoption of Clause X29 of the NEC4 and PAS 2080 - providing a clear commitment to managing whole-life carbon when delivering projects and supports, incentivises, and demonstrates carbon reduction initiatives.</p> <p>Scottish Government are also establishing a new circular economy policy and legislative framework through the Circular Economy (Scotland) Act 2024, passed unanimously by the Parliament in June, and the Circular Economy and Waste Route Map, due to be finalised by end of 2024. They will help deliver Scotland's transition to a zero waste and circular economy, significantly increase reuse and recycling rates, modernise waste and recycling services and help tackle plastic pollution and waste.</p> <p>Government support for woodland creation in Scotland has been in place for many decades. Over 15,000 hectares of new woodland was created in Scotland in 2023-24, the highest in 34 years, including 7,700 hectares of native woodland (the</p>

ID	Sector	Devolved Government	Recommendation	Response
			<p>per year by 2025, supporting farmers and land managers to engage at scale. Streamline the process to attract private capital and facilitate private investment in schemes that meet or exceed good woodland, habitat and biodiversity management standards. Communicate how the expected delay to the 2025 target will be mitigated.</p>	<p>highest since 2001). A decrease in the budget for 2024-25, as a result of cuts to the capital budget from the UK government, has reduced the expected amount of woodland creation that can be supported in that year, and is expected to be closer to 10,000 hectares, still anticipated to represent more than the rest of the UK. However, Scottish Forestry is proceeding to approve applications and is negotiating with larger schemes to reduce grant payments where carbon revenues through the Woodland Carbon Code can make schemes financially viable, and Scottish Forestry is publishing a Routemap in 2024/25 which will provide the sector with details of the improvements that will support woodland creation. This will enable the grants budget to be maximised to support a greater number of schemes across all types of woodland. Scottish Forestry is working to update and streamline Woodland Carbon Code processes for administration, monitoring, reporting and verification of projects in order to facilitate further private finance towards woodland creation.</p> <p>In addition to actions set out in the Routemap, the capacity in future to meet woodland creation targets will depend on the availability of adequate capital budget allocations to support woodland creation through the Forestry Grant Scheme. Assurance about multi-annual funding will be critical in maintaining confidence and capacity across the forest sector to</p>

ID	Sector	Devolved Government	Recommendation	Response
R2022-358	Agriculture and land use	Scottish Government	<p>Implement a delivery mechanism for peatland restoration. Implement a comprehensive delivery mechanism to address degraded peatland and extend current restoration ambition set out by the Scottish Government beyond the existing timeframe of 2030, including streamlining the process to attract private capital and facilitate private investment. Peat restoration targets include the need to remove all low-productive trees (i.e. less than YC10) from peatland and restore all peat extraction sites by 2035.</p>	<p>make the necessary investments to meet woodland creation targets.</p> <p>The Scottish Government has committed £250 million over 10 years to restore 250,000 hectares of degraded peatlands by 2030. Scottish Government estimates that approximately 75,000 ha have been restored since 1990, including 10,360 hectares restored in 2023-24 – the highest amount in any single year. A detailed delivery improvement plan is in place and aims to sustain and further increase rates of restoration to 2030 and beyond, focusing on increasing sector capacity and addressing key bottlenecks. Scottish Government is working hard with delivery partners through the Peatland Action partnership to tackle the many barriers to upscaling peatland restoration in this relatively young sector. Any commitments beyond 2030 will be set out in the next Climate Change Plan.</p> <p>The capacity in future to meet peatland restoration targets will depend on the availability of adequate capital budget allocations to support peatland restoration through the Peatland Action partnership. Assurance about multi-annual funding will be critical in maintaining confidence and capacity across the peatlands sector to make the necessary investments to meet peatland restoration targets.</p> <p>The test for whether to restore/restock is based on the growth rate of the trees and the sensitivity of the</p>

ID	Sector	Devolved Government	Recommendation	Response
R2024-031	Agriculture and land use	Scottish Government	<p>Expedite the implementation of future agricultural funding. Ensure that the new financial support structure proposed through the Agriculture and Rural Communities Bill is in place as soon as possible, that the conditions for participation are clear, that the application process for financial support is streamlined and easily accessible to farmers and land managers and that incentives are sufficient to support the delivery of climate measures and wider</p>	<p>site in terms of hydrology and conservation value. Generally, if the trees are growing faster than YC8 they will be sequestering more carbon than is being emitted from the peat so from a carbon point of view are best left under tree cover. The reasoning behind this is set out in this report.²⁴</p> <p>Scottish Government's forthcoming Natural Capital Markets Framework will build on existing Principles for Responsible Investment in Natural Capital and set out an approach to using public spending to leverage in responsible private investment. This includes consideration of 'blended finance' mechanisms where public funding is used in a more targeted way to support increased nature restoration activity by 'crowding-in' responsible private investment.</p> <p>The Agricultural Reform Programme will deliver on the Scottish Government's Vision for Agriculture, continuing to support farmers and crofters to reduce emissions and deliver biodiversity improvements, through greater uptake of key baselining activities such as carbon and biodiversity audits and soil analysis.</p> <p>To support the Vision, the Scottish Government is developing a comprehensive four-tiered Support Framework, enabled by the Agriculture and Rural Communities Act. To ensure Farmers and Crofters</p>

²⁴ <https://www.forestry.gov.scot/publications/1-deciding-future-management-options-for-afforested-deep-peatland/viewdocument/1>

ID	Sector	Devolved Government	Recommendation	Response
R2022-329	Waste	Scottish Government	<p>environmental goals, as well as climate change adaptation and biodiversity.</p> <p>Implement the recommendations from the incineration review. Set out further detail on actions and implementation timelines to ensure all recommendations from the incineration</p>	<p>are informed about the forthcoming changes, Scottish Government's Route Map sets out the process for changing to a new agricultural support framework with information on important dates, the measures being considered now, when current schemes will transition or end, the support available, and how to prepare for these first changes from 2025.</p> <p>It is regularly revised and outlines what information and guidance the sector can expect from 2025 and when it will be available, most notably new conditions will be introduced to Cross Compliance, conditions attached to Voluntary Coupled Support: Scottish Suckler Beef Support Scheme (SSBS) and getting ready for the Whole Farm Plan. These changes are designed to help all farmers and crofters do more to produce food sustainably, to cut emissions and to farm more for nature.</p> <p>However, in order for this transformational work to progress and, as a point of urgency, the newly elected UK government must commit to meaningful engagement on a future multi-year programme funding settlement to provide certainty and assurance in the delivery of post-CAP future agricultural policies.</p> <p>The Scottish Government accepted, in principle or in full, all of the recommendations from the independent review of incineration. Responses can be found in the</p>

ID	Sector	Devolved Government	Recommendation	Response
			<p>review can be delivered. This should include explaining how the projected residual waste capacity gap in 2025 will be managed while ensuring commitments to end the landfilling of biodegradable waste are met.</p>	<p>review reports ^{25,26}. The Scottish Government's updated draft Circular Economy and Waste Route Map (published January 2024) proposed a range of actions with associated timelines to meet these recommendations²⁷.</p> <p>This includes the priority action to develop a Residual Waste Plan to ensure the best environmental outcomes for unavoidable and unrecyclable waste and set strategic direction for management of residual waste to 2045. This will investigate and make recommendations on Scotland's long-term infrastructure requirements to manage waste. It will include the development of an indicative cap to inform planning and investment decisions on future Energy from Waste capacity requirements to ensure that there is appropriate capacity which reduces as Scotland moves to a circular economy.</p> <p>As well as continuing to support local authorities to make preparations for the forthcoming 2025 biodegradable municipal waste to landfill ban, in the draft Route Map the Scottish Government also set out plans to review and target materials currently landfilled, to identify and drive alternative management routes. Planned action includes a call</p>

²⁵ <https://www.gov.scot/publications/scottish-government-response-stop-sort-burn-bury-independent-review-role-incineration-waste-hierarchy-scotland/>

²⁶ <https://www.gov.scot/publications/scottish-government-response-stop-sort-burn-bury-independent-review-role-incineration-waste-hierarchy-scotland-second-report-decarbonisation-residual-waste-infrastructure-scotland/>

²⁷ <https://www.gov.scot/publications/scotlands-circular-economy-waste-route-map-2030-consultation/>

ID	Sector	Devolved Government	Recommendation	Response
R2024-004	Aviation	Scottish Government	<p>Publish a strategy for decarbonising aviation. Publish a detailed strategy for decarbonising aviation in Scotland as soon as possible. This strategy should set out a roadmap of how the decarbonisation of scheduled flights within Scotland will be achieved by 2040, including which technologies will be prioritised to achieve this and when the capability of these technologies will need to be demonstrated.</p>	<p>for evidence this year to begin to better understand non-municipal biodegradable waste and other problematic waste streams, and to identify alternative treatment options for these wastes. Alongside further consultation, this work is key to providing assurance around the potential to extend the ban on landfilling waste to include biodegradable non-municipal waste.</p> <p>The Scottish Government published an Aviation Statement in July 2024, which includes actions on decarbonisation.</p> <p>Aviation is a Reserved issue including, for example, powers relating to the certification of new types of aircraft. The UK government's Jet Zero decarbonisation strategy for aviation covers Scotland. Therefore, the actions in Scottish Government's Aviation Statement take account of Jet Zero and the sector's own carbon reduction plans. Scottish Ministers will meet regularly with aviation stakeholders to discuss the progress being made on reducing emissions and whether the various decarbonisation strategies that apply in Scotland, including the Aviation Statement, are working effectively together or whether further action is required.</p> <p>Technologies, such as hydrogen- or electric-powered aircraft, are being developed by the private sector with some support from public investment. As these technologies are still being developed and will have to</p>

ID	Sector	Devolved Government	Recommendation	Response
R2022-348	Aviation	Scottish Government	<p>Implement the Air Departure Tax. The Scottish Government should implement the Air Departure Tax (ADT) as soon as possible. Also consider other policy levers, such as information provision, to encourage a reduction in the number of flights taken, while considering the needs of island communities.</p>	<p>be certified as safe by the regulator (the CAA in the UK) Scottish Government does not yet know which will be viable for operating commercial air services. It is not an appropriate role for the Scottish Government to seek to prioritise any one specific technology solution over another. These are commercial decisions for individual operators and the Scottish Government cannot instruct them as to which aircraft to purchase.</p> <p>Scottish Government is actively considering policy options for increasing the production and use of Sustainable Aviation Fuel (SAF) in Scotland. SAF can significantly reduce the level of aviation emissions, compared with kerosene, and its use is expected to increase significantly until zero emission aircraft become available.</p> <p>The Scottish Government recognises that Air Departure Tax (ADT) can contribute to reducing emissions from the aviation sector once implemented, alongside measures such as the promotion of sustainable aviation fuels.</p> <p>This must not be at the expense of Highlands and Islands connectivity and lifeline air services in particular. Scottish Government continues to explore all options to implement ADT in a way that protects these services and complies with the UK government's subsidy control regime.</p>

ID	Sector	Devolved Government	Recommendation	Response
				<p>Scottish Government will set out the high-level principles of ADT - including how it will support emissions reductions - and undertake detailed policy development as soon as possible.</p>

Priority recommendations for the Welsh Government

ID	Sector	Devolved Government	Recommendation	Response
R2024-008	Cross-cutting	Welsh Government	<p>Increase transparency around pathways. Publish a transparent and quantified link between policies and milestones, as well as the emissions reduction they correspond to in the sectoral pathways set out in Wales' Third Carbon Budget.</p>	<p>Welsh Government continues to develop and improve its decarbonisation pathways and intends to publish more detail following the publication of the next statutory decarbonisation plan, Carbon Budget 3 (2026-30), in 2026.</p>
R2023-029	Cross-cutting	Welsh Government	<p>Develop a framework for collaboration with local government. Work with local authorities to develop an agreed framework of what aspects of Net Zero central and local government are responsible for and how these will be coordinated. This should lead to a clearer shared understanding of roles and responsibilities which can be communicated across local government.</p>	<p>There is a strong collaborative framework in place with Local Government in Wales to help meet the collective Welsh public sector net zero ambition set out in the public sector route map²⁸.</p> <p>The Partnership Council for Wales (PCfW), comprising Welsh Ministers, the 22 Local Authority (LA) Leaders and other public sector leaders provides overall leadership and direction. It set up and oversees the well established Local Government Climate Strategy panel (CSP) of Local Authority chief executives and other senior climate change experts) to drive and coordinate work for maximum impact.</p> <p>The CSP led the LA adoption of the public sector net zero routemap, and LA development of net zero commitments in each of the routemap priority areas. It steers the Welsh Local Government Association (WLGA) climate support programme, now in its fifth year, funded by WG, delivering guidance and tools to</p>

²⁸ <https://www.gov.wales/net-zero-carbon-status-2030-public-sector-route-map>

ID	Sector	Devolved Government	Recommendation	Response
R2023-018	Surface transport	Welsh Government	<p>Take action on enablers of EV uptake. Monitor electric vehicle uptake in Wales and assess whether there are opportunities for further policies and incentives to drive adoption forward more quickly than through the zero-emission vehicle mandate alone. This should consider opportunities to maximise emissions savings and deliver co-benefits for Welsh residents.</p>	<p>accelerate change and share learning, avoiding duplication and saving resource. To move focus to delivery, CSP has established four decarbonisation working groups to support LA's in delivering the LG net zero commitment, each led by a LA chief executive for senior leadership, on transport, buildings, procurement and land decarbonisation. Each group is giving strategic direction to LA's, producing guidance and support to help LA's accelerate change.</p> <p>Welsh Government continues to monitor the uptake of EVs. Small investments are ongoing in support of the Electric Vehicle Charging Strategy and Action Plan published in October 2021. Opportunities to accelerate the uptake of EVs in Wales are being explored in the development of the third statutory decarbonisation plan, Carbon Budget 3 (2026-30), in 2026.</p>
R2023-020	Surface transport	Welsh Government	<p>Publish a car-km reduction delivery plan. Develop and publish a full delivery plan for how to realise the ambition of reducing per-person car demand by 10% by 2030. This should include consideration of how measures that limit car usage will interact with those that enable more sustainable modes.</p>	<p>Welsh Government continues to work on developing the detail around the 10% per person car km reduction by 2030. Welsh Government continues to implement supportive programmes such as Active travel and behavioural change.</p>
R2023-039	Buildings	Welsh Government	<p>Develop spatial plans for decarbonising buildings. Develop a</p>	<p>In July 2024, the Welsh Government published a heat strategy setting out the pathway and actions</p>

ID	Sector	Devolved Government	Recommendation	Response
R2023-040	Buildings	Welsh Government	<p>detailed plan for decarbonising buildings and reaching Net Zero targets, incorporating data from Local Area Energy Plans. The plan should include estimates of investment requirements and yearly targets for deployment of low-carbon heating and energy efficiency measures. It should identify policy areas which are under the Welsh Government's control and those which require coordination with the UK Government.</p>	<p>necessary to decarbonise heat in Wales across housing, industry and the public sector. The strategy highlights the policy interventions that are within the Welsh Government's control and those where the UK government has policy responsibility. The strategy also highlights the evidence and data that will be available from local area energy plans which are currently being published across all local authority areas in Wales and how those plans will support the actions identified in the strategy.</p> <p>The strategy does include an assessment of the investment required to decarbonise heat in Wales, but yearly targets for deployment of low carbon heat have not yet been developed. This will be developed as part of the pathways. Welsh Government does have a target for 580,000 heat pumps to be installed in Wales by 2035, contingent on scaled up support from the UK Government and reductions in the cost of technology. Spending plans for 2025-26 and beyond have yet to be set; support for this will be considered as part of the longer-term Welsh Spending Review programme.</p>
			<p>Provide long-term funding for decarbonising social housing. Fully assess the level of investment required to decarbonise social housing and make long-term plans for delivering the funding required. Evaluate the cost effectiveness of retrofitting social</p>	<p>Welsh Government is committed to long-term funding for decarbonising social housing. The Optimised Retrofit Programme (ORP) is investing £270 million across the government term, with £70 million allocated for 2024-25. The programme, now in its third phase, supports all social housing landlords and is expanding to other tenures. It is also evaluating the</p>

ID	Sector	Devolved Government	Recommendation	Response
R2023-112	Buildings	Welsh Government	<p>housing to reach an EPC A rating and review the proposed target.</p> <p>Provide long-term funding for decarbonising fuel poor homes. Fully assess the level of investment required to decarbonise fuel poor homes and make long-term plans for delivering the funding required.</p>	<p>programme and developing data analysis methods using in-house sensors.</p> <p>The Welsh Housing Quality Standard (WHQS), effective from April 2024, includes a new focus on affordable heating and minimal environmental impact. By March 2025, a stock assessment will be required, with Target Energy Pathways set for all social homes by March 2027. An £18 million grant pot is available in 2024-25 to support this transition.</p> <p>Additionally, the Innovative Housing Programme is advancing, with reports on construction techniques due in late 2024 and Autumn 2025, informing the review of the Welsh Development Quality Requirements (WDQR) 2021.</p> <p>Spending plans for 2025-26 and beyond have yet to be set; support for this will be considered as part of the longer-term Welsh Spending Review programme.</p>
				<p>Assessing the level of investment required to decarbonise fuel poor homes requires an assessment of the number of homes in fuel poverty, defined as those households spending more than 10% of their full household income on a satisfactory heating regime. Given the recent volatility of fuel prices, the proportion of fuel poor households fluctuates significantly. Nevertheless, Welsh Government is commissioning updated fuel poverty estimates to inform policy development and the approach.</p>

ID	Sector	Devolved Government	Recommendation	Response
R2023-041	Buildings	Welsh Government	Provide long-term funding for public sector decarbonisation. Fully assess the level of investment required to decarbonise public buildings and make long-term plans for delivering the funding required.	<p>A budget of £245 million has been committed between 2024-2031 through the Warm Homes Nest Programme to decarbonise fuel poor households. Work is also being undertaken with local authorities in Wales to maximise ECO Flex and GBIS delivery, working alongside and dovetailing with Warm Homes Nest.</p> <p>Spending plans for 2025-26 and beyond have yet to be set; support for this will be considered as part of the longer-term Welsh Spending Review programme.</p> <p>Spending plans for 2025-26 and beyond have yet to be set; support for this will be considered as part of the longer term Welsh Spending Review programme.</p> <p>Welsh Government currently provide loan funding through the Wales Funding Programme to support decarbonisation of public sector buildings.</p> <p>In FY 24/25 Welsh Government has provided an additional £20 million to the higher and further education sectors to decarbonise their estates.</p> <p>Local government have provided grant funding through the Local Carbon Heat Grant to support the transition to low carbon heating solutions in public sector buildings.</p> <p>Welsh Government continues to engage with the UK government to support industrial decarbonisation in</p>
R2023-027	Industry	Welsh Government	Collaborate with the UK Government on industrial decarbonisation.	

ID	Sector	Devolved Government	Recommendation	Response
			<p>Continue to work with the UK Government on industrial decarbonisation in Wales, formally requesting some specific support measures, including for the adoption of carbon capture and storage and hydrogen in the South Wales Industrial Cluster.</p>	<p>Wales, recognizing that 60% of required changes are influenced by UK powers. Key areas of focus include advancing carbon capture utilisation and storage (CCUS) and hydrogen adoption with a specific emphasis on support to enable non-pipeline CO2 transportation solutions to progress decarbonisation projects in south Wales, including the Milford Haven CO2 project.</p> <p>Significant progress includes accelerating hydrogen infrastructure in North Wales, with the Hynet cross-border project receiving UK funding. Other carbon capture projects connected to HyNet are in development in North Wales, including at Uniper, Heidelberg Materials and Enfinium. Hydrogen hubs are planned for Northeast Wales and at Holyhead in Anglesey. Net Zero Industry Wales is supporting regional decarbonisation pathway development, including the planning and delivery of regional restructure to enable a just transition to net zero for Welsh industry.</p> <p>The Welsh Government's Innovation department continues to help organisations to understand their carbon footprint by identifying the most appropriate measurement tool & supporting them to adopt decarbonisation & energy saving technologies.</p> <p>Working across government, the team augmented the £20 million SMART Flexible Innovation Support</p>

ID	Sector	Devolved Government	Recommendation	Response
R2023-054	Agriculture and land use	Welsh Government	<p>Address non-financial barriers to tree planting. Implement a strategy to address non-financial barriers to achieve annual tree planting rates of at least 4,500 hectares per year in Wales by 2030, rising to 7,500 per year by 2035.</p>	<p>(SFIS) programme for FY 2023-24 and 2024-25, with £10 million Circular Economy Funding for businesses, delivered on behalf of the Climate Change portfolio. It supports organisations to increase the use of re-cycled or re-used products within their products and process, in order to move towards a circular, net-zero economy.</p> <p>The National Forest Status Scheme has been successfully launched and the Timber Industrial Strategy is being developed for consultation this year. Welsh Government has been working to adapt and improve the main woodland creation grant scheme and small grant woodland creation scheme. The Integrated Natural Resources Scheme was also launched earlier this year and it is hoped that this will include a number of large scale projects which include elements of Woodland Creation. The Woodland Finance Working Group explored ways in which to attract more private sector investment into woodland creation.</p> <p>Welsh Government continues to review and improve the speed and effectiveness of schemes and are working closely with landowners and NRW to encourage participation in woodland creation. The requirements for the new Sustainable Farming Scheme (SFS) are being finalised following consultation with the new start date of the scheme proposed for January 2026.</p>

ID	Sector	Devolved Government	Recommendation	Response
R2023-034	Agriculture and land use	Welsh Government	<p>Ensure continuity of funding for sustainable land management. Urgently address the funding gap for new land management actions in the farmed landscape for the year 2024 between the Glastir Scheme ending in late 2023 and the new Sustainable Farming Scheme beginning in 2025, to ensure delivery does not lose momentum.</p>	<p>The Habitat Wales Scheme (HWS), introduced in 2024 was developed to ensure support for land management activities continued between the closure of Glastir and the opening of the Sustainable Farming Scheme (SFS), now due in 2026. HWS was open to all eligible farmers in Wales and resulted in an increase in applicants and claimed area. The Scheme is offered in 2025 as part of the SFS preparatory phase; and will also be used as an operational pilot for the introduction of SFS in 2026.</p> <p>Support payments have also continued for organic farmers in 2025.</p>
R2022-043	Agriculture and land use	Welsh Government	<p>Provide detail on future agricultural funding. Provide detail on how post-CAP agricultural subsidies and schemes in Wales will target incentives (including payment rates) and delivery for climate mitigation alongside wider environmental goals such as climate change adaptation and biodiversity.</p>	<p>In adopting the Sustainable Land Management objectives as the framework, future agricultural support and regulation in Wales will be consistent with Welsh Government's obligations under the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016. SLM incorporates the environmental, economic, cultural and social contribution of farmers in Wales.</p> <p>The intention is for future farm support, delivered primarily through the Sustainable Farming Scheme, to support farmers who take action to meet the opportunities and challenges ahead. The Scheme is intended to support the resilience of all farmers in Wales through an integrated whole farm approach and Universal Baseline Payment, based on the completion of a set of Universal Actions. Those</p>

ID	Sector	Devolved Government	Recommendation	Response
R2023-005	Waste	Welsh Government	<p>Publish a delivery plan for waste decarbonisation. Set out how Wales' pathway for reducing emissions in the waste sector will be achieved - including policies, funding/investment needs and provision, and any dependencies on or implications for other UK nations.</p>	<p>wishing to progress further with additional economic, environmental and social actions will have an opportunity to do so by choosing extra Optional and Collaborative Actions.</p> <p>The latest Ministerial Statement set out the progress being made with a revised scheme design, developed in collaboration with Welsh stakeholders. This is intended to be agreed in Autumn 2024, ahead of an updated Integrated Impact Assessment and Business Case for Ministerial approval in Spring 2025, with the Scheme introduced in 2026. During 2025 there will be preparatory support available to prepare farmers for 2026.</p>
				<p>Work to decarbonise the waste and recycling sector in Wales is progressing well, with the focus as a priority on the action being taken in parallel with alongside the progress being made in the drafting of the pathway. Significant strides have been made through major initiatives and key investments, these include the implementation of the new Workplace Recycling Regulations in April 2024. Strong progress is being made on the path to achieving Wales' waste decarbonisation targets, through a combination of strategic policies, funding, and partnership work – including action on landfill emissions, recycling, repair and reuse, decarbonisation of the service delivered by local authorities and cross-cutting elements and working closely with other UK nations on EPR and DRS).</p>

ID	Sector	Devolved Government	Recommendation	Response
R2023-004	Waste	Welsh Government	<p>Publish plans to capture methane emissions from landfill. Set out policies or support to capture methane emissions from landfill sites, in addition to improving the monitoring of emissions.</p>	<p>The Welsh Government is actively supporting measures being delivered by NRW to enhance methane capture and improve emissions monitoring through the ongoing Landfill Emissions Reduction Project (LERP). As of May 2024, the key project achievements so far were:</p> <ul style="list-style-type: none"> • Increased the number of known sites providing gas data from 17 to 26 sites. • 15.68 million m³/yr landfill gas flared in 2022 compared to previous reported figures of 11.85 million m³/yr - an increase of 32%. • 76.61 million m³/yr combined flared and utilised gas in 2022 compared to previous reported figures of 69.41 million m³/yr. An increase of 7.61 million compared to previous figures. • The additional 7.61 million m³ of landfill gas is the equivalent emissions of approx. 15,000 petrol cars being driven for one year or the carbon sequestered by 70,000 acres of forest. • Site audits having delivered infrastructure improvements, increased temporary capping and changes in landfill management to reduce emissions and having pinpointed fugitive methane emissions and increased the capture of landfill gas.

Priority recommendations for the Northern Ireland Executive

ID	Sector	Devolved Government	Recommendation	Response
R2024-025	Cross-cutting	Northern Ireland Executive	<p>Publish the Climate Action Plan.</p> <p>Publish an ambitious Climate Action Plan, setting out the actions that will be needed to achieve Northern Ireland's 2030, 2040 and 2050 emissions reduction targets. This plan should set out clear roles and responsibilities for delivering aspects of emissions reduction and climate change adaptation, as well as details of how these will be coordinated and accountability mechanisms. This should cover coordination of actions across the Northern Ireland Executive, collaboration with the UK Government and partnership with local authorities.</p>	<p>The Department of Agriculture Environment and Rural Affairs of Northern Ireland (DAERA) is leading on the development of Northern Ireland's first Climate Action Plan (CAP). This plan will set out government's collective approach to delivering the emissions reductions required to achieve Northern Ireland's first carbon budget and thus establish a pathway to net zero. The CAP provides an opportunity to set out an approach to tackling climate change which will transform society for the better. Officials across all departments are in the process of finalising the first draft CAP which will set out the policies and proposals required to achieve the necessary emissions reductions across sectors. The Act requires a 16-week consultation in advance of its publication. The draft CAP will be published for consultation as soon as possible and will include detail on adaptation, as well as setting out the responsibility of central and local government in delivering the policies and proposals necessary to deliver on the carbon budget and the requirements of the Climate Change Act (NI) 2022. Given the cross-cutting nature of the Climate Action Plan, the draft will need to be approved by the Executive, prior to its publication for consultation.</p>
R2024-026	Cross-cutting	Northern Ireland Executive	<p>Set the carbon budgets and interim emissions targets. Set the First, Second and Third Carbon Budgets and the interim emissions targets.</p>	<p>The Climate Change Act (Northern Ireland) 2022 placed a requirement on DAERA to set the first three carbon budgets, covering the period 2023-2037, by December 2023. The Act also requires regulations</p>

ID	Sector	Devolved Government	Recommendation	Response
R2022-295	Surface Transport	Northern Ireland Executive	<p>Provide EV charging support. Support the deployment of public charge points across Northern Ireland, to address the issue that Northern Ireland currently has the fewest public electric vehicle charge points per capita of any of the UK nations.</p>	<p>setting carbon budgets to be made by the draft affirmative procedure. In the absence of a functioning Northern Ireland Assembly this deadline could not be met. Appropriate emission reduction targets for 2030 and 2040 and carbon budgets will provide the trajectory for Northern Ireland to achieve net zero emissions by 2050.</p> <p>Considerable work has been undertaken in this policy area, including completion of a 16 week public consultation process. As the legislation to set the carbon budgets and interim emissions targets is cross-cutting, under paragraph 2.4 of the Northern Ireland Ministerial Code, Executive approval is required for it before it can be laid and made in the Northern Ireland Assembly. Draft legislation (two separate Statutory Rules) was considered and agreed at a meeting of the Executive on 21 November 2024. Work is now progressing to lay the draft legislation in the Northern Ireland Assembly for debate and approval.</p> <p>The provision and operation of publicly accessible EV Charge Points is a commercially led operation in Northern Ireland (NI). The Department for Infrastructure does not manage the charge point network or set any requirements for installation numbers or locations but supports the market through collaboration with key stakeholders on the development of EV Infrastructure and the provision advice to Charge Point Operators (CPOs) on</p>

ID	Sector	Devolved Government	Recommendation	Response
				<p>operational matters such as procedural arrangements for planning and installation requirements.</p> <p>An Electric Vehicle Infrastructure Task-Force was established in December 2021 to consider NI EV Infrastructure requirements and to help set out a clear action plan to deliver a fit for purpose, modern EV charging network. The Task-Force is chaired by the Department for Infrastructure NI and made up of key stakeholders in the sector including the Department for the Economy, the NI Utility Regulator, Northern Ireland Electricity Networks, the CBI, Councils and the Northern Ireland Electric Vehicle Owners Association. A key action for the Task-Force was the introduction of Pay-to Charge by the Electricity Supply Board (ESB) across its existing network of Electric Vehicle charge points. This was completed in April 2023 and since then there has been a steady rise both in the number of CPO's entering the market and the number of publicly accessible charge points. There are now over 20 commercial operators in NI, operating 643 publicly accessible charge points, a rise of 65% in charge point numbers since April 2023.</p> <p>The Department is very encouraged by this progress and has now introduced Vehicle Emissions Trading Scheme to NI which will be another significant milestone in promoting the sale of electric vehicles, strengthening the EV market share and increasing demand for publicly available charge point provision,</p>

ID	Sector	Devolved Government	Recommendation	Response
R2022-108	Buildings	Northern Ireland Executive	<p>Consult and act on decarbonising heat. Publish the Decarbonising Heat consultation and follow on with a coherent, long-term strategy for heat and energy efficiency in Northern Ireland’s homes and other buildings; encompassing regulatory, policy and funding commitments to facilitate delivery.</p>	<p>making the investment required more commercially viable. Progress has also been made in respect of the decision by the Department for the Economy and the NI Utility Regulator to consider the socialisation of connection costs which will assist CPO’s in providing charge point infrastructure at locations on the strategic road network which require more remote grid access.</p> <p>Policy development is ongoing across several key policy areas in support of delivering a future Heat in Buildings Strategy for NI. A summary of the work is detailed below.</p> <p>A Residential Decarbonisation Working Group has been formed, with representatives from NI Executive Departments and public bodies with a purpose to ensure an effective cross-government approach to delivering an agreed roadmap for action and provide oversight on progress and emerging issues.</p> <p>A consultation on policy options for domestic energy efficiency support to include aspects of delivery and funding mechanisms is being prepared with a target to publish in 2024. In the interim, government is working with partners such as the Utility Regulator and has provided a £2.5 million funding package to upscale NISEP following the addition of £1 million last year.</p>

ID	Sector	Devolved Government	Recommendation	Response
				<p>A consultation on low carbon heat was published in October 2024, the outcome of which will help to inform options around future support for low carbon heating. A Call for Evidence on Biofuels is also planned to be published in 2024 exploring the role of Hydrogenated Vegetable Oil (HVO) and BioLPG can play in decarbonising heat and supporting the transition from fossil fuels.</p> <p>Several geothermal feasibility studies are ongoing in the public estate under the brand of GeoEnergyNI. The results of these demonstration projects will be used to develop geothermal policy proposals and to consider the viability of building out geothermal heating systems and heat networks at demonstration sites to further develop understanding of future heat network regulations for NI.</p> <p>The Energy Management Strategy & Action Plan for Central Government continues to provide support via the Energy Invest to Save Fund for decarbonising Public Buildings, across the Government Estate with over £70 million of funding being delivered since 2021 across a vast range of energy projects.</p> <p>A Public Buildings Decarbonisation Working Group is being established to bring together the relevant stakeholders from across the Public Sector working to combine the views and expertise of key stakeholders to drive real change in energy decarbonisation across</p>

ID	Sector	Devolved Government	Recommendation	Response
R2024-027	Agriculture and land use	Northern Ireland Executive	<p>Provide funding and delivery support for tree planting. Ensure funding and delivery support are in place to meet the Northern Ireland Executive's target of 9,000 hectares of woodland creation by 2030 and reach the Committee's advised annual afforestation rates of 3,100 hectares by 2035 and 4,100 hectares by 2039. Set out a long-term strategic plan to expand woodland cover, integrating with sustainable food production, adaptation and nature objectives and facilitating the role of private capital and investment in schemes that meet or exceed good woodland, habitat and biodiversity management standards.</p>	<p>the Government Estate. The working group will set out to deliver sector specific policies and proposals to underpin the 5-year Energy Management Strategy Action Plan for Central Government 2025-2030.</p> <p>DAERA intends to increase annual afforestation rates from the current average rate of 425 hectares/year planted since 2020/21 to an annual rate of 600 hectares per year for the remainder of the first climate action plan period in 2027, creating 3,560 hectares of new woodland by 2027. Achievement of 9,000 hectares of new woodland by 2030 requires significant further increases in annual afforestation rates from 2028-2030 to deliver the remaining 5,440 hectares aim within this period. The subsequent Climate Action Plans will need to incorporate this. However, reaching annual afforestation rates of 3,100 hectares by 2035 and 4,100 hectares by 2039 will be dependent on these targets being supported in an agreed long-term strategic plan which integrates afforestation with other key land-uses to inform where afforestation should be targeted. The Agricultural Census figures show that land in agricultural use accounts for almost 75% of the land area of Northern Ireland. Future annual afforestation rates need to realistically take account of the extent and location of land where afforestation is not an appropriate land-use. Land such as designated sites, peatland, and land over 300 metres elevation, and the built environment will therefore be excluded. Additionally, afforestation of remaining suitable land will require full</p>

ID	Sector	Devolved Government	Recommendation	Response
R2024-028	Agriculture and land use	Northern Ireland Executive	<p>Implement a delivery mechanism for peatland restoration. Publish the proposed implementation strategy and set out a comprehensive delivery mechanism to address degraded peatlands to meet the objectives as set out in the 2022–2040 Northern Ireland Peatland Strategy. This should include addressing barriers to building capacity and facilitating the process to attract private capital and investment.</p>	<p>consideration, in terms of overall benefits from forestry land-use versus delivery against other land-use objectives, sustainable food production and ecosystem services.</p> <p>DAERA will prepare a new, evidence-informed Peatland Strategy and develop an implementation plan to take forward the strategic objectives in the strategy. This work will help towards protecting and restoring NI Peatlands to become healthy functioning ecosystems by 2040, which through natural carbon sinking help to reduce emissions in line with the Climate Change Act (NI) 2022.</p>
R2022-315	Waste	Northern Ireland Executive	<p>Make evidence-based decisions on future incineration needs. Publish an assessment of residual waste treatment capacity needs through to 2050 consistent with meeting committed and prospective recycling and waste reduction targets, expected resource efficiency improvements and ending the landfilling of biodegradable waste by 2028 at the latest. The findings of this review should inform future decisions on incineration and energy from waste capacity.</p>	<p>Work has begun on the assessment of residual waste treatment capacity.</p>

Annex 2: Summary of Progress Against Net Zero Strategy Reporting Commitments

The below tables report data on relevant metrics that show progress towards our climate ambitions. The data covers some of the relevant variables that will help us achieve net zero emissions by 2050. It sits alongside a programme of work to improve reporting against our carbon budgets. We will consider expanding reporting in future responses to the CCC's Progress Reports to capture more variables of interest.

Table 1: Quantitative Reporting Against Net Zero Strategy Targets and Associated Metrics²⁹

Sector	Metric	2018	2019	2020	2021	2022	2023
Power	Percentage low carbon power generation as a proportion of total generation	52%	54%	59%	55%	56%	60%
Power	Cumulative, installed offshore wind energy capacity (MW)	8,181	9,888	10,383	11,255	13,927	14,745
Power	Of which floating wind energy capacity (MW)	30	32	32	80	80	80
Fuel Supply	Change in upstream oil & gas emissions with respect to 2018 baseline ³⁰	N/A	1%	- 8%	-21%	-25%	-
Heat and Buildings	Annual heat pump installations	-	24,591	27,332	45,100	57,930	60,244
Heat and Buildings	Proportion of homes at EPC C and above (England)	34%	40%	46%	47%	48%	-
Heat and Buildings	Number of homes with	8.3m	9.9m	10.9m	11.3m	12.1m	-

²⁹ All figures are UK-wide unless stated otherwise.

³⁰ Figures drawn from UK GHG Inventory with an adjustment of approximately -0.2 MtCO₂e/year to align with methodology of the North Sea Transition Authority in their 2024 Emissions Monitoring Report. See <https://www.nstauthority.co.uk/news-publications/emissions-monitoring-report-2024/>

Sector	Metric	2018	2019	2020	2021	2022	2023	
Heat and Buildings	minimum EPC C (England)	ECO: 181	ECO: 132	ECO: 156	ECO: 175	ECO: 71	ECO: 59	
	Annual number of households that have benefitted from government energy efficiency schemes ³¹ , thousands	GHG: 0.7	GHG: 39	GHG: 0.1				-
		LAD: 0.2	LAD: 12	LAD: 3	LAD: 1	LAD: 4		
		HUG: 1	HUG: 3					
		SHDF: 3	SHDF: 14					
		GBIS: 3						
Heat and Buildings	Percentage change in public sector buildings emissions with respect to 2017 baseline	5%	3%	-2%	3%	-6%	-10% ³²	
Natural Resources, Waste and F-Gases	Annual total area of peatlands brought under active restoration (thousand hectares)	-	-	4,176	2738	3851	4,894	
Natural Resources, Waste and F-Gases	Yearly area of afforestation in the UK (thousand hectares) ³³	9.05	13.53	13.66	13.29	13.89	12.96	
Natural Resources, Waste and F-Gases	Hydrofluorocarbons (HFC) consumption (as a percentage of 2015 use)	63%	63%	63%	45%	45%	31%	

³¹ Energy Company Obligation, Green Homes Grant Voucher, Local Authority Delivery, Social Housing Decarbonisation Fund, and Great British Insulation schemes. Figures exclude heat pump installations and do not account for households that received measures under multiple schemes. Figures for ECO cover the first time a household has been treated under the scheme starting from January 2018. This differs to the regular Household Energy Efficiency Statistics publication which uses January 2013 as the start point.

³² 2023 figure is provisional.

³³ For years beginning in April and running to end March the following year.

Sector	Metric	2018	2019	2020	2021	2022	2023
Natural Resources, Waste and F-Gases	Recycling rates for waste from households (%)	45%	46%	45%	45%	44%	-
Natural Resources, Waste and F-Gases	Biodegradable municipal waste (BMW) sent to landfill (thousand tonnes), England	5,598	5,418	4,968	5,325	5,132	-
Transport	Share of cars first registered in the UK p.a. that are zero emission	0.7%	1.6%	6.5%	11.4%	16.2%	16.1%
Transport	Share of road goods vehicles first registered in the UK p.a. that are zero emission	0.4%	0.9%	1.9%	3.6%	6.3%	6.2%
Transport	Share of total government car fleet that is ultra-low emission ³⁴	-	-	-	21%	30%	-
Transport	Share of Heavy Goods Vehicles first registered in the UK p.a. that are zero emission	0.03 %	0.02%	0.04%	0.21%	0.34%	0.61%
Transport	Share of buses and coaches first registered in the UK p.a. that are zero emission	1.1%	1.7%	6.1%	12.3%	15.7%	21.9%

³⁴ For years beginning in April and running to end March the following year. Data is for the period between 1 October and 31 December of the year presented and covers the percentage of the government's car fleet (that is in scope of the Government Fleet Commitment) that is ultra-low emission. Note that these figures are different to previously published data due to changes in methodology and reporting structures. The Government met a target for 25% of the car fleet to be ULEV by the end of 2022 and has a target of 100% of the car and van fleet to be zero emission by 2027. Reporting on this target will begin from 1 April 2025.

Sector	Metric	2018	2019	2020	2021	2022	2023
Transport	Number of EV charging devices, UK	10,309	16,505	20,775	28,375	37,055	53,677
Transport	Average emissions of cars registered for the first time by year (gCO ₂ e/km)	-	152.0	133.6	118.5	110.8	109.3
Transport	Road traffic (vehicle miles travelled , as a proportion of 2019 baseline), Great Britain	99%	100%	79%	88%	96%	98%
Transport	Number of rail passenger journeys (millions, GB only) ³⁵	1,753	1,739	388	990	1,385	1,612
Transport	Number of passenger journeys on local bus services (millions, GB only) ³⁶	4,832	4,786	4,526	1,731	3,121	3,745
Transport	Cycling stages (as percentage increase from a 2013 baseline), England	18%	12%	38%	1%	7%	5%
Transport	Walking stages (as percentage increase from a 2013 baseline), England	15%	10%	-7%	-8%	5%	7%

³⁵ For years beginning in April and running to end March the following year. For year April 2020 to end March 2024 annual data are provisional pending a planned revision to adjust for the impact of split ticketing.

³⁶ For years beginning in April and running to end March the following year.

Table 2: UK Net Territorial Greenhouse Gas Emissions by Net Zero Strategy sector (MtCO₂e)

Sector	1990	2019	2020	2021	2022	2023(p³⁷)
Power	204.0	57.7	49.7	54.6	54.9	44.1
Industry	159.5	74.0	69.7	70.5	68.3	63.9
Fuel Supply	59.3	24.3	22.4	19.9	18.8	19.0
Buildings	108.6	87.4	85.9	90.2	77.9	73.2
Agriculture & LULUCF	64.8	50.3	48.7	49.4	48.4	48.6
Waste & F-gases	86.9	30.3	28.0	26.8	26.1	25.2
Domestic Transport	129.3	123.8	99.5	109.8	111.6	110.2
IAS	23.6	44.1	20.9	20.2	34.8	39.2
Total territorial emissions (excluding IAS)	812.4	447.9	404.0	421.1	406.2	384.2
Total territorial emissions (including IAS)	836.1	492.0	424.9	441.3	440.9	423.3

³⁷ 2023 figures provisional.

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