

UK CCUS Council Meeting Minutes
14th May 2025, hybrid meeting

Attendees	Organisation
Minister Jones (MJ), Co-Chair	Minister for Industry, DESNZ
Olivia Powis (OP), CCUS Council Co-chair	CEO, CCSA
Mark Sommerfield (MS)	UK Director, CCSA
Chris Daykin (CD)	Vice President Hydrogen & CCS, Northern Endurance Partnership
Louise Kingham (LK)	Senior Vice President, Europe and Head of Country, UK, BP
Sophia Northridge	Head of UK Region & Business Development, Equinor
Manfredi Giusto	Managing Director, Eni
Stefano Rovelli (SR)	Managing Director Liverpool Bay, Eni
Victoria Merton (VM)	Director of Policy, Encyclis
Simon Willis (SW)	CEO, Heidelberg Materials
Ruth Herbert (RH)	Managing Director, EET
Nic Braley	Acorn General Manager, Storegga
Graeme Davis (GD)	EVP, Harbour Energy
Paul Davies (PD)	Director, Severnside Carbon Capture and Shipping Hub (7CO ₂)
David Parkin (DP)	Director, Progressive Energy
Levi Quinn (LQ)	Chief Delivery and Supply Chain Officer, Carbon Clean
Elliot Renton	CEO, Evero
Suzanne Ferguson	Carbon Capture Lead Consultant, Wood
Matthew Cheadle	Managing Director, Technip
Enrique Cornejo (EC)	Head of Energy Policy, Offshore Energies UK
Karl Smyth (KS)	Co-founder, Coalition for Negative Emissions
Allan Baker	Managing Director, Societe Generale
Toby Lockwood	Technology and Markets Director, Clean Air Task Force
Roz Bulleid (RB)	Research and Policy Director, Green Alliance
Stuart Haszeldine	Professor of CCS, University of Edinburgh
Niall MacDowell	Professor of Energy Systems Engineering, Imperial College London
Kevin Bradshaw	CEO, Viridor
Ben Burggraaf	CEO, Net Zero Industry Wales

Mark Hughes	COO, NECCUS
Kirstie Simpson	Dean and Associate Professor, University of Chester
Emily Sidhu	Managing Director, National Wealth Fund
Charlotte Brumpton-Childs	National Officer, GMB Union
Jarad Daniels	CEO, Global CCS Institute
Senior Officials	Organisation
Paro Kunar (PK)	Director General, DESNZ
Alex Milward	Director, CCUS, DESNZ
Philip Orr	Deputy Director, CCUS, DESNZ
Matt Taylor	Deputy Director, CCUS, DESNZ
External Presenters:	
Olivier Mette (OM)	Global Advisory Director, Xodus
Chris Thackeray (CT)	Director and Global CCS Lead, Baringa

1. Opening remarks from co-chairs Minister Jones and Olivia Powis

- MJ welcomed members and OP as the new co-Chair (noting that MS would be co-chairing in-person on behalf of OP).
- MJ outlined that the meeting would focus on the economic opportunities of CCUS and how CCUS will drive growth, as well as deliver on climate commitments.
- MJ emphasised HMG's commitment to CCUS, demonstrated by HMG's funding commitment and the recent ECC and Hynet FID announcements.
- OP noted progress over the past 6 months and outlined future steps, including maximising growth and export opportunities and moving to a self-sustaining market.

2a. Presentation on Supply Chains from Track 1 Clusters

- SR and CD updated on latest supply chain figures, including local job creation and investment statistics following FID announcements. SR noted that further jobs and investment would be created as more emitters are enabled to connect to the committed transport and storage networks and by unlocking cross-border trade with the European Union for post-track Clusters (particularly for projects in the Southern North Sea).
- CD raised the need for timely clarity on future deployment from HMG and for UK industry to remain competitive in the supply chain.
 - Members noted challenges around securing investment given uncertainty on future funding, and the risk of skills being lost from the UK.
 - LK noted the need to strategically develop parts of the UK supply chain to ensure it can deliver for the UK and to recognise this may

have short-term costs for longer-term gains, including export opportunities.

- PD flagged additional job creation stemming from CCUS development and the opportunity for non-pipeline transport to create jobs outside of the T&S clusters.
- SW highlighted the opportunity to build low carbon product specifications into relevant projects to stimulate UK demand and address competition from global supply chains.

2b. Presentation on Cross-Border Benefits from Xodus

- OM presented on the benefits of unlocking overseas trade of CO₂ storage with the EU, notably significant additional revenue, job creation, and cost reduction.
- OM flagged the strong demand from overseas to access UK CO₂ stores and noted that accommodating additional international CO₂ would not put UK store capacity at risk.
 - Members reiterated the high demand from emitters and flagged the urgent need to make cross-border trade feasible before EU emitters contract with alternative European stores. GD highlighted progress being made by INEOS and Northern Lights in Norway.
 - Members discussed the potential for additional revenue capture through developing pipeline and shipping facilities. SH noted examples of hydrocarbon import facilities that have been constructed within months.
 - VM also highlighted timing and demand for negative emissions, as an opportunity for government to realise returns from investing in stores if GGR projects can be enabled.

3a. Presentation on opportunities for innovation from Carbon Clean

- LQ highlighted how driving innovation will reduce CCUS costs through creating a competitive environment that promotes a diverse range of solutions.
- LQ noted the benefits of transitioning from a project to product-based approach, encouraging industry to compete on technology instead of just cost.

3b. Discussion on cost reduction

- Members discussed the importance of ensuring value for money, and how long-term value needs to be weighted within these considerations. RH raised engaging with investors to bring down the cost of finance.
- Members noted the need to have a process for sharing learnings across industry to drive future development.
- Members raised the risk of international misalignment on standards, which could negatively impact competitiveness and cost reduction. Members also noted the importance of ensuring standards are proportional, ensuring high quality without becoming a barrier to deployment.

4a. Presentation on Allocation Frameworks from CCSA and Baringa

- CT provided an overview of a report on future allocation frameworks that considers how business models and funding could evolve post-Track 2 to transition to a self-sustaining market.
 - CT noted that industry preferred the business models to go through a process of evolution rather than revolution throughout market transition. CT flagged the key asks from industry are for transparency throughout the process, clarity on funding support, and regular rounds of funding allocations.
 - CT advised that HMG should focus on stimulating demand for CCUS.
 - CT noted more risk can be transferred to the private sector, but this needs to be met with equivalent commercial returns.
 - CT suggested that HMG will still need to provide support for additional clusters, for example, non-pipeline transport hubs and multi-use networks.

4b. Discussion on creating a self-sustaining market

- PK noted HMG's intention to reduce Government's role in the CCUS sector over the long-term.
- Members agreed that transitioning to a self-sustaining market is dependent on cost reduction, transparent policy frameworks, stable carbon price and reducing project risk. Members noted this includes addressing CO2 volume risk and cost of capital.
- KS highlighted the potential for the GGR market to reduce costs for the government. However, timely decisions are required to ensure the market is operational in time for buyers to access credits by 2030, alongside the development of consistent and proportionate standards across GGR pathways.
- Members also discussed the importance of ensuring projects remain financeable and suggested policy intervention would be needed to safeguard market stability. This included addressing cliff edge thresholds within the business models.
- DP raised the importance of having an effective ETS and CBAM structures in place to provide cost certainty, particularly in regard to creating a market for low carbon products.
- RB noted that the importance of securing a public mandate for CCUS and suggested that industry should aim for greater transparency.

5. Closing remarks

- MS flagged that DESNZ will be requesting feedback to ensure the Council is proactive and productive.
- PK thanked attendees for participating, noted the importance of the meeting's discussions in developing a clear narrative on the economic benefits of CCUS, and closed the meeting.