

Rt Hon Philip Dunne MP Chair, Environmental Audit Committee By email: eacom@parliament.uk The Rt Hon Alok Sharma MP Secretary of State Department for Business, Energy & Industrial Strategy 1 Victoria Street London SW1H 0ET

T +44 (0) 20 7215 5000 E <u>enquiries@beis.gov.uk</u> W <u>www.gov.uk</u>

19 November 2020

Dear Philip,

Launch of the Government's Ten Point Plan for a Green Industrial Revolution

The Prime Minister set out yesterday an ambitious Ten Point Plan to drive a Green Industrial Revolution in the UK. It is available in full on Gov.uk: https://www.gov.uk/government/publications/the-ten-point-plan-for-a-green-industrial-revolution. I have also made a written ministerial statement on this matter: https://questions-statements.parliament.uk/written-statements/detail/2020-11-18/hcws586

As we rebuild, we must build back better, greener, and faster. This means supporting green jobs, accelerating our path to net zero, and creating long-term advantage for the UK.

Our Ten Point Plan sets out ambitious policies and significant new public investment to allow the UK to forge ahead with eradicating its contribution to climate change by 2050. It presents a vision for the UK that is greener, more prosperous and at the forefront of industries for the future. Covering clean energy, buildings, transport, nature and innovative technologies, the plan will mobilise £12 billion of government investment to create and support up to 250,000 highly-skilled green jobs in the UK, and unlock three times as much private sector investment by 2030.

In doing so, we will position the UK to take advantage of export opportunities in new, global emerging markets in low carbon technologies and services, providing jobs and reinvigorating our industrial heartlands, including in the North East, North West, Yorkshire and the Humber, the Midlands, Scotland and Wales.

The plan builds on the UK's strengths and covers the following 10 areas:

- Offshore wind: Generating more power with offshore wind by 2030 than households in the UK are currently using, quadrupling how much we produce to 40GW by 2030, supporting up to 60,000 jobs. We have also committed to invest £160 million into modern, integrated portside offshore wind infrastructure, providing high quality employment in coastal regions.
- 2. **Hydrogen**: Working with industry, aiming to generate 5GW of low carbon hydrogen production capacity by 2030 for industry, transport, power and homes. This will be supported by investment of up to £500 million for low carbon hydrogen production across the decade, with £240 million committed to 2024/5. We will also support

trialling homes using hydrogen for heating and cooking, starting with a Hydrogen Neighbourhood in 2023, moving to a Hydrogen Village by 2025, with an aim for a Hydrogen Town – equivalent to tens of thousands of homes – before the end of the decade.

- 3. Nuclear: Advancing nuclear as a clean energy source through large scale nuclear and developing the next generation of small and advanced reactors. We have committed £525 million to help develop large and smaller-scale nuclear plants, and research and develop new advanced modular reactors, all of which could support 10,000 jobs.
- 4. Electric vehicles: Backing our world-leading car manufacturing bases including in the West Midlands, the North East and Wales to accelerate the transition to electric vehicles, and transforming our national infrastructure to better support electric vehicles. Following extensive consultation with car manufacturers and sellers, the Government has confirmed that the UK will end the sale of new petrol and diesel cars and vans by 2030, ten years earlier than planned. However, we will allow the sale of hybrid cars that can drive a significant distance without emitting carbon until 2035. To support this acceleration, the Government has announced: £1.3 billion to accelerate the rollout of chargepoints for electric vehicles in homes, streets and on motorways across England; £582 million in grants for those buying zero or ultralow emission vehicles to make them cheaper to buy and incentivise more people to make the transition; and nearly £500 million to be spent in the next four years for the development and mass-scale production of electric vehicle batteries, as part of our commitment to provide up to £1 billion, boosting international investment into our strong manufacturing bases including in the Midlands and North East.
- 5. **Public transport, cycling and walking**: Making cycling and walking more attractive ways to travel and investing in zero-emission public transport of the future. We will start this transformation with £250 million for local measures to increase cycling and walking this year, as part of our commitment to invest £2 billion in cycling and walking over this parliament.
- 6. **Jet Zero and greener maritime**: Supporting difficult-to-decarbonise industries to become greener through research projects for zero-emission planes and ships. We will run a £15 million competition to support the production of Sustainable Aviation Fuels in the UK and invest £20 million into the Clean Maritime Demonstration Programme to test new fuels in shipping.
- 7. **Homes and public buildings**: Making £1 billion available next year to make new and existing homes and public buildings more efficient, supporting 50,000 jobs by 2030, alongside a target to install 600,000 heat pumps every year by 2028.
- 8. Carbon capture: Becoming a world-leader in technology to capture and store harmful emissions away from the atmosphere, with a target to remove 10MT of carbon dioxide a year by 2030, equivalent to all emissions of the industrial Humber today. We have announced an extra £200 million of new funding to create two carbon capture clusters by the mid-2020s, with another two set to be created by 2030. The total investment of up to £1 billion will help to support 50,000 jobs, potentially in areas such as the Humber, Teesside, Merseyside, Grangemouth and Port Talbot.

- 9. Nature: Protecting and restoring our natural environment, planting 30,000 hectares of trees every year, whilst creating and retaining thousands of jobs. This will include starting the process to designate more National Parks and Areas of Outstanding National Beauty, create more green jobs with £40m for a second round of the Green Recovery Challenge Fund and £5.2bn for a six year programme of flood and coastal defences.
- 10. Innovation and finance: Developing the cutting-edge technologies needed to reach these new energy ambitions and make the City of London the global centre of green finance. To accelerate the commercialisation of innovative low-carbon technologies, systems and processes we will launch the £1 billion Net Zero Innovation Portfolio. The portfolio will focus on ten priority areas that correspond with the Ten Point Plan.

This Ten Point Plan ensures that our recovery from COVID-19 will generate jobs and bolster the economy, whilst continuing to drive down emissions. It sends a clear signal to industries across the British economy to invest in the UK's cleaner, greener future.

The Plan marks the beginning of the UK's path to net zero. Over the next year we will continue to bring forward ambitious proposals across the economy to cut emissions and secure long-term growth for the whole country, starting with the Energy White Paper, and culminating in a Net Zero Strategy, in the run up to the international COP26 climate summit in Glasgow next year. The summit will bring together world leaders, climate experts, business leaders and citizens to agree ambitious action to tackle climate change.

Ahead of the summit, this Ten Point Plan demonstrates the UK's significant and continuing commitment to tackling greenhouse gas emissions and sets the foundation to drive a Green Industrial Revolution in the UK.

Yours sincerely,

THE RT HON ALOK SHARMA MP

Secretary of State for Business, Energy & Industrial Strategy