



Department for
Energy Security
& Net Zero



Department for
Business & Trade

Bill Esterson MP
Chair of the Energy Security and Net Zero Committee
House of Commons
London
SW1A 0AA

Sarah Jones MP
Minister of State for Industry

**Department for Energy Security
& Net Zero**
55 Whitehall
London
SW1A 2HP

**Department for Business and
Trade**
Old Admiralty Building
Admiralty Place
London
SW1A 2DY

www.gov.uk

23 June 2025

Dear Bill,

Publication: Clean Energy Industries Sector Plan as part of the Wider Industrial Strategy

I am delighted to inform you that the Government has published a new Industrial Strategy which sets out a cross-economy plan to maximise growth across eight priority sectors. Our modern Industrial Strategy is a credible, 10-year plan to provide the certainty and stability businesses need to invest in the high-growth sectors that will drive our economic future. It will improve our economic security and resilience, support our net zero and environmental objectives and bring quality well-paid jobs to the UK.

I am writing to inform you that the Department for Energy Security and Net Zero has published two key documents as part of the Industrial Strategy package.

Firstly, a Clean Energy Industries Sector Plan as part of the Industrial Strategy. This is focused on boosting UK manufacturing, innovation, investment and exports in priority clean energy industries with a specific focus on our frontier industries – wind, nuclear fission, fusion energy, CCUS including GGRs, hydrogen, Heat Pumps, and Electricity Networks as a foundational sector. The Spending Review saw the most significant programme of investment in homegrown clean energy in the UK's history, and this industrial strategy is our plan to build it here in Britain. With a muscular industrial policy, we can revitalise our industrial heartlands and coastal communities – from blade manufacturing in Hull to new nuclear in Somerset and carbon capture in Scotland.

This plan has been developed in collaboration with industry and trade unions to ensure we address the appropriate barriers to maximise growth.

The Clean Energy Industries sector plan sets out how we will:

- **Drive Investment Certainty** through the Clean Power 2030 Action Plan and both fiscal and non-fiscal commitment to industry provided throughout the sector plan.
- **Provide Catalytic Public Investment**, including through the GB energy £1 billion supply chain fund, £4 billion British Business Bank scale up, National Wealth Fund, and UK Export Finance support, as well as the Clean Industry Bonus expansion to Hydrogen and Onshore Wind.

- **Remove Barriers** through planning reforms via the Planning & Infrastructure Bill, including accelerating grid connection timelines for major investment projects and investment in port infrastructure.
- **Build a Skilled Workforce** through the upcoming Clean Energy Workforce Strategy, creating hundreds of thousands of good jobs at good wages across the country, supported by strong trade union recognition.

These overarching interventions alongside flagship frontier industry policies, including providing £2.5 billion over five years to support the fusion energy Spherical Tomahawk for Energy Production (STEP) and the £1bn Great British Energy supply chain fund, deliver a comprehensive package which will increase certainty, attract investment and drive growth in clean energy industries.

We have also collaborated with other government departments to ensure that Net Zero and climate objectives are reflected across other Sector Plans including: electric vehicle, battery technologies and sustainable aviation fuel in Advanced Manufacturing; climate tech and smart data within Digital Technologies; green services in Professional and Business Services; and sustainable finance within Financial Services. Additionally, we have audited all sector plans to ensure that they are in line with the governments broader commitments on Net Zero and climate, as set out as one of the key sub-objectives of the wider Industrial Strategy.

Secondly, we have published a consultation on policies that aim to grow the market for low carbon industrial products, with an initial focus on the steel, cement and concrete products used in construction. A key pillar in decarbonising UK industry while driving economic growth is ensuring that there is a resilient and prosperous market for low carbon industrial products.

Measures being consulted on include establishing an embodied emissions reporting framework (to support improved product-level carbon accounting), product classifications (to help define what constitutes a low carbon product), and green procurement policies. The consultation also seeks feedback on longer term policy options such as product ecolabelling and mandatory product standards. This consultation proposes a voluntary approach.

The government is working collaboratively with global partners to address these shared challenges. At COP28, the UK strengthened its commitment by signing the Industrial Deep Decarbonisation Initiative's Green Procurement Pledge, signalling its intention to meet pledge level 3 (to procure low carbon concrete and steel in public construction projects from 2030).

The consultation will be open for 12 weeks and seeks views from a wide range of stakeholders. Following this, we will undertake a thorough assessment of the proposed policies, informed by responses and further engagement.

We welcome the Committee's engagement on these publications. Taken together, they mark a key step in the UK's transition to net zero and efforts to drive industrial decarbonisation and economic growth.

Very best wishes,

A handwritten signature in blue ink, appearing to read 'S. Jones', with a stylized flourish at the end.

SARAH JONES MP

Minister of State for Industry
Department for Energy Security & Net Zero and
the Department for Business and Trade