

Rt Hon Rishi Sunak MP, Chancellor of the Exchequer
Rt Hon Alok Sharma MP, Secretary of State for Business, Energy & Industrial Strategy
Rt Hon George Eustice MP, Secretary of State for Environment, Food & Rural Affairs
Rt Hon Grant Shapps MP, Secretary of State for Transport
Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster

9 October 2020

Dear Chancellor, Secretaries of State,

Building back better by supporting negative emissions technologies

Today our organisations have launched a new coalition with a shared vision: to build back better as part of a sustainable and resilient recovery from Covid-19, by developing pioneering projects that can remove carbon dioxide (CO₂) and other pollutants from the atmosphere. Together, we represent hundreds of thousands of workers across some of the UK's most critical industries, including aviation, energy and farming, each of which contribute billions of pounds each year to the economy.

A growing number of independent experts, including the Committee on Climate Change, Royal Society and Royal Academy of Engineering and the Electricity System Operator, have recognised the crucial role of 'negative emissions' or 'greenhouse gas removal' technologies in fighting the climate crisis. Whilst we should seek to decarbonise sectors such as aviation, heavy industry and agriculture as far as practically possible, due to technical or commercial barriers it is unlikely we will eliminate their greenhouse gas emissions completely. Negative emissions technologies are critical therefore to balancing out these residual emissions and ensuring we achieve Net Zero in a credible, cost effective and sustainable way.

As well as benefiting the environment, negative emissions technologies and projects can build back a cleaner, greener economy in the wake of Covid-19. The foundations for this are already being laid by our coalition's members today. For example:

- The National Farmers Union has set out a Net Zero vision for the agricultural sector whereby UK farmers harness the ability to capture carbon to create new income streams.
- The aviation industry through the Sustainable Aviation initiative has identified negative emissions projects, alongside other measures as sustainable jet fuel, as being crucial to greening the industry.
- In North Yorkshire, Drax is developing plans to combine sustainable biomass with carbon capture technology (BECCS) to create the world's first carbon negative power station – supporting thousands of jobs in the process.
- In North East Lincolnshire, Velocys with the support of British Airways is developing the Altalto waste-to-jet fuel project that could produce negative-emission jet fuel once the Humber industrial cluster's carbon capture and storage infrastructure is established.
- Finally, Carbon Engineering has announced a partnership with Pale Blue Dot Energy to deploy commercial-scale Direct Air Capture projects in the UK that would remove significant volumes of carbon dioxide from the atmosphere.

With COP26 fast approaching, there is a real and compelling opportunity for the UK Government to demonstrate to the world it is taking a leadership position on negative emissions. Conversely if the UK

does not act quickly, it could jeopardise the delivery of projects in the 2020s that can support innovation, learning by doing and the scale-up of negative emissions in the 2030s. It also risks Britain falling behind in the race to scale and commercialise these technologies, with a view to exporting them to other countries around the world to support their own decarbonisation efforts.

We therefore call on this Government, supported by your departments, to pursue the following 'low regrets' interventions to support this critical emerging industry:

- 1. Adopt a clear, unambiguous commitment to supporting negative emissions in the 2020s and beyond.** The last significant reference to negative emissions by Government was in the 2017 Clean Growth Strategy. Between now and the end of the year there is a window of opportunity for the Government to go further, reflecting the changed reality of a Net Zero world and the growing consensus on the need for negative emissions. A clear signal of intent would also give greater confidence to investors and developers in negative emissions projects, in the absence of a long-term strategy.
- 2. Develop targeted policies to support viable negative emissions projects in the 2020s.** In order to scale up in the 2030s at a pace compatible with the UK's climate commitments, it is essential that Government works with industry to bring forward early projects in the 2020s that are viable and represent value for money. However, there is no marketplace or regulatory regime in the UK today that incentivises or rewards negative emissions, making financing projects extremely challenging. Dedicated policy frameworks and business models for solutions such as afforestation, BECCS and Direct Air Capture are therefore urgently needed.
- 3. Seize the opportunity to make negative emissions a point of emphasis at COP26.** The UK has already led the way at a global level by adopting Net Zero as a legally binding target. At COP26, the UK can showcase its further commitment to continuous innovation around the decarbonisation agenda by signposting the early actions it has taken to deploy negative emissions – which other countries will also need to meet their own zero carbon ambitions. This statement would be particularly powerful as it can be credibly supported by several pioneering projects already being undertaken by British businesses and research organisations in this space.

We would welcome the opportunity to meet with each of you to discuss these points in further detail.

Yours,

Coalition for Negative Emissions



