

The ten point plan for a green industrial revolution: one year analysis

Thursday 18 November 2021

The following short analysis maps the government progress against the 2020-1 target milestones the government set itself in its [Ten point plan for a green industrial revolution](#). This analysis follows on from the six month we published in [May](#).

Point 1: Advancing offshore wind

- **2020 - Competitive process launched to support modern, integrated portside infrastructure.** The government pledged to invest £160 million into modern ports and manufacturing infrastructure in the 10 point plan. In December 2020, a £70 million port hub competition to support offshore wind was also launched.
- **2021 - Consult on the introduction of more stringent supply chain plan requirements, and support up to twice the capacity of renewable generation in the next CfD round, with onshore wind and solar projects eligible to bid for CfD contracts.** The first part of this milestone was achieved in January, when the government closed a consultation on proposed changes to Supply Chain Plans and the CfD contract, and in May when the government responded to the consultation. It is yet to be seen whether the government has met the second part of the milestone, as the fourth round of the CfD scheme is expected to open for applications in December.
- **2021 - The Offshore Transmission Network Review will publish an update by the end of the year, with a view to providing clarity for an enduring approach in 2021.** The government is on track to meet this milestone as the consultation for the Offshore Transmission Network Review is currently open. Meeting the 2030 target for offshore wind is dependent on processes such as this progressing rapidly.

Point 2: Driving the growth of low carbon hydrogen

- **2021 - Publish our Hydrogen Strategy and begin consultation on Government's preferred business models for hydrogen.** Both of these milestones have been achieved. The hydrogen strategy, published in August, was positive in that it acknowledged the role of hydrogen in decarbonising hard-to-abate sectors – such as steel, shipping, and aviation - but lacked near term policy to direct hydrogen to uses where it would be most valuable, and a clear intention to ensure the UK is only using zero emission 'green hydrogen' by 2050. Alongside the strategy, the government launched a consultation into the design of hydrogen business models. It later said that these would be funded by consumers, a decision that risks burdening poorer households and should be considered as part of a wider review of who pays for energy system decarbonisation.

Point 3: Delivering new and advanced nuclear power

- **2020 – Energy White Paper.** The government delivered on its first target milestone in publishing the Energy White Paper in December 2020, a document which sets out the next steps towards decarbonising the energy system.

- **2021 – Proposed launch of Phase 2 of UK SMR design development.** Earlier this month, phase 2 was kicked-off with £210 million of public investment for Rolls-Royce SMR, which will help to further develop SMR design.

Point 4: Accelerating the shift to zero emission vehicles

- **2021 - We will publish a Delivery Plan setting out key milestones to deliver the new phase out dates.** Published in September, the Transport Decarbonisation Plan offered no new funding but included emissions reduction pathways for different modes of transport and recognised the importance of key steps to decarbonise transport, including the role of active travel. It was accompanied by welcome consultations, such as a consultation on introducing a zero emissions vehicle mandate – since adopted as policy. There was also a commitment to monitor and report against the plan every five years.
- **2021 - We will publish a Green Paper on the UK’s post EU emissions regulations and the car and van phase out dates, as well as launch a consultation on the phase out of new diesel HGVs.** The government published the green paper in July, and following the Transport Decarbonisation Plan, launched a consultation on the phase out of new diesel HGVs. It has since pledged to phase out the sale of new, non-zero emissions HGVs by 2040, becoming the first country in the world to do so.

Point 5: Green public transport, cycling and walking

- **Early 2021 - National Bus Strategy and first electric bus town.** In January and March, the government delivered on its early 2021 milestone by selecting Coventry and Oxford to be the UK’s first all-electric bus cities and by publishing the National Bus Strategy. The announcement of more bus priority measures, as well as a consultation on phasing out the sale of new diesel buses in the strategy were both welcome.
- **2021 - First of 4,000 new zero-emission buses delivered.** The government has also made a start on its second 2021 target milestone, of delivering 4,000 zero emission buses, through the £120 million Zero Emissions Buses Regional Area scheme announced in March which is forecast to deliver up to 500 buses. According to [Campaign for Better Transport](#), however, the government is likely to miss its 2025 target without further measures.

Point 6: Jet Zero and green ships

- **2021 - We will consult on the Aviation Decarbonisation Strategy.** The government launched its Jet Zero consultation in July, which proposed several measures to meet net zero domestic aviation target. These four proposed measures were carbon pricing, fuel efficiency improvements, zero emission aircraft and sustainable aviation fuel (SAF). It is inconceivable, though, that a strategy to decarbonise the aviation sector does not include plans to limit the number of flights taken.
- **2025 – We will consult on a SAF mandate and run a £15 million competition for fuel plants in 2021, with a mandate possibly starting in 2025.** The government is on track with its 2025 milestone, having launched a consultation on SAF mandates and announced the short list for the £15 million Green Fuels, Green Skies competition.

Point 7: Greener buildings

- **2021 - Set out the H&B strategy.** After being delayed three times, the Heat and Building Strategy was finally published in October. This strategy made a strong start to cutting building emissions through a world-leading ambition to phase-out gas boilers by 2035, supported by £5,000 grants for heat pump installations and a consultation to remove levies on electricity bills. Where the strategy falls short, however, is in the scale of funding committed – particularly in improving energy efficiency.

- **2021 - Launch a world class energy related products policy framework. We will push for products to use less energy, resources, and materials, saving carbon and helping households and businesses to reduce their energy bills with minimum effort.** The government has achieved this milestone, having published the energy-related products policy framework earlier this month. Consultations on any resulting legislative proposals will begin in 2022/3.

Point 8: Investing in carbon capture, usage and storage

- **2021 - Execute a process for CCUS deployment, working in collaboration with industry and set out further details of a revenue mechanism for industrial carbon capture and hydrogen projects.** In the Net Zero Strategy, the government committed £140 million to set up the Industrial Decarbonisation and Hydrogen Revenue Support scheme, which will fund new hydrogen and industrial CCS business models.
- **2022 – New CCUS business models finalised.** The government has made good progress on its 2022 target, having published an update in November on CCUS business models. One limitation of the model for industrial CCUS is that in rewarding carbon captured rather than emissions abated. If complementary policies to encourage energy efficiency are not maintained, this could result in perverse incentives.

Point 9: Protecting our national environment

- **2020-1 - From the end of 2020 we will award the first £40 million in a range of nature projects across England through the Green Recovery Challenge Fund, with a second-round worth up to a further £40 million in 2021.** £80 million has been awarded to nature projects across England over two rounds of the Green Recovery Challenge Fund.
- **2021 - In 2021 we aim to start the process for designating new National Parks and AONBs.** In June, the government announced four proposals for increasing landscape protection across England. The Yorkshire Wolds and Cheshire Sandstone Ridge will be considered as possible new AONBs, whilst extensions to the Chilterns and Surrey Hills AONBs are also being considered.
- **2021 – Starting in 2021, we will invest £5.2 billion in a six-year capital investment programme for flood and coastal defences.** The government committed, in the spring budget, to invest the £5.2 billion earmarked for flood and coastal defences, starting with schemes in Waltham Abbey, Rotherham and Doncaster, amongst other places.
- **2022-4 – Initiate 10 long-term Landscape Recovery projects.** The government has made strong progress on its final, 2022-4 nature target, having held three landscape recovery market engagement events. According to the Net Zero Strategy, the government is aiming to open applications for the first wave of the pilot projects before the end of the year.

Point 10: Green finance and innovation

- **2020 - Publish priorities within the Net Zero Innovation Portfolio.** The government has achieved its first 2020 target milestone, albeit a year late, in launching its net zero innovation portfolio in March, which sets out the details of the £1 billion fund.
- **2021 - Remaining priority innovation challenges within the Net Zero Innovation Portfolio launched.** The 10 priority areas are future offshore wind, nuclear advanced modular reactors, energy storage and flexibility, bioenergy, hydrogen, homes, direct air capture, advanced CCUS, industrial fuel switching, and disruptive technologies.

- **2022 – Announce the site for UK fusion power plant demonstrator.** The government is on track with one of its 2022 milestones, having already shortlisted five potential sites for the fusion power plant demonstrator across England and Scotland.

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