



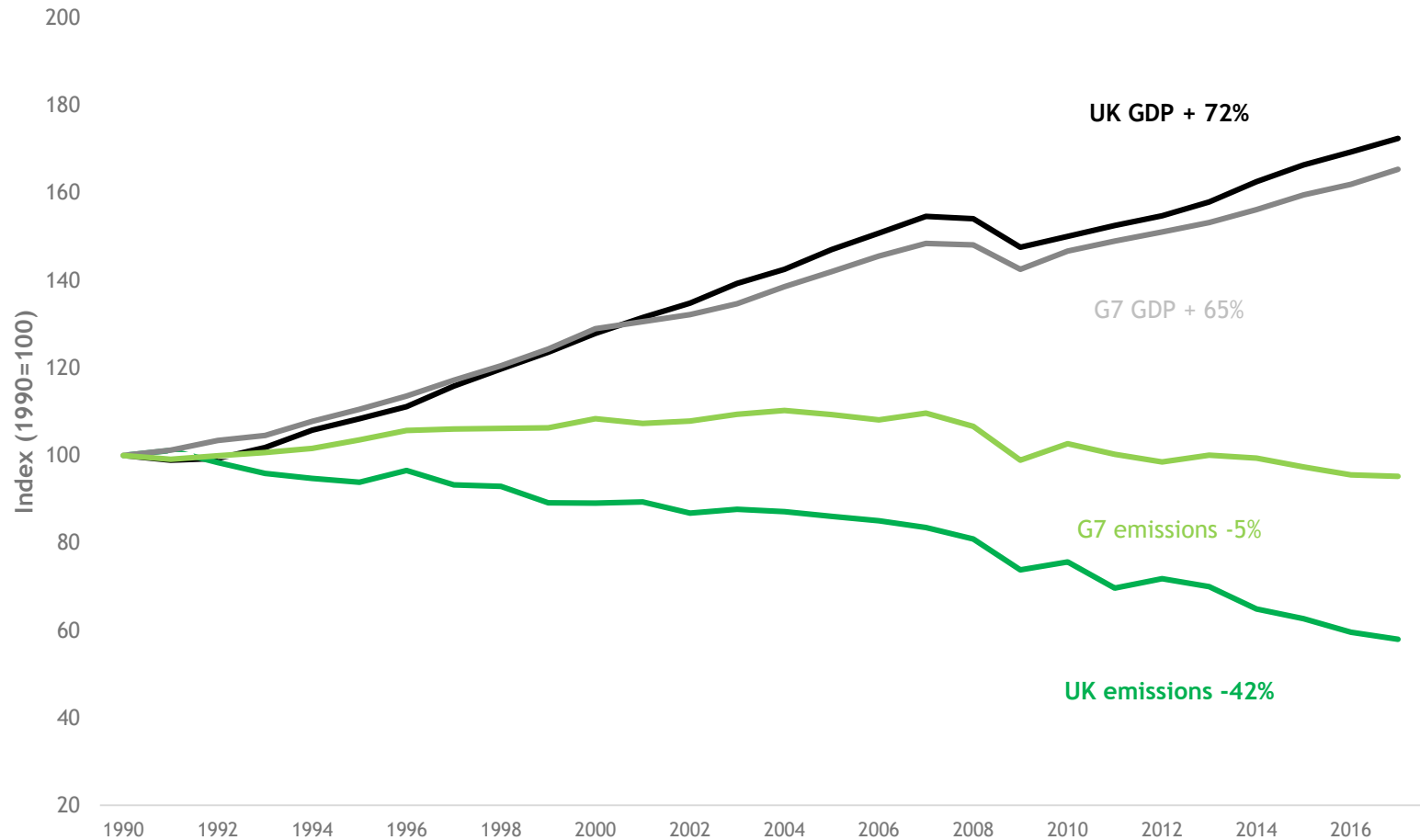
Department for
Business, Energy
& Industrial Strategy

Policy levers for net zero



Department for
Business, Energy
& Industrial Strategy

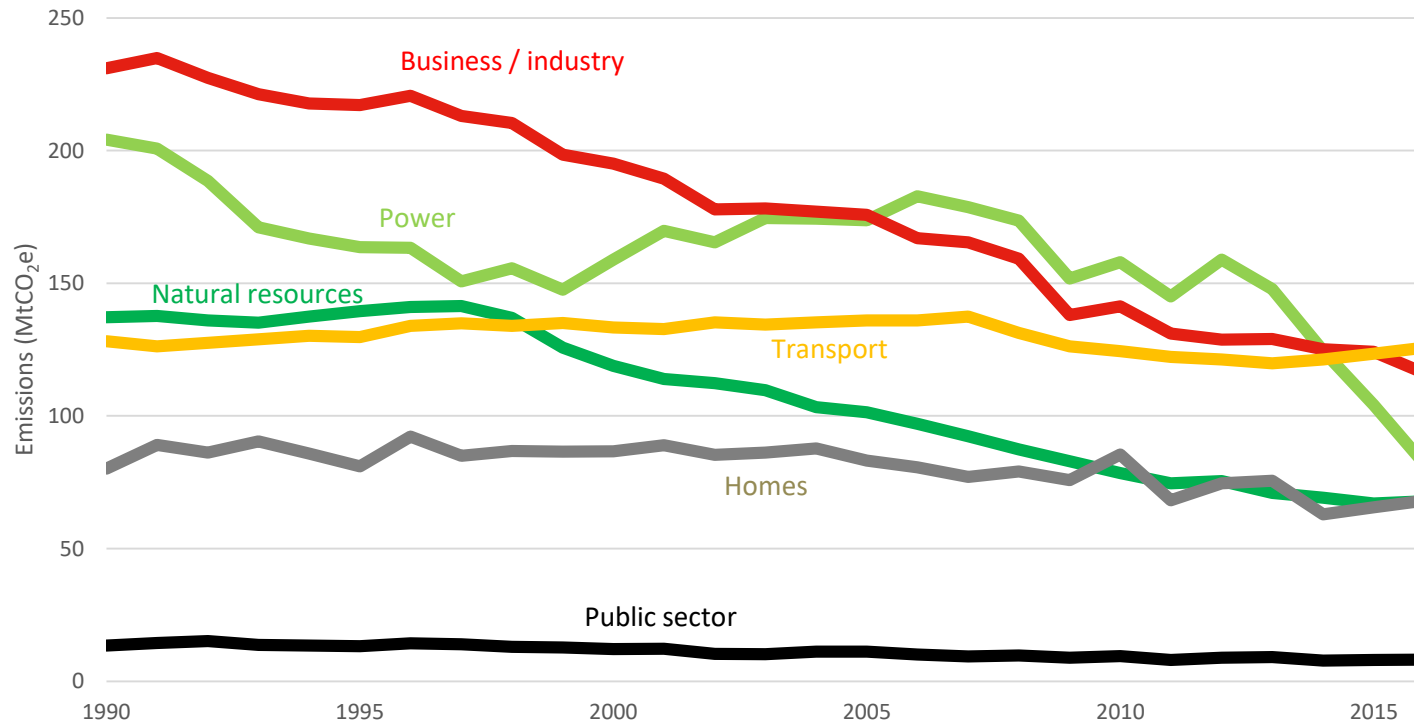
UK policy has had significant success



Source: World Bank, UNFCCC National Inventory Submissions, ONS, BEIS



Emission savings across the economy are uneven



Successful policy levers in the UK

Official: Sensitive



Contracts for Difference:
minimising costs of
deployment while providing
certainty



Energy efficient boilers:
effective regulation driving
deployment



Landfill tax: fiscal incentives
driving reduced emissions



What are the lessons?

Official: Sensitive

Clarity and consistency of objective

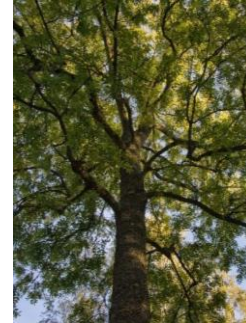
Cost reduction

Mobilising capital through markets

Wider benefits

Piloting and testing

Understanding role of HMG and other actors



Long-term goals
Clear and sustained commitment

Innovation - technologies and systems
Scale deployment at the right time

Investable instruments - aimed at the right investors

Articulation / demonstration of e.g. health, economic benefits

“Big bang” may not be most effective

HMG role will vary according to policy challenge



Net zero: the challenge ahead

Pace



Costs and benefits



Places and systems



Consumer acceptance / engagement

