

UK CCUS: state of play



2025 was a milestone year for Carbon Capture, Utilisation and Storage (CCUS) in the UK. The sector progressed from planning into construction, with strong government support, significant private investment and real benefits already flowing into industrial communities. As we enter 2026, the focus must now be on accelerating delivery.

Key delivery milestones in 2025

Final Investment Decisions (FIDs):

- ✓ Five projects reached Final Investment Decision across two clusters:
 - **East Coast Cluster:** Northern Endurance Partnership, Net Zero Teesside Power
 - **HyNet:** Eni Liverpool Bay, Heidelberg Padeswood, Encyclis Protos ERF

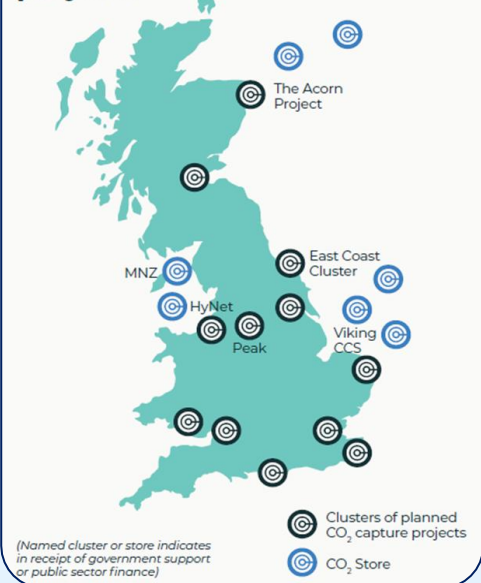
Government funding commitments:

- ✓ **£21.7bn long-term support package** confirmed for HyNet and the East Coast Cluster.
- ✓ **£9.4bn secured in 2025 Spending Review** to fill storage capacity at HyNet and the East Coast Cluster, alongside development funding for **The Acorn Project** and **Viking CCS**.
- ✓ **£28.6m National Wealth Fund equity investment** into the Peak Cluster pipeline to Morecambe Net Zero.

Cluster expansion and future build-out:

- ✓ **HyNet expansion negotiation list published**, with five priority and five standby projects entering development discussions.
- ✓ **East Coast Cluster market engagement launched** to assess future demand and network expansion.

UK carbon capture and storage projects



The economic opportunity

- **£8bn/yr could be added to the economy by 2030** from the first 4 clusters.
- **£26bn of private investment by 2030 and £94bn in GVA by 2050**, potentially unlocked driving economic growth and helping to reverse regional disparities.
- **CO₂ storage export potential up to £30bn/yr by 2050** with UK having around 1/3 of Europe's total geological storage.
- **UK product security** strengthened by safeguarding British industries and enabling homegrown low-carbon products in industries such as cement, fuels and chemicals.
- **50% UK content supply chain** components delivered in HyNet and the East Coast Cluster through voluntary industry target.
- **50,000 new jobs by 2050** across UK's industrial heartlands from current pipeline of projects e.g. roles in pipefitting, welding, fabrication, logistics & plant operation.

Case study - NZT Power: real jobs & skills being delivered now

- **£1bn+** in UK supply-chain contracts awarded with over 50% UK content
- **100s** of jobs already supported across construction and engineering
- **175** young people entering clean-energy careers through local training partnerships
- **£1m** invested in regional skills programmes



What must happen next for CCUS



What comes next?

The UK now has a credible pipeline of CCUS projects, but the next projects and clusters must move forward without delay. To secure a self-sustaining CCUS industry and realise its industrial, economic and climate benefits, the CCSA urges Government to:

1

Deliver the actions required to progress the build-out of the East Coast Cluster and HyNet, as well as confirming the allocation of the development funding committed to Viking CCS and The Acorn Project.

2

Provide an allocation framework for government support contracts in the 2027 Spending Review and a clear nationwide route to market for CCUS deployment. This should include enabling Viking CCS, The Acorn Project, East Coast Cluster Humber Expansion and MNZ | Peak Cluster to reach FID within this Parliament, and support other projects and clusters to deploy, including those using CO₂ transport by ship, road, and rail.

3

Implement policies and regulations to stimulate low-carbon product, carbon removal, and European-wide CO₂ storage markets to enable the transition to a self-sustaining market.

Why this matters

CCUS is essential to protecting UK industry, delivering clean power and securing long-term, resilient green growth in constituencies across the country.

2026 must be the year that the UK cements its global leadership in CCUS.

