

CCSA GGR & Carbon Markets Working Group

07/07/2025
14:00 – 15:30 (BST)



Agenda

| | Time | Topic | Speaker |
|----|-------|---|---|
| 1. | 14:00 | Introductions & CCSA competition law policy notice | Greg Williams (Chair) |
| 2. | 14:05 | CCSA GGR Updates | CCSA Secretariat |
| 3. | 14:10 | External Presentation: Growth through removals: Making greenhouse gas removals a vibrant part of the UK economy | Francesca Battersby & James Townsend (Carbon Gap) |
| 4. | 14:25 | Discussion: Additional demand-side measures <ul style="list-style-type: none">- SAF sub-mandate- Direct public procurement- Other? | All |
| 5. | 14:50 | Discussion: GGR Review Call for Evidence <ul style="list-style-type: none">- Key member takeaways- Key emerging themes- Outstanding gaps | All |
| 6. | 15:25 | AOB, next steps and next meeting date | Greg Williams (Chair) |



House keeping & Introductions

- Slides & Recording will be available for members after the meeting.
- CCSA Competition Law Policy notice is attached to the meeting invite and available on the CCSA website.
- If you are not speaking, please mute your microphone.
- Please **raise your hand** if you wish to comment, you will be invited to come off of mute, if you can also turn on your camera.
- Please also pose any **comments in the chat** and these will be picked up by the secretariat.
- **Introductions** of any new members joining the call.

UK GGR & Carbon Markets policy developments

| | |
|---------------------|--------------------|
| Decision / outcome | Consultation / CfE |
| Paper / publication | Plan / strategy |

June

July

August

September

October

✓ CSR and Strategies: PUBLISHED

11th June: Spending Review

Infrastructure Strategy (NISTA)

Trade Strategy (DBT)

Industrial Strategy (DESNZ | DBT)

Clean Energy Sector Plan (DESNZ | DBT)

Advanced Manufacturing Plan (DESNZ | DBT)

OVERDUE:

10-14 July 2025: BSI GGR Standards

DUE:

Track 1 Expansion Project negotiation list

Clean Energy Workforce Plan (DESNZ)

Waste in ETS Outcome (DESNZ)

GGRs in ETS Outcome (DESNZ)

GGR Review Outcome (DESNZ)

NPT Consultation (DESNZ)

Biomass sustainability criteria (DESNZ)

ICC and Waste ICC Business Model Updates

Carbon Budget Delivery Plan (DESNZ)

GGR Position Paper (CCSA)

✓ Wider publications: PUBLISHED

25th June: UK Progress Report on Reducing Emissions (CCC)

VCM Consultation (DESNZ)

GGR Review Call for Evidence (DESNZ)

UNCLEAR:

Carbon Crediting Programme (DESNZ)

GGR & Power BECCS Business Model Update (DESNZ)

External Presentation:

—
Growth through removals: Making
greenhouse gas removals a vibrant
part of the UK economy

Francesca Battersby & James Townsend
(Carbon Gap)





GROWTH THROUGH REMOVALS

Making greenhouse gas removals a vibrant part of the UK economy

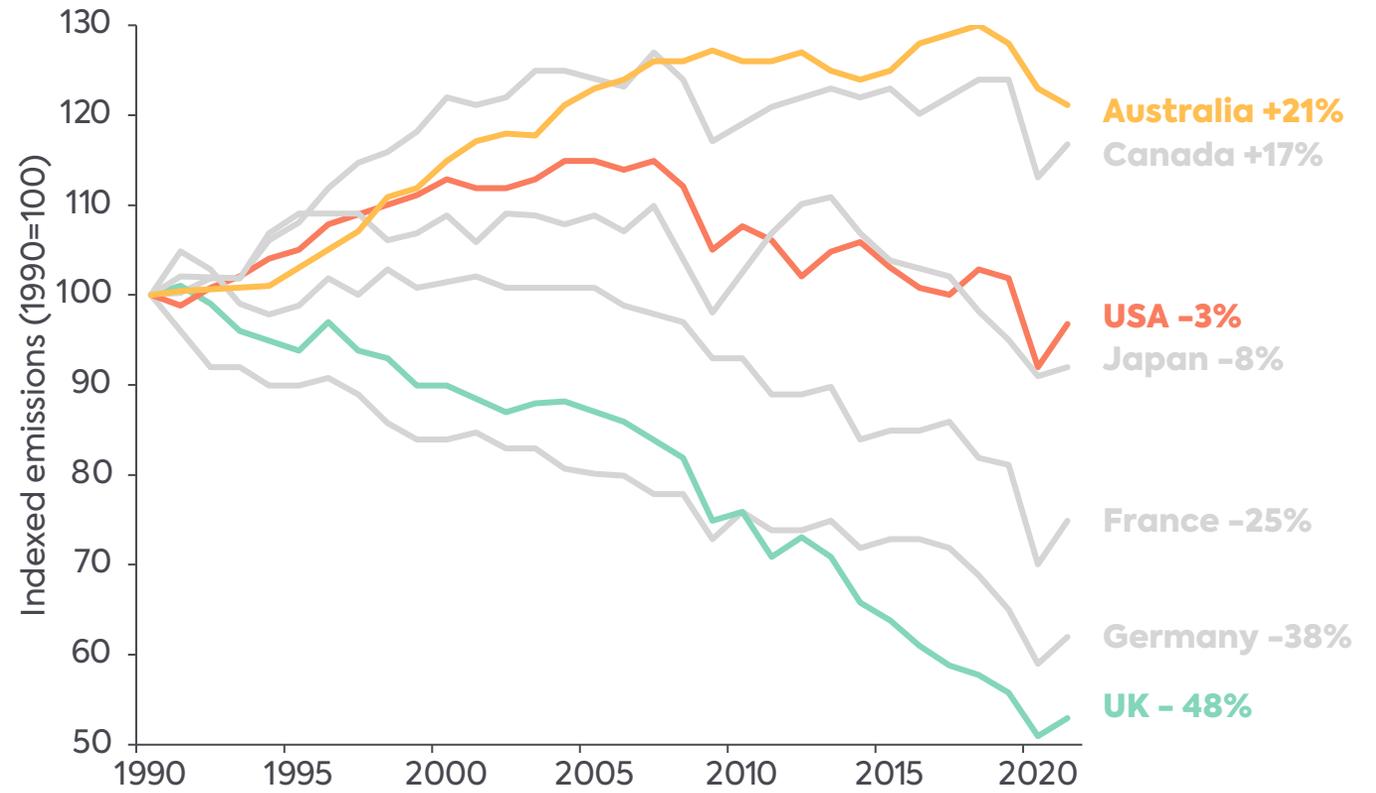
July 2025

THE UK HAS A WORLD-LEADING TRACK RECORD ON NET ZERO

Since 2020, the UK has outpaced peers on both commitment and action in reducing emissions

- The UK was the first country to enshrine net zero in law through its 2019 revision to the **Climate Change Act...**
- ...and the first major economy to halve emissions, the **fastest in the G20**
- The UK **recognises the opportunity** in the transition: a £1tn market for British business and 480,000 jobs by 2030

The UK has outpaced the G20 countries on domestic emissions cuts

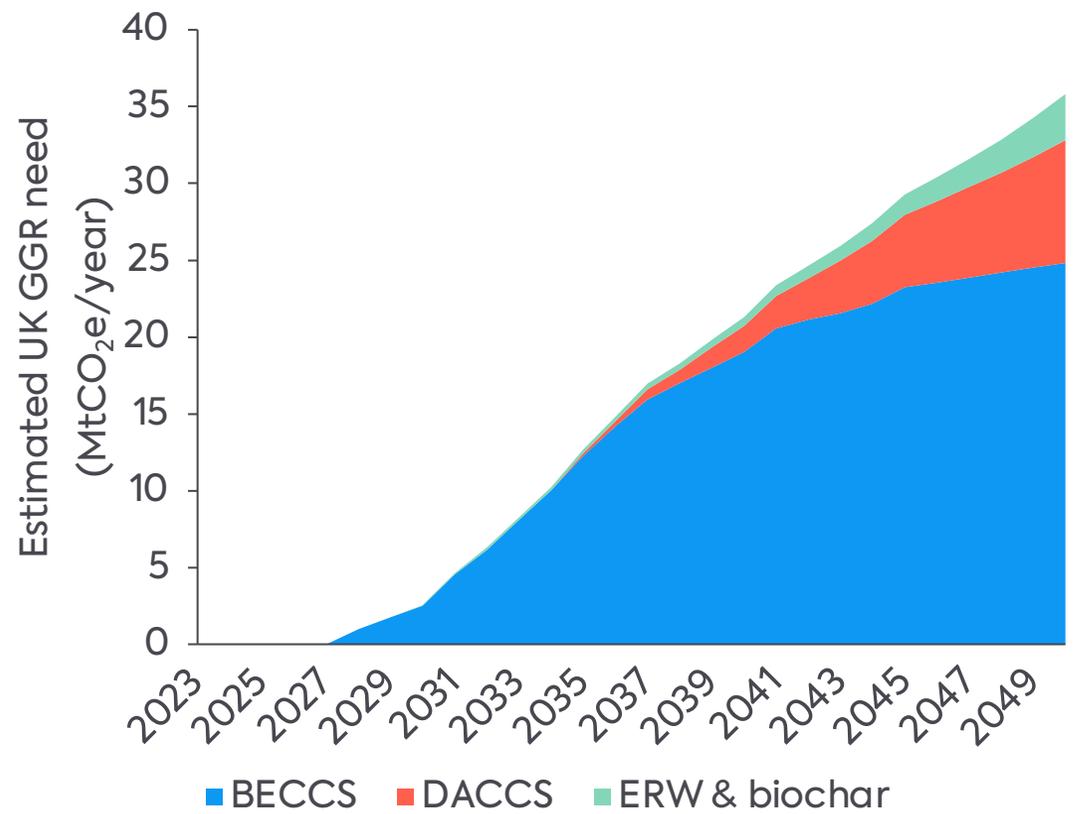
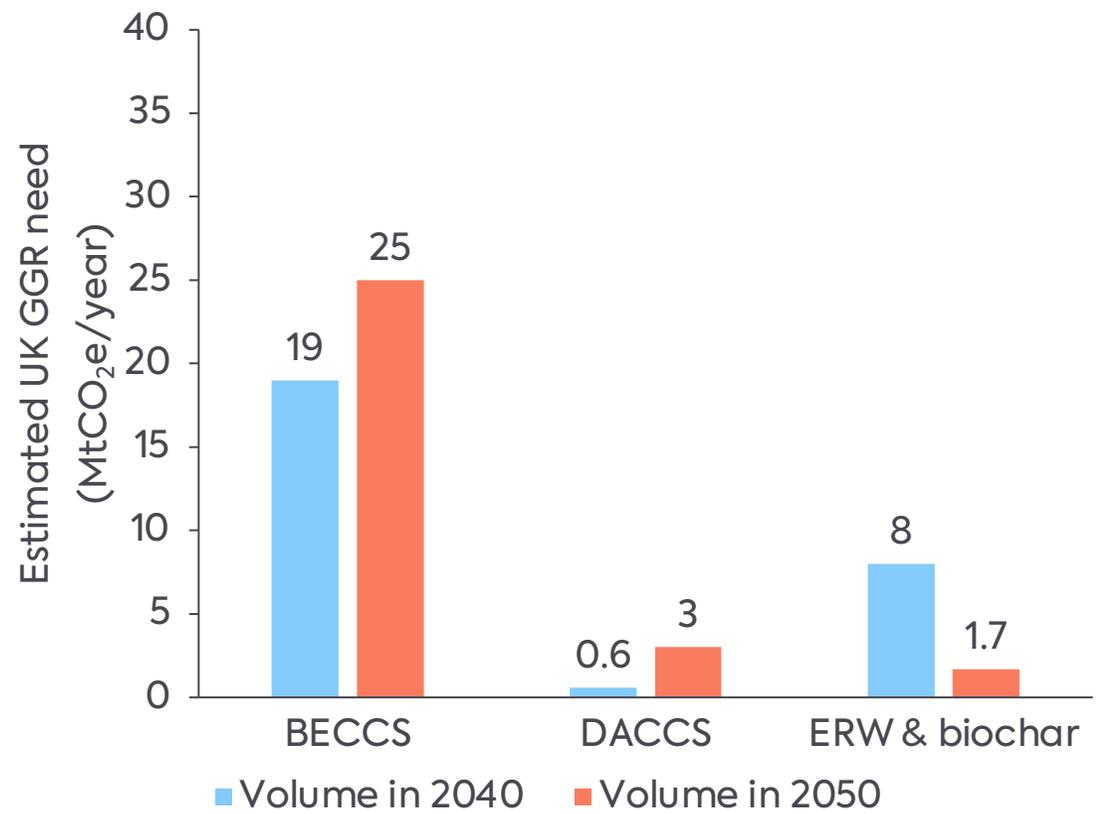


Skidmore (2022). [Independent Review of Net Zero](#). DESNZ (2023). [Powering Up Britain: Net Zero Growth Plan](#).

THE SEVENTH CARBON BUDGET REAFFIRMED THE LONG-TERM ROLE FOR GGR AT SCALE

The Climate Change Committee outlines a GGR portfolio initially dominated by BECCS, but with DACCS, enhanced weathering and biochar occupying a greater share towards 2050

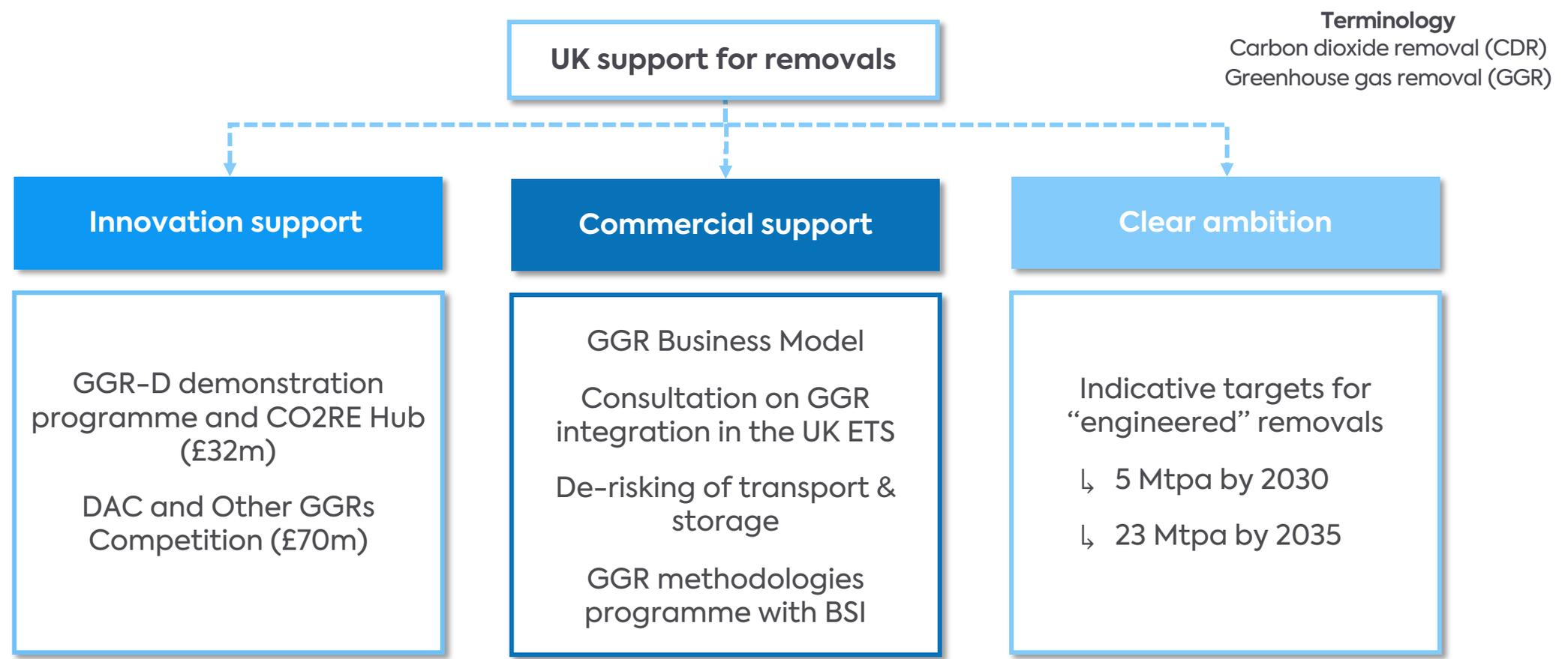
UK GGR portfolio from Seventh Carbon Budget (CB7)



Climate Change Committee (2025). [The Seventh Carbon Budget: Advice for the UK Government.](#)

THE UK HAS MADE A STRONG START – WITH PROGRESSIVE POLICY SUPPORT FOR GGR...

The UK has moved fast to develop its policy position and present a clear framework



...THIS EARLY LEADERSHIP HAS PRECIPITATED A FLOURISHING GGR ECOSYSTEM

The UK is home to an outsized share of GGR innovation and entrepreneurship

GGR suppliers



Aims to spread enough rock by 2025 to remove 1 MtCO₂



Targeting direct air capture under \$300/tonne by 2026



Demonstrated 51% soil carbon increase at field trial



Modular direct air capture focused on rapid capture process

Supporting services



Insurance provider reducing risk for GGR purchases



Carbon registry developing rigorous MRV protocols for GGR



Dedicated GGR venture capital fund targeting 5 GtCO₂ by 2050



Project ratings for high-integrity carbon markets

Ecosystem-building

- UK leads in Europe for GGR-related **research grants**, with £32mn directed through UKRI
- **23 early-stage projects** funded under GGR Innovation Programme Phase 1 (TRL 4-7), with total funding of £70mn
- Over **100 CDR companies** based or operating in the UK
- **~21 licences** granted for CO₂ storage

UK POLICY SUPPORT FOR GGR IS NOW STAGNATING – CLEAR DIRECTION IS NEEDED TO DELIVER LARGE-SCALE DEPLOYMENT

The UK's early action must turn into long-term support

Research & development



Follow-on RD&I support for GGR methods is unclear, with funding for CO₂RE research hub and demonstrator projects expiring in late 2025

Scale-up support



Limited financing to bring early projects through the valley of death to commercial scale, as GGR Innovation Programme ends. Particular gap facing non-CCS-enabled methods

CO₂ storage



Role for GGRs within the clusters programme is unclear, with NAO finding “significant risk that [the UK] could miss its ambitions”¹ for 5 Mtpa GGR by 2030

Slow-moving standards



BSI process is a promising start, but lack clarity on timeline, further methods to be covered, and how full “methodologies” might change relative to “minimum quality thresholds”

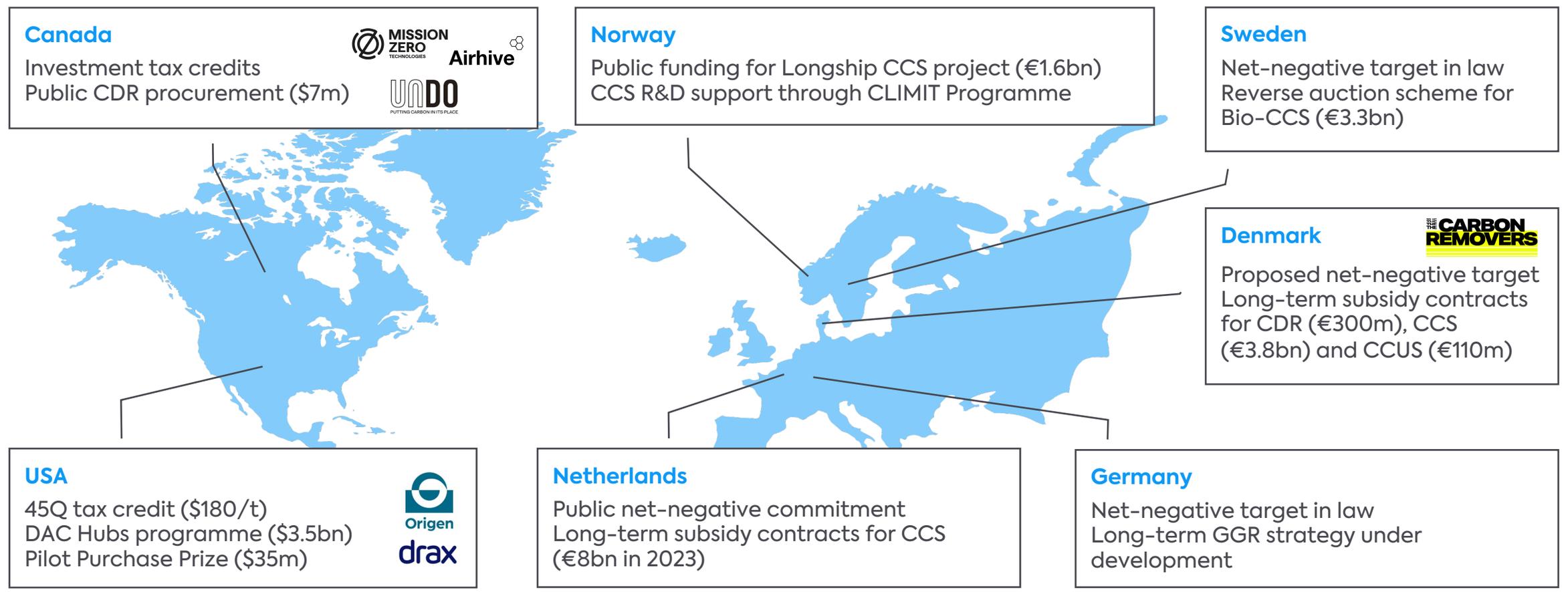
ETS uncertainty



ETS integration is a critical lever for GGR demand, but the exclusion of woodland units and a GGR sub-mandate is needed

THIS STAGNATION MEANS THE UK'S EARLY MOVER STATUS IS INCREASINGLY AT RISK FROM INTERNATIONAL COMPETITION

Other jurisdictions are drawing away GGR investment through attractive support schemes



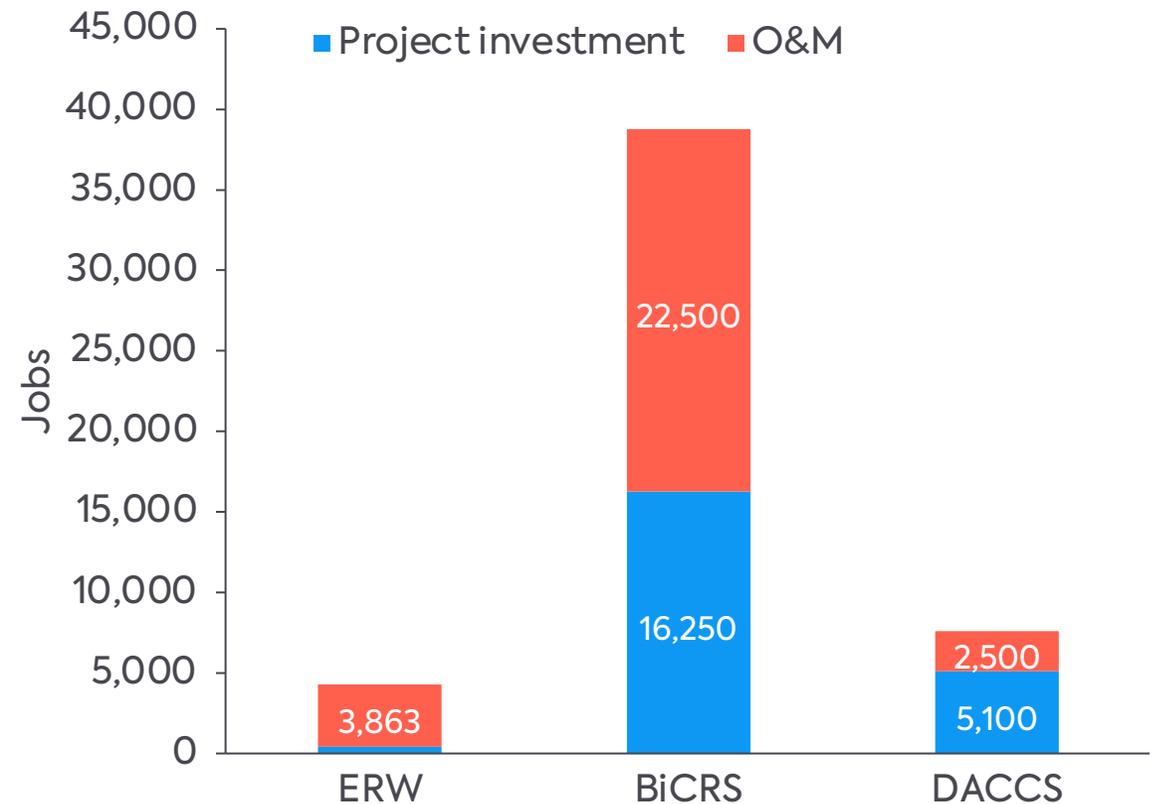
Logos show UK-headquartered GGR firms with projects planned outside the UK

ENGINEERED GGR COULD DELIVER UP TO 59,000 JOBS IN 2050

Leveraging figures from Rhodium Group, we estimate that up to 59,000 jobs per year in 2050 could be created in project investment & operation of UK GGR

- We estimate **43,000-59,000** GGR-related jobs could arise in 2050, based on delivering the CB7 GGR portfolio
- We also find a **median salary of £49,000** for these roles – 40-50% higher than the regional average salary in regions where most GGRs will be deployed (Midlands, North East, Scotland)
- This estimate includes project-level and supply chain jobs but not induced jobs
- Induced jobs could arise from a range of **auxiliary services** to the GGR sector – according to McKinsey, these services could capture 10-40% of overall GGR-related revenue

GGR-related jobs in the UK in 2050 (midpoint)



Rhodium Group (2025). [The Benefits of Innovation: An Assessment of the Economic Opportunities of Highly Durable Carbon Dioxide Removal.](#)

CARBON GAP HAS IDENTIFIED SIX PRIORITIES THAT WOULD SEE THE LABOUR GOVERNMENT TURN THE UK INTO A LEADER ON GGR

The UK must de-risk innovation in GGR through financial support, rule-setting, and market-making

Drive corporate demand

- a) Kick-start demand by using public GGR procurement to encourage private purchases
- b) Establish an effective compliance market through the UK ETS

1

Lay the foundations for success

- a) Create funding instruments for R&D and innovation, and scale-up
- b) Maximise the impact of UK GGR methodologies
- c) Develop business models for other near-commercial GGRs such as biochar and enhanced rock weathering

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Mainstream GGR within UK climate policy

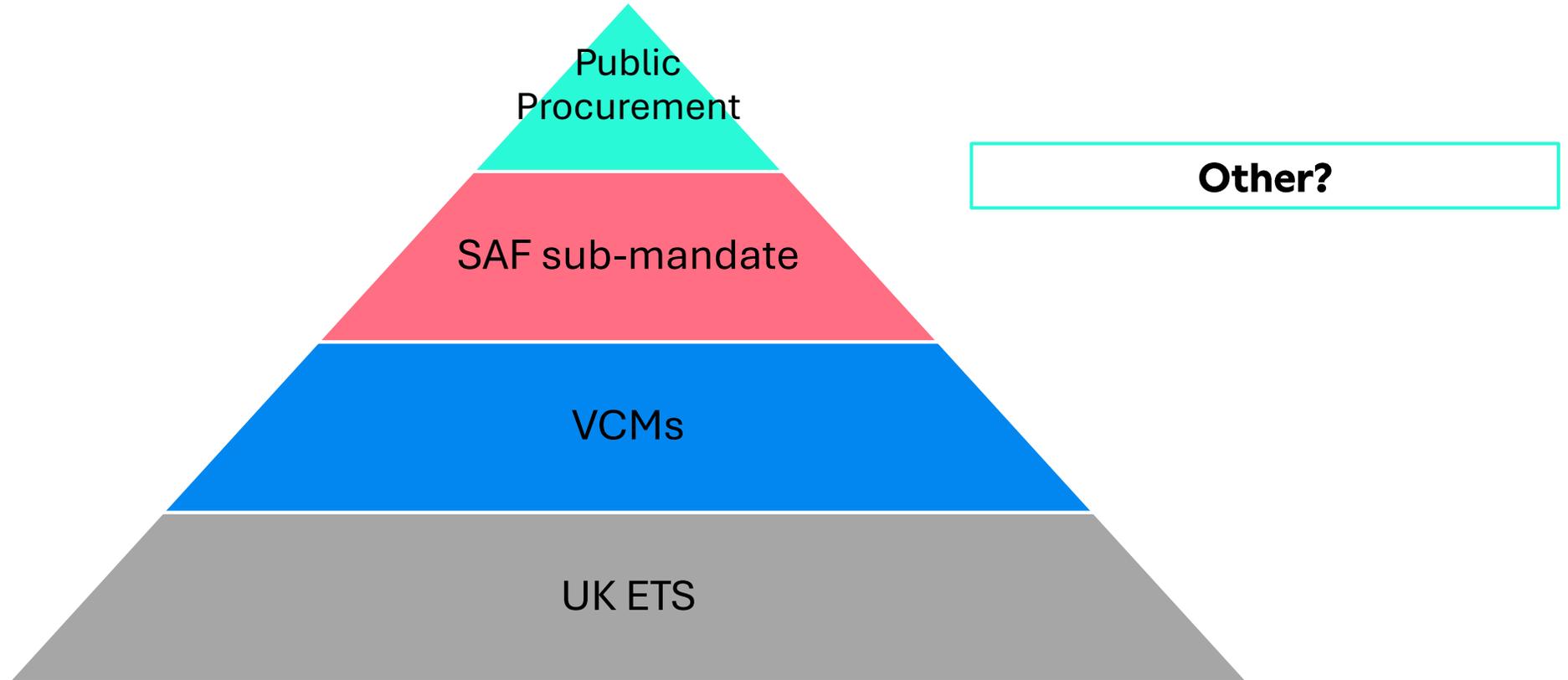
- a) Place GGR at the heart of the CCUS clusters programme

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“The task for Britain now is to accelerate at home, so we can seize the economic opportunity and work with others internationally to speed action globally.”

Ed Miliband
Secretary of State for Energy Security and Net Zero

Additional demand-side measures



Disclaimer: Please note that this discussion does not represent official CCSA positions. This discussion aims to facilitate exchange of views on the potential value and practicability of proposals on the introduction of additional demand-side measures for GGRs as seen above.

- What are your key takeaways from the GGR Review discussions?
- What are the key themes that have emerged during the Call for Evidence period?
 - Need for GGRs to address residual emissions is increasing and global demand for high-integrity durable GGRs is ramping up
 - Balancing residual emissions and deploying GGRs is not possible without associated CCUS infrastructure & project deployment decisions
 - Need to avoid further disruption and uncertainty for investors by providing clear policy and market signals
 - Transitioning towards private investment and a self-sustaining CCUS/GGR market requires an investable business model for early projects
 - The UK is uniquely positioned to be a global leader in GGR deployment and capitalise on the associated first mover advantages and growth opportunities
- Are there any gaps?
 - Balancing supply and demand
 - Export-driven growth
 - Aviation demand
 - Cost reduction & lessons learned
 - Biomass sustainability criteria consultation

AOB & Conclusions

- Review actions arising from the meeting
- Next GGR Working Group Meeting: **15 September 2025**
- **VCM Consultation Next Steps:**
 - Final comments by: **EOD today**
 - Final submission: 10 July
- AOB

