

The signatories to this letter welcome the EU and UK's commitment to conclude negotiations on the linkage of their respective Emissions Trading Systems before the next EU-UK Summit. In this context, we highlight the importance of ensuring that **industry receives sufficient regulatory certainty to enable carbon capture, utilisation and storage (CCUS), carbon dioxide removal (CDR) projects, and related infrastructure including CO₂ transportation, to advance on both sides.**

We welcome the progress on ETS linkage negotiations since the EU-UK Reset Summit in May 2025, including the European Commission's negotiation mandate and the announcements that discussions would conclude before the next summit. We support the continued momentum of closer EU-UK energy relations.

Despite these encouraging signals, **the European CCUS industry does not have sufficient regulatory certainty to advance EU-UK cross-border projects.** This certainty will contribute to preventing further project delays and to timely, well-informed investment decisions, thereby ensuring the most cost-effective development of CO₂ transportation and storage routes.

2026 is a pivotal year for the CCUS industry across Europe, with multiple projects progressing in parallel across the EEA and UK. CCUS projects have long lead times and must therefore advance at pace to contribute meaningfully to 2030 climate and decarbonisation targets. **EU-UK cross-border projects are currently stalling in part because the legal recognition of transport and storage of captured CO₂ is lacking.** Continued delays in resolving these issues risk **delaying project negotiations and disrupting the development of the CCUS value chain, thereby negatively impacting the competitiveness of European industries.**

Building on the commitment to ETS linkage set out in the May 2025 Common Understanding, **the signatories therefore call on the EU and UK to provide a timeline with clear milestones and deliverables in relation to CCUS.** As negotiations and technical discussions advance, we call on policymakers on both sides to provide information including:

- the type of agreement they are seeking to sign during the next EU-UK Summit,
- the expected timeline for a swift implementation.

This timeline is key to ensuring that **industrial actors can have the clarity, predictability, and security** they need to make crucial investments and prepare for project development towards decarbonising and preserving the competitiveness of EEA and UK industries.

The signatories,

