

Spotlight

Thought leadership and policy

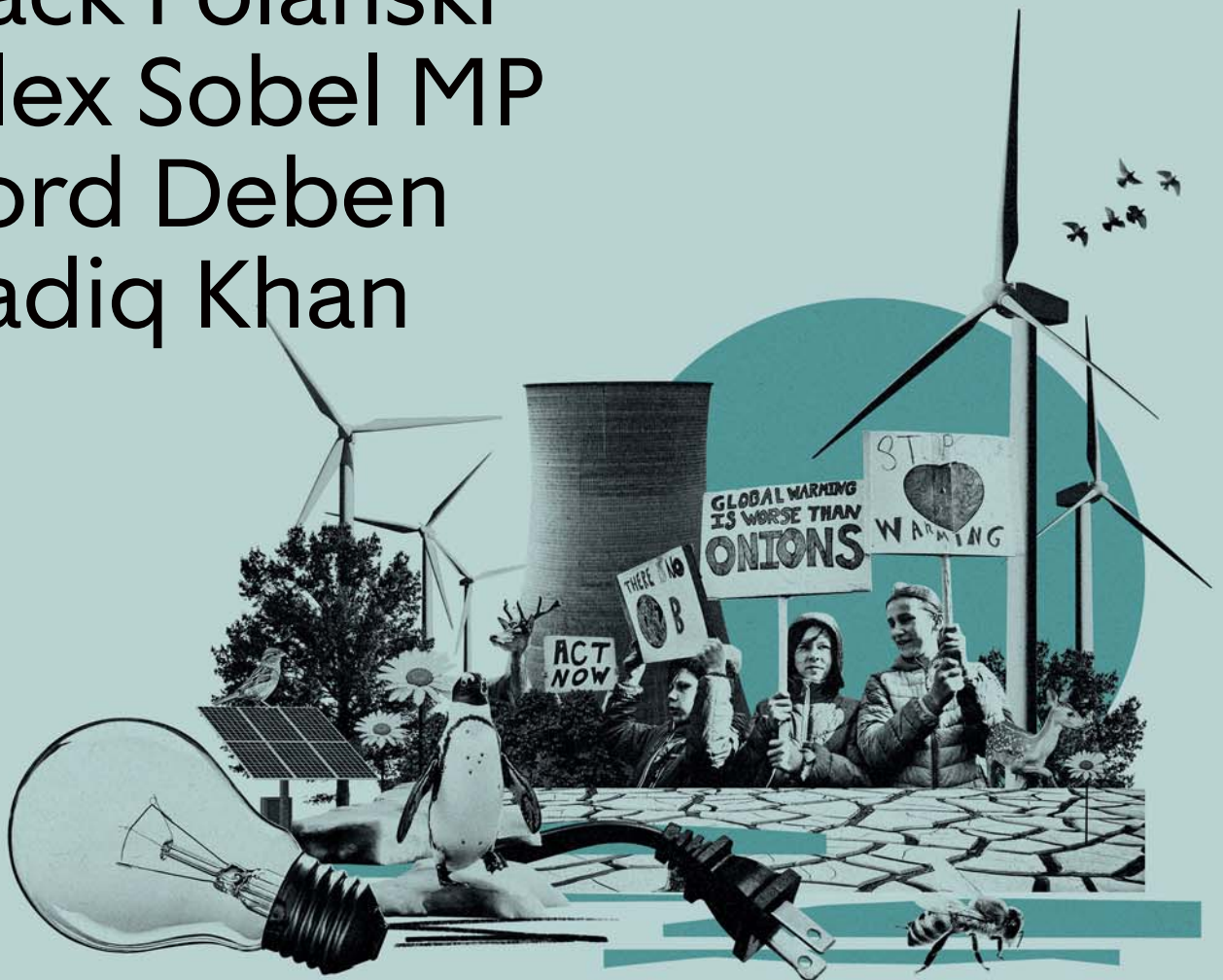
Energy and Climate Crisis

Zack Polanski

Alex Sobel MP

Lord Deben

Sadiq Khan





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Who leads the transition?

The energy and climate debate has undergone a noticeable shift. For three decades, governments and institutions have promised action that is transformative – yet emissions continue to rise, and news has broken we will miss the 1.5°C target. The question is not just whether we are acting fast enough, but whether we are acting differently enough.

The transition to net zero is reshaping global politics, economics and security all at once – from the race to scale renewables, to the challenge of protecting households from energy shocks and rising costs. Voters are demanding a fairer transition: one that reduces emissions without deepening inequality, and that delivers tangible benefits in jobs, energy security and living standards. The UK, once a leader in climate ambition, now faces renewed pressure to show that the next phase of decarbonisation can be both credible and just.

At home and abroad, a familiar suspicion persists: the same policy tools, the same political actors, and the same industrial interests are shaping the agenda. But as the Green Party leader Zack Polanski argues (page 4), we will

not fix the crisis by empowering the stakeholders that created it. Achieving real progress means rethinking who holds influence, how decisions are made, and what kind of leadership the transition demands.

As Cop30 gets under way, Alex Sobel MP offers his reflections from previous editions (page 5), while Rhi Storer (page 8) asks whether the summit itself remains fit for purpose. Elsewhere, a panel of industry and policy leaders, including Lord Deben and Pippa Heylings MP, discuss how we can better communicate the net zero mission (page 12). Samir Jeraj (page 18) examines the struggle to secure adaptation funding amid an international aid crisis, and Sadiq Khan and Eduardo Paes, the mayors of London and Rio de Janeiro, respectively, explore how cities can lead where national governments stall (page 21).

This issue of *Spotlight* asks what genuine climate leadership looks like – and where it will come from next. Meeting the challenge requires not only new technologies and finance, but new coalitions, new narratives, and a willingness to question the systems that have failed to deliver.

The transition to net zero is not just an environmental project, but a political and economic one. Its success will depend on how convincingly its case can be made within those contexts. The cost of failure is unthinkable. ●

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Spotlight

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THE NEW STATESMAN

Subscription inquiries:
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First published as a supplement to the New Statesman of 7 November 2025.
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Registered as a newspaper in the UK and US.
The paper in this magazine is sourced from sustainable forests, responsibly managed to strict environmental, social and economic standards.
The manufacturing mills have both FSC and PEFC certification and also ISO9001 and ISO14001 accreditation.

This supplement can be downloaded from:
newstatesman.com/spotlight/reports

A view from opposition



Zack Polanski
Leader of the Green Party
of England and Wales

“You can’t solve a crisis with the same thinking that caused it”

Our planet is burning. That’s the honest truth. And so, with some urgency, we need to ask who is holding the matches.

It isn’t ordinary people, simply trying to get by. It is the billionaires, the boardrooms and the broken system that allows the hoarding of extreme wealth at the expense of all else – including our planet.

The difference between Greens and Labour is that we know this to be true and act on it. Labour knows this to be true and then wines and dines those same vested interests for donations.

Right now, billionaires and corporations are hoarding wealth and resources, polluting our planet and stoking division in our communities. While ordinary people are choosing between heating and eating, the super-rich are cashing in on crisis after crisis and getting richer and richer.

Last year alone, billionaires added £35m a day to their fortunes. That’s obscene. But it gets worse.

Five fossil fuel giants, ExxonMobil, Chevron, Shell, BP and Total, made more than \$100bn in profit between them. Meanwhile, families see their energy bills double, and millions are being pushed further into poverty.

This isn’t just an economic crisis, nor even just an environmental one, but also a moral one. And it sits at the heart of how we do politics in this country. The same greed that drives inequality is the same greed that’s torching our planet. And it is this same greed that is funding too much of politics.

Many of us feel we can no longer afford this inequality. That the super-rich need to be paying more. And, as the leader of the Green Party, I am here to say that the planet also can’t afford these levels of corporate greed any longer.

Labour says it wants to lead on climate, but it’s hard to take the party seriously when it’s terrified of upsetting the billionaires and fossil fuel barons who bankroll our destruction. Labour promised £28bn for climate action but walked away from that promise at the first hint of opposition. It waves through Rosebank regardless of the environmental impact and calls it “realism”.

But realism means facing up to what’s really happening. That this system, as it stands, is incompatible with a liveable future.

You can’t solve a crisis with the same thinking that caused it. That means taking on the profiteers head on. Ahead of the upcoming Budget, we are calling for wealth to be taxed properly, for loopholes to be closed, and for that money to be used to insulate homes, invest in green jobs and rebuild public services from the ground up.

Britain needs a real opposition. At the moment, the only people speaking out against Labour’s middle management of decline are figures like Nigel Farage and Tommy Robinson who want you to believe the problem is migration, or people on climate marches.

It’s a lie designed to divide and distract us. The real threat isn’t people seeking asylum, it’s the billionaires and big oil donors funding Farage’s campaign to keep things exactly as they are.

True patriotism isn’t about flags. It’s about fairness. About standing up for the people who actually make this country work, and protecting the only planet we have.

So, when we say it’s time to make the mega-rich pay their fair share, we say this not just because it’s economic justice, but because it’s a moral necessity.

Because you can’t protect the planet while protecting the profits of those destroying it.

Ahead of the Budget, the Green Party will keep saying what others won’t: the time has come to make them pay. To fund an economy that serves everyone, not just the wealthy few.

This is how we protect our planet and how we make hope normal again. ●

A view from parliament



Alex Sobel MP
Chair of the Net Zero APPG

“There remains significant work to do transposing Cop decisions into national law”

Parliaments are a crucial part of any international framework. After all, it is parliaments that not only ratify international agreements but also translate them into domestic law, ensuring that commitments are delivered on the ground. This process is fundamental to making sure that international promises can be implemented in practice and that ambition is turned into delivery.

At times, the legislative process runs in the opposite direction, with domestic action inspiring global ambition. The UK's Climate Change Act of 2008 – and its 2019 update, which set a legally binding target for net zero emissions by 2050 – are prime examples. The original act required at least an 80 per cent greenhouse gas reduction from 1990 levels; its revision raised that ambition and helped drive greater momentum and urgency within the United Nations Framework Convention on Climate Change (UNFCCC) process. These milestones in

UK law have both shaped and reflected an upscaling of international ambition through the Cop process.

The UK is not alone in this. France's Energy Transition for Green Growth law of 2015 legislated to cut greenhouse gas emissions by 40 per cent on 1990 levels by 2030, and by 75 per cent by 2050. This gave France strong domestic impetus for that year's Paris Cop, which produced the landmark agreement that still underpins international climate policy today.

The Paris Agreement, adopted by 195 parties, committed nations to keeping global temperature rises “well below” 2°C above pre-industrial levels, while pursuing efforts to limit the increase to 1.5°C. France also legislated in 2019 for net zero by 2050, continuing the link between national and international progress.

Parliamentarians typically have limited opportunities to engage directly in Cop proceedings themselves. Access to the “Blue Zone” is controlled by national governments, and accreditation has been inconsistent from year to year. That said, I have been fortunate to attend each Cop during my time as an MP, and have again been accredited for Belém as the UK parliament's representative at the official Cop parliamentary event – the meeting jointly organised by the Inter-Parliamentary Union and the Brazilian parliament on 14 November. When the UK hosted Cop26, I served as global parliamentary rapporteur, producing an outcomes document in collaboration with hundreds of parliamentarians and presenting it to the Cop presidency and secretariat. Other forums, such as the Rio parliamentary green investment summit organised by the Climate Parliament, and the work of GLOBE legislators – acting both as the UNFCCC's focal point for parliamentary engagement and as an Ecosoc-accredited observer – also help strengthen parliamentary input and connect legislators to the wider process.

Significant work remains in transposing Cop decisions into national law, particularly regarding Article 6 of the Paris Agreement, which deals with inter-country cooperation over carbon reduction. Following its adoption at Cop26 and operationalisation at Cop29, parliaments must now establish domestic frameworks for participation, whether through market-based mechanisms under Articles 6.2 and 6.4 or through the regulation of Internationally Transferred Mitigation Outcomes. These frameworks will be vital in authorising and accounting for how private actors engage with the system, helping to safeguard natural environments and support indigenous communities. These measures are essential to mobilising private finance for nature restoration and the protection of habitats.

The failure to scale climate finance has long been one of Cop's weaknesses, and it is clear that this cannot continue. ●

The new climate reality and systemic financial risk

Government policy and regulation is failing to align with Britain's net zero goals

By Richard Folland and Laurie Laybourn

In association with



Strategic
Climate
Risks
Initiative

In 2021, researchers at the World Bank assessed the risk to Pakistan's economy from climate change. In the worst case – a 4°C global temperature rise by century's end – the economy was projected to lose up to 10 per cent of GDP by the end of this century.

Then, less than a year after the assessment was published, vast floods overcame the country, supercharged by climate change. When Pakistan's government came to account for the damage, they found the hit to GDP had been more than 10 per cent. What the World Bank researchers had anticipated would come in 80 years had arrived in just one. This episode – which is recounted in *Overshoot*, a new podcast documentary on climate change – starkly highlights the increasing gap between assessments of the economic damage that will be wrought by climate change and the reality.

This gap also exists in the UK. It is particularly clear in financial markets. For example, in 2023, the Carbon Tracker Initiative found that the UK pensions industry is systematically underpricing the impact of climate damages on member portfolios. This finding was set out in the organisation's groundbreaking *Loading the DICE Against Pensions* report, which shows how pension funds are risking the retirement savings of millions by relying on economic research that ignores critical scientific evidence about the financial risks of climate change.

Subsequent research has shown that this flawed investment advice is being widely relied on by local government pension scheme (LGPS) funds, as well as within the private sector. For example, English local authority pension funds routinely anticipate that, in a worst-case 4°C scenario, the impacts on portfolios will be minimal – around a 1 per cent reduction in annual returns over a 40-year period – and assuming ongoing GDP growth. Such a fall would be highly disruptive. Yet it is incongruent with the impacts of a 4°C scenario anticipated by scientists, which includes widespread damage to the food system, mass migration and the collapse of entire ecosystems. As the UK Institute and Faculty of Actuaries has warned, this would cause profound destabilisation of financial markets, with severe impacts on pension fund portfolios.

If this situation is allowed to continue, the consequences will be severe. We are concerned about three particular areas.

First, if the inadequacy of risk assessments is allowed to persist, they will be increasingly shown up by the reality of climate change, as in the case of Pakistan. This will surprise investors, who had been told the economic damage would be relatively small or restricted to developing economies. As ever in financial markets, nasty surprises lead to panic and to crises, wiping out value. The Pension Policy Institute has valued total UK pension assets at £3.2trn and, as such, an absolute cornerstone of the financial ecosystem. So, the underestimation of climate risk by these firms clearly represents a threat to financial stability.

Second, the analytical models widely used by financial intermediaries (such as investment consultants) and many central banks also fail to capture the profitable upside for clean energy technologies. In the models, they are more expensive and less profitable than they have turned out to be. Clients like pension funds are therefore being told that the impacts of climate change will be small and that the opportunities from the now-exponential success of the low-carbon economy are also small. The opposite is true.

No wonder financial institutions might not feel incentivised to reallocate capital from the high- to low-carbon economy, as per the Paris Agreement. This is a particular problem for the UK

The UK can lead on managing the financial risks of climate change

government as it threatens to limit the transformative potential of their green growth agenda.

Third, continued inaction means that our ability to act could be steadily eroded. Research from the Strategic Climate Risks Initiative shows that “derailment risk” is growing. This is the risk that climate action is increasingly undermined by climate consequences. For example, escalating climate-change-driven disasters in low-income countries are sapping government budgets, crowding out funding for adaptation and increasing vulnerability. So, when the next disaster strikes, it costs more, creating a vicious cycle, which can derail climate ambitions. Similar dynamics are emerging in higher-income countries, like how the dislocation caused by climate disasters in Europe has in some cases boosted the influence of climate-denying political parties. As the world heads beyond 1.5°C, financial institutions will have to manage the

worsening consequences of climate change while also contributing to tackling its causes.

The UK has an opportunity to lead on the financial risks of climate change. In 2015, Mark Carney, then governor of the Bank of England, made a landmark speech warning of the threats to financial stability from climate change. Ten years later and the threats have never been greater, yet financial firms and regulators are not acting commensurately. Rather than a looming tragedy of the horizon, climate risk is now a clear and present danger for financial stability.

Although cross-governmental coordination has improved, overall financial policy and regulation is still failing to align with the UK’s ambitious net zero goals partly because there is no systemic risk approach. So, government and regulator risk assessments that inform financial institutions should fully include systemic climate risks.

To better support green growth, the Treasury could do more to ensure that climate risks – including a discount on fossil fuel assets – are reflected in the capital requirements for banks to support low-carbon investments.

The Bank of England could initiate a review of monetary policy, with a starting point of the increasing frequency of cross-border climate-related shocks and the consequences for inflation.

The Bank could also undertake and publish a stress test on plausible but extreme climate scenarios, including tipping points. The government should publish a response to the 2022 consultation on governance and reporting of climate risks in the LGPS. In doing so, it should recognise how and why LGPS funds continue to underestimate the impacts of physical climate risk on their investment portfolios, as upcoming Carbon Tracker research will set out.

Urgent policy action is needed. Otherwise, we face the prospect of derailment risk progressively undermining our agency. This should concern investors, policymakers and citizens alike. ●

Richard Folland is head of policy at the Carbon Tracker Initiative

Laurie Laybourn is executive director of the Strategic Climate Risks Initiative



The impact of the 2022 floods on Pakistan’s GDP highlighted a forecast-reality gap

Has the world's climate summit lost its way?

In its 30th year, Cop faces questions over corporate influence, waning legitimacy, and the rise of new voices from the Global South

By Rhi Storer

Ahead of this year's Cop, the UN secretary-general António Guterres delivered the stark admission that humanity has failed to keep global heating within 1.5°C.

Missing a headline target set ten years ago at Cop21 invited fresh questions about whether the institution is genuinely capable of driving meaningful progress.

Indeed, 30 years on from its inception, the conference's size is becoming unwieldy. What began as a forum for world leaders, scientists and diplomats has tilted steadily towards the interests of lobbyists.

The summit floor is now crowded with representatives of oil, agribusiness, banking and mining, each presenting themselves as indispensable to tackling the crisis their industries helped create. With each passing iteration, the moniker "Green Davos" feels that bit more apt.

Speaking to *Spotlight*, Francesco Grillo, director of the think tank Vision, captured the prevailing mood: "It is a circus, a huge expensive circus, happening in a different country every year with very little results.

"[This year's] Cop president talks a lot about moving from designing the climate agenda to implementing it, about making business more central to that agenda. That's understandable. But the real priority, I think, should be to reform the global governance of climate action."

To what extent should that reform begin with Cop itself? Grillo pointed to the travel and money tied up in the conference. He noted that in this year's host city of Belém, Brazil, hotel rooms that typically cost \$30 now start at \$300 a night – a useful reminder of how much corporate capital continues to flow into the event.

Engagement of private enterprise is a fundamental aspect of tackling climate change. But, with so many of the same firms paying that bed and board resisting the policies needed to prevent catastrophic climate breakdown, many wonder whether their influence has become outsized.

On the eve of this year's summit, analysis by InfluenceMap and Transparency International of 466 companies that attended the last two Cops found that 88 per cent had failed to voice clear support for the Paris Agreement since 2024. Some 65 per cent had shown no policy engagement on the

issue whatsoever. It's understandable people question motives.

A key pillar of *Climate Plunder: How a Powerful Few Are Locking the World into Disaster*, a report published in late October by Oxfam, was the call to ban fossil fuel corporations from climate negotiations. At Cop29 last year, it reveals, 1,773 coal, oil and gas lobbyists were granted badges, more than the ten most climate-vulnerable nations combined. Indeed, the chief executive of the Azerbaijani delegation was even recorded negotiating fossil fuel deals while supposedly carrying out official duties.

Despite these clear failures, Nafkote Dabi, climate change policy lead at Oxfam International, leans towards reform rather than replacement, insisting that, despite past failures, the institution still matters.

"This is the only place available for countries, for communities, to come together and discuss these issues," she told *Spotlight*. "What we find to be a huge problem time and again is the power dynamics. The inequality we see reflected in the world on a daily basis also gets reflected within the Cop space. We really need to keep on fighting for Cop."

If Cop is to remain the primary, impactful stage for climate diplomacy, the question is whether lower-profile voices can use that platform to be heard. Amid the lobbying power and broken promises, it is heartening to see less wealthy nations, often those most exposed to climate disaster, asserting themselves more forcefully. A joint declaration at this year's Brics summit in Rio de Janeiro, calling for greater financial support from the West to mitigate climate risks, could signal a growing confidence – or loss of patience – from the Global South.

For Andreas Sieber, associate director of policy and campaigns at 350.org, it cannot come soon enough. Cop will function best, he believes, when smaller countries feel emboldened to push the agenda. "Historically, the most meaningful progress has come when the unlikely heroes, the small island states, were able to pull some strings. I'm hopeful the Cop30 process can enable the same kind of action again," he said.

The United Nations G77, which encompasses the Global South,



António Guterres has had to acknowledge that the 1.5°C target will be missed

accounts for 18 per cent of global GDP, and is expected to grow at twice the speed of advanced economies through to 2029. As a cohesive coalition, it is not without weight.

Cohesion is also a challenge, however – and lobbyists can still wield unwelcome influence in eroding trust and legitimacy. *Climate Plunder* noted that two thirds of delegates nominated by the island nation Palau at Cop28 were representatives of Amazon, HSBC and the pro-business group, World Green Economy Organisation.

Cop also faces the challenge of maintaining authority at a time of wide distrust in government, institutions and traditional diplomacy. The legitimacy of monolithic governance structures – and the liberal international order more widely – continues to erode. Cop, along with other UN and Bretton Woods institutions, has long been criticised as being slow to adapt. Such criticisms feel all the sharper in the current political climate. Grillo agreed. "The reform of the UN Security Council started the day after the council was established,

so this is not new. But now, the crisis of multilateralism is much deeper. We need to respond in a much more dramatic, efficient way to govern the globalised world."

But how dramatic can such changes be without US backing? Under Donald Trump, America has, incredibly, withdrawn from the Paris Agreement for a second time. If it can walk away twice, why should other countries go beyond minimal commitments?

Trump's dismissal of climate change as the "greatest con job ever" leaves many questioning what can be achieved at Cop30 and beyond, as the world's biggest emitter withdraws not only from the process, but the entire conversation.

For many in Belém and beyond, the question is no longer whether Cop can deliver, but whether it should still be the vehicle we rely on to do so. Three decades on, it remains the only forum with universal legitimacy – but one that risks becoming symbolic rather than catalytic. If Cop cannot adapt to the shifting realities of power and politics, the future of climate diplomacy may indeed belong elsewhere. ●

The aviation industry's dirty tactics

Demands to include food-based biofuels in the fuel mix threaten landmark environmental reform

By Anna Krajinska

In association with



For 20 years the UK government has talked itself in circles about aviation's climate problem while emissions kept rising.

When a Sustainable Aviation Fuel Mandate was set last year, it looked like a breakthrough. From 2025, fuel suppliers must start blending in cleaner alternatives, with the share growing over time. Just as importantly, ministers drew a line: no burning food crops, only fuels from real wastes, residues or new electrofuels (e-SAFs).

This is one of the climate policies the UK can genuinely be proud of, so no wonder industry is already circling to tear it down. It aligned with public common sense: flying should be greener, but at the same time never compete with food on our plates. While protecting crops like wheat and oats from fuel tanks, it gave investors confidence that the UK was backing genuinely sustainable and advanced fuels. Brussels reached the same conclusion, banning food-based fuels – and promoting e-SAFs – for exactly the same reasons.

And the kicker? It was working. In just six months, cleaner fuels hit 1.3 per cent of supply, in some months spiking to nearly 3 per cent. The 2 per cent goal for 2025 will be met without any weakening, just as car-makers once claimed electric quotas were impossible, until they smashed through them under the ZEV mandate. The truth is clear: tough rules deliver.

But before the ink was even dry, parts of the aviation industry – both airlines and manufacturers – joined forces with the oil lobby pushing to weaken the rules by demanding inclusion of food-based biofuels. After 20 years of empty promises, the risk is clear: if the UK government bends now, real progress will be dumped in favour of greenwash in the skies. What stalls change isn't technology; it is politicians caving in to special interests who are desperate to keep the era of fake fixes alive.

Loud voices in the aviation and fuels sector insist safeguards are too rigid. They warn that sticking to genuine waste oils and residues risks bottlenecks and higher prices. They argue letting British farmers grow crops for fuel on "marginal" land or as cover rotations would add flexibility, smooth volatility and "diversify feedstocks" until e-fuels arrive in scale.

We've seen this story before. The last time governments fell for the



The UK should not be burning food for its energy

biofuels pitch, food crops were poured into car fuel tanks and global prices skyrocketed. The World Bank and OECD highlighted the contribution of crop-based biofuels. The UN warned of food riots as millions were priced out of bread and cooking oil. Families paid the price once and the danger hasn't gone away.

Saying "but these would be British crops" is no defence. Markets don't reward patriotic intentions.

Even with a 10 per cent tariff, almost half the bioethanol burned on UK roads last year was imported from the US undercutting local producers. Now the UK-US trade deal swings the door wide open to 1.4 billion litres of tariff-free American ethanol, equal to all the road bioethanol the UK uses. The fuels industry says aviation could be the new home for UK-grown ethanol. But what's stopping US agribusiness giants from taking over there too? Once crops are made eligible, you don't control who floods the market. And that also risks imports from countries where biofuels drive deforestation.

This isn't just an environmental risk – it's an industrial one. The UK has a real chance to lead in advanced aviation fuels, especially electrofuels

made from renewable power and captured CO₂. Projects including those already planned in Teesside and Aberdeenshire, backed by tens of millions in government funding, could anchor hundreds of skilled jobs and boost energy security in an age of volatile geopolitics.

But all of that rests on one thing: policy certainty. Increasingly, net zero is being twisted into a weapon used by parts of industry not to drive ambition but to roll it back. The moment ministers water down the rules to make room for crop fuels, the signal to innovators is clear: don't waste your time competing with the cheapest, dirtiest option.

This isn't just about perception, it cuts straight to government credibility on new industries. Britain claims it wants to lead in clean technologies, pulling in global investment, creating green growth and future-proof jobs.

If the UK blinks first and defaults to the cheapest option of burning food, it will send a simple message to investors: we're not serious. A country that can't defend its own cornerstone industrial policy – the SAF mandate – won't lead the energy revolution; it

will watch others seize the prize.

And while ministers preach leadership, they're quietly signing off the biggest wave of airport expansion in decades: Gatwick's second runway, Luton's capacity boost, and Heathrow's long-debated third runway.

By the 2040s, aviation is set to be the UK's single biggest source of climate pollution. Expanding airports with one hand while weakening aviation policy with the other isn't leadership; it's sabotage dressed up as growth.

If ministers want Britain to lead aviation's future, the choice couldn't be clearer. With a Sustainable Aviation Fuel Bill out for consultation, now is the moment to hold the line.

Why shy away from a new industrial revolution when this country has the talent and the technology to lead it? Ministers must resist pressure to dilute ambition by including outdated biofuels and instead back cutting-edge e-SAF.

If we want national pride, let's earn it through being bold, energetic, and leading the way to a stronger, more prosperous future. ●

Anna Krajinska is the UK director of Transport & Environment (T&E)

Do we need to reframe the net zero mission?

As political and public consensus fractures, it may be time to change the message

For most of the past 15 years, Britain's approach to climate policy has rested on a rare political consensus.

The 2008 Climate Change Act passed with cross-party support; the target of net zero by 2050 was backed by all major parties; and successive governments made the case that decarbonisation could underpin economic renewal as well as environmental responsibility. That unity once gave the UK global credibility – proof that climate action could transcend partisan divides. But that consensus is beginning to fray.

The reasons are as much political as economic. The phrase “net zero”, once a marker of ambition and leadership, has become a point of contention. What was designed as a clear policy goal has come to feel abstract, bureaucratic and, for some, imposed. In an age of rising energy bills, uneven regional investment and growing distrust in institutions, the language of long-term carbon targets can sound detached from daily life.

That detachment matters. Climate policy depends on public consent over decades, not just electoral cycles. When households do not see tangible benefits – lower bills, better jobs, cleaner air – the political space for sustained action narrows. Across Europe, governments have discovered how quickly support can erode when green measures are perceived as unfair or imposed from above. In France, for example, the *gilets jaunes* movement began as a revolt against a fuel tax framed as environmental policy, but quickly became symbolic of a deeper resentment towards distant, technocratic decision-making.

The lesson was clear: when people feel acted upon rather than involved, even well-intentioned reforms can falter. Britain's own debate now risks following the same path, as parties argue not over the destination but over who pays for the journey.

At the same time, the evidence for the benefits of the transition is stronger than ever. Clean power is now the cheapest source of energy. The green economy is creating hundreds of thousands of jobs and driving regional growth. The transition offers a route to greater energy security and industrial renewal. Yet these gains are often obscured by the complexity of the policy landscape and by a narrative that has struggled to connect with everyday concerns.

With Reform leading in the polls, even the UK's commitment to net zero can no longer be taken for granted. The rise of parties sceptical of climate targets has exposed how brittle public consent can be when progress feels remote or unfair. Against that backdrop, a deeper question has emerged: has the way we talk about net zero stopped working? If the language of targets and transitions no longer resonates, what kind of story – and what kind of politics – will be needed to rebuild trust and carry the country forward?

THE PROBLEM IS NOT ONE OF VISION, BUT FAIRNESS

Pippa Heylings MP

Liberal Democrat spokesperson
for energy and net zero

The British public wants more action on climate change, not less. Fact. Polling from multiple sources confirms this. Across the country, people want to do more to protect their environment and understand the threat of climate change. As 16-year-old Zara wrote to me, “we want to build the climate future, not just inherit it.”

It’s about agency, and that is what we need to get right: bringing people with us and making them an active part of this journey, which is both the greatest economic opportunity of the century and an environmental and moral imperative.

This year marks ten years since the historic Paris Agreement, when almost every nation on Earth agreed to act together to limit global warming. The UK played a central role in shaping that deal, building on years of domestic leadership and cross-party consensus through the Climate Change Act. We must recognise how far we have come and what we have achieved in a short time.

The UK’s climate story is one of progress and opportunity: greater energy security, jobs for the future, and lower costs. Wind power alone cut at least £104 billion from UK energy costs between 2010 and 2023.

The green economy is booming, growing three times faster than the wider economy, supporting around one million jobs and generating £83 billion in GVA in 2024.

Yet households and businesses are not feeling these benefits. The problem is not the vision but the fairness and affordability of delivery. That is why the Liberal Democrats have set out plans to break the link between gas and electricity prices and cut bills by half within the next decade.

At COP30, the UK can lead again with pragmatism and a politics of hope, delivering a just transition that brings prosperity, fairness and energy security to every community.

TALK ABOUT THE THINGS THAT AFFECT PEOPLE’S LIVES

Lord Deben

Chair of Sancroft and former chair
of the Climate Change Committee

Net zero doesn’t ring with anyone. It’s admirably precise, but it’s a technocrats’ phrase. Its achievement is entirely necessary but the phrase doesn’t resonate.

We need, instead, to talk about the things that affect ordinary lives. The narrative must be down-to-Earth. It’s not net zero, but simply that we want to move as quickly as possible away from expensive gas, which pushes up our energy bills.

Our home-grown energy from renewables is the cheapest way to heat our homes. If we don’t change we’ll all go on paying more.

That’s what other people are doing. Even China has realised this, and they’re going full tilt for renewables.

If we don’t get on with the change, we’ll price ourselves out of the market and lose all the jobs and investment coming to the UK because, having the Climate Change Act, investors know we’re serious about getting rid of expensive and dirty fossil fuels.

The only bit of Britain that is growing is the green bit – new jobs, new industry, and cleaner air.

That’s the key point about our home-grown energy. It’ll stop children dying from air pollution; it helps us clean up our seas and rivers; it’s the basis for recovering nature.

Those dirty cars pump out poison at exactly the level at which we wheel our babies. Going electric is essential for our health – and the health of our land and our seas.

It was Britain that pioneered the first Industrial Revolution. We now need to lead in this new one. Of course it costs to change – just like it costed to build railways and factories 200 years ago – but it’s much more expensive to stay where we are.

The scientists may call it “net zero” but for us it’s a cleaner, safer, greener, cheaper Britain.

“Net zero does not ring with anyone. It’s precise but a technocrats’ phrase”

SUPPORT FADES WHEN BENEFITS AREN'T FELT SOON ENOUGH

Alexander Gray

Deputy director for external affairs,
Energy UK

Maintaining a political consensus around long-term targets is fundamental for the private sector. The success of the UK's energy transition to date is in large part because of its geography, which has accommodated world-leading offshore wind capacity. But political leadership over almost two decades has also been essential. Millions of pounds a day are being invested in the energy transition, which currently supports around one in 25 jobs, from Cornwall to north-east Scotland. This investment is moving us towards a more secure energy system, powered at home, reducing our reliance on fuel imports.

All households have felt the impact of the energy crisis since 2022. Gas, which sets the marginal price of electricity most of the time in the UK, remains around 80 per cent more expensive than pre-crisis. Now, and in the coming years, additional "non-commodity" costs are also being added which are increasing energy bills further. These pay for essential things like grid upgrades, supporting renewable energy or energy insulation for vulnerable households. Where these costs fall, however, is largely a political choice that, to date, has seen successive governments use the energy bill like a credit card.

Poll after poll shows people are supportive of building out clean power, but that support fades in the short term when the benefits aren't felt soon enough. It is always right in a democracy to question and challenge government decisions over where these costs land, whether that be on the bill or in general taxation. The energy industry is invested in benefiting society. Clean energy is the way the world is going, and it simply makes economic sense. But if support is to be sustained, households and businesses have to feel the benefits sooner. Government needs to look seriously at who pays and how.

WE NEED TO GROUND CLIMATE ACTION IN REALITY

Lindy Fursman

Director, climate and energy policy,
Tony Blair Institute for Global Change

When Reform mocks "net stupid zero" and voters agree, we have a problem – not only a policy and scientific one, but a political and communications one that risks undermining climate action from within. Policymakers and scientists speak of "Scope 3 emissions" and "1.5°C" while families are focused on bills and jobs. This doesn't just slow progress, it creates political vulnerabilities that can derail the agenda.

We've seen what happens when climate policy loses consent. In Sweden and Germany, backlashes followed climate measures rammed through without local buy-in. In Ontario, excluding communities from wind projects cut local support enough to topple a majority. In France, the *gilets jaunes* captured it perfectly: "The government worries about the end of the world; we worry about the end of the month."

A new climate narrative must start with solutions that meet people's real concerns. It's not just good politics; it's the only way to achieve the scale of change the crisis demands.

We need to ground climate action in reality. Instead of only talking about emissions reductions, we should talk about – and deliver – cleaner air and lower energy bills. Instead of promoting electric vehicles as a fix in themselves, we should make owning them feasible through lower electricity costs and plentiful charging infrastructure. Instead of talking about global temperature goals, we must deliver local benefits like jobs and better health.

People won't "forward-fund on trust" – they'll back policies that improve life now. Climate action must feel like an upgrade, not a sacrifice.

This isn't about retreating from ambition – it's about turning responsibility into opportunity. To win the politics of climate, we must keep the public with us – making the transition affordable, tangible and rooted in lived experience. Only then can we build a future people can see, feel, and believe in. ●

"We only win the politics of climate if the public is with us"



Joseph Evans
Research fellow, economy
and environment, IPPR

“The government must define what constitutes a ‘fair transition’ and relentlessly pursue it”

As the consensus on climate policy has disintegrated, the question of whether pursuing net zero is fair on British consumers and workers has become highly politicised.

Labour argues that clean power will generate cheaper, more secure energy and support hundreds of thousands of new jobs. But Reform and the Conservatives blame the UK’s climate targets for rising energy bills and job losses, and Nigel Farage accuses the government of “deindustrialising Britain” by pursuing net zero.

Decarbonisation does not mean deindustrialisation: in many places it can be the

opposite. IPPR research suggests green industries will revitalise communities that were devastated by the dramatic decline of manufacturing and heavy industry in the Eighties and Nineties. The north and Midlands could manufacture globally competitive wind turbines, heat pumps and green transport.

But it’s not straightforward. Some industries will change substantially as businesses adopt green technologies and others – especially oil and gas – will shrink, disrupting people’s livelihoods. Deindustrialisation in the 20th century led to hardship and disaffection; its legacy may be fuelling the rise of radical-right populism in “left behind” communities. Any hint of a repeat could be politically ruinous. Policy choices aren’t all win-win, because the interests of consumers and the energy workforce aren’t perfectly aligned. Ed Miliband’s pledge to consumers is cheaper, more abundant energy generated by renewables. But the affordability of clean energy depends on the cost of building out renewables, which is partly determined by the labour costs incurred by energy companies. In our privatised energy market, the pursuit of an abundance of clean energy jobs may jar with the economics of providing cheap renewable energy if labour intensity comes at the expense of capital efficiency.

How should the government navigate these trade-offs fairly? Miliband’s Department for Energy Security and Net Zero has announced a raft of policies focused on the energy workforce. Its offer to energy workers is clear: the government is working to create abundant clean-energy jobs and is supporting oil and gas workers to access them, in Aberdeen for example.

Should ministers go further? Unions and researchers, including IPPR, have estimated that it would cost around £1.1bn to retrain millions of workers whose jobs will be affected this decade by net zero. In a highly constrained fiscal environment, the prospect of the Chancellor, Rachel Reeves, stumping up that kind of cash seems unlikely.

Ultimately, the government must define what constitutes a “fair transition” and relentlessly pursue it. Miliband should remain bullish about the potential for renewables to provide secure and plentiful energy. Weaning our energy system off gas will make us less reliant on volatile global supply chains and hostile autocratic states – the public understands this. Ministers should also compel businesses to play their part. Oil and gas companies bear as much responsibility for the fate of their workforce – whose skills have buoyed their margins and whose livelihoods are now disrupted as investment is pulled out of the North Sea – as the state does for deliberately accelerating the industry’s decline.

With climate policy intensely politicised, the government’s judgement should be guided by what is most likely to keep the public onside. After a punishing cost-of-living crisis, the surest way to convince Britons that it’s in their interests to tackle climate change may be to cut their energy bills. ●

From emissions to opportunity

Carbon capture and storage can reignite the Humber's industrial future

In association with



The view from the cooling towers of VPI's Humber power plant reveals the scale of the region's industrial landscape – and its immense potential.

Visible to the north are some of Europe's largest manufacturers. Glancing west, a facility producing battery-grade coke for electric vehicles. Ahead, the UK's largest port. On the horizon is Hornsea 2, the world's largest offshore wind farm, whose giant turbine blades were manufactured across the bay in Hull.

Here is a community forged by generations working in industry. Contributing £18bn a year to the economy, the Humber remains one of the nation's most critical industrial clusters. It supports thousands of skilled, well-paid jobs and exports innovation around the world.

But the winds of change are blowing. This year, three significant industrial employers in the area have been at risk of closure, or went on to close. Meanwhile, other industries continue to develop huge opportunities to create growth as the UK transitions to a net zero future. Refineries pioneering sustainable aviation fuels; power companies investing in low-carbon hydrogen and carbon capture; and new sectors such as data centres, seeking clean, reliable power, are exploring opportunities. For the Humber, decarbonising is a chance to secure the region's future by leading the world in low-carbon innovation.

Establishing carbon capture and storage (CCS) is central to that effort. Done right, it will cut emissions, help future-proof industry, and create new opportunities in the clean energy jobs of the future.

The government made a welcome commitment to reach a final investment decision on the Viking CCS cluster within this parliament. Investors are keen to invest billions to deliver the project. However, while the government has moved at speed to progress the UK CCS industry since last year's election, maintaining the pace of delivery on Viking CCS, and even exploring ways to accelerate this, is crucial.

This will make it more certain that – in a world where the UK faces much competition from other countries to attract and secure international capital – investors will commit this capital to the UK, when they see the determination of the government to bring the project to completion.

Viking CCS, operated by Harbour Energy, will create a carbon capture and storage network centred on the depleted Viking gas field in the southern North Sea. During the anchor phase of Viking, the project is expected to generate around 8,000 jobs at peak construction and attract £13bn of investment by 2035.

With the UK's largest port nearby, the Humber can become a gateway for exporting carbon storage capacity to Europe – worth as much as £30bn annually by 2050, according to the Carbon Capture and Storage Association.

At the heart of this ambition is VPI's combined heat and power plant in Immingham – the largest of its kind in Europe, which supports the UK's refinery capacity. It provides essential steam and power to local industry and electricity to one million homes. The site has been chosen as one of Viking CCS's first "anchor emitter" projects and is awaiting formal government approval.

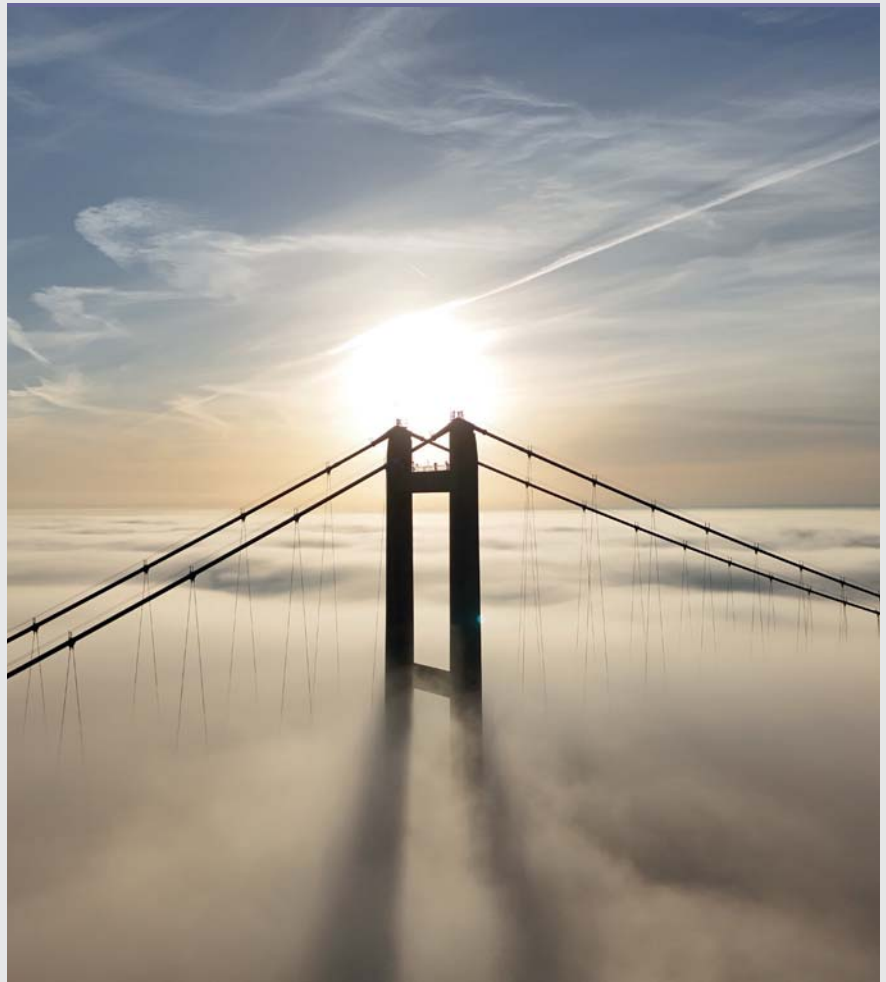
The project will retrofit carbon capture technology to capture CO₂ from two gas turbines and two auxiliary boilers, and compress and condition it for transport through the Viking pipeline, storing it in the depleted field offshore. During construction, VPI expects a range of 70-80 per cent of its value chain to be British, creating around 1,500 construction jobs and high-value permanent roles once operational.

In an era of fiscal constraint, the government must prioritise projects that offer the best value for money, are ready to deliver, and can scale quickly. VPI's proposal stands out on all three fronts.

As a retrofit – to an existing power plant rather than a project to build a new one from scratch – it is an efficient approach that can save up to 40 per cent or more, according to industry studies.

Much of the groundwork is done. Front-end engineering and design is complete; the plant holds the UK's first environmental permit for its selected amine capture technology, and has full planning consent. Construction can start rapidly once government approval is granted and revenue support agreed.

Viking would make a substantial contribution to decarbonisation. The project aims to transport and store four million tonnes of CO₂ a year by 2032. VPI and a neighbouring Humber refinery can capture around 3.8 million tonnes annually. This would make the network commercially viable and anchor the



This could be the dawn of new low-carbon economic opportunities on the Humber

wider industrial decarbonisation of the region.

Location helps too. Much of the necessary infrastructure is already in place: the offshore pipeline from the depleted Viking gas field exists, requiring only a 55km onshore link to connect to emitters. With VPI located on its doorstep, this is a uniquely efficient and lower-risk starting point for large-scale carbon capture in the UK.

CCS in the Humber can play a vital role in meeting national energy security and climate goals.

Even as renewable connections increase, gas will remain necessary to balance the grid and provide reliable power for a growing, electrified economy.

Decarbonising gas-fired generation while cutting industrial emissions is a win-win. Viking CCS will help sustain the Humber's role as an industrial powerhouse, attract global companies to the area who want access to cleaner,

reliable energy, future-proof jobs and support the Clean Energy Jobs Plan.

VPI has invested £450m over the past five years to provide secure, flexible power. It plans to more than triple that to realise its carbon capture project – but this depends on swift government decisions, support and clarity over the revenue model that will underpin long-term investment.

A predictable framework will give industry the confidence to move from design to delivery. Over time, economies of scale and rising carbon prices will further strengthen the case for CCS, reducing the cost to the taxpayer.

To meet its commitment of reaching a final investment decision within this parliament, the government must maintain pace and confidence in delivery. The government can prove that a strategic, mission-driven approach can turn today's industrial heartlands into tomorrow's low-carbon powerhouses. ●

The next step

Climate negotiators will try to agree funding for adaptation, but the prevailing winds are against them

By Samir Jeraj



Ahead of the Conference of Parties (COP) negotiations in Belém, Brazil, André Aranha Corrêa do Lago, COP30 president designate, issued a letter asking parties in attendance to consider adaptation to climate change as “the next step in human evolution”.

He went on to say evolution is brought about by cooperation and that inequality has a “corrosive” effect on our ability to work together. The letter especially highlighted the impact of the climate crisis on poverty.

“Without adaptation, climate change becomes a poverty multiplier, dismantling livelihoods, displacing workers and deepening hunger. As impacts intensify, failure to act is not technical negligence; it is a political choice about who lives and who dies,” he wrote.

It was a bold statement ahead of an event branded as the “implementation



Members of the Small Island States group walked out of Cop negotiations in Baku last year over climate financing

Cop". It comes against a backdrop of growing crisis in international cooperation, as developed nations are reducing their overseas development assistance (ODA) and there are continued challenges in getting private-sector investment in adaptation on a similar footing to mitigation.

Global funding and investment in mitigation is at around \$1.7trn, compared to adaptation, which comprised a mere \$65bn in 2023 against

“It is a political choice about who lives and who dies”

an estimated need of between \$187bn and \$359bn.

Under the leadership of the UK, 2021’s Cop26 produced an agreement that adaptation funding should be double what it was in 2019 by 2025. This was on course to be achieved, according to the most recent data, which is from 2022.

Going into Cop30, the group of “less-developed countries” is asking for a new target of tripling adaptation funding by 2030. Agreeing a new target could also rebuild trust in global climate diplomacy. Last year, the Small Island States group walked out of the negotiations, accusing other parties of practising “petty geopolitics”. Whether negotiators in Belém can agree to a new target, or a more ambitious agreement, is the question. The signals are mixed.

The adaptation funding commitments of 14 countries are coming up for renewal, explained

Natalie Unterstell, the founder of Talanoa, a climate policy think tank.

So far, only Denmark has confirmed its support. “We are seeing that most probably from next year onwards there will be a cliff, so we will see a drop in the resources for adaptation,” Unterstell said. This means that, while the political importance of adaptation is growing, the public financing for it is at risk of collapse.

“The current round of NDCs [nationally determined contributions] is highlighting that they’re not good enough to get us on a 1.5°C trajectory,” said Joe Thwaites, senior advocate, international climate finance at the National Resources Defence Council. “Even if we were incredibly successful at reducing emissions, even if we slash them overnight, there would still be climate impacts that we’re dealing with,” he added.

◀ Those impacts are already hitting the global economy. The International Chamber of Commerce published a report last year estimating the cost of “climate-related extreme weather events” at \$2trn over the past decade.

The majority of those impacts are on the poorest and most vulnerable, and mostly, but not exclusively, in the Global South. “The bitter irony of climate is obviously that those countries have contributed the least to the climate crisis, they’re disproportionately affected, so they are in particular need of support to prepare for and minimise the effects of climate change,” said Thwaites.

But even in the UK, climate adaptation efforts are a long way behind what is needed, according to the Climate Change Committee (CCC). The body’s most recent report on adaptation found UK government policies and plans were “good” in just three of 36 areas they looked at. None of the delivery and implementation was rated good. The CCC highlighted that the 18 months from October 2022 to March 2024 were the wettest on record for England, submerging enough farmland to make it the second worst arable harvest since modern records began.

Despite the growing domestic impact of climate change, the UK joined the US, France, Germany and Canada in cutting its funding for overseas aid, one of the main sources of adaptation funding.

This is despite the intention that climate finance should be new and additional. “Under [Joe] Biden, the US was scaling up climate finance quite significantly and that actually helped put pressure other countries,” said Thwaites. “And indeed, other countries were pressuring the US. And so you had that, you had that positive momentum. Now the risk is that it’s going the other way.”

The OECD estimates that overseas aid in 2025 will fall by between 9 and 17 per cent, following on from a 9 per cent cut in 2024. There is still nuance in that trend. The US has been heavily criticised for the scale of its aid cuts, severing any project irrespective of impact. By contrast, the UK has pledged to ring-fence its climate finance contribution of £11.6bn, half committed to adaptation, as have other European countries.

Thwaites argues that adaptation

funding is a “strategic investment” in global economic stability, which gets at the root causes of global challenges, ranging from inflation and supply chain crises to conflict and forced migration. “All of these things climate has fingerprints on,” he said.

The most visible and accountable adaptation funding comes from governments, but private-sector investment is a critical component, according to Thwaites. “One of the big challenges actually, is that the private sector talks a different language, that there is probably more private adaptation investment going on than we’re actually able to track.”

For example, if a business invests in supply chain resilience, then it is investing in adaptation. Even something such as a farmer choosing to plant crops that are more robust to changing weather patterns would be adaptation. Thwaites believes this is the case to make to businesses: to invest in their supply chains, ensuring their buildings and infrastructure are resilient.

“In the past year, I would say there’s been a lot going on and we see the private sector really talking about how to fix the return on investment, how to actually take advantage of this opportunity of building goods and services for adaptation,” said Unterstell. However, she explained, the private sector needs clear signals

from governments and from Cop in order to progress their action. She also believes there is a clear business case.

“We don’t know the interest rates for 2035, we don’t know what the GDP growth rate’s going to be, but we know we’re going to be warmer, we know we’re going to have adaptation needs in this next ten years,” Unterstell said. But there are limits to what the private sector can do, she added, and the majority of adaptation will have to be funded and delivered by governments.

Thwaites agrees: “The more challenging thing is to try and make the case for how and why private entities should invest in adaptation for other people.” This would be where the benefits of investing would mostly accrue to the public.

Both Unterstell and Thwaites acknowledge the UK has an important leadership role to play. “I think it would be helpful if the government can affirm that it will safeguard climate finance beyond 2026 and, indeed, make a new commitment,” Thwaites said. This would give a level of certainty to recipients of adaptation funding that would allow them to plan projects.

“It was the UK that promoted the doubling pledge and we would really welcome leadership from the UK – would welcome it at this moment,” said Unterstell. “So far they haven’t renewed their commitment for adaptation finance, and it would be really, really critical if they could do so by or before Belém.”

Heading into Cop30, there is a great deal of uncertainty around adaptation and whether the system can cope with the exit of the US from the Paris Agreement – and if negotiators can agree the proposed tripling of adaptation funding while donor countries withdraw from their aid commitments.

There are, however, some reasons for optimism. “I think the multilateral development banks have been scaling up quite a lot,” said Thwaites. “Even if some developed countries are cutting back their funding, other parts of the climate finance system have actually been stepping up in big ways, and that may offset some of those cuts.” ●

\$1.7trn

Global funding for mitigation of climate change

\$65bn

Global funding for adaptation to the impacts of climate change

\$187bn

Lowest estimate for funding needed annually to adapt to climate change

Comment



**Sadiq Khan, Mayor of London,
and Eduardo Paes, Mayor of
Rio de Janeiro**

“The time has come for a new type of climate coalition, rooted in action”

Over the past decade, city leadership has moved to the centre of the global climate response. What began in Paris in 2015, when cities were first recognised as indispensable partners in delivering the Paris Agreement, continued this year in Brazil as hundreds of mayors joined governors and regional leaders for the C40 World Mayors Summit – part of Cop30’s Local Leaders Forum. C40 is a group of nearly 100 of the world’s largest cities, united in tackling the climate crisis in a just and equitable way. The more than 900 million people working in member cities account for almost half of global GDP.

The situation we find ourselves in could not be more serious, yet some leaders are still refusing to listen. Faced with denial and delay, it is all too easy to despair. But we see an opportunity to build a new coalition of leaders, from mayors to heads of state, prepared to do what it takes to protect the people

we serve and the planet we share.

If that coalition is to succeed, cities will have a pivotal part to play. Home to more than half of the world’s population and accounting for three quarters of its energy use, sheer size gives their leaders the power to drive forward global change.

Over the last 25 years, it’s mayors that have been getting on with the job, delivering ambitious policies that make a difference. In London, the world’s largest clean-air zone has brought levels of toxic nitrogen dioxide within legal limits – nearly 200 years before the experts said we would. In Rio, a Rapid Bus Transit system has slashed emissions while connecting hundreds of thousands of passengers to jobs, schools and essential services.

Through initiatives like Breathe Cities, we are joining forces with leaders across the globe to deliver new air-quality policies, speed up decarbonisation, and build more sustainable, liveable cities.

A chorus of sceptics are claiming that efforts to combat the climate emergency will weaken our economies and make our people poorer. These policies are proof that they couldn’t be more wrong. Combating climate change isn’t just good for the planet; it’s a chance to bolster our economies with green industries and secure, well-paid jobs; to bring down bills with clean energy; and save lives by protecting people from soaring temperatures and toxic air. In other words, this is a once-in-a-generation opportunity to build a greener, fairer and more prosperous world. We must seize it.

C40 was founded 20 years ago as a group of cities dedicated to doing just that. We believed that the sheer scale of the climate emergency demanded a response that refused to recognise borders as limits on ambition. Since then, we’ve pioneered a new model for collaboration rooted not in negotiation, but in action. Thanks to the practical, popular policies we’ve implemented there are now more than 21 million good green jobs across 81 C40 cities – evidence that we’re on track to meet our target of 50 million by the end of 2030.

They say optimism is infectious. Perhaps that’s why, this year, C40 is playing a bigger role on the global stage than ever before. Rather than vague and abstract commitments, we have been demonstrating real results. By sharing what we’ve delivered and what we know works, we offer a pragmatic path to meeting climate goals – giving people hope for a better future, rather than fear for the world that future generations will inherit.

For far too long, climate negotiations have moved at the pace of the slowest member. The way we work together has got to change. We believe that this year’s Cop will mark a turning point: a moment when the world recognised that the time has come for a new kind of coalition – one that is ready to move further and faster than ever before. The world’s cities stand ready to rise to the challenge and be part of that vital charge. ●

Power to the people

The success of the Warm Homes Plan will be determined by its ability to mobilise whole communities

By Dr Gen Maitland Hudson

In association with



In recent weeks, the pressure to re-evaluate both net zero and the Clean Power 2030 mission has increased significantly. Whether Labour will hold firm, or bow to the growing calls for “pragmatism”, is unclear.

What is clear is the common hook for this critique: cost. Cheap power is now the key litmus test of winning public support for the energy transition.

High energy prices see industrial growth become more difficult. They also make people feel poorer. If we can achieve both clean and cheap power, everything gets better for everyone. Fail to pursue both goals in tandem and resentment will inevitably grow.

But how to realise clean power *and* lower bills? There is no easy answer, given the investment that is needed into grid transmission and electrification.

But critical to both is making the shift as progressive as possible – and ensuring potential savings really count. That means getting flexible assets, PV, batteries and EVs into poorer homes and community buildings as part of a wider retrofit programme, driving down bills for those who will feel it most, and, quite literally, decentralising power.

So far, support for low-income and inefficient properties hasn't been going well. The National Audit Office found systemic failings in the delivery of the Energy Company Obligation and Great British Insulation Scheme.

Research by Social Investment Business (SIB) shows that the community buildings so central to local services are in a parlous state.

Apart from for those living close to new infrastructure, the clean power mission is often abstract and the challenge for government is making it relatable to voters.

Meanwhile, the Warm Homes Plan must intervene at the most local of levels, shifting people's everyday use of energy, installing new technologies in their homes and adopting a new, flexible, relationship with electricity use.

These are contrasting policy approaches. For the Warm Homes Plan, moving beyond a focus on individuals to a community lens will be critical to build trust, overcome politicised opposition to the energy transition, and accelerate the rollout of technologies like batteries and heat pumps to achieve both cheap and clean energy.

Evidence from countries that have

made quick changes to technology use (including our own successes building the gas grid and the rollout of broadband) shows that change works best when it gets beyond pioneers and shifts whole groups at once.

Leaders of technological shifts often cite community, but they rarely engage with its most established forms. Beyond the tagline is a whole sector delivering vital public services and social value. Creating jobs, investing in local people and building culture.

The social sector is made up of tens of thousands of community organisations, local charities and social enterprises. From youth clubs to health centres, sports groups to community-owned businesses, these are trusted institutions at the heart of our communities, particularly in areas of high deprivation, and key to the success of the energy transition at the local level.

These organisations are also at the sharp end of the energy price crisis. Research this year revealed youth clubs are now spending as much as half their entire budgets to cover utilities, due to inefficient buildings and low turnover.

Relatively small investments to lower their bills would make a huge difference to their service delivery, while also modelling to the wider community the benefits and value of the energy

Policies must take social infrastructure into account

transition. When asked about how to increase support for the energy transition, Melanie Ward MP recently highlighted the example of a heat pump at Aughtertool Village Hall, providing reliable heat for a local warm space.

Social Investment Business has worked with thousands of community organisations, particularly in areas of high deprivation, to strengthen their work, invest in their infrastructure and unlock their potential in the energy transition.

Through the Youth Investment Fund, we've enabled the retrofit or rebuild of hundreds of youth centres, many now equipped with solar panels, heat pumps and EV chargers.

With 70 per cent of projects in IMD 1-3 areas (within the top 30 percentile for deprivation in England), the benefits of the energy transition are reaching communities often considered hard to reach with energy policies.

As these examples demonstrate,

there is huge potential for community organisations to accelerate the transition and help maintain wide public support, without energy companies needing to reinvent what already exists.

But policies must be designed with that deep-rooted social infrastructure in mind. Not only can they act as trusted messengers, showcasing and demystifying renewable technologies, but they can also become local energy anchors mobilised to facilitate community-wide rollouts across clean heat and energy flexibility.

Through our subsidiary, SIB Community Heat, we are pioneering this community approach to the energy transition. We are developing a pipeline of community-centred heat networks, with bulk installations of heat pumps, and forming a pilot for community energy flexibility. These projects are led by community organisations and community energy groups, particularly in deprived, rural and suburban communities, ensuring clean heat and lower bills reach the places that most need to feel the benefits of the transition.

As a social investor, our unique approach focuses on making clean heat accessible for areas overlooked for traditional investment, centring community organisations as trusted messengers and leaders.

We're providing de-risked finance to move projects from feasibility to development and providing the necessary technical and economic support.

Unique to our model is a "golden share" for communities, securing long-term rights and decision-making power without requiring them to run an energy company.

The voices challenging Clean Power 2030 and net zero are growing louder. To ensure we still achieve these critical goals, we must continue to move quickly while de-politicising the technologies and bringing down bills.

Doing so will require moving beyond an individual consumer approach and building policy and practice around communities of citizens. Community organisations are the stored-up capacity ready to stabilise the transition. ●

Dr Gen Maitland Hudson is deputy CEO of Social Investment Business (SIB)



Building a youth and boxing club in Crewe, equipped with solar and flexible assets

CUTTING BILLS, BUILDING TRUST: 'RIGHT FIRST TIME' DELIVERY ON THE WARM HOMES PLAN

"We urgently need government energy efficiency policies to help to de-risk and improve the consumer journey and create genuinely low energy, low emissions homes by supporting and encouraging more retrofit providers to guarantee good outcomes of home upgrades." Sarah Kostense-Winterton, Executive Director, MIMA

Britain's families are paying some of the highest energy bills in Europe. Millions live in cold, draughty homes, paying for heat lost through their walls. The problem isn't just global gas prices – it's the energy wasted by our inefficient housing stock.

For households in fuel poverty or those "just about managing" high-quality, well-installed insulation remains the foundation of affordable warmth and reduces household energy use, energy bills and carbon emissions.

However, past energy efficiency policies have inadvertently over-promised and under-delivered, leaving households sceptical and taxpayers short-changed. And poor-quality installations harm consumers, damage businesses, and undermine confidence in the entire retrofit sector.

MIMA supports the NAO in its call for robust action to address the failings identified in flagship government retrofit programmes, for those directly affected and for consumers more generally.

A performance-led approach - set out in MIMA's report Making Performance-Led Home Retrofit a Reality - means any poor-quality installations are identified and addressed - or prevented altogether - before problems arise, improving sector delivery standards.

Outcomes-based guarantees of performance, underpinned by robust measuring, metering, and monitoring of retrofitted measures, would drive up quality, well-installed insulation, protect consumers, and means the industry can start to promise energy savings.

Call to Action:

Our government has the opportunity to deliver this change – to rebuild consumers' trust – to de-risk home decarbonisation and secure heating bill savings - by creating a system where we stop assuming retrofit outcomes and start verifying them, gearing up to guarantee energy savings.

We invite our new Consumer Energy Minister, Martin McCluskey MP, to work with us to embed this "measures that deliver" approach into the very fabric of the forthcoming Warm Homes Plan.

Making Performance-Led Home Retrofit a Reality

A Discussion Paper by the
Mineral Wool Insulation Manufacturers Association (MIMA)

For a copy of our report, please visit www.mima.info
or scan the QR code.

