



HM Treasury



United Kingdom  
Debt Management  
Office

# UK Government Green Financing Framework

## Investor Presentation

HM Treasury and UK Debt Management Office

July 2021

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June 2021



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Debt Management  
Office

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All references to "proceeds" or "funds raised" within this presentation refer to an amount equivalent to the net proceeds of any green gilt and/or green savings bond raised by HM Treasury.

# Executive Summary

HM Treasury is issuing the **UK's first green gilt** through the UK Debt Management Office (DMO) and intends to follow up with a series of further issues in order to build out a green yield curve as part of its efforts to:

- mainstream green financial products;
- attract dedicated funding to meet the net zero target and other environmental objectives;
- finance sustainable projects;
- deploy much needed infrastructure, and
- create green jobs across the country.

The '**UK Government Green Financing Framework**' has been developed in accordance with the Green Bond Principles (2021) as published by the International Capital Market Association (ICMA). V.E has provided a Second Party Opinion (SPO) to this effect.

HM Treasury intends to report on the **social co-benefits** in addition to the **environmental impacts** of the green expenditure.

The UK Government will also launch retail green savings bonds through NS&I later in 2021.



# Outline



- 1 UK Economic Strategy
- 2 UK Environment and Climate Policy
- 3 UK Government Green Financing Framework
- 4 Reporting and External Reviews
- 5 Further Information and Next Steps
- 6 Questions & Answers
- 7 Annexes – Metrics and Additional Case Studies



# UK Economic Strategy



# UK Macroeconomic Framework

The UK's macroeconomic framework is built on four pillars:



These elements support the UK's plan for growth **Build Back Better**, which will drive growth that:



Levels up every part of the country, spreading opportunity across the UK



Raises the UK's productivity and living standards by investing in infrastructure, technology and skills



Promotes environmental sustainability and transitioning towards a net zero economy



Develops the UK as a centre for green finance with the new UK Infrastructure Bank to increase investment to help tackle climate change and promote economic growth

# UK Comparative Advantages



The UK has a **large, diversified economy** valued at £2 trillion in 2020 (\$2.6 trillion)



The UK is a **hub for global and investment banking** and a global leader in foreign exchange trading



Sterling has **international reserve currency status**



The UK has a **deep and resilient labour market** with a skilled workforce pool



The UK is home to **almost a fifth of the top 100 internationally renowned universities**

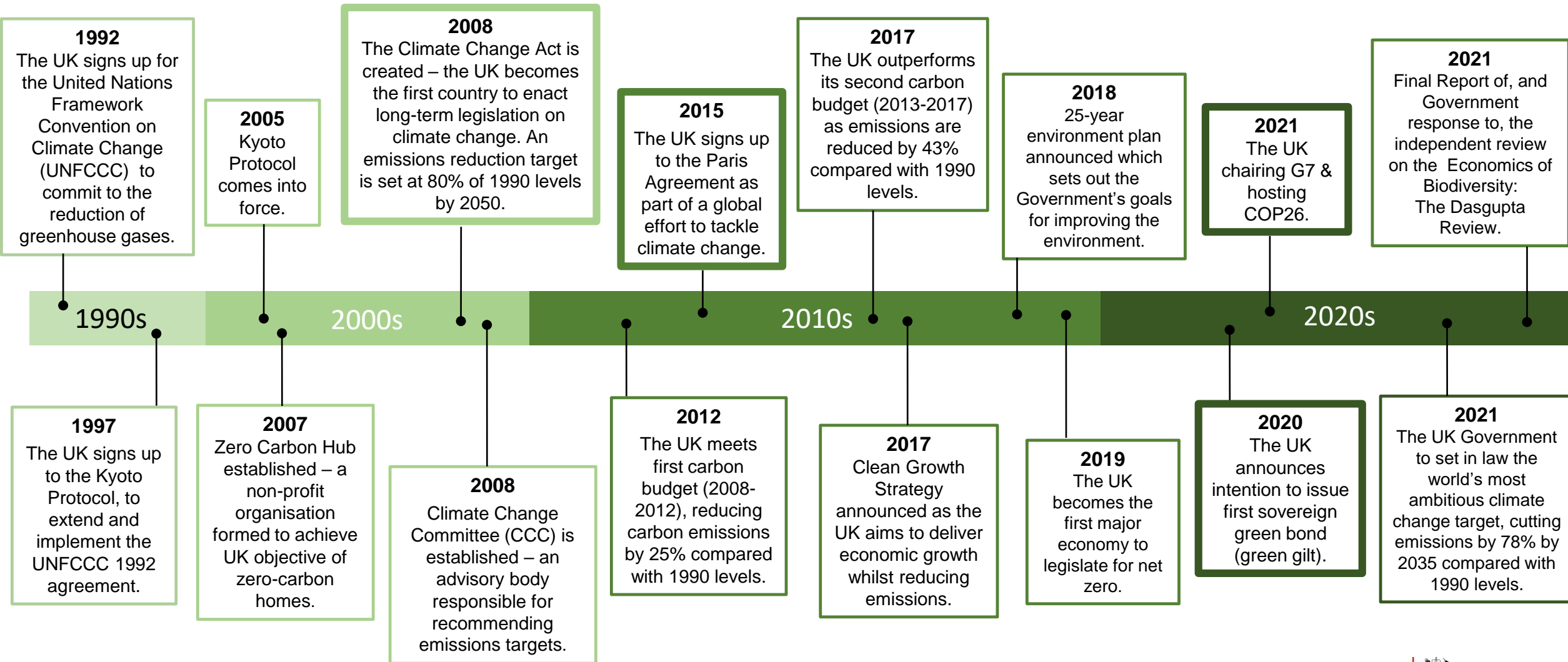




# UK Environment and Climate Policy



# Key Legislation and Initiatives



# The UK's Path to Net Zero

Between 1990 and 2019, the UK reduced its greenhouse gas emissions by **43%**, compared with just 5% for the G7 as a whole. This progress so far has been led by the power sector, where emissions have fallen by **over 70%** since 1990, largely through reducing the role of coal in electricity generation and increasing the role of renewables.

The UK is already working towards its commitment to reduce emissions by 2030 by at least 68% compared with 1990 levels through the UK's latest **Nationally Determined Contribution** - the highest reduction target set by a major economy to date.

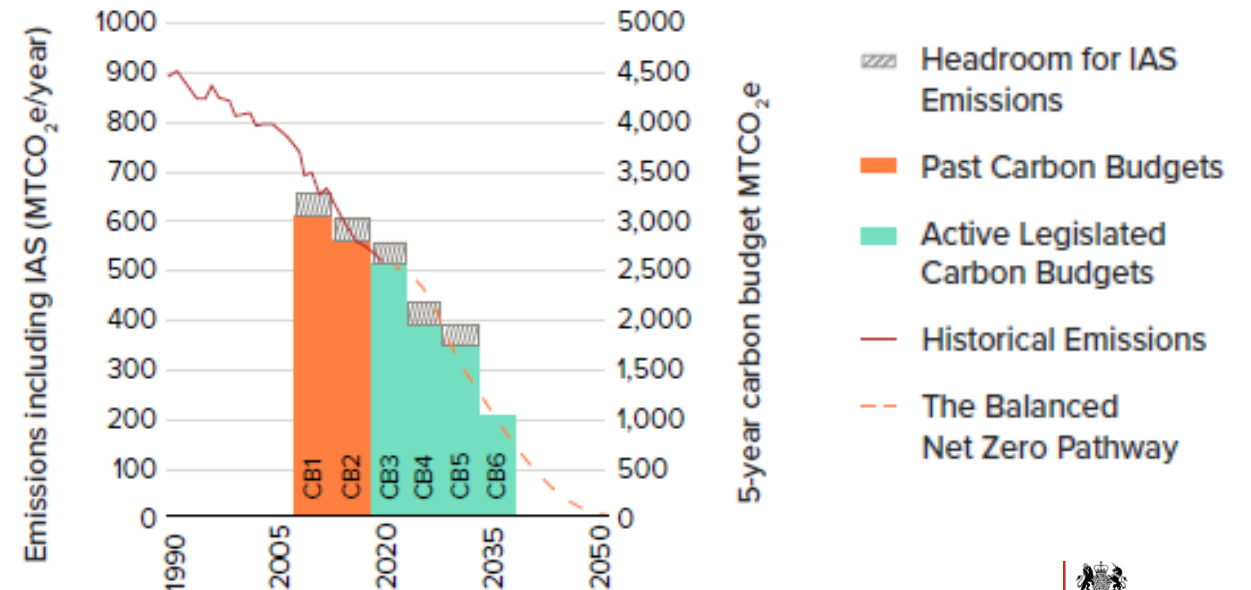
In April 2021, the UK announced that it will accelerate this commitment, and set in law the world's most ambitious climate change target: a **78%** reduction in carbon emissions **by 2035**.

## The Net Zero Review and Strategy

The Net Zero Review is an analytical report using existing data to consider the exposure of households and businesses to the transition to net zero, in order to inform future policy development. This is the first time a finance ministry has done this. This will be published in due course.

In addition, the Government will publish a comprehensive Net Zero Strategy in the lead up to COP26. The strategy will set out the Government's vision for transitioning to a net zero economy.

## The recommended Sixth Carbon Budget



Source: The Sixth Carbon Budget: The UK's path to Net Zero Committee on Climate Change - HMT update of CCC analysis



## The Economics of Biodiversity: the Dasgupta Review

The Dasgupta Review sets out a framework for incorporating nature into economics and decision-making. It highlighted that significant declines in biodiversity are undermining the productivity, resilience and adaptability of nature. The Review makes the case that protecting and enhancing natural assets, and the biodiversity that underpins them, is crucial to achieving a sustainable, resilient economy.

The UK Government's response to the Review agrees with its fundamental conclusion: nature, and the biodiversity that underpins it, ultimately sustains our economies, livelihoods and well-being, and sets out actions to be taken to address the findings and recommendations.



## The Nature for Climate Fund

We are committed to protecting and restoring our natural environment.

The Nature for Climate Fund is aiming to support a step change in woodland creation and peatland restoration in England over this Parliament – as the UK targets 30,000 hectares of new tree cover a year by 2025 UK-wide.



## Environment Bill 2020

The UK Government's world-leading 2020 Environment Bill is legislating a framework for new legally binding environmental improvement targets for waste, water, air, and biodiversity – in support of the long-term objectives in the 25 Year Environment Plan.

It will make sure that we have a cleaner, greener and more resilient country for the next generation.



## Our 25 Year Environment Plan

The Plan sets out to achieve: clean air, clean and plentiful water, thriving plants and wildlife, reduced risk of harm from environmental hazards such as flooding and drought, using resources from nature more sustainably and efficiently, enhanced beauty, heritage and engagement with the natural environment.



# UK's Contribution to Green Finance

Green finance is a key pillar of the UK's vision for the future of financial services.

- The UK will implement mandatory disclosures aligned with the **Task Force on Climate-related Financial Disclosures (TCFD)** by 2025, with most requirements in place by 2023.
- The UK will implement a green taxonomy to create a common understanding of which economic activities are environmentally sustainable.
- The UK hosted the G7 Finance Ministers meeting in London in May 2021, which led to agreement to move towards mandatory climate disclosures, and to welcome the International Financial Reporting Standards Foundation's programme of work to develop a baseline corporate reporting standard for sustainability.



# COP26 – Glasgow, UK

2.5



**UN CLIMATE  
CHANGE  
CONFERENCE  
UK 2021**

IN PARTNERSHIP WITH ITALY

The UK will host the 26th UN Climate Change Conference of the Parties (COP26) at the Scottish Event Campus (SEC) in Glasgow, 1-12 November 2021.

The climate talks will bring together heads of state, climate experts and campaigners to agree coordinated action to tackle climate change.

As COP26 Presidency, the UK is committed to working with all countries and joining forces with civil society, companies and people on the frontline of climate change to inspire action ahead of COP26.

The UK will spend the months up to COP26 taking four key goals to governments across the world:

1. Secure **global net zero** by mid-century and keep 1.5 degrees within reach
2. Adapt to protect **communities** and **natural habitats**
3. Mobilise **finance**
4. Work **together** to deliver these ambitious goals

## COP26 Private Finance Agenda

As part of the Finance campaign, the objective for private finance for COP26 is simple: ensure that every professional financial decision takes climate change into account.

The COP26 Private Finance Hub, will work with the private sector and other stakeholders to develop:

- **Reporting:** improving the quantity, quality and comparability of climate-related disclosures by implementing a common framework built on the TCFD recommendations.
- **Risk management:** ensuring that the financial sector can measure and manage climate-related financial risks.
- **Returns:** helping investors identify the opportunities in the transition to net zero and report how their own portfolios are aligned for the transition.
- **Mobilisation:** increasing private financial flows to emerging and developing economies, by connecting available capital with investable projects and encouraging new market structures.

# UK Government Green Financing Framework



# UK Government Green Financing Framework: Overview

3.1

## UK Government Green Financing Framework

June 2021



The **UK Government Green Financing Framework** (the “Framework”) has been developed in accordance with the Green Bond Principles (2021) published by ICMA.

HM Treasury intends to align this Framework, to the extent feasible, with the UK's developing classification of environmentally sustainable economic activities (the **UK Taxonomy**).

The Framework demonstrates how the **UK green gilt and retail green savings bonds** will finance UK Government expenditures that will be critical in tackling climate change and other environmental challenges.

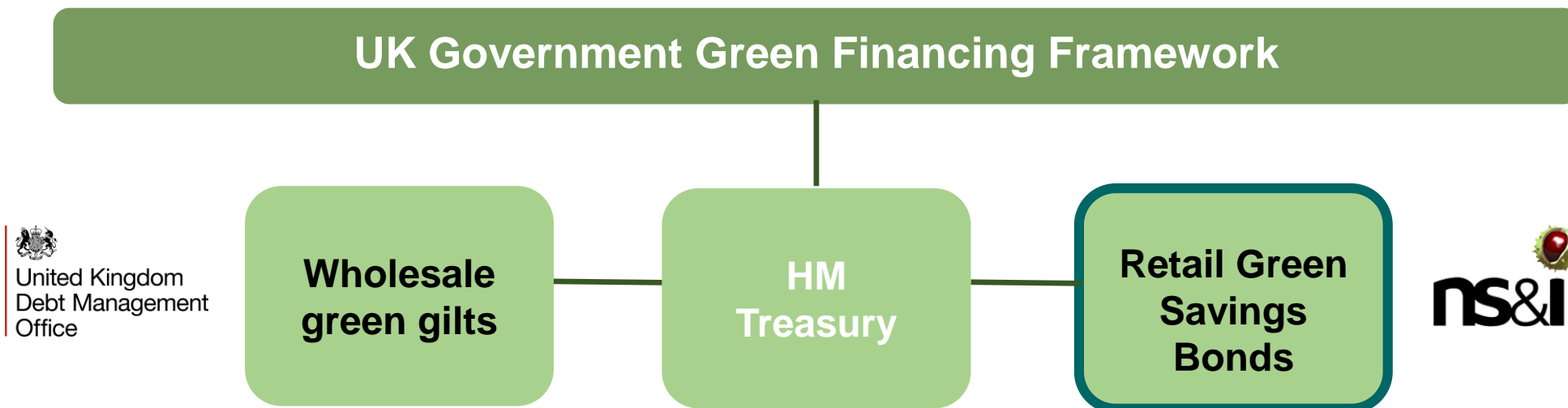
These are highlighted in sections of the Framework which cover:

- The UK as a Global Climate and Environmental Leader
- The UK’s Climate and Environmental Vision
- Green Finance and the UK’s Green Finance Strategy



# The Framework and the Retail Green Savings Bonds

3.2



The **Retail Green Savings Bonds** will be offered through NS&I, the HMT-backed savings organisation and established retail debt financing arm of the Government.

- They will return a fixed rate of interest for 3 years and customers will be able to invest between £100 and £100,000.
- This innovative savings product will provide retail investors with the opportunity to participate in the collective effort to tackle climate change, transition to a low carbon economy, and create green jobs.
- The funds raised will go to HM Treasury to help finance the green spending projects, in line with the governance procedures.
- The product will be available online at [www.nsandi.com/green](http://www.nsandi.com/green) later in 2021.

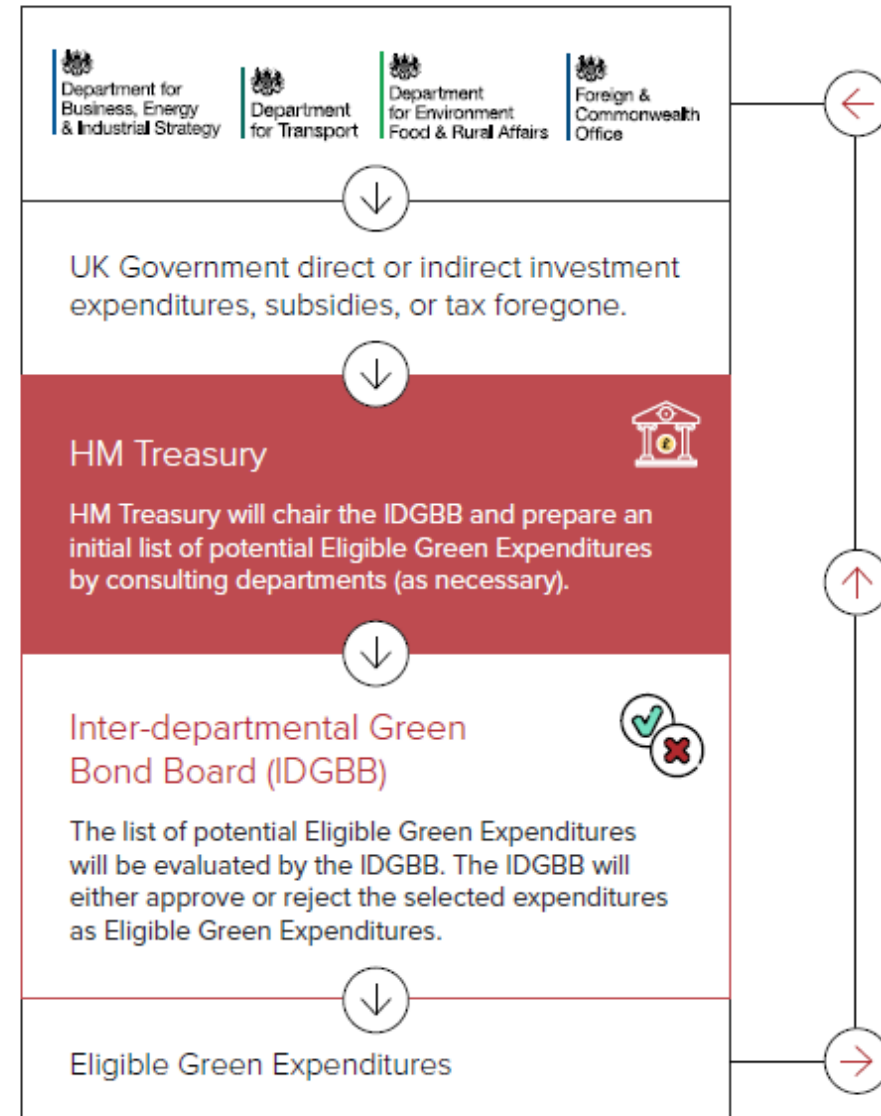
# Governance Arrangements Under the Green Financing Framework

The approach to green financing will be governed by the cross-government Inter-departmental Green Bond Board (IDGBB).

The IDGBB is chaired by HM Treasury, and is comprised of senior representatives from:

- the UK Debt Management Office (DMO),
- NS&I,
- Department for Business, Energy & Industrial Strategy (BEIS),
- Department for Transport (DfT),
- Department for Environment, Food & Rural Affairs (Defra), and
- Foreign, Commonwealth and Development Office (FCDO).

All departments represented on the IDGBB have budgets which include eligible green expenditures. Other departments will be added as needed.

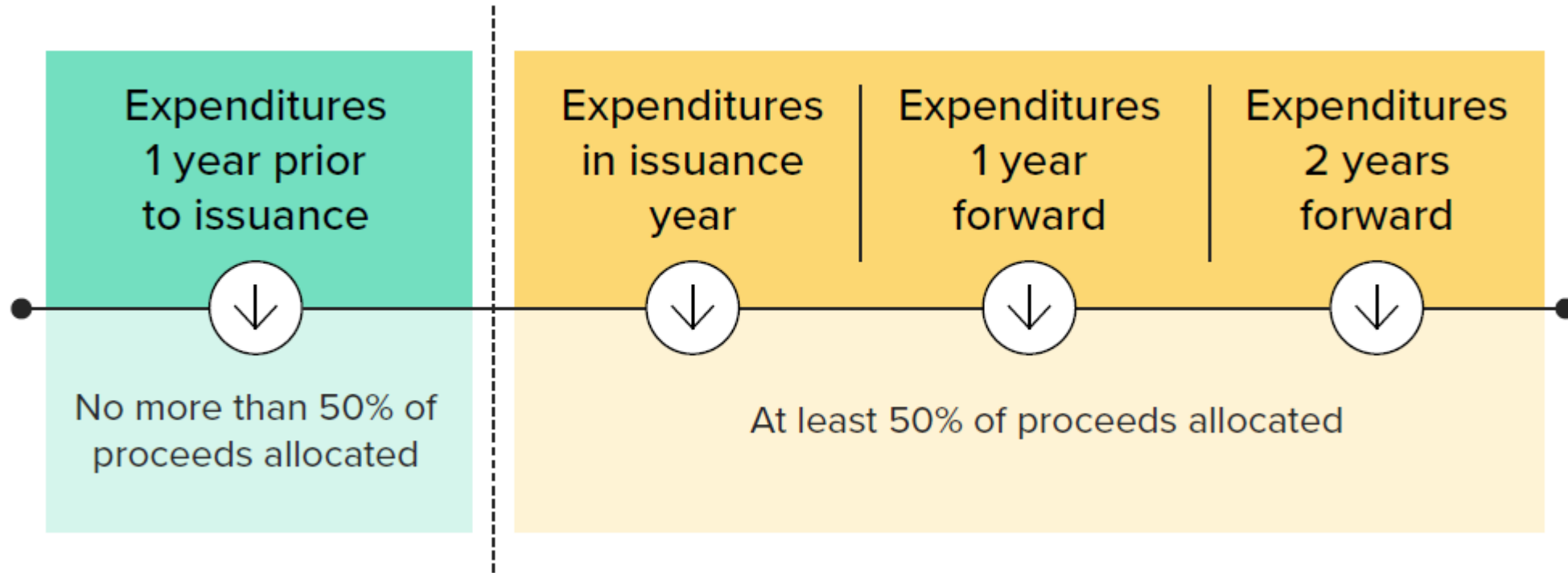


This process is repeated on an annual basis

# Use of Proceeds – Expenditure Window

The eligible expenditures are limited to government expenditures that occurred no earlier than 12 months prior to issuance, the budget year of issuance, and the two budget years following issuance.

HM Treasury will allocate at least 50% of net proceeds to current and future expenditures.



# Evaluation and Selection of Green Expenditures

3.5

## 1 Evaluation and Selection

The **evaluation and selection** of eligible green expenditures will be performed on an **annual basis**. HM Treasury will be responsible for updating the list of potential eligible green expenditures each year, spanning the eligible expenditure window.

## Verification 2

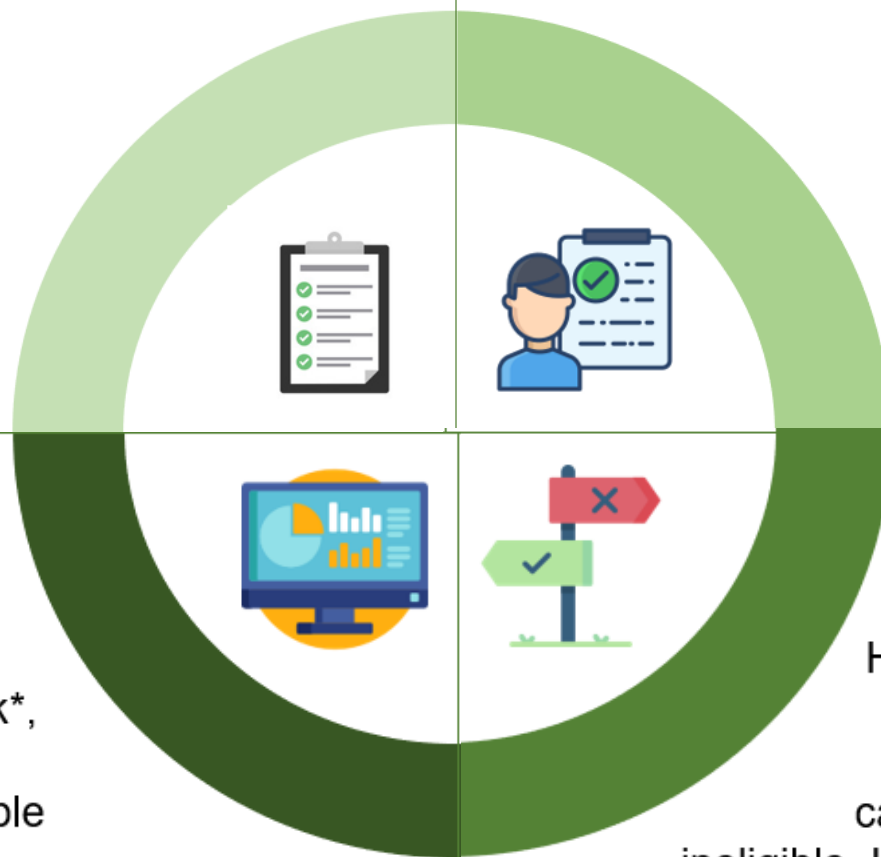
Bilateral engagement with the relevant departments will be carried out to **verify the eligibility of each expenditure**. Each update of the eligible portfolio will be brought to the IDGBB for information and comment.

## 4 Monitor

As per the UK Government's Green Book\*, relevant ministries will be responsible for **monitoring the implementation** of eligible projects.

## Review 3

HM Treasury will **review the allocation of the proceeds** on an annual basis. In the event that an expenditure has been cancelled, postponed or otherwise become ineligible, HM Treasury will replace it with another eligible expenditure as per the Framework, in coordination with that expenditure's relevant government department.

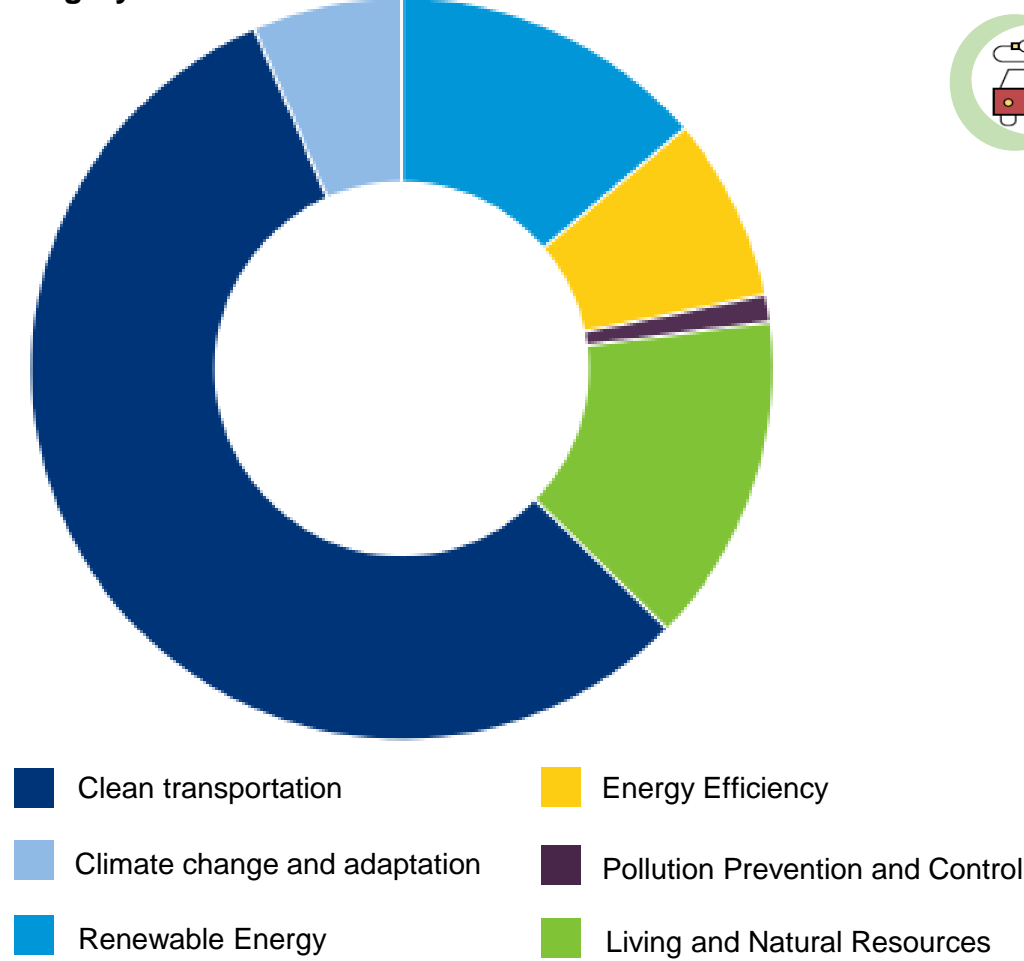








\*[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/938046/The\\_Green\\_Book\\_2020.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/938046/The_Green_Book_2020.pdf)



# Green Expenditure Categories

Estimated proportion of spending by green expenditure category



-  Clean Transportation
-  Renewable Energy
-  Energy Efficiency
-  Living and Natural Resources
-  Climate Change Adaptation
-  Pollution Prevention and Control

The above diagram represents the Carbon Trust's analysis of HM Treasury data on spend within the green expenditure categories, in the period 2020-21 to 2023-24, taken from the Pre-Issuance Impact Report on the UK Government Green Financing Programme (2021). These are estimates and do not represent actual spend proportions by HM Treasury in the given period.



# Green Category: Clean Transportation



### UK Taxonomy Objective:

- Climate Change Mitigation

### Subcategories:

- Low and zero emission mobility, including vehicles, incentives, infrastructure, and alternative fuels
- Research and development for low and zero emission transportation technologies

## Case Study: Zero-Emissions Buses

The start of a multi-year commitment to deliver cleaner and more reliable journeys for households



**£120m** investment in financial year 2021-22 to begin decarbonising the bus fleet in England

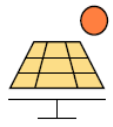


**4,000** new zero-emission buses as part of a 'green bus revolution', which will also safeguard British bus manufacturing jobs



**46** tonnes of CO2 emissions saved each year with each zero-emissions bus





# Green Category: Renewable Energy

3.8

7 AFFORDABLE AND CLEAN ENERGY



## UK Taxonomy Objective:

- Climate Change Mitigation

## Subcategories:

- Support development of renewable energy generation capacity such as wind, solar and hydrogen
- Schemes for renewable heat use and energy storage, including heat networks, heat pumps and hydrogen heating
- Support for energy storage systems, such as batteries, compressed air/liquid air, and gravitational storage
- Research and development for the commercial viability of renewable technologies



## Case Study: Net Zero Innovation Portfolio



£1bn

**funding** for low-carbon technologies and systems in power, and buildings and industry, including future offshore wind and hydrogen, announced in the Prime Minister's Ten Point Plan

The Portfolio will:

- decrease the costs of decarbonisation
- create world-leading industries and new green jobs
- invest in our regions
- help make the UK a science and innovation superpower



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# Green Category: Energy Efficiency



### UK Taxonomy Objective:

- Climate Change Mitigation

### Subcategories:

- Support schemes for energy efficiency programmes for the commercial, public and industrial sectors
- Support schemes for residential energy efficiency programmes (including heating, retrofit and insulation)
- Research and development for new energy efficiency technologies

## Case Study: Public Sector Decarbonisation Scheme

Provides grants to fund heat decarbonisation and energy efficiency measures within the public sector non-domestic estate\*



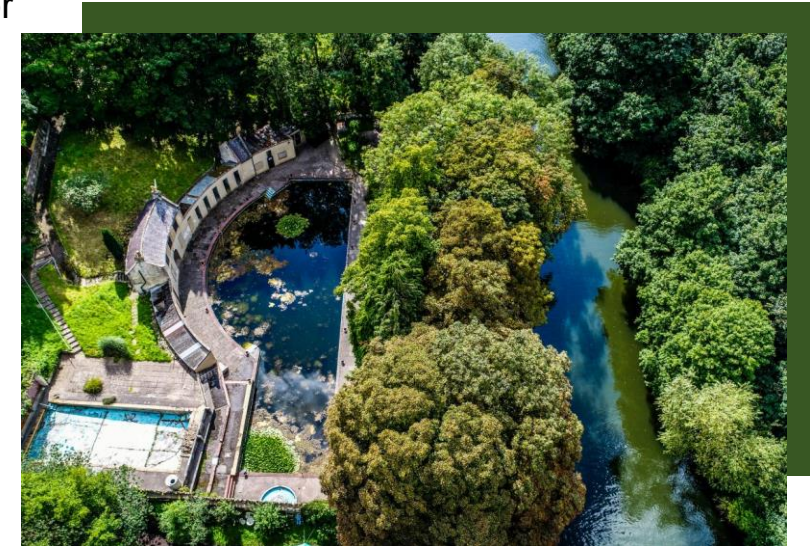
**£1bn** issued in grants



**45,000** This scheme will reduce carbon emissions equivalent to taking **45,000 petrol and diesel cars** off the road.



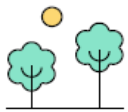
**30,000** jobs supported in the low carbon and energy efficiency sectors



Bath and NE Somerset Council are using a Public Sector Decarbonisation Scheme grant to install heat pumps at outdoor swimming pool Cleveland Pools  
Image by: Multnomah Media Ltd via Cleveland Pools Trust

\*public sector non-domestic estates include central government departments, non-departmental public bodies, local authorities and the NHS





# Green Category: Living and Natural Resources



## UK Taxonomy Objective:

- Climate Change Mitigation
- Climate Change Adaptation
- The Protection and Restoration of Biodiversity and Ecosystems
- Sustainable Use and Protection of Water and Marine Resources

## Subcategories:

- Protection and enhancement of terrestrial and marine biodiversity, ecosystems and natural capital
- Sustainable land use and protection, including environmentally sustainable agriculture
- Environmentally sustainable clean water, water storage and wastewater management initiatives
- Funding for environmental activities of public sector arm’s-length bodies

## Case Study: The Nature for Climate Fund

Involves nature-based climate solutions such as tree planting and peatland restoration in England



**£640m** investment for the Fund



**£500m** to be spent on trees and woodland between 2020 and 2025, as detailed in the **Trees Action Plan**



**30,000** hectares of trees per year **UK-wide** by the end of this Parliament



# Green Category: Climate Change Adaptation

3.11



## UK Taxonomy Objective:

- Climate Change Mitigation

## Subcategories:

- Flood protection, resilience and other risk mitigation programmes
- Data driven climate monitoring solutions
- Engineering activities and technical consultancy dedicated to adaptation to climate change

## Case Study: Flood Defence Programme

Builds flood and coastal defences in England designed to provide increased flood protection, with the increasing use of **nature-based solutions** like water storage areas



**£5.2bn**

investment between 2021 and 2027



**336,000**

properties including homes, businesses, schools and hospitals will be better protected, **making local communities more resilient**





# Green Category: Pollution Prevention and Control



## UK Taxonomy Objective:

- Climate Change Mitigation
- Pollution Prevention and Control
- Transition to a Circular Economy

## Subcategories:

- Reduction of air emissions and greenhouse gas control
- Waste prevention, waste reduction, waste recycling and energy/emission-efficient waste to energy

## Case Study: Carbon Capture, Usage and Storage Infrastructure (CCUS)

Has the potential to decarbonise the economy and maximise economic opportunities for the UK, by capturing and storing carbon dioxide emissions underground



**over £1bn** in grants



**10mt/CO<sub>2</sub>** prevented from reaching the atmosphere every year **by 2030**



**4** new CCUS networks by **2030**

# Reporting and External Reviews

# Allocation and Impact Reports

4.1

## Allocation Report

HM Treasury will publish a report on the allocations of the proceeds from the green gilt and retail green savings bonds, to each of the eligible green expenditure subcategories.

The first report will be published around the anniversary of the inaugural green gilt issue, and **annually** thereafter.

The allocation report will detail:

- The share of proceeds allocated to refinancing existing expenditures, versus financing for new and future expenditures;
- The balance of unallocated proceeds; and
- Any material developments related to the eligible green expenditures.

## Impact Report

HM Treasury will publish a report on the **environmental impacts** and **social co-benefits** of the eligible expenditures, aggregated at the expenditure category level.

The first report will be published no later than two years following the inaugural issue, and **at least biennially** thereafter.

Case studies on the impact of specific expenditures will be provided where feasible.

Where necessary, updates may be provided intermittently, due to time-lags in the publication of data.

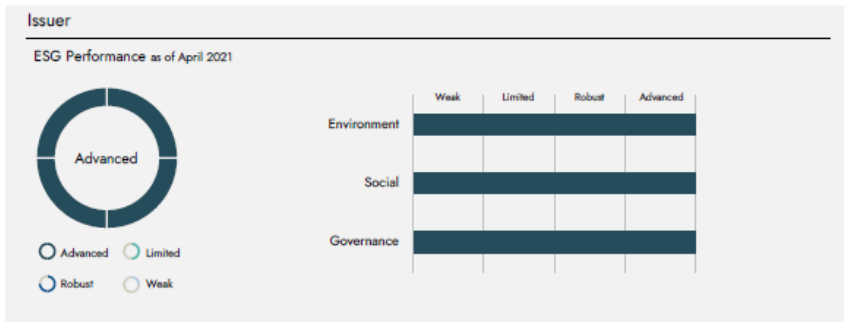
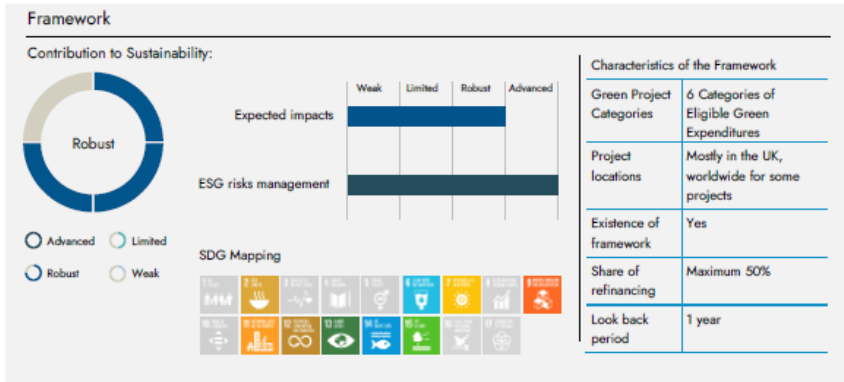
June 2021



## SECOND PARTY OPINION

on the sustainability of the Government of the United Kingdom's Green Financing Framework

V.E considers that the United Kingdom (UK) Government's Green Financing Framework is **aligned** with the four core components of the Green Bond Principles 2021 ("GBP")



Vigeo Eiris (V.E) is of the opinion that the UK Government's Green Financing Framework is aligned with the four core components of the Green Bond Principles published by ICMA.

V.E has provided a Second Party Opinion on the Framework and has concluded that:

- The UK Green Financing Framework is **robust** in its contribution to sustainability
- The UK as an issuer is **advanced** in its ESG performance
- The UK Green Financing Framework is **coherent** with the Government's strategic sustainability priorities

V.E is of the opinion that the expected environmental benefits are **clear, relevant, and measurable**, and will be quantified for nearly all the Eligible Expenditures in the reporting.

In terms of its ESG performance, the UK ranks **8th out of 178 countries** rated in its global sovereign sustainability index, and **7th out of 37 OECD countries** rated by V.E

The full report is at <https://vigeo-eiris.com/uk-government-green-financing-framework-spo>

The Carbon Trust has conducted a pre-issuance impact assessment on the alignment of the intended impacts of the funded projects and green gilt programme/ retail green savings bonds with the UK Government’s climate targets and environmental policies.

They have concluded that:

*“the programme’s categories are comparable, and the allocations align sensibly, with the Climate Change Committee’s Sixth Carbon Budget and [Carbon Trust] are confident that the programme will contribute to achieving net zero by 2050”.*

The Carbon Trust is also of the view that the UK innovates in a number of ways:

*“The inclusion of the retail component is novel, but the programme also seeks to **innovate** in its approach to reporting the impact of the programme. It does so firstly in the wide choice of metrics which encompass **environmental, social and biodiversity measures**, and secondly in considering the alignment of the programme with stated UK Government policy goals.”*

The full report is at:

<https://www.carbontrust.com/resources/pre-issuance-impact-uk-government-green-financing-programme>



# Further Information and Next Steps





# Strategic Considerations for the Green Gilt

On 9 November 2020, the Chancellor of the Exchequer announced the UK's intention to issue its inaugural green gilt in 2021, as the UK looks to build out a green curve in the coming years.

## The green gilt has a number of similarities to conventional gilts...

**A green gilt is no different from a conventional gilt in terms of its structure and payments**

Interest payments will be made every six months with the capital repayment and final interest payment made at redemption.

**Liquidity**

The Government has committed to issuing at least £15bn of green gilts in financial year 2021-22, as well as to building out a green curve in the coming years. A second transaction will follow later in 2021, subject to investor demand and market conditions.

## ...but also has a couple of key differences

**Use of proceeds structure**

An amount equal to the proceeds raised from the green gilt and retail green savings bonds is earmarked specifically for green/environmental projects rather than general spending.

**Additional documentation**

Additional documentation is required to provide transparency to investors, in the form of: a Green Financing Framework, a Second Party Opinion, and regular Allocation and Impact Reports on the projects funded.

## Next Steps

Further details, including on the precise **timing** of the syndicated launch of the **inaugural green gilt** planned for September 2021, and the **maturity**, will follow in due course. The next DMO quarterly consultations at which green gilt issuance will be discussed are currently planned to take place on Monday 23 August 2021 (3.30pm investors, and 5.00pm, GEMMs) (London time). Further market engagement will take place closer to the planned transaction in September 2021.

The UK Government will weigh up the appropriate maturity and precise timing for any green gilt issuance in the context of the regular gilt financing programme, to ensure as smooth delivery as possible of both conventional and green issuance. The planned scheduling of the inaugural green gilt syndication in September 2021 is consistent with this approach.

As announced by the Chancellor at Budget 2021, the UK Government intends to issue a **second green gilt** later in 2021, subject to investor demand and market conditions.



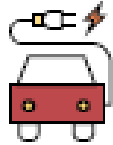
# Contacts and Links


<b>Emails:</b>	<a href="mailto:greenfinancingpolicy@hmtreasury.gov.uk">greenfinancingpolicy@hmtreasury.gov.uk</a> ; <a href="mailto:Policy@dmo.gov.uk">Policy@dmo.gov.uk</a>
<b>HM Treasury website</b>	<a href="http://www.gov.uk/government/publications/uk-government-green-financing">www.gov.uk/government/publications/uk-government-green-financing</a>
<b>DMO website</b>	<a href="https://www.dmo.gov.uk/responsibilities/green-gilts/">https://www.dmo.gov.uk/responsibilities/green-gilts/</a>
<b>NS&amp;I website</b>	<a href="http://www.nsandi.com/green">www.nsandi.com/green</a>
<b>Refinitive Eikon</b>	<i>DMO/GILTS1</i>
<b>Bloomberg</b>	<i>DMO1 &lt;GO&gt;</i>


# Questions & Answers

# Annexes – Metrics and Additional Case Studies




<p>Green Category:</p> <p>Clean Transportation</p> 	<h3>Environmental Impact Metrics</h3> <ul style="list-style-type: none"><li>• Annual greenhouse gas emissions reduced/avoided in tonnes of carbon dioxide (CO<sub>2</sub>) equivalent</li><li>• Project lifetime greenhouse gas impacts (MtCO<sub>2</sub>)</li><li>• Project lifetime reduced carbon emissions</li><li>• Reduction of air pollutants: particulate matter (PM), sulphur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO), and non-methane volatile organic compounds (NMVOCs)</li></ul> <h3>Social Co-Benefits</h3> <ul style="list-style-type: none"><li>• Number of jobs created/supported</li><li>• Number of loans to SMEs and/or microenterprises</li><li>• Number of SMEs that receive support for equipment and facilities and technological modernisation</li><li>• Number of people with access to sustainable transport systems</li></ul>
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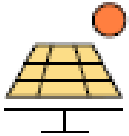
<p>Green Category:</p> <p>Pollution Prevention and Control</p> 	<h3>Environmental Impact Metrics</h3> <ul style="list-style-type: none"><li>• Annual greenhouse gas emissions reduced/avoided in tonnes of carbon dioxide (CO<sub>2</sub>) equivalent</li><li>• Reduction of air pollutants: particulate matter (PM), sulphur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO), and non-methane volatile organic compounds (NMVOCs)</li><li>• Waste that is prevented, minimised, reused or recycled before and after the project in % of total waste and/or in absolute amount in tonnes p.a.</li><li>• Amount of waste reused or recycled (tons or in % of total waste)</li></ul> <h3>Social Co-Benefits</h3> <ul style="list-style-type: none"><li>• Number of SMEs that receive support</li><li>• Number of jobs created/supported</li></ul>
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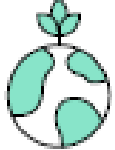
<p><b>Green Category:</b></p> <p>Living and Natural Resources</p> 	<p><b>Environmental Impact Metrics</b></p> <ul style="list-style-type: none"><li>• Annual greenhouse gas emissions reduced/avoided in tonnes of carbon dioxide (CO2) equivalent</li><li>• Increase of area under certified land management (ha)</li><li>• Number of native species which have benefitted from the project</li><li>• Absolute or % reduction in air/water pollutants</li><li>• Hectares of protected areas restored/maintained</li></ul> <p><b>Social Co-Benefits</b></p> <ul style="list-style-type: none"><li>• Number of jobs created/supported</li></ul>
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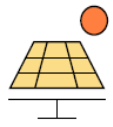


<p><b>Green Category:</b></p> <p>Energy Efficiency</p> 	<p><b>Environmental Impact Metrics</b></p> <ul style="list-style-type: none"><li>• Annual energy savings in MWh/GWh (electricity) and GJ/TJ (other energy savings)</li><li>• Annual greenhouse gas emissions reduced/avoided in tonnes of carbon dioxide (CO2) equivalent</li><li>• Level of certification by property</li></ul> <p><b>Social Co-Benefits</b></p> <ul style="list-style-type: none"><li>• Number of households benefitted</li><li>• Number of jobs created/supported</li></ul>
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# Environmental Impact Metrics and Social Co-Benefits

<p>Green Category: Renewable Energy</p> 	<p><b>Environmental Impact Metrics</b></p> <ul style="list-style-type: none"><li>• Annual greenhouse gas emissions reduced/avoided in tonnes of carbon dioxide (CO2) equivalent</li><li>• Capacity of renewable energy plant(s) constructed or rehabilitated in MW</li></ul> <p><b>Social Co-Benefits</b></p> <ul style="list-style-type: none"><li>• Number of households and businesses supported to transition to low carbon heating</li><li>• Number of households benefitted</li></ul>
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<p>Green Category: Climate Change and Adaptation</p> 	<p><b>Environmental Impact Metrics</b></p> <ul style="list-style-type: none"><li>• Number of flood defences</li><li>• Number of properties better protected</li></ul> <p><b>Social Co-Benefits</b></p> <ul style="list-style-type: none"><li>• Estimated number of beneficiaries from adaptation projects</li><li>• Number of jobs created/supported</li></ul>
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## Renewable Heat Incentive Scheme

Helps UK households, businesses, public sector and non-profit organisations meet the cost of installing renewable heat technologies



**89,499**

households, business, public bodies and charities helped through the **domestic scheme** investment

**21,116**

households, business, public bodies and charities helped through the **non-domestic scheme** investment

Almost half of the UK's greenhouse gas emissions are from the energy used to generate heat. The Renewable Heat Incentive Scheme helps the UK reduce its carbon emissions and meet its renewable energy targets.



## The Future Farming and Countryside Programme

Will introduce new policies and solutions in England to reward environmentally sustainable farming, and to improve farm productivity and prosperity



### Sustainable Farming Incentive

will reward farmers for simple actions to manage their land in an environmentally sustainable way

### Local Nature Recovery Scheme

will reward actions that support local nature recovery and deliver local environmental priorities - making sure the right things are delivered in the right places, and encouraging collaboration

### Landscape Recovery Scheme

will support the delivery of landscape and ecosystem recovery through long-term land use change projects