



Department for
Business, Energy
& Industrial Strategy

£15M BEIS CALL FOR CCUS INNOVATION

Details of an upcoming innovation
programme

May 2018



Background

In October 2017 the Clean Growth Strategy set out the new Government approach to CCUS in the UK, highlighting the important role of innovation¹ in supporting cost reduction. To support this, the Government committed to spend up to £100 million from the BEIS Energy Innovation Programme to support Industry and CCUS innovation² to improve business and industry efficiency, and to further reduce the cost of deploying CCUS.

This document provides details of the £15 million BEIS Call for CCUS Innovation that is planned to be launched in June 2018.

Scope of the Call

The £15 million BEIS Call for CCUS Innovation will provide grant funding to innovation projects that significantly reduce the cost of capturing and sequestering carbon dioxide (CO₂). The scope of the call covers the full range of CCUS innovation which includes carbon capture, transport, utilisation and storage. This covers both power and industrial CCUS and also includes greenhouse gas removal (GGR) approaches that are based on capturing and sequestering carbon dioxide. BEIS is looking to offer grant funding for projects for up to 28 months, finishing before 31st March 2021, and will consider grant applications of up to £5 million for a single project.

The Call will be guided by the findings of the BEIS/Wood study³ and the work of the Mission Innovation CCUS Experts' Workshop held in Houston in September 2017⁴, whose publications are anticipated to be available when the call opens.

Both company-led and university-led projects will be considered if they lead to:

- A significant reduction in the cost of capturing and sequestering CO₂⁵;
- Quicker and more widespread deployment of CCUS to meet the ambition of the Paris Agreement;
- A route for the intellectual property (IP) to be commercialised following the project;

Call guidance and application forms will be similar to previous BEIS innovation calls, Phase 6 of the BEIS Energy Entrepreneurs Fund (EEF) are a good guide in this regard⁶.

¹ Clean Growth Strategy, published October 2017:

<https://www.gov.uk/government/publications/clean-growth-strategy>

² Details of the Industry and CCUS Innovation theme can be found at:

<https://www.gov.uk/guidance/funding-for-low-carbon-industry>

³ Assessing the Cost Reduction Potential and Competitiveness of Novel (Next Generation) UK Carbon Capture Technology, Wood plc., due to be published before the Call opens

⁴ Accelerating Breakthrough Innovation in Carbon Capture, Utilization, and Storage; Report of the Mission Innovation Carbon Capture, Utilization, and Storage Experts' Workshop, due to be published before the Call opens

⁵ This will be based on methods, assumptions and findings in keeping with the BEIS/Wood study

Match funding from BEIS will be in keeping with Article 22 (Aid for start-ups) or Article 25 (Aid for research and development projects) of the EU General Block Exemption Regulation⁷. The work being funded must largely be conducted in the UK. This still allows the applicant to work collaboratively with other international partners to best achieve the goals of their project.

Similar to the EEF scheme, incubation support will be available for successful small and medium sized enterprise (SME) awardees who are the lead partner in receipt of the grant offer.

The below table is an indicative schedule for the Call:

Schedule	Date/duration
Launch of £15m BEIS Call for CCUS Innovation	June 2018
Call open for at least 10 weeks for applications	>10 weeks
Bids assessed and provisional grant offer letters offered	August/September 2018
Innovation projects begin	October/November 2018
Innovation projects funded for ~ 28 months	~28 months
Projects complete	Before 31 March 2021

⁶ <https://www.gov.uk/government/publications/energy-entrepreneurs-fund-phase-6>

⁷ Projects must fall within the EU General Block Exemption Regulation Article 2 (definitions for aid for research and development and innovation), and be eligible under Section 3 Article 22 (Aid for start-ups) or Section 4 Article 25 (Aid for research and development projects)
<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0651&from=EN>

Further information

The £15m BEIS Call for CCUS Innovation and supporting documentation will be available at

<https://www.gov.uk/guidance/funding-for-low-carbon-industry>

Question can be addressed to the Industry and CCUS Innovation team (industry.innovation@beis.gov.uk).



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