

A NEW APPROACH TO NET ZERO

Let me get straight to it.

I know people in our country are frustrated with our politics.

I know they feel that much gets promised, but not enough is delivered.

I know they watch the news or read the papers and wonder why in the face of the facts as they have them, choices are made as they are.

I know that they dislike Westminster game playing, the short termism, and the lack of accountability.

But most of all I think people are tired of the false choice between two versions of change that never go beyond a slogan.

I have been Prime Minister for nearly a year now and it is the privilege of my life.

I know the fundamentals of our great country are solid and timeless.

Its people are its greatest strength, economically and socially.

Their hopes and genius are what propel us forward, not Government.

Government can set the framework, step in when needed, and step back when necessary.

It can make the big decisions.

But what I have concluded during my time so far as Prime Minister, is that those decisions...

...the decisions that could bring change, real change, that could alter the trajectory of our country...

...can be so caveated, so influenced by special interests, so lacking in debate and fundamental scrutiny...

...that we have stumbled into a consensus about the future of our country, that no one seems to be happy with.

And this is because too often, motivated by short term thinking, politicians have taken the easy way out.

Telling people the bits they want to hear, and not necessarily always the bits they need to hear.

We are making progress, including on my five priorities.

Inflation – down again today and on track to be halved.

Fastest growth in the G7 over the last two years.

Debt – on target to be falling.

The NHS – treating more patients than last year.

And small boats – crossings significantly down on last year.

But put simply: that is not enough, if for too many, there remains a nagging sense that the path we are on...

...no matter which party is in government...

...isn't quite what we hoped for, and that no one seems to have the courage to say so.

That we make too little, that we spend too much, that things take too long...

...and that even when we know these things, we seem powerless to change them.

I am here today to tell you that we do not have to be powerless.

Our future doesn't have to be a foregone conclusion.

Our destiny can be of our own choosing.

But only if we change the way our politics works.

Can we be brave in the decisions we make, even if there is a political cost?

Can we be honest when the facts change, even if it's awkward?

And can we put the long-term interests of our country before the short-term political needs of the moment, even if it means being controversial?

I have spent my first year as Prime Minister bringing back stability to our economy, your government and our country.

And now is the time to address the bigger, longer-term questions we face.

The real choice confronting us is do we really want to change our country...

...and build a better future for our children...

...or do we want to carry on as we are.

I have made my decision: we are going to change.

And over the coming months I will set out a series of long-term decisions to deliver that change.

And that starts today, with a new approach to one of the biggest challenges we face: climate change.

No one can watch the floods in Libya or the extreme heat in Europe this summer, and doubt that it is real and happening.

We must reduce our emissions.

And when I look at our economic future, I see huge opportunities in green industry.

The change in our economy is as profound as the industrial revolution and I'm confident that we can lead the world now as we did then.

So I'll have no truck with anyone saying we lack ambition.

But there's nothing ambitious about simply asserting a goal for a short-term headline...

...without being honest with the public about the tough choices and sacrifices involved...

...and without any meaningful democratic debate about how we get there.

The Climate Change Committee have rightly said you don't reach net zero simply by wishing it.

Yet that's precisely what previous governments have done – both Labour and Conservative. No one in Westminster politics has yet had the courage to look people in the eye and explain what's really involved.

That's wrong – and it changes now.

The plans made on your behalf assume this country will take an extraordinary series of steps that will fundamentally change our lives.

A ban on buying new boilers even if your home will never be suitable for a heat pump.

A ban that takes effect in just three years for those off the gas grid.

And mandatory home upgrades for property owners in just two years' time.

There have even been proposals for:

Taxes on eating meat.

New taxes on flying.

Compulsory car sharing if you drive to work.

And a government diktat to sort your rubbish into seven different bins.

Now I believe deeply that when you ask most people about climate change, they want to do the right thing...

...they're even prepared to make sacrifices.

But it cannot be right for Westminster to impose such significant costs on working people...

...especially those who are already struggling to make ends meet...

...and to interfere so much in people's way of life...

...without a properly informed national debate.

That's especially true because we're so far ahead of every other country in the world.

We've had the fastest reduction in greenhouse gas emissions in the G7.

Down almost 50% compared to 1990.

France? 22%.

The US? No change at all.

China? Up by over 300%

And when our share of global emissions is less than 1%...

...how can it be right that British citizens, are now being told to sacrifice even more than others?

Because the risk here, for those of us who care about reaching Net Zero by 2050 – as I do - is simple:

If we continue down this path, we risk losing the consent of the British people.

And the resulting backlash would not just be against specific policies...

...but against the wider mission itself, meaning we might never achieve our goal.

That's why we have to do things differently.

We need sensible, green leadership.

It won't be easy.

And it will require a wholly new kind of politics.

A politics that is transparent, and the space for a better, more honest debate about how we secure the country's long-term interest.

So, how do we do that? What is our new approach to achieving net zero?

First, we need to change the debate.

We're stuck between two extremes.

Those who want to abandon Net Zero altogether – because the costs are too high, the burdens too great...

...or in some cases, they don't accept the overwhelming evidence for climate change at all.

And then others who argue with an ideological zeal: we must move even faster, and go even further...

...no matter the cost or disruption to people's lives...

...and regardless of how much quicker we're already moving than any other country.

Both extremes are wrong.

Both fail to reckon with the reality of the situation.

Yes, Net Zero is going to be hard and will require us to change.

But in a democracy, we must also be able to scrutinise and debate those changes...

...many of which are hidden in plain sight – in a realistic manner.

This debate needs more clarity, not more emotion.

The test should be: do we have the fairest credible path to reach Net Zero by 2050, in a way that brings people with us?

Since becoming Prime Minister, I've examined our plans and I don't think they meet that test.

We seem to have defaulted to an approach which will impose unacceptable costs on hard-pressed British families...

...costs that no one was ever told about, and which may not actually be necessary to deliver the emissions reductions we need.

And why am I confident in saying that?

Because over the last decade or more, we've massively over delivered on every one of our carbon budgets...

...despite continuous predictions we'd miss them.

We've seen rapid technological advances which have made things like renewables far cheaper:

Just consider offshore wind, where costs have fallen by 70% more than projected in 2016.

And people are increasingly choosing to go green – look at how demand for electric vehicles has consistently outstripped forecasts.

Given these things, I'm confident that we can adopt...

...a more pragmatic, proportionate, and realistic approach to meeting Net Zero...

...that eases the burdens on working people.

And that's the second part of our new approach.

Now I'm not saying there will be no hard choices.

And nor am I abandoning any of our targets or commitments.

I am unequivocal that we'll meet our international agreements...

...including the critical promises in Paris and Glasgow to limit global warming to 1.5 degrees.

I'm proud that our country leads the world on Net Zero, with the most ambitious 2030 target of any major economy.

And we're as committed as ever to helping developing countries...

...just the other week I announced \$2bn for the Green Climate Fund – the single biggest commitment of its kind, the UK has ever made.

But we can do all this in a fairer, better way – and today I can set out the details of what our new approach will mean for people.

That starts with electric vehicles.

We're working hard to make the UK a world-leader.

I'm proud that we've already attracted billions of new investments from companies like BMW in Oxford and Tata's Jaguar Land Rover gigafactory.

And I expect that by 2030, the vast majority of cars sold will be electric.

Why?

Because the costs are reducing; the range is improving; the charging infrastructure is growing.

People are already choosing electric vehicles to such an extent that we're registering a new one every 60 seconds.

But I also think that at least for now, it should be you the consumer that makes that choice, not government forcing you to do it.

Because the upfront cost is still high – especially for families struggling with the cost of living.

Small businesses are still worried about the practicalities.

And we've got further to go to get that charging infrastructure truly nationwide.

And we need to strengthen our own auto industry, so we aren't reliant on heavily subsidised, carbon intensive imports, from countries like China.

So, to give us more time to prepare, I'm announcing today that we're going to ease the transition to electric vehicles.

You'll still be able to buy new petrol and diesel cars and vans until 2035.

Even after that, you'll still be able to buy and sell them second-hand.

We're aligning our approach with countries like Germany, France, Spain, Italy, Australia, Canada, Sweden...

...and US states such as California, New York and Massachusetts...

...and still ahead of the rest of America and others like New Zealand.

To get to Net Zero, we also need a fairer, better approach to decarbonising how we heat our homes.

We're making huge advances in the technologies that we need to do that, like heat pumps.

But we need a balance.

Between incentivising businesses to innovate, so heat pumps become even cheaper, more effective, and more attractive.

But without imposing costs on hard-pressed families, at a time when the technology is often still expensive and won't work in all homes.

For a family living in a terraced house in Darlington, the upfront cost could be around £10,000.

Even the most committed advocates of Net Zero must recognise that if our solution is to force people to pay that kind of money...

...support will collapse, and we'll simply never get there.

So, I'm announcing today that we will give people far more time to make the necessary transition to heat pumps.

We'll never force anyone to rip out their existing boiler and replace it with a heat pump.

You'll only ever have to make the switch when you're replacing your boiler anyway, and even then not until 2035.

And to help those households for whom this will be hardest...

...I'm introducing a new exemption today so that they'll never have to switch at all.

This doesn't mean I'm any less committed to decarbonising our homes.

Quite the opposite.

But rather than banning boilers before people can afford the alternative; we're going to support them to make the switch.

I'm announcing today that the Boiler Upgrade Scheme...

...which gives people cash grants to replace their boiler, will be increased by 50% to £7,500.

There are no strings attached.

The money will never need to be repaid.

And this is one of the most generous schemes of its kind in Europe.

Next, energy efficiency.

This is critical to making our homes cheaper to heat.

That's why we've got big government grants like the Great British Insulation Scheme.

But under current plans, some property owners would've been forced to make expensive upgrades in just two years' time.

For a semi-detached house in Salisbury, you could be looking at a bill of £8,000.

And even if you're only renting, you'll more than likely see some of that passed on in higher rents.

That's just wrong.

So those plans will be scrapped, and while we will continue to subsidise energy efficiency - we'll never force any household to do it.

And that's not all.

The debate about how we get to Net Zero has thrown up a range of worrying proposals...

...and today I want to confirm that under this government, they'll never happen.

The proposal for government to interfere in how many passengers you can have in your car.

I've scrapped it.

The proposal that we should force you to have seven different bins in your home.

I've scrapped it.

The proposal to make you change your diet – and harm British farmers - by taxing meat.

Or to create new taxes to discourage flying or going on holiday.

I've scrapped those too.

And nor will we ban new oil and gas in the North Sea...

...which would simply leave us reliant on expensive, imported energy from foreign dictators like Putin.

We will never impose these unnecessary and heavy-handed measures on you, the British people...

...but we will still meet our international commitments and hit Net Zero by 2050.

And if we're going to change politics in the way I'm talking about, we can never allow carbon budgets to be set in the same way again.

The last Carbon Budget process was debated in the House of Commons for just 17 minutes...

...and voted through with barely any consideration given to the hard choices needed to fulfil it.

It was the carbon equivalent of promising to boost government spending with no way to pay for it.

That's not a responsible way to make decisions which have such a bearing on people's lives.

So, when Parliament votes on carbon budgets in the future...

...I want to see it consider the plans to meet that budget, at the same time.

If the first part of our new approach to meeting Net Zero is to change the debate...

...and the second part is a more pragmatic, proportionate, and realistic approach that eases the burdens on families...

...then the third is to embrace with even greater enthusiasm, the incredible opportunities of green industry...

...and take the necessary practical steps to create whole new sectors and hundreds of thousands of good, well-paid jobs right across the country.

We're already home to the four largest offshore wind farms in the world...

We're building an even bigger one at Dogger Bank...

And improving our auction process to maximise private investment into this world-leading industry.

We're lifting the ban on onshore wind.

We're investing in four new clusters to capture and store carbon from the atmosphere.

And we're building new nuclear power stations for the first time in thirty years.

Just this week, we took a significant long-term decision to raise funding for Sizewell C...

...putting beyond all doubt our commitment to decarbonising power.

And later this autumn, we'll shortlist the companies to build the new generation of small modular reactors.

But one of our biggest constraints to reaching Net Zero and improving our energy security, is this:

We're investing billions in new energy projects, yet we don't have the grid infrastructure to bring that power to households and businesses.

And when energy security is national security – that's unacceptable.

Right now, it can take fourteen years to build new grid infrastructure.

There are enough projects waiting to be connected to generate over half of our future electricity needs.

So I can announce today that the Chancellor and Energy Security Secretary...

...will shortly bring forward comprehensive new reforms to energy infrastructure.

We'll set out the UK's first ever spatial plan for that infrastructure to give industry certainty and every community a say.

We'll speed up planning for the most nationally significant projects.

And we'll end the first-come-first-served approach to grid connections by raising the bar to enter the queue...

...and make sure those ready first, will connect first.

So, from offshore wind...

To nuclear...

To a revolution in our energy infrastructure...

...investors should have absolute confidence that we're getting on with the job...

...and the UK will remain the best place in the world to invest in the green industries of the future.

Not least because of something else this country has always excelled at: innovation in new technologies.

As a country that emits less than 1% of the world's carbon emissions...

...one of the most powerful contributions we can make is our unique ability to develop new technologies that can help the world.

Like the SENSEWind team in Scotland developing the technology to service floating offshore wind turbines while still out at sea...

...or the researchers at Cambridge who pioneered a new way to turn sunlight into fuel.

And that's why today we're going further, creating the new, £150m Green Future Fellowship.

This will support at least 50 leading scientists and engineers to develop real, breakthrough green technologies.

And it builds on the £1 billion I invested as Chancellor, in the Net Zero Innovation Portfolio.

And finally, we cannot tackle climate change without protecting nature; and vice versa.

Just the loss of forests alone accounts for the equivalent of ten times the global emissions of the entire United Kingdom.

And in the coming weeks, ahead of my attendance at COP28, I will set out the next stage in our ambitious environmental agenda.

So, in conclusion.

This country is proud to be a world leader in reaching Net Zero by 2050.

But we simply won't achieve it unless we change.

We're now going to have a better, more honest debate about how we get there.

We'll now have a more pragmatic, proportionate, and realistic approach that eases the burdens on families.

All while doubling down on the new green industries of the future.

In a democracy, that's the only realistic path to Net Zero.

Consent, not imposition.

Honesty, not obfuscation.

Pragmatism, not ideology.

That's how we'll turn the challenge of net zero into the greatest opportunity - and the proudest achievement - of our lifetimes.

And this is just the start.

What we begin today... is bigger than any single policy or issue.

We are going to change the way our politics works.

We are going to make different decisions.

We will not take the easy way out.

There will be resistance, and we will meet it.

Because I am determined to change our country... and build a better future for our children.

Nothing less is acceptable.