Country: **UNITED KINGDOM**

1) General **description of the method** or approach on which the integration of the COP26 Statement into national policies is based	Since March 2021, the UK government does not provide new direct financial or promotional support for the fossil fuel energy sector overseas, other than in limited circumstances. This policy applies to new ODA, Investment, financial and trade promotion activity overseas, including support provided by UK Export Finance. The fossil fuel energy sector overseas is defined as the extraction, production, transportation, refining and marketing of crude oil, natural gas or thermal coal, as well as any fossil-fuel fired power plants.

2) Exclusion policies/ phase out plans

Description of exclusion policies / phase out plans for the unabated fossil fuel energy sector	Exploration, production	Coal	No new direct financial or promotional support for the fossil fuel energy sector overseas (as defined in response to question 1), other than in limited circumstances. The limited circumstances are outlined in response to question 3 e.g. limited support for unabated gas power generation only, subject to certain conditions
		Oil	
		Gas	
	Transportation	Coal	
		Oil	
		Gas	
	Storage	Coal	
		Oil	
		Gas	
	Refining	Coal	
		Oil	
		Gas	
	Distribution	Coal	
		Oil	
		Gas	
	Unabated power generation	Coal	
		Oil	
		Gas	

Rationale for exclusion policy / phase out plans and related measures	At the Climate Ambition Summit on 12 December 2020, the UK Prime Minister announced the intention for the UK to no longer provide any new direct financial or promotional support for the fossil fuel energy sector overseas.

	The government launched a consultation following the Prime Minister's announcement, seeking views on how to support further an accelerated growth in UK clean energy exports, and on the impacts of different timing options for implementing the policy shift. This closed on 8 February 2021. Subsequently, the government announced it would implement the policy shift on 31 March 2021, with strong mitigating and supportive actions that respond to the evidence provided through the consultation process. This included a one-year exemption for SMEs from implementation of the policy shift, ending 31 March 2022, to ensure the most vulnerable firms are given time to adjust. More information on the consultation is publiclly available.		
3) Exceptions			
Description of exceptions from the exclusions / phase out for the unabated fossil fuel energy sector	Exploration, production	Coal	There are limited exemptions to the policy – through which the government will continue to support: 1. Energy or emissions efficiency, health, safety, social and environmental improvements, or energy market reform. 2. Decommissioning of existing fossil fuel energy assets. 3. Gas power and directly related infrastructure, and the conditions for doing so. 4. Stand-alone generators and Liquid Petroleum Gas for cooking and heating. 5. Carbon Capture and Storage (CCS), or Carbon Capture Usage and Storage (CCUS) projects. Each exemption is subject to specific criteria set out in published guidance. In addition, for an initial one year period (to 31 March 2023), the UK can provide energy support to directly assist the energy security and national security of Ukraine. Similarly, the UK can provide support to countries in Eastern Europe to address immediate and/or short-term energy supply gaps resulting from the
		Oil	
		Gas	
	Transportation	Coal	
		Oil	
		Gas	
	Storage	Coal	
		Oil	
		Gas	
	Refining	Coal	
		Oil	
		Gas	
	Distribution	Coal	
		Oil	
		Gas	
	Unabated power generation	Coal	
		Oil	
		Gas	

			current crisis in Ukraine for a limitied time only, where this does not cause long-term carbon lock-in.
Rationale for exceptions and related measures	**GENERAL EXEMPTIONS** Published here The rationale for the two time-limited exemptions for the Ukraine and Eastern Europe is available here.		