

Rt Hon Boris Johnson MP
Prime Minister
10 Downing Street
London SW1A 2AA

Tuesday 12 January 2021

Dear Prime Minister,

Translating Covid vaccine innovation success to the green economy

We are writing to you as experts in green innovation and collaborators in a two-year project investigating policy priorities to promote UK leadership in this area. We welcome the government's recent announcements around a green economic recovery and industrial revolution but would urge you to go further both in the breadth of solutions considered as well as rapidity of deployment, spearheading a paradigm shift in green innovation across government.

As the Climate Change Committee's advice on the sixth carbon budget shows, decisive action now to promote rapid decarbonisation will lead to significant economic growth and jobs over the next decade. Boosting uptake of clean vehicles, developing innovative low carbon building materials, promoting new designs and processes for resource efficient manufacturing and enabling sustainable land use practices all offer enormous opportunities to strengthen our economic resilience and ensure UK businesses are best placed to compete in a net zero emissions future.

Some UK firms are already world leaders in developing and adopting innovative low carbon solutions. Their approach must be replicated and turbocharged across the economy and UK regions, leveraging our track record as one of the world's innovation super powers. Government policy will play a pivotal role in enabling this.

We believe there is much that can be learnt from the incredible success and speed with which Covid vaccines have been developed. Innovation to deliver them has taken place at an unprecedented pace, with over 230 now in development. Reasons for this success show the role of both public and private actors in boosting innovation including: the value of a strong underlying science base; direct support in the crucial later stages of vaccine development; strategic institutional oversight and directionality; and knowledge of a strong prospective market, thanks to pre-purchases and extensive public engagement efforts around the safety of vaccines, which has motivated private sector investment.

The UK's strong track record in offshore wind shows some parallels. In particular, certainty over future markets, supported by the contract for difference scheme, stimulated large scale private investment and strengthening of the supply chain, which led to impressive cost reductions and positioned the UK amongst the world leaders in this sector.

We believe these successes can and must be mirrored across the economy and are therefore asking you to **spearhead a new programme to revolutionise the government's approach to green innovation**, centred on six pillars:

- **Creating demand for sustainable goods and services**, using fiscal incentives and pre-commercial procurement to strengthen the market for cleaner alternatives and to allow the private sector to confidently innovate and invest in the technological leaps the UK needs, as well as promoting extensive engagement efforts to ensure public buy in.
- **Boosting investment in solutions close to market**, the stage where companies find it most challenging to access investments on an appropriate level, leveraging the new National

Infrastructure Bank to direct funding towards the commercialisation of green technologies and systems.

- **Changing the rules of the game**, building on the UK's strong track record in pioneering 'regulatory sandboxes' to test novel low carbon solutions and using progressive regulation to drive a race to the top in environmental performance.
- **Nurturing cross sectoral and place-based innovation partnerships**, since significant innovation opportunities are expected to emerge at the interface between sectors and strengthening regional innovation systems will help tailor solutions to local challenges and support the government's levelling up agenda; this should build on a new government led review of the capabilities and skills needed for green transformation.
- **Creating an ambitious infrastructure programme for a green economy** to fast forward strategic projects that support and crowd-in private investment in clean technologies and promote innovation in sustainable design, construction and operation of infrastructure.
- Finally, **establishing a strategic policy framework, coordinated by a new Green Innovation and Sustainability Transformation Council, chaired by yourself** and bringing together ministers and high level representatives from business, academia and civil society, to promote a whole government approach.

These six pillars are discussed in more detail in a new report, *Innovation for a Green Recovery: Business and Government in Partnership*, published today, which summarises the findings of a two-year investigation in which we were all involved.¹

A more concerted focus on innovation will be crucial to delivering your ambition for the UK to be at the forefront of a green industrial revolution and help to forge a brighter and more resilient future for businesses and communities. It is time for decisive action to deliver economic renewal and we are committed to working with you to achieve it.

Yours sincerely,

John Cridland, Chairman, Home Group

Prof Paul Ekins, Professor of Resources and Environmental Policy, UCL Institute for Sustainable Resources

Angela Francis, Chief Advisor, Economics and Economic Development, WWF-UK

Ian Gardner, Director & Arup Fellow, Global Energy Leader, UKIMEA Board, Arup

Peter Harris, Vice President, International Sustainability, UPS

Jeremy Oppenheim, Founder and Senior Partner, SYSTEMIQ

Graham Southall, Group Commercial Director, Northumbrian Water

Nick Molho, Executive Director, Aldersgate Group

¹ The signatories are members of the [Green Innovation Policy Commission](#). This commission, chaired by John Cridland and directed by Prof Paul Ekins, brought together progressive businesses, leading academics and civil society experts for a two year investigation into how policy can best support green innovation across the UK economy and reward the innovators, entrepreneurs and investors who generate value from the solutions to the global environmental challenges. For more information on the findings and recommendations of this investigation, please see the commission's final report, [Innovation for a Green Recovery: Business and Government in Partnership](#).