

18th May 2026



**Cleantech for UK**  
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**The Rt Hon Heidi Alexander MP**  
**Secretary of State for Transport**  
Department for Transport  
Great Minster House  
33 Horseferry Road  
London SW1P 4DR

**Re: The Revenue Certainty Mechanism: design it for UK innovation, not commodity production**

Dear Secretary of State,

Cleantech for UK and the companies co-signing this letter are committed to scaling and commercialising the best of British clean technology. We are writing because we believe the Revenue Certainty Mechanism, as currently designed, risks directing significant public support towards the wrong projects. Specifically, we are seeking UK Government to support British Innovation and British Industry as opposed to projects which are based significantly on imported content, regardless of pathway.

The SAF mandate is working. We support it. The RCM could be the mechanism that builds genuine long-term value on top of it, but only if the design reflects that ambition.

**1. The RCM should be designed around UK strengths**

UK producers with patented technology and genuine IP ownership, whether in SAF conversion processes or in intermediate and precursor products such as bioethanol and clean hydrogen, represent an opportunity the current RCM framework significantly undervalues: global export potential, profitable businesses that are not permanently subsidy-dependent, and lasting economic value that compounds well beyond the life of any RCM contract. These are the businesses the RCM should be designed to back.

Domestic production from UK feedstocks adds a further dimension: genuine supply resilience. Smaller, distributed facilities drawing on agricultural residues, sewage biosolids, waste streams, natural gas from the UK Continental Shelf, renewable electricity, or industrial CO<sub>2</sub> are harder to disrupt than centralised refineries dependent on imported inputs. A plant running on imported hydrogen, ethanol, methanol, or biomass moves the supply risk somewhere else but does not remove it.

The UK's domestic feedstock position is consistently underestimated and spans multiple pathways. Agricultural and forestry residues, municipal solid waste, and biomethane offer viable routes for second generation SAF. For pathways requiring CO<sub>2</sub>, sites emitting below 0.5 Mtpa make up over 90% of UK point source emitters and around 30% of industrial CO<sub>2</sub> output, rising to 70% in areas like Teesside, with 3 to 3.5 Mt from industrial, cogeneration, and energy-from-waste plants available to feed directly into SAF infrastructure. The feedstock, across pathways, is there.

The current scoring framework does not reflect either of these priorities adequately. The "Economic Benefits" criterion - which most naturally captures supply security, domestic content, IP ownership, and export potential - is weighted at just 10%. That needs to increase significantly.

## **2. Britain's track record is invention, not commodity manufacturing**

The ultimate case for the RCM is stronger and more specific than any of these arguments. Britain has rarely been a low-cost volume manufacturer. We are good at working out how to do difficult things first and commercialising that knowledge globally. A UK company that owns its conversion process, whether licensing that technology internationally or operating production facilities at home, using domestic feedstock will do more for the British economy than a handful of subsidised plants using imported tech and feedstock supply.

The government has not yet priced in the scale of this opportunity. UK-based technology companies are already establishing project vehicles in multiple countries. The engineering, licensing, equipment, and services contracts that flow from a successful first commercial run represent significant inward revenue streams that do not appear in a simple jobs-per-pound calculation. The shift to advanced and synthetic fuel manufacture will be a colossal undertaking at global scale. Therefore, we need a portfolio of pathways and companies to be successful, rather than exclusively investing in a couple of large facilities. That is the argument worth making, and it should be the one driving the design of the RCM.

In practical terms, the RCM should:

- Back novel pathways, including PtL and advanced waste-to-jet, weighting scoring criteria towards pathway novelty and IP generation while ensuring viability and affordability remain genuine tests;
- Be designed for replication, so a successful first plant becomes an exportable blueprint;
- Spread support across multiple developers and pathways with robust business cases, rather than concentrating it in one or two very large facilities.

## **3. Broaden the frame: the Advanced Fuels Fund**

The RCM is rightly focused on projects approaching FID, but the pipeline feeding it matters too. The Advanced Fuels Fund has, in practice, directed significant funding towards project development and engineering costs rather than to the innovators developing novel processes - a design flaw that the next round must correct. AFF should target earlier-stage technology developers who are not yet RCM-ready, funding the construction of demonstration plants rather than designs alone.

The AFF and RCM are distinct instruments serving different stages of project development. Receipt of AFF funding should not be a condition of RCM eligibility, and projects that have not received AFF support should face no disadvantage in the RCM process. The two programmes should be designed as a coherent pipeline but operated independently.

## **4. What we are asking for**

Specifically, we would ask the Department to:

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- 1. Rebalance the scoring criteria in the RCM to give substantially more weight to UK economic value, domestic feedstock sourcing, UK IP ownership, export potential, and demonstrable technology transfer to the UK economy, beyond the current 10%.**
- 2. Ensure RCM funding is distributed across a portfolio of projects and pathways, rather than exclusively concentrated in one or two large facilities dependent on imported intermediates or foreign IP, while still supporting a credible near-term volume contribution to the mandate.**
- 3. Support UK SAF companies to get access to low-cost energy and green hydrogen. Monitor how electricity market reform and evolving hydrogen standards affect the economics of SAF production more broadly over the coming years.**
- 4. Design the next AFF/LCAFF round to target innovators and demonstration plant builders as a deliberate feeder for the RCM pipeline. AFF receipt should not be a condition of RCM eligibility.**

The RCM and AFF are serious commitments of public money. Spent well, they can help build a UK SAF industry that delivers supply resilience, exports proprietary technology, and generates lasting value well beyond the life of any individual contract. We recommend taking a portfolio approach which rewards British companies that support UK innovation, domestic supply chains and offer strong export potential.

We would welcome the opportunity to meet with you or the Minister to discuss the points set out in this letter directly. Please get in touch with Cleantech for UK to arrange a convenient time.

Yours Sincerely,

***Sarah Mackintosh, Director, Cleantech for UK***

***Andrew Symes, CEO, OXCCU***

***Chris Jackson, CEO, Protium***

***Duncan Coneybeare, Strategy, Policy & Markets Director, HiiROC***

***James Hygate, OBE, CEO, Firefly Green Fuels***

***Laura Gillons, VP Marketing & Public Affairs, Carbon Clean***

***Matt Bird, CEO, Supercritical***

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