

Major announcement on carbon capture and storage project with national funding pledge

2 months ago



[Holcim UK](#) has welcomed the National Wealth Fund's investment in the Peak Cluster partnership which aims to decarbonise the cement and lime industry as part of the journey to net zero.

The £28.6 million investment will help develop the project, which will decarbonise 40 per cent of the UK's overall cement and lime production and secure and create jobs.

[Peak Cluster](#), led by Progressive Energy, was launched in May 2023 and is a partnership of Holcim UK, Breedon, Tarmac and Sigma Roc which own [cement](#) and lime plants in Derbyshire and Staffordshire.

This includes Holcim UK's [cement plant in Caudon](#), Staffordshire, which employs more than 140 people and has the capacity to produce up to one million tonnes of cement a year.

The manufacturing of cement involves the process of heating the primary materials involved, triggering a chemical reaction which releases CO₂.

In order for the cement industry to reach net zero and decarbonise, it is essential to capture and store the CO₂ created through carbon capture and storage (CCS) technology.

The Peak Cluster project aims to cut annual carbon emissions from its partners by three million tonnes a year from 2032 – a quarter of annual CO₂ output for the area – by capturing carbon dioxide from the plants and transporting it via pipeline to be permanently locked away under the East Irish Sea in disused gas

fields run by [Morecambe Net Zero](#). (MNZ)

The planned investment will be used to further develop the project through to a Final Investment Decision (FID) in 2028. This will include the successful completion of Front-End Engineering and Design (FEED) and other studies that will underpin the Development Consent Order (DCO) process.

Peak Cluster will safeguard over 2,000 existing jobs and create a further 1,500 roles throughout the construction and lifetime of the project. A total of 13,000 jobs could be created and secured in the Midlands and North West through the wider Peak Cluster and MNZ project.

Lee Sleight, Chief Executive Officer for [Holcim UK](#), said: “We really welcome this significant investment into the Peak Cluster. It is a huge milestone for the project and for carbon capture and sits alongside the significant financial investment we as a company are making.

“At Holcim we are determined to make sustainable construction a reality but the only way we can truly achieve this is through the implementation of carbon capture and storage. This will significantly decarbonise our manufacturing process, and ultimately enable us to produce near-zero cement and concrete – products that are the foundation of the UK’s economy.

“Cement is vital to help us build the new homes, schools, offices and infrastructure the country needs. But we cannot decarbonise the sector through low carbon fuels or alternative materials alone – CCS is essential if we are to achieve net zero by 2050.”

John Egan, Peak Cluster Ltd CEO, said: “Peak Cluster is focused on securing a sustainable future for the cement and lime industry. Together with MNZ, the UK’s biggest carbon store, we will capture, transport and store CO₂ to support industry to thrive in a low carbon future.

“We will work closely with Government to ensure that Peak Cluster and MNZ work together to secure the future of this foundation industry, creating a backbone of industrial opportunity that benefits communities across the north of England – for the UK and beyond.”

The NWF investment, alongside [Summit Energy Evolution Ltd](#) (part of Sumitomo Corporation) through its joint venture vehicle Progressive Energy Peak Ltd, will cornerstone a planned total £59.6 million equity raise.

Holcim globally is currently leading seven major CCS projects across Europe in Belgium, Croatia, France, Germany, Greece and Poland.