

MPs Approve New Carbon Budget to Reduce Emissions by 87%

3 hours ago



MPs have approved a new carbon budget designed to reduce emissions by 87% from 1990 levels by 2040. In the Commons, MPs voted to approve the Carbon Budget Order 2026 by 332 votes to 94, majority 238. The carbon budget is designed to cover the period 2038-2042, setting a limit on the UK's emissions at 535 million tonnes of carbon dioxide-equivalent. It is part of a pathway to "net zero" by 2050, so the amount of carbon being emitted is balanced by taking the same amount out of the atmosphere.

[Steve Gummer](#), Head of Net Zero at law firm Sharpe Pritchard comments: "The Seventh Carbon Budget matters. Targets matter. But targets are not enough without delivery. If the incoming administration wants an agenda for growth, security and infrastructure, this carbon budget provides it.

"The debate on net zero is in danger of being framed around the wrong question. Carbon budgets are not simply a question of Whitehall control or the level of subsidy. They are certainly not left versus right. Properly understood, they are a legal and commercial signal that Britain intends to reduce its exposure to volatile fossil fuel markets and build the infrastructure needed for cheaper, cleaner and more secure power.

"Recent global shocks have shown the real control risk: when Britain relies on imported fossil fuels, international events can land directly on household bills and business costs. Renewables already on the system have helped reduce the gas Britain needs to buy. That is not theoretical net zero; it is energy security in pounds and pence.

"The Seventh Carbon Budget is important because investors, developers and public authorities need statutory certainty. But a target is not a delivery plan. The next phase has to be treated as a national infrastructure programme: faster consenting, bankable revenue models, clearer grid access, more storage and flexibility, and anticipatory investment in transmission and distribution.

"We also need to resist the easy slogan that more North Sea drilling is the answer to Britain's energy problems. Around 83% of UK oil is exported, new output is sold into international markets, and further North Sea production would not insulate households or businesses from global prices. If we are serious about cutting prices, improving security of supply and decarbonising the economy, we need a much faster rollout of the grid so Britain can actually use the renewable power it generates.

"That must be accompanied by stronger interconnection with our neighbours, so we can access low-cost clean electricity not only when the wind blows or the sun shines in Britain, but when it is abundant in France and, as new links come forward, Germany and the wider European system — and export our own surplus when conditions are favourable here." "The legal framework has held. The delivery framework now has to catch up. A credible carbon budget without grid rollout is an ambition stuck in the queue."