Climate Change Agreements (CCA)

Unlock energy savings

An opportunity for manufacturing businesses to enhance efficiency and reduce costs.

Make sure you're ready **before May 2025.**

RED HAWK GROUP LTD

Book a consultation

What is the CCA Scheme?

The Climate Change Agreement (CCA) scheme is a government-backed program aimed at assisting businesses in energy-intensive sectors to reduce carbon emissions and energy consumption while achieving substantial financial savings.

Participants agree to meet energy efficiency targets in exchange for a significant reduction in the Climate Change Levy (CCL), a tax on non-domestic energy use. Specifically, businesses can benefit from a **90% reduction in CCL for electricity.**

Government Incentive

Encourages energy efficiency and carbon reduction.

CCL Savings

Offers substantial discounts for eligible businesses.

Net Zero Goals

Aligns with the UK's climate change targets.

Key benefits of the new CCA Scheme

1 Reduced Costs

Businesses meeting their targets will benefit from Climate Change Levy (CCL) reductions through to March 2033, providing vital financial support as they balance operational costs with sustainability commitments.

2 Energy Efficiency

The new Climate Change Agreements (CCA) Scheme offers a powerful incentive for businesses to prioritise energy efficiency and reduce their environmental impact.

3 Support for Decarbonisation

Designed to support significant carbon reductions by rewarding businesses that commit to decarbonisation projects, especially beneficial for industries in the early stages of sustainability initiatives.

4 Tax Relief Stability

The new CCA Scheme provides a clear pathway for businesses to benefit from tax incentives while taking meaningful steps to address climate change. By participating, organisations can unlock valuable financial support that enables them to upgrade equipment, implement renewable energy sources, and optimise their energy usage.

Eligibility requirements

Many businesses like yours qualify for the new CCA scheme but haven't enrolled yet. Nearly all manufacturers qualify, and over 50 trade associations have a scheme.

1 Energy-Intensive Sectors:

Must operate in an eligible sector where energy costs constitute:

- At least **10% of production value**, or
- Between **3% and 10%**, with an **import penetration** ratio of at least 50%.

2 Sector Definition Compliance:

Activities must align with sector-specific process definitions set by the government.

3 New Entrants

Applications open May - August 2025.

Why should your business participate?

Financial Savings

Avoid higher energy tax costs.

Operational Efficiency

Reduce expenses through energy savings.

Competitive Advantage

Align with sustainability trends.

Climate Action

Contribute to UK's climate goals.

Getting Started

1

Assess Eligibility

Confirm your sector/process qualifies.

2

Prepare Data

Understand energy usage and opportunities.

3

Submit Application

Applications open May 2025.

4

Engage in Target Setting

Collaborate on realistic efficiency goals based on your industry sector.

Timeline for the New Scheme

1 **May - August 2025**

Application window for new entrants.

2 **January 2026**

Scheme begins for existing sectors.

3 **January 2026**

CCL relief begins: **1st January 2026**

Supporting your CCA Journey

Assessment and Application

Expert guidance on navigating reporting requirements and compliance strategies

Tools and Resources

Comprehensive digital tools to track and optimise your carbon reduction efforts.

Ongoing Support

Help with reporting, carbon reduction plans and ongoing support with your CCA.

Thank You!

Questions? **We're happy to help!**

Email: **james@redhawkgroup.co.uk**

Call: **01282 222755**