Government safeguards critical UK CO2 supplies with restart of plant

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The Government has shored up the UK’s critical supplies of CO2 vital for Britain’s nuclear, packaged meats, fresh food and healthcare by temporarily restarting the Ensus bioethanol plant in Wilton, Teesside.

- CO2 supplies vital for critical sectors protected as government backs plant to resume production.
- Three-month temporary plant restart measure provides resilience for CO2 supply essential for healthcare, food supply, and civil nuclear.
- Government had safeguarded CO2 production at the plant for this situation, ensuring Britain maintains critical supply during Iran war disruption.

The Government has shored up the UK’s critical supplies of CO2 vital for Britain’s nuclear, packaged meats, fresh food and healthcare by temporarily restarting the Ensus bioethanol plant in Wilton, Teesside today.

The Ensus plant will operate for a three-month period, to bolster domestic CO2 production significantly, providing more resilience to essential sectors. The plant ceased production in Autumn 2025 and was set to close permanently; however, following intervention by the Government, the company agreed to keep it on standby to provide resilience for critical sectors.

Disruptions to European fertiliser production — combined with difficult market conditions — have significantly reduced the reliability of CO2 imports, and rising gas prices driven by the Iran conflict, plus unplanned maintenance at several European CO2 producing sites, mean that the UK’s market for CO2 risks being undersupplied.

Given the potential impact of a shortage on essential UK sectors, including healthcare, nuclear and food and drink production, the Government has taken the decision to back the restart of activity at Ensus to safeguard critical national infrastructure and maintain a resilient supply of CO2.

When the Government could have stepped back and let the plant close last year, we stepped in to keep it on standby.

The Government has been in negotiations with Ensus since September to temporarily retain the plant and its operation, to give it the optionality to restart production when needed. This is the difference an active and strategic state makes.

Business Secretary Peter Kyle said:

> As a government of action we will always do what’s needed to ensure resilience and protect British businesses from the worst impacts of global uncertainty. That’s why we have been in discussions with Ensus since September to keep this critical plant on standby for situations like this.
>
> By restarting this plant we’ve acted swiftly to boost the resilience of our supply chains and protect critical UK sectors like food production, water and healthcare, as well as the

> jobs and communities that depend on these industries."

This action forms part of wider government work designed to ensure the UK maintains access to its critical industrial inputs during global supply shocks, such as the ongoing Iran conflict.

The Government will continue to monitor market conditions closely and will work with industry, including CO2 suppliers, to manage supply, and ensure value for money for the taxpayer.

The Government is also taking steps to diversify the UK's long term CO2 supply, to strengthen UK resilience and reduce future reliance on imports. We will work with industry on our long term plan to secure resilience in the sector.

While previous governments closed Britain's gas storage, time and again we have stepped in to support our resilience: from keeping the blast furnaces running at Scunthorpe to saving the chemical cracker at Grangemouth.

Grant Pearson, Chairman of Ensus, said:

> This agreement of support from the UK Government is excellent news for our employees and those in our extensive supply chain. It strengthens the broader Teesside manufacturing economy and the UK's resilience in relation to biogenic CO2 supplies, which are vital to food and drinks companies, as well as being important to hospitals, abattoirs and the nuclear industry.
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> When the production plant is in operation the deal will also be very supportive to the UK agricultural and fuel markets including the expansion required in more sustainable aviation and maritime fuels and the future manufacture of more sustainable chemicals.

https://www.gov.uk/government/news/government-safeguards-critical-uk-co2-supplies-with-restart-of-plant