

Welcome to **Edition 37** of **P₂N₀** covering the drive to avoid, reduce and remove greenhouse gas (GHG) emissions to progress to net-zero GHG emissions (NZE).

P₂N₀ covers significant news items globally, reporting on them in short form, focusing on policy settings and legal and project developments and trends.

This **Edition 37** covers key news items arising during the period commencing **October 16, 2025**, through **November 9, 2025**.

Edition 38 will cover **COP-30** to be held between **November 10, 2025**, and **November 21, 2025**.

As previously, **P₂N₀** will not cover news items about M&A activity, or that are negative.

Access previous editions of **P₂N₀** at bakerbotts.com.

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KEY NEWS ITEMS FROM OCTOBER 16 TO NOVEMBER 9, 2025

- **Thirtieth Conference of Parties of the United Nations Convention on Climate Change (COP 30) – 10 years and counting ...**

As noted above, **COP 30** is to take place between **November 10, 2025**, and **November 21, 2025**, in **Belém, Brazil**. For daily reports on **COP 30** see unfccc.int, [Daily Photo Highlights](#).

Ahead of **November 10, 2025**, the following issues and news are noteworthy:

- On **November 7, 2025**, at the **COP 30 Leaders' Summit**, **United Nations Climate Change Executive Secretary, Simon Stiell**, issued a call "for faster, fairer delivery of climate action and finance".

The Climate Change Executive Secretary reflected that in while in 2024 ... "two trillion dollars flows into renewables – twice as much as fossil fuels ... [with 90%] of new power capacity worldwide ... renewable ", increased and accelerated climate plans and climate finance" are needed. (See the full text of the speech at unfccc.int, [Paris Agreement proves that global cooperation is delivering progress but must work faster and fairer for everyone](#).)

- On **November 5, 2025**, **EU Climate Ministers** agreed a **2040 GHG emissions reduction target**, which provides for a reduction of **90% of GHG emissions by 2040 compared to 1990**. In a move away from

the position outlined in proposed legislation on July 2, 2025¹, the **EU Climate Ministers** agreed to allow **EU Member States** to purchase carbon credits from countries outside the EU to match up to 5% of the 2040 emission target of a 90% reduction. The effect of this is that **EU Member States** may be regarded as having domestic obligations to reduce GHG emissions by 85% in fact, with 5% to be achieved through offsetting.

A good deal of comment has flowed from the agreement to allow this offset, most of it stating that this will weaken the **EU GHG emission reduction target**. This will not be the case if each carbon credit represents one metric tonne of **CO₂-e** removed from the climate system. In the context of the continued finalization of **Article 6.4 of the Paris Agreement**, this may be regarded as good news. In passing, it is noted that the **EU offset** policy setting is consistent with that of Singapore's.

By way of reminder: As stated in [Edition 36](#) of P₂N₀:

"At the core of the concept of the creation of any carbon credit is that:

- the carbon credit represents one tonne of CO₂-e of GHG emissions (avoided, reduced or removed from the climate system through a mitigation activity); and
- the carbon credit can be used to offset one tonne of CO₂-e of GHG emissions, and that corporations or other organizations place value on "high-integrity" carbon credits that allow this offset."

Logically, this requires additionality, i.e., the mitigation activity giving rise to the avoidance, reduction or removal is in addition to "business-as-usual", and the avoidance, reduction or removal must be permanent. This may be regarded as current orthodoxy.

The challenge with many nature-based solutions (**N-B Ss**) is that they are not permanent – for example, in the case of CO₂ captured by afforestation or reforestation, while the mitigation is additional, it is not permanent because on death of a tree, GHG emissions will be emitted as organic matter decomposes².

This is the core of the debate about permanence. This debate (and each issue related to it) is not new.

Note: The following is text taken from presentations given by the author since 2019, including in the context of explaining the long-term role of carbon capture and storage as a permanent

¹ On **July 12, 2025**, the **EU** decided not to allow offsets until 2036 at the earliest: the stated policy driver for this was that lower, low and no carbon technologies should be maximized, and only those activities that could not be decarbonized should be able to offset.

²**Carbon Capture and Storage** involves the capture of CO₂ that would otherwise be emitted to the climate system and the storage of that CO₂ (sequestration) permanently and securely in a geological formation. This avoids the emission of CO₂ into the climate system. Carbon Capture and Use involves the capture of CO₂ that would otherwise be emitted to the climate system, and the use of it for an industrial use, including to produce products that do not store CO₂ permanently.

Carbon Dioxide Removal or **CDR** involves the removal of CO₂ that is already in the climate system (from the climate system) and the storage of the CO₂ in a more stable form of carbon, which is not permanent. This removes CO₂ emissions already in the climate system. **N-Bs** may be regarded as **CDR**.

technology, rather than as a bridging technology only as framed under the [European Union CCS Directive](#)³.

Ahead of speaking at the IICCS Conference in Jakarta, Indonesia, October 7 and 8, 2025, the author had cause to reflect that the issue of permanence remains the same, as does the conceptual solution.

Corporations and other organizations acquire carbon credits so as to avoid having to avoid, reduce or remove GHG emissions here and now. From a policy setting perspective, corporations and other organizations should acquire carbon credits at a point in time where they are no longer able to avoid, reduce or remove GHG emissions by adopting low, lower and no carbon technologies. In this context, the carbon credits must be permanent, or the basis of the accounting for them must recognize if they are not permanent, and provide a basis for continued avoidance, reduction or removal [*arguably in respect of both the GHG emissions arising from the continued activities giving rise to GHG emissions and the GHG emissions arising from the decomposition of the organic matter*].

If a corporation or other organization acquires a carbon credit to defer the timing of investment to adopt a lower, low or no carbon technology, the issue of permanence is different because the corporation or organization should not be seeking to account for avoidance, reduction or removal on a permanent basis.

In short, this issue of permanence is neither an “either or” nor a “one sizes fits all” answer.”

- In the lead up to **COP 30** many and varied views have been expressed relating to expectations. Set out below may be regarded as the top four:
 - Each contracting state under the **Paris Agreement** is required⁴ to prepare and to communicate its third nationally determined contribution (**NDC 3.0**) during 2025. The scheme of the Paris Agreement is that **all NDCs, taken together**, will be consistent with “*holding the increase in global average temperatures to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels*”.

As things stand, the common consensus is that **all NDCs, taken together**, will not be sufficient to achieve the objective of the **Paris Agreement** (the **Reduction Gap**). On this basis, it is hoped that **COP30** will agree on how best to address the **Reduction Gap**.

³ Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 200/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006.

⁴ **Article 3** of the **Paris Agreement** provides: “As nationally determined contributions to the response to climate change, all Parties are to undertake and to communicate ambitious efforts as defined in Articles 4, 7, 9, 10, 11 and 13 with a view to achieving the purpose of this Agreement as set out in Article 2. The efforts of all Parties will represent a progression over time, while recognizing the need to support developing country Parties for the effective implementation of this Agreement”. Article 4.2 provides “Each Party shall prepare, communicated and maintain successive nationally determined contributions that it intends to achieve. Parties shall pursue domestic mitigation measures, with an aim of achieving the objectives of this Agreement. Article 4.3 provides that: “Each Party’s successive nationally determined contribution will represent a progression beyond the Party’s then current nationally determined contribution and reflect its highest possible ambition, reflecting its common but differentiated responsibilities and respective capabilities, in light of different national circumstances”

This may be regarded as the most pressing issue. It is noted that as of the end of October 2025 64 (out of 195) countries had submitted their **NDC 3.0s**. Stating the obvious, absent two-thirds of **NDC 3.0s** it is difficult to determine the **Reduction Gap**, suffice it to say, the **Gap** is material.

- Each contracting state under the **Paris Agreement** is required⁵, as appropriate, to have a **National Adaptation Plan (NAP)**. While countries have **NAPs** the implementation of those **NAPs** be regarded as limited. It is expected (and hoped) that the **COP 30** will provide impetus from planning to implementation.

For these purposes, it is expected that the **Global Goal on Adaptation (GGA)** will be one of the key agenda items at **COP 30**. The **GGA** is intended to guide progress globally, providing a clear or clearer basis for planning and implementation. **Edition 38** of **P2N₆** will report on progress towards a coherent **GGA**.

- **Article 9** of the **Paris Agreement** provides that: “Developed country Parties shall provide financial resources to assist developing country Parties with respect [both to] mitigation adaptation in continuation of their existing obligations under the [IPCCC]⁶”.

It is fair to say that one of the most contentious issues is the commitment of financing from developed country Parties to developing country Parties to allow developing country Parties to implement mitigation and adaptation measures.

While at **COP 29** the **New Collective Quantified Goal (NCQG)** was agreed, the commitments from developed countries is below the estimated level of commitment of **USD 1.3 trillion** required to allow developing countries to address climate change (**funding gap**). The presidents of **COP 29** and **COP 30** are working together to develop a plan to outline how to close the **funding gap (Funding Gap Plan)**.

It is expected and hoped that the **Funding Gap Plan**, and that actions will be agreed to progress the **Funding Gap Plan** to a point at which it can be negotiated and agreed.

On **October 30, 2025**, it was reported widely that Brazil is seeking to secure increased funding commitments for developing countries. The [UN Adaptation Gap Report](#) estimates that it will be necessary to provide considerably more funding to achieve adaptation because of climate change; it is estimated **USD 310 billion** a year is needed to adapt so as to respond to the impact of rising sea levels and the results of other climate change impacts.

The **EU** has committed that greatest amount to assist developing countries and is urging other countries to commit to greater levels of funding. The **EU** has invited **China**, the **Gulf States** and **Singapore** to make greater commitments. It is to be noted that in the absence of the US (having

⁵ **Article 7, paragraph 10** of the **Paris Agreement** provides: “Each Party should, as appropriate, submit and update periodically an adaptation communication, which may include its priorities, implementation and support needs, plans and actions, without creating any additional burden for developing country parties.”

⁶ These obligations are: (a) for Parties to adopt measures with a view to mitigate and to adapt to climate change; (b) for developed countries to lead in combating climate change by limiting their GHG emissions and enhancing their sinks and reservoirs; and (c) for Parties to cooperate with each other to achieve the objectives of the UNFCCC, detailed in Article 2.

withdrawn from the Paris Agreement) if the levels of funding required are to be achieved, the EU and other countries will have to increase their commitments.

- The **Advisory Opinion** of the **International Court of Justice** or ICJ (handed down on **July 23, 2025**), among other things, provided the opinion of the ICJ on the possible liability of states for loss and damage resulting from non-compliance by states with their obligations under the **Climate Change Treaties**, for an internationally unlawful act⁷. While the basis for any claim by one state against another state for an internationally unlawful act may be regarded as theoretical only, loss and damage to the climate system is real.

Whether intended or not to avoid claims by one state against another state, the **Fund for Responding to Loss and Damage (FRLD)** is expected that at **COP 30** momentum will arise to allow the **FRLD** to become operational. This will be facilitated at **COP 30** by the launch of the process under which funding requests may be made. It is understood, that up to **USD 250 million** will be made available from the **FRLD**.

Section 7 of the Study Requested by the ENVI committee, [The COP30 Climate Conference, November 2025, Belém, Brazil](#), is consistent with these top four agenda items. As has been noted on a number of occasions, what needs to be done is known. The challenge is galvanising parties to the Paris Agreement to retain (or in some instances, to regain) their enthusiasm and to increase their efforts, to the extent affordable. This requires coherent leadership.

- **COP 30** marks the **10th anniversary** of the agreement of the **Paris Agreement**, which was signed on **December 12, 2015** (and came into effect on **November 4, 2016**). While it is necessary to address the **reduction gap** and the **Funding Gap**, it is fair to say that there is cause for positive reflection about the **Paris Agreement** itself. The design of the **Paris Agreement** has proved to be fit for purpose.

Also, there is cause to reflect on the role of the **United Nations (UN)**. Among other things, **Article 1** of the **Charter of the United Nations** provides for action by the UN in respect of matters of common concern for all nations. Articles 10, 11 and 13 outline the scope of the role and authority of the General Assembly of the UN, including international cooperation. As will be seen from the following representation, on climate change the UN has been there every step of the way.

- **European Court of Human Rights (ECtHR)** [Greenpeace Nordic and Others v. Norway](#): On **October 28, 2025**, the **ECtHR** handed down its judgment in respect of the case brought by **Greenpeace Nordic** against **Norway**. The **ECtHR** found that Norway did not violate human rights by granting exploration licences within the Arctic region. Continuing and seemingly following the [Advisory Opinion](#) (see above) of the **ICJ** the **ECtHR** stated that in future Norway must conduct climate system impact assessments.
- **Bill Gates opens the gate ...**

For many years, **Mr Bill Gates**, has been a leading advocate of the need to address climate change. On **October 28, 2025**, **Mr Gates** published an essay entitled [Three tough truths about climate](#).

⁷ The ICJ defined the **Climate Change Treaties** as being the **UNFCCC**, the **Kyoto Protocol** and the **Paris Agreement**.

At the start of the essay Mr Gates writes: “What to know:

- Climate change is serious, but we’ve made great progress. We need to keep backing the breakthroughs that will help the world reach zero emissions.
- But we can’t cut funding for health and development – programs that help people stay resilient in the face of climate change – to do it.
- It’s time to put human welfare at the center of our climate strategies, which includes reducing the Green Premium to zero and improving agriculture and health in poor countries.”

The essay is timely and thought provoking. While the essay has been criticised, it provides a pragmatic and realistic assessment. Given the long-sightedness of many of the views of Mr Gates, it is hoped that the essay will be read with an open mind – it has been written by a person who has devoted 20 years to humanitarian and philanthropic causes, and who may be regarded as knowing more about the economic realities of funding climate change initiatives and health and development initiatives than any of the folk who have criticised the essay.

By way of editorial comment, it would seem that apparently some developed countries have waning enthusiasm for “pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels”. As was the case before COP 26 in Glasgow, Scotland, in 2021, there is a sense that while we remain tethered to 1.5°C, the more realistic outcome is “Holding the increase in global average temperature to well below 2°C above pre-industrial levels”. It may be that the essay from Mr Gates reflects that apparent waning enthusiasm.

- **Carbon Measures Initiative:**

- **Background:**

During the week ending **October 24, 2025**, the **Carbon Measures Initiative** was announced. As reported (as at October 24, 2025), the **Carbon Measures Initiative** is supported by **19 corporations and other organizations**⁸.

At the core of the **Carbon Measures Initiative** is the measurement of **GHG** emissions at a product level, and to reduce **GHG** emissions at a product level, rather than to measure **GHG** emissions across carbon value chains as contemplated in context of **Scope 3 Emissions**⁹.

As announced, the **Carbon Measures Initiative** will provide for corporations and other organizations to measure direct emissions on a product-by-product basis and allocate those emissions by reference to the carbon intensity of each product as those goods are produced and then progress through value chains.

⁸ ADNOC, Air Liquide, BASF, Bayer, CF Industries, EQT Corporation, ExxonMobil, EY, Global Infrastructure Partners, Honeywell, Linde, Mitsubishi Heavy Industries, Mitsui & Co., Mitsui O.S.K. Lines, Ltd, NextEra Energy, Nucor, Port of Rotterdam, Santander, and Vale

⁹ This understanding is drawn from the work on “E-liabilities” undertaken by Professor Karthik Ramanna, of the University of Oxford, working with Robert Kaplan of Harvard University. As announced, Professor Ramanna is to be the co-chair of the panel of technical advisers established by the Carbon Measures members and the ICC.

This approach has been described as a ledger-based system (and suited better to be integrated into accounting systems), with each ledger-entry representing a liability in respect of each product: at a high-level, on sale of the product, the person buying the product is buying a liability based on the carbon intensity of that product.

As announced, Amy Brachio is to lead the **Carbon Measures Initiative**. Ms. Brachio is the former Global Vice Chair for Sustainability at EY. As understood, Ms. Brachio has been appointed to guide the development of the model. As reported, the development of the model will two to three years, and a further five to seven years to progress to adoption at scale. It might be expected that other corporations and organizations will join the **Carbon Measures Initiative** as it progresses.

By way of editorial comment, at least in part, it would seem that the **Carbon Measures Initiative**:

- is a response to the introduction of the EU's cross border adjustment mechanism (**CBAM**): it is expected that over time **CBAM** will expand to cover all products;
- provides a basis for Governments to place a price on carbon intensity, with users of products to make a choice between products having different carbon intensities and price points; and
- has clearly been workshopped for some time and that involvement of the **International Chamber of Commerce (ICC)** and **S&P Global** for the purposes of the development of the technical panel tends to indicate that there is momentum (the Technical Expert Panel on Carbon Accounting).

By way of reminder: On **October 8, 2025**, the **Official Journal of the European Union** published **Regulation 2025/2083 of the European Parliament and of the Council, amending Regulation 2023/956 as regards simplifying and strengthening the carbon border adjustment mechanism**. The original policy setting purpose of **CBAM** has not changed and remains as robust as ever.

- **Implications of the Carbon Measures Initiative:**

While too early to reach any conclusion on the implications of the **Carbon Measures Initiative**, the adoption of it would represent a move away from the **GHG Protocol** championed by the **World Business Council for Sustainable Development (WBCSD)** and the **World Resources Institute (WRI)**.

The **GHG Protocol** is regarded as the corporate accounting and reporting standard for **GHG emissions**, and is applied by the most major corporations, including most **S&P 500 corporations**.

One of the stated reasons for the **Carbon Measures Initiative** is to avoid double-counting in value chains¹⁰. Also, most of the members of the **Carbon Measures Initiative** formed a view that the concept of reducing **Scope 3 emissions** as something that requires the transformation of their

¹⁰ Double counting of **Scope 3 emissions** occurs when two entities in the same value chain account for the **Scope 3 emissions** from a single emissions source – for example, if a manufacturer and retailer both account for the **Scope 3 emissions** resulting from the third-party transportation of goods between them.

businesses if the reduction of **Scope 3 emissions** is mandatory. For these corporations and other organizations a product-by-product approach places emphasis on the market to make decisions by reference to carbon intensity of products.

Those championing the **GHG Protocol** have never seen double counting as a failing, rather they have viewed it as strength.

- **IMO going slow:**

On **October 17, 2025**, the **International Maritime Organization (IMO)** voted to delay consideration of initiatives to reduce **GHG** emissions arising from the international shipping sector. The implication of the delay is that the introduction of a price on carbon has been delayed, for at least 12 months.

One of the implications of the delay is that initiatives that would have been implemented in **2027** will not be implemented. As originally framed, the initiatives provided for a 20% reduction in **GHG emissions** across the shipping sector by 2030 (compared to 2008), a 70% reduction by 2040 and net-zero by 2050.



Africa

- **Financing Electricity Access in Africa:** On **October 20, 2025**, the **International Energy Agency (IEA)** published [Financing Electricity Access in Africa](#).

As noted previously in P₂N₀, between 600 million and 650 million people in Africa do not have access to electrical energy. The publication from the IEA provides “first of its kind” tracking of access to electrical energy.

The publication concludes that:

- finance for electrical energy generation development is scarce, with less than USD 2.5 billion committed “for new electricity access connections in sub-Saharan Africa in 2023”;
- private finance for electrical energy access accounted for less than 30% of the flows of finance;
- public sector finance remains the cornerstone of finance for the development of electrical energy access: national governments play a crucial role in financing electrical energy access development projects, with funding in 23 sub-Saharan African countries accounting for 35% of their energy budgets in 2025;
- the deployment of equity capital has been limited, and access to it highly variable; and
- to achieve universal access to electrical energy across Africa will require a cumulative investment of USD 150 billion.

The publication is a “must read” for those working in countries around the world seeking to achieve universal access to electrical energy.

- **Mozambique Energy Policy Review published by the IEA:** On **October 20, 2025**, the IEA published its [Mozambique Energy Policy Review](#). The review is timely and excellent. The review is accompanied by a complementary analysis from the IEA, [National Climate Resilience Assessment for Mozambique](#).

The review and the complementary analysis are excellent, so much so consuming the reading of the author on the Sunday after their publication. Whether because the author is familiar with Mozambique or not, the review and the complementary analysis seem to hit all the right points.



Middle East, Central Asia, and South Asia

- **Indian perspectives on EU CBAM:** During the **third week of October 2025**, the **Council in Energy, Environment and Water (CEEW)** in India published a working paper entitled [EU Carbon Border Adjustment Mechanism – Dominant Perspectives in India](#).

The publication explains CBAM and provides a summary of some of the complaints levelled at CBAM, which always tend to miss the point – CBAM is intended to prevent carbon leakage, nothing more, nothing less: if you want to import into the EU, you must do so on an equivalent carbon price basis, to prevent carbon leakage. The publication is worth a read.



Americas

- **Canadian Climate Competitiveness Strategy:** On **November 9, 2025**, in a news release the government of Canada outlined its policy settings on climate change and climate action (at canada.ca, under [Minister Olszewski highlights Budget 2025 new Climate Competitiveness Strategy](#)). At the core of the **Climate Competitiveness Strategy** is to provide coordination and support to reduce the carbon intensity of activities undertaken within Canada, with whole-of-government action to mobilize public and private capital. This action includes continuing to provide Carbon Contracts for Differences under the Canada Growth Fund, and to provide tax credits, and to provide sustainability investment guidelines.

- **ExxonMobil talking to AI data centers about the supply of electrical energy gas fired power plants using CO₂ capture technology:** On **October 31, 2025**, it was reported widely that the **Chair and CEO of ExxonMobil**, Mr Darren Woods, has stated the **ExxonMobil** was in advanced talks with power provides and tech corporations to supply electrical energy from gas fired power plants at which carbon capture technology is used.

As will be apparent from this edition, and other editions, of P₂N_o, technology corporations, including the hyperscalers (Alphabet, Amazon, Meta and Microsoft), seem to be positioning to contract for the supply of lower or lower carbon intensity electrical energy.

- **Microsoft to rocks:** On **October 29, 2025**, the good folk at the **Financial Post** (at financialpost.com under [Microsoft signs 10-year deal with Canadian cleantech company that turns CO₂ into rocks](#)) reported that Microsoft Corp. had contracted with Arca Climate Technologies Inc. for the purchase of “300,000 tonnes of permanent carbon removal credits”.

The “carbon removal credits” arise from the mineralization arising on the “repurposing of mine tailings and other industrial waste to remove carbon dioxide from the atmosphere by accelerating a natural reaction that converts CO₂ into solid form”.

As reported, the carbon removal credits provide **Microsoft** with “verified proof of carbon removal, offsetting [its] raising emissions [arising] from its operations”.

- **US Government and Westinghouse align:** On **October 28, 2025**, it was reported widely that the **US Commerce Department** signed a partnership contract with the owners of **Westinghouse Electric, Brookfield Asset Management and Cameco** to invest **USD 80 billion** to develop nuclear reactor power plants across the US. As reported, among other things, under the partnership contract the Federal Government will provide assistance in provision of finance.
- **NextEra to reopen nuclear power station to provide electrical energy to Google:** On **October 28, 2025**, it was reported widely that **NextEra** had signed a 25-year power purchase agreement with Google under which it will supply electrical energy from the **Duane Arnold Energy Center** in the US State of Iowa. As reported, reopening the power station will cost in the region of **USD 1.6 billion**.
- **Google contracts for power supply from gas fired powered plant with carbon capture:** On **October 23, 2025**, it was reported widely that **Google** had contracted in respect of electrical energy to be supplied from the **Broadwing Energy** project. As reported, the **400 MW Broadwing Energy** project will be located to an existing industrial facility owned and operated by Archer Daniels Midland, Decatur, in the US State of Illinois, and will use carbon capture technology from **Mitsubishi Heavy Industries**, which is understood to be designed to capture up to 90% of the CO₂ arising from combustion of natural gas. This is a first for North America.
- **Amazon modular nuclear reactor program:** On **October 20, 2025**, the good folk at **New Atlas** (at newatlas.com, under [Amazon goes nuclear with new modular reactor plant](#)) reported that **Amazon Web Services (AWS)** is to invest in restarting or developing nuclear power plants to provide reliable “around-the-clock” electrical energy to power its data centers. As reported, **AWS** is to use the **X-Energy Xe-100 Small Modular Reactor (SMR)** to be installed near the **Energy Northwest Columbia Generating Station** in the US State of Washington. The **Xe-100 SMR** is a high-temperature gas-cooled reactor (HTGR).

- **California's first CCS project breaks ground:** On October 17, 2025, Carbon Herald (at <https://carbonherald.com>, under [California Breaks Ground On Its First Carbon Capture and Storage Project](#)) reported that California Resources Corporation (CRC) had broken ground on the first carbon capture and storage (CCS) project – its Carbon TerraVault Project in Elk Hills Field, Kern County. The Carbon TerraVault Project is reported to have capacity to store up to 30 million metric tonnes of CO₂.



APAC

- **China photovoltaic solar highway initiative:** On October 23, 2025, the good folk at pv-magazine (at www.pv-magazine.com, under [China expands highway solar as provinces races to decarbonize transport](#)) reported that China is installing photovoltaic solar renewable electrical energy generation capacity along highways. As reported, as at the end of 2024, 1.7 GW of photovoltaic solar renewable electrical energy capacity had been installed. The China Academy of Transportation Sciences has estimated that up to 940 GW of photovoltaic solar capacity can be installed along transport networks across China.
- **PacificLight Power progressing H2 ready power plant:** On October 23, 2025, it was reported widely that PacificLight Power had appointed Jurong Engineering Limited and Mitsubishi Power to provide engineering, procurement and construction service to develop its combined cycle gas turbine (CCGT) 670 MW hydrogen-ready power station.
- **Singapore to develop data centre on Jurong Island:** on October 27, 2025, industrial developer JTC Corporation and the Economic Development Board announced, in conjunction with the Singapore International Energy Week, that approximately 20 hectares of land on Jurong Island will be set aside to build a 700MW low-carbon data centre park. This may be regarded as a significant announcement.
- **Vietnam-Malaysia-Singapore OWF development planned:** On October 22, 2025, it was reported widely that a 2 GW offshore wind field development is to be developed offshore of Vietnam. The electrical energy generated by the 2 GW OWF will be transmitted to Malaysia (700 MW) and Singapore (1.3 GW).
As reported, this is the first phase of a two-phase project, and is to be developed by 2034, with the second phase of the project to be developed with increased OWF generation capacity to be installed and the electrical energy to be transmitted through Cambodia, Laos and Thailand, and delivered to Malaysia.
- **China to provide funding support for 41 clean-hydrogen projects and green methanol production projects:**

The folk at hydrogeninsight have reported that:

- On October 20, 2025, (at www.hydrogeninsight.com, under [China promises government support for 41 clean-hydrogen projects](#)) the National Energy Administration (NEA) of China had announced

that **41 clean-hydrogen pilot projects** will be given priority in funding support. As reported, the funding support will take the form of concessional loans and subsidies.

- On **October 23, 2025**, reported that the **National Reform and Development Commission (NDRC)** is to provide a 20% subsidy to support the development of green methanol production capacity.
- **Conditional approval for Sembcorp Industries Ltd import project:** On **October 17, 2025**, the **Energy Market Authority (EMA)** of Singapore announced that it had granted **Conditional Approval** to **Sembcorp** to import **1 GW of renewable electrical energy from Sarawak, Malaysia**.

The implication of conditional approval is that the EMA has assessed (on a preliminary basis) the Sembcorp and Sarawak Energy Board consortium's plan to develop an import project as being commercially and technically viable.

This is the [11th conditional approval](#) granted by the EMA.



Europe and the UK

- **EU Climate Ministers embrace carbon credits:** As reported above, on **November 5, 2025**, **EU Climate Ministers** agreed a **2040 GHG emissions reduction target**, which provides for a reduction of **90% of GHG emissions by 2040 compared to 1990**. In a move away from the position outlined in proposed legislation on July 2, 2025¹¹, the **EU Climate Ministers** agreed to allow **EU Member States** to purchase carbon credits from countries outside the EU to match up to 5% of the 2040 emission target of a 90% reduction.

By way of reminder: On **July 2, 2025**, the **European Commission (EC)** published the proposed amendment to the **EU Climate Law: [Proposal for a Regulation of the European Parliament and of the Council amending Regulation \(EU\) 2021/1119 establishing the framework for achieving climate neutrality](#)**. (To accompany the proposed amendment, the EC published [Delivering on the Clean Industrial Deal – Communication](#)¹².)

The proposed amendment provides for a reduction of **90% in net-GHG emissions by 2040** compared to 1990 (EURT).

¹¹ On **July 2, 2025**, the **EU** decided not to allow offsets until 2036 at the earliest: the stated policy driver for this was that lower, low and no carbon technologies should be maximized, and only those activities that could not be decarbonized should be able to offset.

¹² In addition, among other things, the EC published: Commission Recommendation on tax incentives to support the Clean Industrial Deal in light of the Clean Industrial Deal State aid Framework; and Commission Recommendation on Innovative Renewables, Grid Infrastructure, and Future-Proof Network Charges.

The **EURT** is consistent with the original thinking behind the **EU ETS**, i.e., that by 2040 the **EU ETS** would have achieved its purpose, with the price on carbon resulting from the **EU ETS** to incentivize the transition to lower, low and no carbon technological solutions to decarbonize activities giving rise to the emission of **GHG emissions** by 2040, recognizing however that some activities would be difficult-to-decarbonize / hard-to-abate, and that **net-GHG emission initiatives** would be required, including **CDR**¹³.

The proposed amendment contemplates the possible limited use of high-quality carbon credits to discharge liability arising under the **EU ETS** (commencing in 2036). This approach is consistent with thinking around the world and the **EU ETS** in particular: the **EU ETS** is intended to place a price on carbon that provides an incentive for corporations and other organizations to transition to lower, low and no carbon technologies so as decarbonize their activities (to achieve actual avoidance, reduction and removal) of **GHG emissions**, with carbon credits to be used to offset activities that cannot be decarbonized.

- **TerraPower seeks approval for nuclear reactor power plant technology:** On **October 28, 2025**, it was reported widely that **TerraPower** (a corporation backed by Bill Gates) is working with the UK Government to obtain approval for its **Sodium nuclear reactor design**. This is the first step in what may result in the deployment of small modular reactors using this technology in the UK.
- **Milton Keynes – a first:** On **October 28, 2025**, the BBC (at <https://www.bbc.com>, under [Hospital gets low-carbon heating from data centres](#)) reported that “Milton Keynes University Hospital will be the first place in the city to benefit from the heat network [developed by] IEnergy”. As reported, heat energy arising from activities undertaken at data centres, will be captured and pumped to provide heat energy.

More broadly, the plan includes the deployment of carbon capture and storage technology as well as the possible production of biomethane using captured CO₂.

¹³ **CDR**, i.e., **Carbon Dioxide Removal** involves the removal of **CO₂** that is already in the climate system (from the climate system) and the storage of the **CO₂** in a more stable form of carbon, which is not permanent. This removes **CO₂** emissions already in the climate system.

HELPFUL PUBLICATIONS AND DATA BASES

In addition to publications covered by this edition of P₂N₀, the most noteworthy publications read by the author during the period from **October 16** to **November 9, 2025**, are:

- On **October 23, 2025**, the **International Energy Agency (IEA)** published a piece entitled [With new export controls on critical minerals, supply concentration risks become reality](#). The piece is well-worth a read, providing a helpful summary of the current dynamics that appear to be at play, and likely to stay.
- On **October 16, 2025**, the **IEA** published [Scaling Up Transition Finance](#). The publication provides a timely and helpful analysis of the role the debt finance may play across the difficult to decarbonize sectors, cement and iron and steel, and its role in the key critical sectors, critical metals and minerals (mining and refining) and natural gas and LNG. The publication is excellent.
- During **October 2025**, the **OECD** published [Green Iron Ore Opportunities in Australia, A Case Study within the OECD's Global Green Iron Project](#). The publication is helpful, providing guidance and insights in respect of the development of **direct reduced iron (DRI)** project developments.
- During **October 2025**, two publications dropped that relate to the development of carbon storage and renewable hydrogen production, two of the technologies that are considered as key to progress to net-zero:
 - **CCS Wells Technology Roadmap**: The good folk at **DNV, Net Zero Technology** and the **North Sea Transition Authority** published their [CCS Wells Technology Roadmap](#). The publication is excellent, providing current insights to those developing carbon injection and storage facilities in the hostile environment of the North Sea; and
 - **Renewable Hydrogen Project Risks**: The good folk at **Global Alliance Powerfuels**, published [Renewable Hydrogen Project Risks – Categorising, assessing and mitigating risks along the hydrogen value chain](#). The publication is excellent, providing an informed narrative in respect of the renewable hydrogen and hydrogen derived project risks.

By way of reminder: In addition, to the **Renewable Hydrogen Project Risks**, revisit [Scaling Hydrogen Financing for Development](#), published by The World Bank, ESMAP, OECD, Global Infrastructure Facility, and the Hydrogen Council.

- During the week beginning **October 13, 2025**, the **International Energy Agency (IEA)** published [Delivering Sustainable Fuels, Pathways to 2035](#).

The publication introduces sustainable fuels (including liquid biofuels, biogases, low-emission hydrogen and hydrogen derived fuels) as offering multiple benefits to the energy sector, complementing electrification and energy efficiency as another means of decarbonization. The purpose of the publication is to outline how multiple benefits may be realised.

Among other things, the publication outlines the areas for priority in policy settings. The areas identified are: **1.** Establish roadmaps, targets and support policies; **2.** Increase demand predictability; **3.** Cooperate in developing transparent and robust carbon accounting methodologies; **4.** Support innovation to narrow cost gaps; **5.** Develop integrated supply chains and address infrastructure needs; and **6.** Make financing more accessible.

The publication is helpful, and yet the areas for priority are known, and have been for some time. The continuing theme is that government support is required to achieve the optimal use of sustainable fuels.

- Also, on **October 7, 2025**, the **ASEAN Centre for Energy** published [The Past, Present and Future of Coal in the ASEAN Energy Landscape](#). While the focus of progress to net-zero does not focus on coal, coal remains an important source of electrical energy and deserves the attention given to it by this publication.

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* Michael Harrison is the primary author of **P2N0**, and editor. Any error is Michael's. **P2N0** is written early each Saturday morning. In writing **P2N0**, Michael sources from original material. If a news item is covered broadly, the words **reported widely** connote that at least three sources have covered that news item, and **reported** connotes at least two sources. If there is only one source that is not the original material, that source is named.

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