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UK Abandons Ambitious Underwater Renewable Energy Link to Morocco

June 27, 2025
— Categories: Finance

In a significant shift in its energy strategy, the UK government has withdrawn support for a £25 billion ($33 billion) mega-project intended to import solar and wind energy from Morocco through what would have been the world's longest underwater power cable. The Morocco UK Power Project, announced in 2021 by British company Xlinks, sought to transmit renewable electricity generated in Morocco's Tan-Tan province directly to the UK, supplying around 8% of the nation's electricity demand equivalent to powering approximately seven million homes.

The government cited a “high level of inherent risk” related to the project’s delivery and security concerns as key reasons for discontinuing support. Energy Minister Michael Shanks stated in a parliamentary statement, “It is not in the UK national interest at this time to continue further consideration of support for the Morocco UK Power Project.” Instead, the UK will focus on advancing domestic renewable energy projects that align more closely with national strategic and economic priorities.

The planned infrastructure involved nearly 4,000 kilometers of subsea cables, engineered to transmit power with minimal losses across the Atlantic. Xlinks had projected that the scheme would reduce wholesale electricity prices by 9% and decrease carbon emissions in the UK’s electricity sector by approximately 10%. The UK government has committed to fully decarbonizing its electricity generation by 2030 and recently retired its last coal-fired power station as part of this effort.

Despite the environmental and economic potential, the project faced substantial technical, regulatory, and financial challenges, compounded by concerns over reliance on imported energy amid geopolitical uncertainties. Large-scale infrastructure projects of this nature also carry significant risks for taxpayers and consumers.

Dave Lewis, chairman of Xlinks and former CEO of Tesco, expressed disappointment at the government’s decision but affirmed the company’s intent to continue exploring alternative pathways to realize the project’s potential. “We are surprised and bitterly disappointed. Over £100 million has already been invested, and there remains strong lender interest,” he commented.

This development reflects a broader European debate on the merits of importing renewable energy from North Africa versus expanding domestic generation capacity. While countries such as Tunisia and Egypt pursue similar transmission projects to Europe, the UK’s withdrawal underscores the complex balance between energy security, economic viability, and climate ambitions.

The UK government continues to invest heavily in domestic renewables and nuclear power, recently pledging over £30 billion to nuclear development. As the UK navigates its energy transition, the focus remains on building a resilient, low carbon electricity system driven by homegrown resources.