Notice to Suppliers

NTS Title: Business Industrial Competitiveness Scheme (BICs)

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Business Unit: Aerospace

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For the attention of Managing Directors

Scope/Applicability:

UK based Aerospace Suppliers

Dear Supply Partner,

As part of our continued engagement with our UK supply chain, Rolls-Royce would like to make you aware of the British Industrial Competitiveness Scheme (BICS), a UK Government scheme designed to reduce electricity costs for eligible manufacturers and strengthen industrial competitiveness.

Why this matters:

For eligible businesses, BICS could provide a material reduction in electricity costs. The scheme:

- provides exemptions from the indirect costs of the Renewables Obligation, Feed-in Tariffs and the Capacity Market;
- is expected to reduce electricity costs by up to £40/MWh, potentially representing up to 25% of an electricity bill;
- provides an additional payment in 2027 reflecting support businesses would have received had the scheme started earlier; and
- provides a five-year exemption, subject to the scheme's ongoing declaration and review requirements.

Who may be eligible?

Businesses must meet all four eligibility criteria:

1. Be registered at Companies House.
2. Operate within an eligible sector, determined by eligible SIC codes.
3. Manufacture eligible products at a site in Great Britain, determined by eligible HS codes.
4. Use at least 33 MWh per year of grid-supplied electricity at each qualifying manufacturing site.

The scheme applies in Great Britain. Eligibility and the level of relief are assessed against the specific requirements of the scheme, including the proportion of a site's grid electricity supporting eligible manufacturing activity.

What you need to do

Applications are open now and close at 23:59 on 30 November 2026. There is only one application round each year and applications cannot be amended once submitted, so we strongly encourage potentially eligible suppliers to act early.

Please:

- use the BICS eligibility checker on GOV.UK to establish whether your business is likely to qualify;
- review the detailed business guidance and evidence requirements;
- gather the necessary supporting information, including six consecutive months of relevant electricity and manufacturing evidence; and
- submit your application before 23:59 on 30 November 2026.

The Government is also hosting BICS webinars on 4 November and 17 November covering eligibility, evidence requirements and the application process.

Further information, the eligibility checker, business guidance and application service can be found by searching for “British Industrial Competitiveness Scheme” on GOV.UK.

Rolls-Royce is sharing this notification to raise awareness across our UK supply chain. We encourage all suppliers who believe they may meet the criteria to check their eligibility promptly and, where appropriate, submit an application.

NTS Category:	**Authorised by:**
General Information/Communication	Warren Gee VP Business Development