Building the North Sea's energy future

Consultation response from Oil Change International, Platform and Friends of the Earth Scotland

1. This response is submitted by **Oil Change International, Platform** and **Friends of the Earth Scotland.**
    a. **Oil Change International** is a research, communications, and advocacy organisation committed to raising awareness of the true costs of fossil fuels and promoting a global transition to clean energy.
    b. **Platform** is an environmental and social justice collective with campaigns focused on the global oil and gas industry, fossil fuel finance and building capacity toward climate justice and energy democracy.
    c. **Friends of the Earth Scotland** is an environmental campaigning organisation calling for a fair and fast transition away from fossil fuels, towards a system of publicly-owned renewable energy.

Summary

2. We commend the Government for laying out objectives to secure a renewable energy future for the North Sea that delivers jobs and prosperity whilst aligning UK oil and gas production with climate imperatives, and we fully agree with these aims.
3. However, the proposals and approach described fall short of what is required to achieve these aims, ceding too much control over the terms of the transition to private companies that prioritise their own profits over job creation, infrastructure investment, community benefit or climate safety. A serious step-change in the scale of Government coordination and public investment is required to ensure that local workers and affected communities benefit from the phaseout of UK production. Ending new licensing is a welcome, positive step towards aligning UK production with the Paris Agreement. However, it is a floor – not a north star – for global climate leadership, particularly for a country with the responsibility and capacity to move first and fastest to phase out fossil fuels.
4. In our response we outline a number of core recommendations the Government should take on to fully deliver on its objectives.
5. In order to deliver **supporting objective 1**, and ensure UK workers, local communities, and the supply chain benefit from transition:
    a. The Government must target public investment towards industries and supply chains that will genuinely provide long-term, stable employment for workers, including taking equity stakes in a wind manufacturing base and port upgrades, whilst deprioritising high-risk technologies like carbon, capture, utilisation, and storage (CCUS) and hydrogen that have a track record of failure.

    b. The Government must expand public, local and community control over the emerging renewables industry, including through greater capitalisation of Great British Energy and making it democratically accountable through Citizens Assemblies and elected worker representatives on its board.
    c. The Government must guarantee comprehensive, funded transition support, quality jobs, and safety nets to workers, with full involvement of unions in the process, including:
        i. A Jobs Guarantee to all offshore and supply chain workers;
        ii. A workforce transition scheme matching workers to new jobs;
        iii. An improved skills passport;
        iv. An industry-backed training fund; and
        v. A Good Work Standard across all energy-related jobs, also applied and enforced throughout the UK Continental Shelf.
6. In order to deliver **supporting objective 2**, and set a globally leading example on climate:
    a. The Government must cement the commitment to end new licensing by making it binding and permanent in legislation.
    b. The Government must recognise that the UK must go further than ending new licensing to align its oil and gas production with climate science and climate justice and:
        i. Stop approving new oil and gas developments within existing licences, and properly define these as 'new fields';
        ii. Set and plan for an accelerated and orderly end-date for UK production before 2035; and
        iii. Fully fund just transitions at home and abroad – by mobilising the scale of public funding required to support workers and communities in the UK and to meet the UK's international climate finance obligations.
    c. The Government must set out an overarching, single principal objective for the North Sea Transition Authority (NSTA) that sets out a responsibility to manage a rapid, just, and orderly phaseout of oil and gas production in line with our legal obligations under the Paris Agreement, and which protects North Sea workers and affected communities.

Question 1a: What role can government play to ensure that local workers can benefit from the growth of these new energy sectors?

1. In order to meet 'supporting objective 1' and ensure that local workers benefit from the growth of renewable energy sectors, the Government must be willing to play a much more proactive and interventionist role than is currently laid out in this consultation.
2. To date, the private energy industry in the UK has been overwhelmingly left to set the terms of the North Sea transition, prioritising Maximum Economic Recovery of production over job creation, infrastructure investment, skills pathways or community benefit.
3. To date, interventions from the Government to support local workers to benefit from the growth of the emerging renewables industry have been piecemeal at best,

focused heavily on incentivising businesses and tweaking market behaviour, rather than providing direct support to the current workforce.

4. As a result, redundancy consultations in the oil and gas industry are rising rapidly, jobs in the emerging renewables industry are not materialising at the same pace, and those workers that have been able to transition are facing poor pay, conditions, and workplace rights.[1]
5. Between 2021 and 2022, turnover for companies involved in the Low Carbon and Renewable Energy economy in Scotland increased by £4 billion, whilst employment in the sector fell by 4,000.[2] While the UK has been a world leader at the scale of offshore wind installed, regions in the North East of Scotland and England have experienced severe economic decline.[3]
6. In a recent workplace survey of over 250 oil and gas workers, undertaken by Platform in March-April 2025, workers reported: stress and fear of not being able to provide for one's family; increased insecurity and decreased morale; and declining mental health. One oil and gas worker said: *"The decline of the oil industry over the last 5 years [...] is being used to exploit the remaining workforce."*[4]
7. As is recognised in this consultation, the success of the Clean Energy Mission depends on the benefits being captured and felt in key communities who will be affected by the transition. To deliver on this, a serious step-change is needed.
8. To ensure local workers benefit from the transition, the Government should take a proactive and interventionist role delivering a North Sea transition plan in the interests of affected workers and communities, and the broader public. This plan must include the following interventions:
    a. **Workers and unions at the centre of transition planning,** to increase trust and oversight [see Q5c for more detail]: The North Sea Transition Deal should be scrapped and replaced with a legally binding plan co-produced with workers, trade unions, and affected communities, for a rapid, just, and orderly phaseout of oil and gas production in line with our legal obligations under the Paris Agreement. Great British (GB) Energy should be transparent and democratically accountable to the public, including Citizens Assemblies and elected worker representatives on the board, as is standard practice in publicly-owned energy companies in Norway, Sweden, France, and Denmark.
    b. **Expand public, local and community control over the emerging renewables industry,** to ensure the benefits of the transition are returned to workers and the public [see Q1b for more detail]**:** This should be done through increasing GB Energy's capitalisation, so it can focus its efforts on acquiring majority stakes in energy generation projects, and scaling up investment to local and community energy projects, through the Local Power Plan. The role of private industry, particularly oil and gas, should be minimised and more tightly controlled by government [see Q1c for more detail].
    c. **Invest in industries that are proven to create jobs** [see Q1b for more detail]**:** This should include public investment, in return for equity stakes, in

[1] Employment and Corporate Practice in Scotland's Wind Sector: worker's perspective and company survey (2025), https://www.stuc.org.uk/resources/fair-work-in-offshore-windfinal.pdf.
[2] Mind the Gap (2024), https://www.stuc.org.uk/resources/stuc-mind-the-gap-march24.pdf.
[3] New figures highlight ongoing economic inactivity challenge in the North East (2025), https://www.necc.co.uk/new-figures-highlight-ongoing-economic-inactivity-challenge-in-the-north-east/
[4] [Unreleased], Platform London

the development of a wind manufacturing base in the UK and substantial port upgrades in the regions most affected by the transition.

   i. **This does not include carbon, capture, utilisation, and storage (CCUS) and Hydrogen**, which are high risk, unproven technologies that provide comparatively few jobs for the level of investment required – if the projects get off the ground at all.[5,6]

d. **Support supply chain business to transition,** to protect jobs [see Q1b for more detail]**:** This should include a targeted programme of technical support and funding, as well as increasing the level of UK content required in new projects and providing incentives to developers to source their parts from ex-North Sea supply chain firms.
e. **Enable workers to transition** [see Q2, 3a and 4a for more detail]**:** This should include the creation of a workforce transition scheme which proactively matches oil and gas workers with alternative employment opportunities; an improved skills passport; and an industry-backed training fund.
f. **Provide a safety-net for the current workforce** [see Q2 and 3a for more detail]**:** This should include a Jobs Guarantee to all oil and gas workers, including offshore workers and supply chain workers.
g. **Mandate good quality jobs across the energy industry,** so workers are not forced into bad employment [see Q3b, 3c and 5c for more detail]**:** This should include setting up a Good Work Standard for all energy and manufacturing sectors, including full employment rights, fair wages, health and safety standards, and strong union representation. All available conditionality leavers should be used to ensure this standard is adhered to, including through Contracts for Difference (CfD), Clean Industry Bonus (CIB), and National Wealth Fund (NWF) investment, and all GB energy direct operations and supply chains. Minimum Wage should be extended across the UK Continental Shelf (UKCS) and sectoral collective bargaining extended to the energy industry.

Question 1b: In addition to the investments in clean energy industries outlined in this section, are there any other areas you think should be targeted for investment?

9. Whilst we welcome many of the investment commitments in the strategy as outlined, including investment in offshore wind production and manufacturing; Great British Energy; and the National Wealth Fund, for these investments to meet their intended aims, the level of investment must be scaled up.
10. Outlined below are the additional areas which should be targeted for investment; areas where the investment should scale up; and areas where current investment commitments should be redirected.
11. **Additional areas that should be targeted for investment include:**
12. **Ports:**
    a. There is a need to rapidly invest in upgrading the UK's port infrastructure, making ports ready for the rollout of renewable energy and to create hubs for

[5] Carbon Capture Usage and Storage, Eighth report of session 2024-2025 HC351 (2025), https://committees.parliament.uk/publications/46545/documents/237331/default/
[6] Funding Failure: the true cost of carbon capture in the UK (2024), https://oilchange.org/publications/funding-failure-the-true-cost-of-carbon-capture-in-the-uk/

good clean energy jobs. Whilst we welcomed the manifesto commitment of £1.8 billion funding for ports through the National Wealth Fund,[7] we are concerned that this is not included in this consultation. We are also concerned that it does not reach the £4 billion needed according to the Floating Offshore Wind Taskforce (FOWT).[8] £440 million of further investment each year, totalling an additional £2.2 billion over 5 years, would support an estimated 40,000 jobs, according to section 5 of the FOWT report.[9] The Government should re-commit and deliver the initial £1.8 billion of investment and commit this further public investment in return for equity stakes in ports as critical national infrastructure. This will also ease pressure on supply chain bottlenecks.

b. Chronic underinvestment means that the current port infrastructure is not set up to deliver the energy transition. Many do not have yards large enough for the fabrication and assembly required, which has undermined local content, domestic manufacturing, and job creation. For example:
    i. There is not a single major hub port in Scotland providing assembly and fabrication in the UK on a scale comparable to new facilities in Denmark, the Netherlands or Germany, where there is much more public ownership of and investment into ports[10].
    ii. All five of Hywind Scotland's offshore wind platforms were towed from Aberdeenshire to Norway for repairs because of the lack of port infrastructure.[11]
c. A crucial blocker is the private ownership of ports in the UK, unlike other European countries who hold significant public stakes in their ports. Ports in Denmark, Germany, and Spain have leveraged hundreds of millions in public investment to expand and meet the needs of floating offshore wind production.[12]
d. As well as extra investment, the 'free ports' agenda must be scrapped. It exempts ports from existing protections: weakening workers rights, undermining environmental protections and reducing community benefits. This programme is forecast to cover economic activity that already exists or

---

[7] Labour Manifesto: Kickstart Economic Growth (2024) https://labour.org.uk/change/kickstart-economic-growth/#boosting-investment

[8] Seizing our opportunities: independent report of the Offshore Wind Champion (2023), https://www.gov.uk/government/publications/accelerating-deployment-of-offshore-wind-farms-uk-offshore-wind-champion-recommendations/seizing-our-opportunities-independent-report-of-the-offshore-wind-champion#fn:29

[9] UK Ports Need GBP 4 Billion Investment to Help Unleash Floating Offshore Wind Industry – Report (2023), https://www.offshorewind.biz/2023/03/15/uk-ports-need-gbp-4-billion-investment-to-help-unleash-floating-offshore-wind-industry-report/

[10] New research on net zero opportunities for scotland's ports (2020), https://www.crownestatescotland.com/news/new-research-on-net-zero-opportunities-for-scotlands-ports

[11] Competition or cooperation: How Scotland and Norway can learn from their floating wind sectors (2024), https://www.energyvoice.com/renewables-energy-transition/wind/uk-wind/557352/competition-or-cooperation-how-scotland-and-norway-can-learn-from-their-floating-wind-sectors/

[12] Navantia to invest €43 million in the Puerto Real (Cádiz) shipyard (2023), https://www.portseurope.com/navantia-to-invest-e43-million-in-the-puerto-real-cadiz-shipyard/

would have been created elsewhere, instead of boosting investment or creating new jobs in the UK.

13. **Investments that should be scaled up include:**
14. **Wind manufacturing:**
    a. While the recently announced £300 million investment through GB Energy into domestic offshore wind supply chains is welcome, to ensure the rollout of wind is done with UK content, creating good quality, secure jobs, further public investment in UK manufacturing capacity is needed, and this investment must be in return for equity stakes in projects. Currently the vast majority of Britain's offshore wind capacity is owned by companies outside the UK, and the typical North Sea turbine contains more than three times as much material content from abroad as it does from domestic manufacturers.[13]
    b. We echo the call from Unite the Union for £1.1 billion per year investment in wind manufacturing and operations in the North East of England and Scotland over 6 years.[14]
    c. Ideally this investment would be provided through GB Energy, in return for equity stakes, helping create publicly owned UK-based manufacturing champions that permanently anchor jobs and a supply chain within the UK.
    d. An alternative mechanism for this is the CIB, but the potential funding of £200 million is far below the level of funding needed to establish a wind manufacturing base in the UK.
    e. A study by Transition Economics and Uplift has shown that, if designed properly and funded fully, the CIB could establish offshore wind manufacturing in the UK that ensures 50% local content manufacture for offshore wind developments, creating 10,000 direct jobs and 13,300 indirect jobs in industrial heartlands and coastal communities. This would require estimated public and private investment of just over £7 billion in total.[15] The analysis suggests that driving this scale of investment would require public investment of around £1.4 billion.[16]
15. **Wider supply chain:**
    a. An investment package is needed, ring fenced for advising and enabling wider supply chain businesses currently serving the oil and gas industry to transition to servicing alternative industries, primarily the emerging renewables industry.
    b. This should fund a service or scheme which maps supply chain industries and identifies needs, and provides bespoke guidance to firms seeking to transition their workplace as well as financial support.
16. **Great British Energy:**
    a. The Government's commitment to capitalise Great British Energy with £8.3 billion of funding, £3.3 billion of which is earmarked for investments in community energy, is welcome. However, we are concerned that this current

[13] Future Economy Scotland (2023), "Why don't more Scots work in wind power?," https://www.futureeconomy.scot/posts/43-why-don-t-more-scots-work-in-wind-power.
[14] Unite the Union, https://www.unitetheunion.org/campaigns/oil-and-gas-no-ban-without-a-plan.
[15] Clean Energy Made in the UK (2024), https://www.upliftuk.org/post/clean-energy-made-in-the-uk.
[16] Transition Economics (2024), "How much can the British Jobs Bonus boost supply chains and job creation?," https://transitioneconomics.net/wp-content/uploads/2024/11/Transition-Economics-CIB_BJB-Supply-Chains-Job-Creation_FINAL.pdf.

level of investment will fail to deliver on the scale required to meet the objectives outlined in this consultation.

b. To be comparable to its peers in similar European countries, GB Energy should have access to at least £40 billion in capitalisation between 2025-2030 and be able to borrow finance, as its peer companies are able to. According to analysis by the TUC, this level of capitalisation on this timeframe could leave the UK £140 billion better off by 2040, the equivalent of £5,000 per household for the public purse.[17]
c. This boost in investment would better enable GB Energy to focus on acquiring majority (at least 51%) stakes in large energy generation projects which it would operate throughout their lifetime, as opposed to acting solely as a minority stake-holder derisking private capital, or selling off assets as they become profitable. This will increase returns to the public purse, which can be spent on measures to deliver a just energy transition as well as wider investment in public services. It would also enable better oversight of projects to ensure investment decisions are made based on local and system-level public need, rather than project-level profitability. A publicly owned energy company on this scale would be better able to deliver transition pathways and job security for workers, as EDF has shown in France and Ørsted in Denmark.[18]
d. Statkraft, Europe's largest generator of renewable energy (hydropower, wind, solar, and grid infrastructure), is wholly owned by the Norwegian state and aligns its investments with national climate goals and energy security, rather than short-term financial return. Further investment would allow GB Energy to follow a similar strategic role, prioritising investments that create jobs, and provide system resilience and national benefit, even when margins are lower.
e. Further investment would also enable GB Energy to become a vehicle for a longer-term strategy to transform our energy system away from the current model of privatisation and marketisation towards systemic public ownership. This strategy could include setting up a public option retail arm of the company that sells energy directly to people's homes, as well as taking the national grid back into public ownership. In France, where national provider EDF is publicly owned, the Government was able to limit the increase in energy bills in 2022 to 4%, as opposed to the UK's 54% hike in April 2022[19].

17. **Investment that should be redirected, include:**
18. Where the Government identifies a specific amount of investment in the consultation (£21.7 billion/25 years for CCUS and up to £240 million capital support for

[17] Trade Unions Congress (2025), "A publicly-owned energy company could return £3 to the public purse for every £1 invested," https://www.tuc.org.uk/news/publicly-owned-energy-company-could-return-ps3-public-purse-every-ps1-invested.
[18] Trade Unions Congress (2025), "A publicly-owned energy company could return £3 to the public purse for every £1 invested," https://www.tuc.org.uk/news/publicly-owned-energy-company-could-return-ps3-public-purse-every-ps1-invested.
[19] Public ownership of clean power: lower bills, climate action, decent jobs (2022), https://www.tuc.org.uk/research-analysis/reports/public-ownership-clean-power-lower-bills-climate-action-decent-jobs

deployment of hydrogen through the Net Zero Hydrogen Fund), these are for technologies that have a long history of failure and underperformance, and are most closely tied to existing models of fossil fuel ownership and energy systems.[20]

19. **CCUS:**
    a. The UK has already spent at least £500 million on CCUS projects since 2010.[21] Yet, no commercial-scale carbon capture project is currently operational in the UK. In the United States, where carbon capture is most established, 80% of projects fail due to technical issues, over-expenditure, and a lack of financial investment returns.[22] It should also be noted that the only source for the claim of 4000 jobs created in the consultation is from the Government's own press release announcing CCUS funding.
    b. In addition to being a highly precarious pillar for industrial strategy, CCUS is one of the highest-cost, least effective tools for reducing greenhouse gas emissions in this critical decade.[23]
        i. Globally, CCUS projects have failed to deliver any meaningful scale of CO2 emissions reduction or work as promised; most serve to prolong the use of fossil fuels. Current projects have the capacity to capture only around 0.1% of global fossil fuel emissions.[24] None have achieved a capture rate better than 80% of the CO2 emissions of the installation the technology is connected to.[25] Despite this, UK CCUS projects like HyNet promise a 97% capture rate. Research by Imperial College showed that CCUS capture rates globally could have been overestimated by as much as 30%.[26] Recent evidence has surfaced forcing Equinor, a company centrally involved in UK CCUS plans, to retract their claim of capturing one million tonnes of CO2 each year at their existing CCUS projects in Norway, revealing the actual capture rate was much lower.[27]
        ii. CCUS also does nothing to reduce other forms of air and water pollution caused by fossil fuel or industrial projects, whilst creating new health and safety risks. CO2 pipeline leaks in U.S. states of

---

[20] Institute for Energy Economics and Financial Analysis (2022), "The carbon capture crux: Lessons learned," https://ieefa.org/resources/carbon-capture-crux-lessons-learned; Oil Change International (2024), "Funding Failure: Carbon Capture and Fossil Hydrogen Subsidies Exposed," https://oilchange.org/publications/funding-failure-carbon-capture-and-fossil-hydrogen-subsidies-exposed/.

[21] Funding Failure: the true cost of carbon capture in the UK (2024), https://oilchange.org/publications/funding-failure-the-true-cost-of-carbon-capture-in-the-uk/.

[22] Why Carbon Capture and Storage Is Not a Net-Zero Solution (2023), https://www.iisd.org/articles/deep-dive/carbon-capture-not-net-zero-solution.

[23] IPCC (2023), *AR6 Synthesis Report: Climate Change 2023*, https://www.ipcc.ch/report/ar6/syr/figures/figure-spm-7.

[24] International Energy Agency, IEA (n.d.), *Carbon Capture Utilisation and Storage*. Retrieved April 24, 2025, from https://www.iea.org/energy-system/carbon-capture-utilisation-and-storage.

[25] Institute for Energy Economics and Financial Analysis, https://ieefa.org/ccs.

[26] Energy Monitor (2022), *Global CCS rates overestimated by up to 30% – Imperial College London*, https://www.energymonitor.ai/tech/carbon-removal/global-ccs-rates-overestimated-by-up-to-30-imperial/?cf-view.

[27] DeSmog (2025), *Exclusive: Norway's Equinor Forced to Withdraw Key Carbon Capture Claim*, https://www.desmog.com/2025/01/14/exclusive-norways-equinor-forced-to-withdraw-key-carbon-capture-claim.

Mississippi[28] and Iowa[29] led to dozens of hospitalisations because CO2 is an asphyxiant. Despite this, projects like HyNet are planning 100 kilometres of CO2 pipelines.[30] Offshore transport and storage is also a risk for marine environments.[31] A leading expert has warned that storage sites chosen for UK CCUS clusters are inappropriate and risk failure.[32]

c. Investment should instead focus on proven solutions which have a track record of creating secure jobs and boosting community wealth, whilst actually reducing emissions and speeding up the UK transition. In terms of job creation, the evidence points to prioritising offshore wind (with UK-based manufacturing), decommissioning, home retrofits, onshore wind, and tidal energy. Modelling has shown that with the right policy, in a 'fully renewable before 2050' scenario – with no new oil and gas fields, CCUS or blue hydrogen – the above sectors would create new jobs in clean energy that exceed the number of workers affected by the phaseout of oil and gas by a factor of more than four.[33] According to the Uplift and Transition Economic's analysis, investments into the CIB have much higher jobs dividend per public pound invested compared to committed CCUS subsidies (estimated at 4000 jobs for £21.7 billion), and with greater spill-on effects for UK supply chains.[34]

20. **Hydrogen:**
    a. The outsized level of funding for hydrogen laid out in the consultation will not deliver on jobs, with significant question marks over the viability of a large-scale hydrogen industry, its safety and its ability to reduce emissions.
    b. The proposed end uses within the consultation do not match up with available research. Application of hydrogen in transport and power generation are ill-advised and unlikely to materialise at any meaningful scale. Direct electrification with renewables is far cheaper, more efficient, and less dangerous than using hydrogen in these and the vast majority of sectors,

---

[28] Huffington Post (2021), *The Gassing of Satartia*, https://www.huffpost.com/entry/gassing-satartia-mississippi-co2-pipeline_n_60ddea9fe4b0ddef8b0ddc8f

[29] Iowa Capital Dispatch (2024), *'A stark warning': Latest carbon dioxide leak raises concerns about safety, regulation*, https://iowacapitaldispatch.com/2024/05/05/a-stark-warning-latest-carbon-dioxide-leak-raises-concerns-about-safety-regulation/

[30] Cadent Ltd (2024), HyNet North West Hydrogen Pipeline Project, https://cadent-consultation.s3.eu-west-2.amazonaws.com/draft-es/ES+Chapters/1+-+Introduction/Hynet+Draft+ES+Chapter+1+Introduction.pdf

[31] Center for International Environmental Law, CIEL (2024), *Deep Trouble: The Risks of Offshore Carbon Capture and Storage*, https://www.ciel.org/wp-content/uploads/2023/11/Deep-Trouble-The-Risks-of-Offshore-Carbon-Capture-and-Storage.pdf

[32] The Herald (2025), *Expert warns carbon storage risks failure due to site choice*, https://www.heraldscotland.com/news/24989361.expert-warns-carbon-storage-risks-failure-due-site-choice/

[33] Oil Change International, Platform and Friends of the Earth Scotland (2019), *Sea Change: Climate Emergency, Jobs and Managing the Phase-Out of UK Oil and Gas Extraction*, https://oilchange.org/publications/sea-change-report/.

[34] Uplift (2024), "Clean Energy Made in the UK," https://www.upliftuk.org/post/clean-energy-made-in-the-uk.

including batteries for transport,[35] electricity for industrial heating,[36] and the use of more scrap combined with electric furnaces for steel production.[37]

c. Failure of the hydrogen industry to take off in Norway highlights the risks of reliance on it for delivering jobs. More information on the technical and safety issues with hydrogen as a replacement in industry can be found in the report, *Bubble Burst: Why Norway's Blue Hydrogen Fantasy is Over Before It Started*.[38]
d. The issues outlined above with respect to the costs and underperformance of CCUS are compounded when it comes to scaling up blue hydrogen, given it relies on CCUS for its viability. Relying on investments in hydrogen for job growth is therefore incredibly risky, especially where investment could be redirected to projects which deliver more reliable returns on jobs.

Question 1c: What opportunities do you foresee for the oil and gas industry to invest into clean energy?

21. As laid out in Question 1a, the Government has to date overwhelmingly allowed the private oil and gas industry to set the terms of the North Sea transition.They have continually prioritised profit maximisation over job creation, infrastructure investment, skills pathways or community benefit.
22. The same companies responsible for causing the climate crisis cannot be trusted to solve it. The Government cannot leave the pace of phaseout or scale-up of renewable energy to oil and gas companies. Instead, the Government must take responsibility, developing a holistic programme of state coordination that meets climate goals and guarantees benefits to UK workers and communities.
23. The primary 'role' for oil and gas companies is to pay what they owe to safely and responsibly decommission oil and gas assets, and pay for the climate damages they have caused while reaping trillions in profits.[39] Rather than waiting on fossil fuel companies to shift their investments, the Government should hold them accountable to the Polluter Pays Principle, generating public funds to invest for the benefit of UK workers and communities. These steps should include:
    a. Ending subsidies for North Sea oil and gas producers (including subsidies for CCUS and hydrogen, which are not clean or safe solutions);
    b. Converting the Energy Profits Levy into a permanent tax on excess profits;

---

[35] Michael Barnard (2024), *German Hydrogen Vs Battery Trucking Study Much Better Than ICCT's But Still Optimistic On Hydrogen Pathway Costs*, https://cleantechnica.com/2023/12/06/german-hydrogen-vs-battery-trucking-study-much-better-than-icts-but-still-optimistic-on-hydrogen-pathway-costs/

[36] Madeddu et al. (2020), *The CO2 reduction potential for the European industry via direct electrification of heat supply (power-to-heat)*, doi.org/10.1088/1748-9326/abbd02

[37] OECD (2024), Circular economy policies for steel decarbonisation, https://www.oecd.org/en/publications/circular-economy-policies-for-steel-decarbonisation_4cfb485d-en.html

[38] Bubble Burst: Why Norway's Blue Hydrogen Fantasy is Over Before It Started (2024), https://oilchange.org/publications/bubble-burst-why-norways-blue-hydrogen-fantasy-is-over-before-it-started/

[39] Climate Analytics (2023), *Carbon majors' trillion dollar damages*, https://climateanalytics.org/publications/carbon-majors-trillion-dollar-damages.

c. Exploring options to institute a climate damages tax,[40] which could generate crucial funds for climate damage response and worker transition programs; and
d. Funding (alongside Government) a dedicated training fund for offshore oil and gas workers, so that retraining options and paid off time to retrain are available to every offshore worker [see Q3a for more detail].

24. The Government should be looking to prioritise and boost public investment, rather than crowd in private investment from the oil and gas industry, in order to ensure greater democratic control over the renewable energy industry to ensure investment happens in the industries that provide the most jobs and benefits are returned to workers rather than shareholders.
25. Any role for private oil and gas companies to invest in clean energy needs to be tightly controlled in line with a more proactive and interventionist role from the Government.
26. While renewable energy and efficiency solutions deliver affordability and health benefits to society, and in many cases are cheaper to produce, they do not deliver the same profit margins on which the oil and gas industry's business model depends.[41] Whilst fossil fuels remain more profitable, oil and gas companies will never prioritise investments into new renewables on the rapid timeframe now required. An extraordinarily rapid transition must occur in large part because these companies have systematically blocked and undermined solutions while suppressing the science.[42]
27. From a practical point of view, to build the clean energy industry at the pace and scale needed to ensure jobs and emissions cuts, the investment needs to be significant, reliable, and long term.
28. By contrast, recent research clearly shows that, while the oil and gas industry tout their green credentials, they cannot be trusted to invest properly in clean energy and are scaling back green energy spending as they look to cash in on oil and gas:
    a. Globally, International Energy Agency (IEA) data shows that fossil fuel companies directed less than 4% of capital expenditure into clean energy as of 2023, and accounted for less than 1.5% of global clean energy investment, even when including spending on CCUS and fossil-based hydrogen, which sustain pollution.[43]
    b. In the North Sea, the oil and gas industry is not showing an interest in being part of the transition, and is instead much more interested in continuing to reap profit from oil and gas extraction as long as they can.[44] Analysis by Uplift

---

[40] Global Witness (2024), https://globalwitness.org/en/campaigns/fossil-fuels/why-the-uk-government-should-get-the-oil-industry-to-contribute-towards-climate-loss-and-damage/.
[41] Brett Christophers (2021), *New Political Economy*, https://doi.org/10.1080/13563467.2021.1926957.
[42] The Guardian (2019), "Half a Century of Dither and Denial – A Climate Crisis Timeline," https://www.theguardian.com/environment/ng-interactive/2019/oct/09/half-century-dither-denial-climate-crisis-timeline.
[43] IEEFA (2025), https://ieefa.org/sites/default/files/2025-01/REVIEWED-15818-Briefing%20Note_2024%20Recap%20oil%20stocks%20%281%29.pdf, at page 6.
[44] Simeon Kerr, *Financial Times* (2025), https://www.ft.com/content/b713e451-575b-4334-9bbc-3685d7415dfd?accessToken=zwAGMSiHriJIkdO3E-RRV1tDNNObvDaF10Fd_Q.MEQCIFI5tq8tuFSJGoQ1fCH7xy4XZv6bYD-EaVSRtVGUGTIFAiA

shows that just seven out of 87 offshore oil and gas companies in the UK expect to invest in renewable energy by 2030.[45]

c. Since Uplift's analysis BP,[46] Shell,[47] and Equinor[48] have all announced new or additional rollbacks to renewable energy investment plans.
d. Instead of prioritising energy transition investments, oil and gas companies are choosing to enrich shareholders. A recent study shows that Shell and TotalEnergies directed nearly all their net profits into shareholder payouts from 2010 to 2023, while BP and Eni provided payouts that even exceeded their net profits.[49]

29. **Remove CCUS and hydrogen from 'clean energy' investment**
30. It should be noted that many of the above analyses of industry spending include CCUS and hydrogen within 'clean energy' investment. Going forward investments in CCUS and gas-based blue hydrogen should not be considered clean investments, by either government or private companies.
31. As laid out in Question 1b, there are a number of issues with CCS that make it expensive, ineffective and hazardous to communities.
32. This negligible contribution to emissions reduction and track record of failure means that including CCUS or blue hydrogen (which requires functional CCUS projects) in clean investment amounts to a 'get out' clause to mask a lack of investment in ready-to-go, proven solutions. If not included, the investment records of oil and gas companies into clean energy would likely look even poorer.

Question 2: What, if any, additional measures could help the oil and gas workforce to transition into a) clean energy and b) other industrial strategy sectors? And: **Question 3a:** What support is required for oil and gas workers to transition into low carbon sectors that align with the UK's longer-term environmental and economic ambitions, as proposed within this consultation? In your response, please consider the transition through different lenses – for example, by location (domestically and internationally) or by demographic.

33. We welcome the proposals for schemes to assist workers in skills transfer within the consultation. However, there are significant additional areas for transition support not covered in the consultation that are essential to addressing the barriers workers are facing.
34. The Our Power report (2023), provides an in-depth insight into specific barriers and detailed policy solutions, identified by oil and gas workers and endorsed by industrial

---

Jt5BP_an5B53_OOcsAkaVFzKPY1yXonEDBXSFgXrcvQ&sharetype=gift&token=0e912344-2995-4fae-97ff-87037b3e9df1.

[45] Uplift UK (2024), https://www.upliftuk.org/post/oil-and-gas-turns-its-back-on-the-uks-transition.

[46] Jillian Ambrose, *The Guardian* (2025), https://www.theguardian.com/business/2025/feb/26/bp-oil-and-gas-spending-green-energy-scale-back

[47] Ron Bousso, *Reuters* (2024), https://www.reuters.com/business/energy/shell-slows-investments-offshore-wind-splits-power-business-2024-12-04/.

[48] Simon Jack, BBC (2025), https://www.bbc.com/news/articles/c1jg7k1kjwyo.

[49] Friends of the Earth Europe and SOMO (2025), https://friendsoftheearth.eu/publication/shareholders-over-solutions/.

unions. The report provides an invaluable perspective on where things are going wrong currently.[50]

35. As part of a more proactive, coordinated, and intentional approach to transitioning the workforce, additional measures should include:
    a. a proactive workforce transition scheme;
    b. an improved skills passport;
    c. transition pathways delivered by GB Energy;
    d. a training fund;
    e. a job guarantee.
36. **Proactive Workforce Transition Scheme:** We welcome the Government's commitment to provide tailored career support to oil and gas workers, including through Department for Work and Pensions' reforms to jobs and careers service, and the possibility of career transition advisors as part of the Regional Skills Pilot. Tailored support is welcome, but we are concerned that without a specialist body driving this, proactively working to match oil and gas workers with quality jobs in other sectors, the impact of the support on offer will not be felt by the workforce.
37. In consultation with unions, the Government should set up a proactive workforce transition scheme, to match directly employed and contracted offshore and onshore supply chain workers with high quality jobs in other sectors. This scheme should provide skills mapping and transition pathways and guided support to the current workforce. The scheme should be able to scale up to provide pre-emptive comprehensive support to whole workplaces in cases where large redundancies are looking likely.
38. Such a scheme could be delivered through or in partnership with the Office for Clean Energy Jobs.
39. **Improved Skills Passport:** Significant improvement is needed with regards to the current Energy Skills Passport for it to be fit for purpose [see Q4a for more detail].
40. **Develop a Training Fund:** Workers have repeatedly made clear that major barriers to retraining are the cost of training programmes and the lack of paid time off to complete it.[51] Training requirements are not standardised across energy industries, so workers cannot easily move between industries and face the burden of completing multiple overlapping trainings, at extraordinary cost. A survey of 610 offshore workers conducted by Platform, Friends of the Earth Scotland, and Greenpeace in 2021 found that 69% of workers surveyed spent over £2,000 of their own money on training including safety and trade-specific costs in the last two years.[52] No training schemes offer workers paid time off to retrain.
41. We welcome the Regional Skills Pilots, which could include funding direct training provisions. However there is little detail on how this will work and how many workers could access this funded training.
42. The Government must create a dedicated training fund for offshore oil and gas workers. Retraining options should be accessible to every offshore worker, with

---

[50] Platform and Friends of the Earth Scotland (2023), *Our Power: Offshore Workers' Demands for a Just Energy Transition*, https://platformlondon.org/resource/our-power-offshore-workers-demands-for-a-just-energy-transition/.
[51] Training and Tickets: The Hidden Costs for Offshore Oil & Gas Workers (2021) https://platformlondon.org/app/uploads/2021/06/Training-Costs-Survey-Results-1.pdf.
[52] Training and Tickets: The Hidden Costs for Offshore Oil & Gas Workers (2021) https://platformlondon.org/app/uploads/2021/06/Training-Costs-Survey-Results-1.pdf.

funding in place to provide paid time off to retrain. Retraining costs should fall on employers, or where this is not possible, on the Government. We estimate that 12,500-15,500 offshore workers and 10,000-16,000 onshore workers in the oil and gas industry and its supply chains would access retraining opportunities as outlined above. For this £710 million per year in total is needed, of which £355 million should come from the Government and £355 million from industry.[53] The Government could use a permanent windfall tax mechanism on operators to fund its own contribution, and enforce a Training Levy on employers to cover the rest.

43. **Transition Pathways Delivered by GB Energy:** GB Energy should have a legal responsibility to deliver a just transition for all current energy workers. Currently, there is no legal obligation on the new company to deliver on job creation or transition pathways. As a result, there is no certainty that GB Energy's investments will result in good quality, long-term jobs for high-carbon workers looking to transition.
44. As part of this new legal responsibility, all GB Energy partnerships and contracts should be conditional on long-term job creation; pay, conditions and rights floors; trade union access; and transition pathways. This conditionality should include private companies benefiting from GB Energy's development work. Partnership projects should be mandated to use UK ports, infrastructure, and manufacturing sites to boost job creation. Each additional 1% of UK content in the UK offshore energy industry could deliver around £275 million in spending and nearly 4,000 additional direct and indirect jobs in 2030.[54]
45. **Jobs Guarantee:** The Government should introduce a jobs guarantee to provide a safety-net for oil and gas workers and affected communities by:
    a. Guaranteeing wages for a defined period of time for workers who leave the industry due to its phaseout.
    b. Instituting a general Jobs Guarantee (across the economy) for anyone in long-term unemployment in areas most impacted by the transition.
    c. Guaranteeing 90% of workers' wages while they retrain, as in furlough.
    d. Obligating companies to facilitate workers' redeployment, or else pay a levy that is used to fund public investment into transition support.
46. This could be modeled on Germany's short-time working scheme (Kurzarbeit), explored in our response to Question 4c.
47. **Jobs Mapping for Decommissioning:** There is currently a data gap on the exact number of direct and indirect jobs related to decommissioning work. In conjunction with relevant unions, the Government should commission research into the scale and nature of jobs available from enforcing existing decommissioning obligations. This research could form a part of the proactive workforce transition scheme, enabling oil and gas workers to move directly into decommissioning work.

---

[53] Platform and Friends of the Earth Scotland (2023), *Our Power: Offshore Workers' Demands for a Just Energy Transition*, https://platformlondon.org/resource/our-power-offshore-workers-demands-for-a-just-energy-transition/, at page 29.

[54] Powering up the Workforce: The future of the UK offshore energy workforce (2023), https://www.rgueti.com/wp-content/uploads/2023/09/powering-up-the-workforce.pdf

Question 3b: How do you think we should approach measuring the transition of workers from the oil and gas sector to low-carbon industries? Do you have a view on what metrics we could be using to measure the transition of workers from the oil and gas sector to low carbon sectors? And: **Question 3c**: How would you define a good work opportunity within the low-carbon economy? In your response, please consider fair remuneration, the role of trade unions and creating jobs that are inclusive and contracted with financial security.

48. A good work opportunity within the low-carbon economy must be jobs with pay, pensions, and other conditions that are better or at least commensurate with oil and gas roles. This should include: good practice on contract security with permanent jobs on payroll – rather than an overreliance on outsourcing and short-term contracts; health and safety standards; inclusion; and trade union recognition. A good quality job comes with high levels of unionisation and union access in workplaces, where workers are fully consulted and negotiated with, and have the power to hold employers to account.
49. When considering how to approach measuring the transition of workers, it is therefore essential to measure not just the number of jobs and levels of employment, but the quality of those jobs, with regards to the terms laid out in above. Any metrics used should measure job quantity and quality.
50. According to a 2021 survey of 5% of the offshore oil and gas workforce, key considerations for finding employment outside of the oil and gas industry were: Job security (58%); Pay (21%); Similar work schedule (11%); Health and safety regulations (5%); Similar location (2%).[55]
51. We are concerned that the current standards in the emerging privately-run renewables industry have been widely reported to be poor. Offshore oil and gas workers who work regularly with Platform have reported resigning from, or committing to not taking on future work in the offshore wind industry, due to poor health and safety standards. Some have reported their experiences to be similar to those in the privatised oil and gas industry, pre the Piper Alpha disaster in 1988, when 165 offshore oil and gas workers and two seafarers lost their lives following the rig exploding. Following the disaster, and pressure from workers, much needed improvements to the laws governing health and safety offshore were introduced. Workers who have started the transition to the renewables industry have reported to Platform that they are concerned that another disaster will happen before the private renewables industry is forced to take health and safety seriously.[56]
52. The STUC report on Employment and Corporate Practice in Scotland's wind sector highlights similar concerns.[57] The report, drawn from interviews with workers in the sector and trade union officers, describes the sector as ‘resistant to trade union engagement’ with a ‘checkered history with respect to workers rights’, citing the fragmented way that wind farms are built, with multiple contractors, as a key reason for this.

[55]Offshore: Oil and gas workers’ views on industry conditions and the energy transition (2021), https://platformlondon.org/app/uploads/2020/09/Oil-Gas-Workers-Report-1.pdf
[56] *Personal Communications,* Platform London
[57] Employment and Corporate Practice in Scotland’s Wind Sector: worker’s perspective and company survey (2025), https://www.stuc.org.uk/resources/fair-work-in-offshore-windfinal.pdf.

53. Both industries are heavily reliant on the use of precarious, short-term labour. At present, a significant proportion of offshore oil and gas workers are outsourced through third-party firms, rather than directly by the owner or operator of the asset. We are seeing similar levels in new renewables. As a result, the workforce often loses benefits that come with direct employment.
54. Recommendations for how to address conditions in the low carbon economy are laid out in our response to Question 5c.

Question 3e: Do you think the UK has a sufficient skills base to underpin the transition? What role will the oil and gas sector play in the availability of critical skills?

55. In terms of assessing whether the UK has a sufficient skills base, it is hard to draw an absolute conclusion because there has not been a national skills audit since 2010. Knowledge of the entire skills landscape is therefore severely lacking.[58] The Government should make it a priority to run a skills audit so that strengths and weaknesses in the skills base can be addressed and understood.
56. Whilst some reskilling of the workforce will be needed, broadly the skills and lifestyles of people working offshore can easily be aligned with offshore renewables and other growth industries.[59]
57. However, if the pace of job growth in the renewable energy industry continues to not match the decline of jobs in oil and gas, there is a big risk of a skills drain out of the UK. This not only means that we will not have the skills to build the clean energy industry, but also risks entire communities being left behind. Immediate interventions as outlined in our response to Question 1a are essential to avoid staving off a potential skills drain.
58. The current failures of the skills passport and broader training system, where workers cannot afford to hold qualifications in both offshore wind and oil and gas, means some workers are forced to choose between industries. The insecurity of jobs in the wind industry and currently lower wages makes it more likely that workers will be forced to stay in oil and gas until they are made redundant or unable to get a job. This risks losing workers who could already be using their skills in the emerging renewable industry. Much of this can be addressed through a skills passport that is truly fit for purpose, as laid out under Question 4a.
59. Without strong government intervention, the oil and gas sector will likely play little to no role in ensuring the availability of critical skills for the emerging renewables industry, as they are not financially reliant on this industry, as evidenced by their current investment priorities. As outlined in our response to Questions 2 and 3a, the oil and gas industry has to date broadly washed their hands of the responsibility for skills management. As profit margins in oil and gas decrease this will likely only worsen. It is clear that the provision of necessary skills cannot be left to industry to supply.

[58] Skills for Jobs: today and tomorrow (2010), https://www.gov.uk/government/publications/skills-for-jobs-today-and-tomorrow
[59] Offshore: Oil and gas workers' views on industry conditions and the energy transition (2021), https://platformlondon.org/app/uploads/2020/09/Oil-Gas-Workers-Report-1.pdf

Question 4a: How can government and industry develop the skills passport into a meaningful and effective mechanism for workers to transition from oil and gas into other industries? What is the correct role for industry and government to make this happen?

60. It is promising that the Government has confirmed intentions to build on the current skills passport.[60] Below we have outlined where the current passport is insufficient, and areas that should be built upon.
61. As the consultation outlines, there is already a broad understanding that offshore oil and gas workers have the skills base to move into renewables. However the focus of the current passport is purely about helping workers "see how their skills match up" to new renewables work, based on their existing qualifications and certifications.
62. A meaningful and effective skills passport should prioritise addressing the material barriers workers are facing: the extortionate training fees they are forced to pay to gain qualifications they in many cases already have.
63. To develop the skills passport into a meaningful and effective mechanism, the Government must create a Skills Passport 2.0 that:
    a. Eliminates duplication of qualifications, ensuring that certification (including 'micro-certification') with one body is fully recognised by the other(s) and that no duplication of training or assessment is needed, including recognition of prior certificated learning (RPCL). No energy worker should be made to pay out of their own pocket to duplicate both technical and safety qualifications if they want to work across both the oil and gas and renewable energy industries.[61]
    b. Provides proportionate, efficient, and robust individual assessment and recognition of competence for experienced workers so that they do not have to attend training in areas where they are already proficient but lack certification (eg, recognition of prior experiential learning, RPEL).
    c. Guarantees that training is up-to-date, while ensuring that no worker has to redo a course that is still in date.
    d. Is digital, so that the training and certification record of workers can easily be checked.
    e. Is accepted as the minimum standard required by industry operators.
    f. Covers the widest range possible of offshore workers, including seafarers, divers and catering staff in the oil and gas supply chain.
64. Necessary training costs should be borne by employers, including for self-employed and off-payroll workers who spend a significant amount of time with the same employer [see further detail on this under Questions 2 and 3a].
65. Government, in partnership with trade unions, should play a central role in setting the vision for and delivering this Skills Passport 2.0. The overall responsibility for maintaining the Passport should lie with a public sector or publicly regulated organisation, with a governing board for the scheme that includes industry bodies,

[60] North Sea Oil and Gas Workers: Transitional Support Volume 765: debated on Wednesday 23 April 2025, https://hansard.parliament.uk/Commons/2025-04-23/debates/A8C4DD15-C68B-4666-A1E6-24382EFAAD5B/NorthSeaOilAndGasWorkersTransitionalSupport

[61] Training and Tickets: The Hidden Costs for Offshore Oil & Gas Workers (2021) https://platformlondon.org/app/uploads/2021/06/Training-Costs-Survey-Results-1.pdf.

the Health and Safety Executive, and trade unions. The hosting organisation should not have a financial interest in the uptake of training courses or any other specific route to passporting.[62]

66. Prior to the UK Government stepping in to help deliver the Skills Passport, industry bodies had repeatedly stalled the delivery of the passport, to the detriment of the workforce. This cannot be allowed to happen again. Industry bodies with a vested interest in maintaining the current training system, which allows them to maximise profit from training courses, should not have a role in the next iteration of the Skills Passport.
67. Whilst delivering a more meaningful Skills Passport should be a priority for this Government, we echo the warning from Unite the Union that creating skills pathways and training, without the investment in jobs for workers to move into, raises more questions than it answers.[63]

Question 4b: What can we do to further support specific local communities that are heavily reliant on oil and gas through the transition?

68. It is disappointing that despite this question referring to “further support”, the consultation document does not lay out any direct suggestions of schemes or funding to support heavily impacted local communities.
69. The consultation document suggests good intentions from the Government to provide support for communities but does not go into any detail as to what this support might be and how it will be decided, how it will be funded, or when it will come into existence. The transition is already happening in a way that is disadvantageous to communities, and Aberdeen has seen the impact with a disastrous decade of energy poverty increases and a huge growth in food bank usage.[64]
70. While the consultation document makes reference to the headquartering of GB energy in Aberdeen it is not yet clear how many jobs that will provide or how the local community will benefit. It is also a one-off scheme that cannot be replicated in other towns and cities reliant on the fossil fuel industry and therefore cannot be relied upon as evidence of a wider program of support for communities.
71. The consultation document also refers to the ability of GB energy to crowd in private investment into Aberdeen which will boost the local economy. Experience from the oil and gas industry has shown that money crowded into Aberdeen through private investment is incredibly precarious and tends to move through the city rather than stay in it or be used for infrastructure projects that boost the local economy.[65]

---

[62] Our Power, Demand Briefing Paper 3: A training regime built to keep workers safe instead of for profit (2023), https://platformlondon.org/app/uploads/2023/03/230224-Demand-Briefing-3-Our-Power-FINAL.pdf.
[63] Government Scottish energy jobs and skills boost: Unite reaction (2024), https://www.unitetheunion.org/news-events/news/2024/october/government-scottish-energy-jobs-and-skills-boost-unite-reaction
[64] Daria Shapovalova, Tavis Potts, John Bone, Keith Bender (2023), "Measuring Just Transition: Indicators and scenarios for a Just Transition in Aberdeen and Aberdeenshire," https://abdn.elsevierpure.com/en/publications/measuring-just-transition-indicators-and-scenarios-for-a-just-tra
[65] 50 years since North Sea tap was turned on, has Aberdeen squandered its oil and gas legacy? (2025),

Aberdeen should be seen as a cautionary tale of the wealth of a city relying on private investment rather than long-term public investment and ownership in infrastructure and the local economy.

72. As previously mentioned, Statkraft, Europe's largest generator of renewable energy (hydropower, wind, solar, and grid infrastructure), wholly owned by the Norwegian state, has adopted a reinvestment model which prioritises developing rural areas and bolstering communities near energy installations. GB Energy could learn from and adopt this strategic priority.
73. **Energy Transition Zone:** The other specific measure that the consultation document refers to is the Energy Transition Zone (EZT) in Aberdeen. It should be noted that this project has been the subject of considerable pushback from local residents who were not consulted and, when they put in objections, had their concerns overridden. The ETZ plans involve removing the last remaining green space from Torry, an historically deprived part of Aberdeen that has not benefited from the oil and gas money that has flowed through Aberdeen. Support for local communities should not equate to bulldozing over their last remaining green space and ignoring their wishes. Any efforts to support communities must be done with them, not to them, or the Government risks replicating and reinforcing the inequality exacerbated by the oil and gas industry.[66]
74. Besides the negative community impacts, the Energy Transition Zone is described as a plan to build sites for turbine manufacture and other infrastructure, in the hope that this will encourage 'green' companies to come to the area. The backers behind the Energy Transition Zone include Aberdeen City Council and Opportunity North East (ONE), a fossil fuel industry interest group chaired by the oil tycoon Sir Ian Wood. Backed by BP and Shell, a significant part of the plan for this area involves manufacturing associated with hydrogen and CCUS, which, as laid out above, are industries with dubious track records with regards to their 'clean energy' credentials.[67]
75. The 'transition' plans being imposed on residents are far from just or green and show a disregard for and lack of engagement with the communities that should be at the heart of the transition. It is concerning that a government consultation document light on suggestions for community support should name this as an example of good practice.
76. **Additional community measures:** Some measures the Government could consider to support local communities include:
    a. Provide funding for local and combined authorities to implement community wealth building strategies, adjusting procurement rules, pension investments, business support schemes, and land management practices in order to maximise the local recirculation of wealth.
    b. Support local and combined authorities to create regional diversification programmes, aiming to substitute the local economic contribution of the oil and gas industry. These programmes should be designed and governed with genuine accountability to local communities and impacted workers.

---

https://www.pressandjournal.co.uk/fp/news/6664089/50-years-on-has-aberdeen-squandered-its-oil-and-gas-legacy/

[66] Friends of St Fittick's Park, https://saintfittickstorry.com/why-protect-the-park%3F

[67] Scottish oil-town plan for green jobs sparks climate campers' anger over local park (2024) , https://www.climatechangenews.com/2024/07/19/scottish-oil-town-plan-for-green-jobs-sparks-climate-campers-anger-over-local-park/

c. Creating dedicated funding streams, including through the UK Infrastructure Bank, to support local authority regional diversification programmes. These should be committed for long periods of time (up to 20 years), and at the right scale in terms of resulting job creation to substitute the declining job creation in the oil and gas industry, with appropriate processes to assure social and environmental benefit of projects.
d. Making funds available for community energy projects.[68]

Question 4c: Are you aware of any examples of successful collaborations between regions or sectors that could serve as a model for facilitating worker transitions?

77. There are a plethora of examples of schemes or plans to aid worker transition. None of them are comprehensive or perfect. Further, any specific schemes need to be seen as part of a whole co-ordinated package, rather than multiple individual interventions. Examples include:
    a. Germany's short-time working scheme (Kurzarbeit): Under this scheme, companies in temporary economic hardship, are subsidised by the Government to pay the bulk of workers' pay (up to 60%), similar to the way the UK Government subsidised wages during the furlough scheme in 2020-2021. Such a scheme could subsidise the wages of fossil fuel workers who are at risk of redundancy (or non-renewal of contract in the case of self-employment), while requiring paid-for retraining as part of the subsidised time.
    b. Scotland's Transition Training Fund: This funded training and employability support to oil and gas workers who were facing redundancies following the drop in oil and gas prices in 2014. However, this was only available to workers in a redundancy process, and offered no wage or financial support during training. 47% of applicants stayed in the oil and gas sector after participating in the scheme. There was also low take up due to a lack of knowledge of the availability of the scheme, which would need to be remedied before rolling out any similar fund.
    c. Just Transition Commissions in Germany and Spain: Social partnership instruments along the lines of Just Transition Commissions have shaped and governed transition processes for the phaseout of coal mining in countries like Germany and Spain. Trade unions and local governments were involved in developing these, however there was no mechanism for rank-and-file workers to feed into planning. In Spain, the Climate Change and Energy Transition Law 2021 created a five-year Just Transition Strategy (JTS) focused on:
        i. New jobs, upskilling and reskilling
        ii. Urgent Action Plans through tripartite cooperation for the most affected regions
        iii. Mandated Just Transition Agreements (JTAs) between national, regional, and local governments and stakeholders to set up consultations and workshops to develop proposals for phasing out both fossil fuels and nuclear power in particularly affected areas

[68] Our Power: Offshore Workers' Demands for a Just Energy Transition (2023), https://platformlondon.org/resource/our-power-offshore-workers-demands-for-a-just-energy-transition/

iv. Just Transition Tenders that enable grid access for renewable/storage projects that prioritise local benefits like reskilling and upskilling in coal-dependent regions
v. Establishing a Just Transition Institute.[69]
vi. For renewables specifically, the responsible ministry held several public participation sessions in 2024 to develop proposals for an inclusive transition sensitive to local development needs.

In considering a just transition commission the Government should heed where mistakes have been made in Scotland. The commission's recommendations have typically either not been meaningfully implemented or not implemented at all. This could be somewhat improved through making it a statutory body, but still requires stricter guardrails to ensure its impact.

d. Worker-led transition planning is taking off through trade union structures in a number of UK workplaces. At GKN Automotive, factory workers devised a plan to switch the drivetrain plant to production of electric vehicle drivetrains, to save the company from imminent closure and jobs offshoring to Poland. At Rolls Royce Aerospace sites at Inchinnan, Barnoldswick, and Ansty, union representatives negotiated for a commitment from Rolls Royce to keep the factories open and develop skills and manufacturing processes for net zero compatible manufacturing. But initiatives like these require continued support and investment, and can be subject to the whim of the employer: GKN closed the factory and laid off its workforce despite the worker-led plan and a prolonged negotiation. So governments should use available levers to compel companies to engage with worker-led planning.

Question 5a: We would welcome any evidence you can share on any of the barriers mentioned in this section (pay, geography, policy uncertainty, employer incentive to support retraining, aging workforce).

78. Here we have included a selection of reports and briefings that address barriers to transition and should be instructive:
    a. Training and Tickets: The hidden costs for offshore oil and gas workers[70]
    b. Offshore: Oil and gas workers' views on industry conditions and the energy transition[71]
    c. Employment and Corporate Practice in Scotland's wind sector: workers perspective and company survey[72]
    d. Our Power: Offshore Workers' Demands for a Just Energy Transition[73]

[69] From phasing-out to phasing-in: lessons from Spain's just transition governance framework (2025), https://www.realinstitutoelcano.org/en/analyses/from-phasing-out-to-phasing-in-lessons-from-spains-just-transition-governance-framework/
[70] Training and Tickets: The hidden costs for offshore oil and gas workers (2022), https://platformlondon.org/app/uploads/2021/06/Training-Costs-Survey-Results-1.pdf
[71] Offshore: Oil and gas workers' views on industry conditions and the energy transition (2021), https://platformlondon.org/app/uploads/2020/09/Oil-Gas-Workers-Report-1.pdf
[72] Employment and Corporate Practice in Scotland's wind sector : workers perspective and company survey (2025), https://www.stuc.org.uk/resources/fair-work-in-offshore-windfinal.pdf
[73] Platform and Friends of the Earth Scotland (2023), *Our Power: Offshore Workers' Demands for a Just Energy Transition*, https://platformlondon.org/resource/our-power-offshore-workers-demands-for-a-just-energy-transition/.

Question 5c: What do you think could be done to improve the pay and standards of the clean energy sector and help ensure a proper role for trade unions?

79. To create good work opportunities across the energy industry, the Government must:
    a. Set up a Good Work Standard for all energy and supply chain industries, covering both payroll, off-payroll, and self-employed workers. This standard should include full employment rights, fair wages, a right to union representation and union access at work, and health and safety standards, including functioning health and safety committees on vessels and effective whistleblowing and grievance procedures.
    b. All available conditionality leavers should be used to ensure this Standard is adhered to, including through CfD, CIB and NWF investment. CfD auctions should be conditional on companies adopting good standards and practices, such as raising wages and trade union representation. Employment and training conditions should be agreed in the leasing agreements signed by offshore energy developers.
    c. GB Energy must use its influence to drive up working conditions across the whole energy industry and promote wider industrial policy goals. It should prioritise companies that engage with trade unions in its procurement decisions.
80. We welcome the consultation's reference to including unions at the heart of transition planning, as we share in its celebration of recent recognition agreements signed by renewable energy companies and offshore unions. However union representation in the emerging renewables industry is still far from adequate, resulting in poor pay, terms and conditions, as outlined above.
81. To address this, the Government must extend sectoral collective bargaining rights to cover offshore workers and the supply chain, through an extension of the Fair Pay Agreements being piloted in social care. This should cover payroll, off-payroll, and self-employed workers, and should include the extension of existing collective agreements with employers in the offshore oil and gas sector into the offshore wind and renewables sector. It would help give current oil and gas workers the peace of mind that they are not being stripped of their workplace rights and representation as they transition. There are a number of examples of where this has happened:
    a. In Italy, sectoral collective bargaining predominantly sets wages and working conditions, where 90% of jobs are covered by a national sectoral collective agreement.
    b. In Spain, sectoral collective bargaining was reinstituted as a legal right in 2022, and, crucially, covers subcontracted workers.
    c. In the UK, sectoral collective bargaining exists in some forms, for example:
        i. The engineering contractor industry, where the National Agreement for the Engineering Construction Industry (NAECI) and associated agreements guarantee common wages and terms and conditions for workers on a variety of infrastructure projects around the UK. Similar agreements exist for electrical, plumbing, HVAC and other trades.

ii. Universities, where agreements on pay are reached on a national level between unions and the Universities and Colleges Employers Association

82. Additionally the role of trade unions could be strengthened through Government funding and support, to enable worker participation in just transition planning processes, including through training for stewards and health and safety representatives, as recommended by workers in the Our Power report.
83. At present, loopholes in the law and inferior employment protections offshore allow employers, both in oil and gas and renewables, to exploit workers. With even less protections in offshore wind, this is deterring workers from transitioning. To address this, there are a number of measures the Government could take to ensure a universal wage floor and rights across the UKCS. These measures are supported by 94% of workers who took part in the Our Power survey[74]:
    a. Correct the 'National Minimum Wage: seafarers and other people working at sea' guidance[75], to expressly cover all UKCS activities including renewable energy within the UK Exclusive Economic zone.
    b. Increase funding to properly monitor and enforce National Minimum Wage and other employment rights at work offshore.
    c. Legislate to extend the workers' rights that currently do not apply offshore (including TUPE, whistleblowing legislation, flexible working) to all workers in UK waters, including the UKCS and UK Exclusive Economic Zone, including self-employed and off-payroll workers.
    d. Scrap the Offshore Wind Immigration Rules Concession. Instead, correct the Immigration Rules to ensure that foreign workers do not face obstacles to applying for offshore jobs, while enforcing contractual conditions in line with the UK economy and collective agreements.
84. Additionally, to improve conditions for the current oil and gas workforce, the Government should:
    a. End the overreliance on short-term contracts. The current contractor model which employs over 70% of the staff operating and maintaining North Sea installations offers little protection, even where there is a multi-employer collective bargaining agreement in place.[76] This cannot be repeated in the clean energy sector and should be phased out in the oil and gas industry.
    b. Mandate the end of the '3-weeks on, 3-weeks off' shift pattern that is banned in the Norwegian offshore oil and gas sector on safety grounds because it causes fatigue.
    c. Standardise the right to paid time off for essential training and skills development.
85. The most efficient mechanism to drive up job quality across the UK renewables industry would be to increase public, local and community ownership stakes in the emerging renewables industry, manufacturing, and wider supply chain. This would

[74] Platform and Friends of the Earth Scotland (2023), *Our Power: Offshore Workers' Demands for a Just Energy Transition*, https://platformlondon.org/resource/our-power-offshore-workers-demands-for-a-just-energy-transition/.
[75] Minimum wage: seafarers and other people working at sea (2022), https://www.gov.uk/guidance/minimum-wage-seafarers-and-other-people-working-at-sea
[76] RMT Brief GB Energy 2nd Reading 05.09.24 FINAL (2025), https://www.rmt.org.uk/news/publications/rmt-brief-gb-energy-2nd-reading-050924-final/

allow the Government to drive higher standards, ensure trade union representation, and rebalance ownership away from multinationals overwhelmingly focused on decreasing costs and increasing profit margins.

Question 9: How can we manage future oil and gas production from existing fields, in a way that accounts for the interdependencies across existing assets and supports an orderly transition across the basin? We would welcome examples of technical or commercial dependencies including timing-related considerations if relevant.

86. Overall, the interconnectedness of UK production assets increases the need and urgency for the Government to take a much more direct and active role in managing an orderly and accelerated phaseout of existing licences. As we lay out in response to Question 11a, this requires going beyond ending new licensing and setting an end-date for all UK production that matches the UK's respective capacity and responsibility to lead globally in phasing out extraction. Doing so would create policy certainty and put into focus the pace of decommissioning and workforce transition planning that must be coordinated.
87. The Government should review regulatory approaches to cluster production end-dates and decommissioning plans for interconnected assets, rather than leaving timelines up to private producers and existing licence spans. Taking this active approach would reduce the risks of unexpected disruptions and knock-on effects between assets, reduce costs by clustering work by area, enable proactive workforce transition planning, and support development of a managed phaseout timeline that aligns with the UK's fair share of the global effort in phasing out fossil fuels.

Question 10: How can decarbonisation projects or asset repurposing support an orderly transition of the basin, or vice versa? Please share any evidence to support your suggestions.

88. For the UK to set a globally leading example on climate, it should recognise that the only way to 'decarbonise' oil and gas is to phase out its extraction as rapidly as possible. The vast majority of pollution caused by oil and gas production (over 80 percent on average globally[77]) occurs when extracted oil and gas is burned for consumption, not in the process of extracting it.
89. The UK should accelerate and strengthen its targets to reduce production-related emissions, which lag behind the 68 percent reduction by 2030 deemed feasible by the Climate Change Committee.[78] However, far more climate pollution can be prevented by accelerating the phaseout of the UK's existing fields, and seizing the jobs and supply chain opportunities of decommissioning. Whereas the consultation refers to "assets which will be with us for decades to come," the UK should be setting an accelerated end-date for UK production within the next 10 years [detailed in response to Question 11a].
90. **Platform electrification:** Platform electrification and other avenues to reduce process emissions at the margins must not be used to justify extending the lifetimes

[77] IEA (2023), *The Oil and Gas Industry in Net Zero Transitions*, https://www.iea.org/reports/the-oil-and-gas-industry-in-net-zero-transitions, at page 69.
[78] Oil Change International (2024), *Troubled Waters: How North Sea Countries are Fuelling Climate Disaster,*, https://oilchange.org/publications/north-sea-troubled-waters/, at page 45.

of existing fields and licences. In that case, the likely result would be a net increase in pollution, relative to a rapid phaseout plan.

a. By example, in 2023, Norway approved Equinor's Snøhvit Future project, which involves electrifying an LNG plant at Melkøya and extending the lifespan for gas production at the LNG facility by 20 years. Burning the additional gas production enabled by prolonging the project's life would cause over 150 million tonnes of CO2, by the government's own estimate. This dwarfs the touted emissions reductions of 850,000 tonnes per year from electrifying the LNG plant.[79]

91. Furthermore, the Government's critical objective to "radically increase the deployment of homegrown clean energy sources to help bring down energy bills for good" (at p. 18 of the consultation document) would be undermined by diverting renewable energy that could power UK homes and onshore businesses to sunsetting oil and gas assets.
92. **Repurposing for CCUS and hydrogen:** The safe and orderly decommissioning of existing assets should be prioritised over hypothetical and likely uneconomic and/or infeasible aspirations to repurpose them for CCUS or hydrogen.
93. Only a small proportion, less than 10%, of the UK's depleted fields have *potential* high suitability for CCUS storage, according to a review by Systemiq.[80] Several planned CCUS projects in the UK have already opted for greenfield development, rather than repurposing, likely due to cost, risk management, and timing considerations.[81] More broadly, most CCUS projects planned globally have failed to materialize on the timelines promised[82] or deliver on designed capture rates.[83]
94. In regard to hydrogen, there are no planned projects for its storage in depleted fields anywhere in the world, and there are significant issues with its transport and safety. The consultation document overplays transferability and underplays the difficulties of "safely managing hydrogen" (p. 24). Transporting hydrogen, or its derivatives, over long distances is difficult, dangerous, and expensive, which is why around 85%[84] of the hydrogen produced today "never leaves the compound on which it is made, let alone cross[es] an international border,"[85] and is produced in the quantities needed just-in-time for the process.
95. Repurposing pipelines for hydrogen is also far from straightforward technically and potentially extremely costly. A peer-reviewed article from August 2024 found that every part of the existing gas supply chain, from pipelines to the distribution,

---

[79] Oil Change International (2023), "Norway's Electrification of Melkøya Gas Plant," https://oilchange.org/wp-content/uploads/2023/09/Norway-Melkoya-Briefing.pdf.
[80] Systemiq (2025), *Delivering a rapid, orderly and just energy transition for the UK Continental Shelf,* https://www.systemiq.earth/wp-content/uploads/2025/04/V4-Rapid-orderly-and-just-energy-transition-UK-Continental-Shelf-.pdf at pages 26-28. The review finds only 21 existing fields have high potential suitability, compared to the 290 existing installations referenced in the consultation document.
[81] Systemiq (2025), *Delivering a rapid, orderly and just energy transition,* op. cit. at pages 26-28.
[82] Ahmed Abdulla et al (2021), "Explaining successful and failed investments in U.S. carbon capture and storage using empirical and expert assessments," *Environ. Res. Lett.*, https://iopscience.iop.org/article/10.1088/1748-9326/abd19e.
[83] Institute for Energy Economics and Financial Analysis, "Carbon Capture and Storage," Last accessed 7 January 2025: https://ieefa.org/ccs.
[84] RMI Has Fallen Into The Hydrogen For Energy Pit Again (2024), https://cleantechnica.com/2024/01/14/rmi-has-fallen-into-the-hydrogen-for-energy-pit-again/
[85] Michael Liebreich (2022), "The Unbearable Lightness of Hydrogen," https://about.bnef.com/blog/liebreich-the-unbearable-lightness-of-hydrogen/.

pumping, and compression, would have to be replaced or significantly retrofitted at great difficulty and enormous cost to move hydrogen, with “serious safety and environmental concerns.”[86]

96. Delaying the decommissioning of assets in hope that they could one day be repurposed is likely to increase costs and risks for operators, the UK Government, and for the marine environment. Systemiq concludes, “the scale of repurposing will be limited compared to the amount of existing infrastructure available. As such, most assets will need to be decommissioned.”[87] More jobs and contracts for the supply chain are likely to result from carrying out decommissioning work as rapidly as possible.

Question 11a: To what extent do you agree or disagree that this position on new licenses will support the UK to set a globally leading example in tackling climate change?

97. We fully agree that the UK Government must follow through on the commitment to end new oil and gas licensing. The science is clear: Governments have already licensed *and given development consent to* enough oil, gas, and coal extraction to push global temperature rise far beyond 1.5 degrees Celsius (°C).[88] Thus, ending new licensing is a core requirement of any government claiming a mantle of global climate leadership and would build on COP26’s legacy of being the first global climate summit to tackle fossil fuels.
98. **Ending new licensing is a necessary and positive first step:** Ending licensing sends a critical signal to the UK industry and other governments globally that the only way forward for oil and gas is to phase it out. By taking this step, the UK follows in the footsteps of Denmark and will be the largest oil and gas producer in Europe to end new licences for oil and gas exploration, providing new credibility to the UK’s stated claims of global climate leadership. Notably, Colombia, a Global South country with much greater economic dependence on oil and gas extraction, is the other producer of equivalent size to the UK to have committed to this critical step.[89]
99. The Government must take two further steps to solidify its commitment to end licensing and maximise its global knock-on effects:
    a. **Implement this commitment through legislation to make it binding and permanent.**
    b. **Join the Beyond Oil & Gas Alliance (BOGA) alongside Denmark,** to further strengthen this key diplomatic forum for global cooperation to equitably phase out oil and gas production and motivate other countries to follow.[90] The UK Government would have the biggest impact by joining BOGA as a full member, which requires additionally committing to an end-date for phasing out UK production aligned with the Paris Agreement (a key leadership step for

[86] Paul Martin et al (2024), "A review of challenges with using the natural gas system for hydrogen," https://doi.org/10.1002/ese3.1861.
[87] Systemiq (2025), *Delivering a rapid, orderly and just energy transition,* op. cit. at page 32.
[88] Kelly Trout et al. (2022), “Existing fossil fuel extraction would warm the world beyond 1.5 °C,” *Environmental Research Letters*, https://doi.org/10.1088/1748-9326/ac6228.
[89] The Guardian (2023), “Colombia announces halt on fossil fuel exploration for a greener economy,” https://www.theguardian.com/world/2023/jan/20/colombia-stop-new-oil-gas-exploration-davos.
[90] Beyond Oil & Gas Alliance (n.d.), https://beyondoilandgasalliance.org/.

which we outline the need and benefits further below). Alongside the UK's championing of the Clean Energy Transition Partnership, BOGA membership would provide a platform for the UK to assume global diplomatic leadership on the energy transition.

100. **At the same time, ending new licensing is a floor – not a north star – for global climate leadership.** The UK has the capacity and responsibility to be one of the countries moving first and fastest to phase out oil and gas production[91] and to lead in implementing the Global Stocktake's call on countries to "transition away from fossil fuels in a just, orderly and equitable manner."[92] To help catalyse global action that meets the urgency of the climate crisis and creates conditions to inspire greater global cooperation towards a fast, fair, and fully funded fossil fuel phaseout, the UK must:
    a. **Commit to stop approving new oil and gas developments within existing licences,** including major new fields such as Rosebank.
    b. **Set and plan for an accelerated and orderly end-date for UK production before 2035**, in line with the UK's unique capacity and responsibility to move first and fastest among global oil and gas producing countries to end production.
    c. **Set a globally leading example of fully funded just transitions at home and abroad,** by mobilising the scale of public funding required to support workers and communities in the UK and to meet the UK's international climate finance obligations, which should be met primarily through grants, not debt-inducing loans. This is possible by ending fossil fuel handouts, making polluters and the wealthy pay, and championing changes to unfair global financial rules. It is also necessary if the UK is to set a model for how to effectively implement rapid and just transitions at home and to unlock greater global cooperation and ambition among governments to implement the COP28 agreement to transition away from fossil fuels.
101. In the sections that follow, we set out the rationale for why the UK must go beyond ending licensing "to take a globally standard-setting, 1.5°C and climate science-aligned approach to future oil and gas production," as is pledged in 'supporting objective 2' (at p. 9):
102. **Stop approval of all new oil and gas projects:**
    a. Governments must end all forms of fossil fuel expansion to align policy with the science of the 1.5°C limit. The UK has a huge opportunity and responsibility to set the "no new fossil fuel" norm the world urgently needs.[93]
    b. The consultation recognises "the unacceptably high risk that new fossil fuel exploration **and production** would lock-in global warming exceeding 1.5°C" (at p. 18, emphasis added). The Government's existing plans tackle only the high risk of new exploration. Yet, the same sources the consultation cites to justify the necessity of ending new licensing – the IEA and United Nations

[91] Oil Change International (2024), *Troubled Waters: How North Sea Countries are Fuelling Climate Disaster,* https://oilchange.org/publications/north-sea-troubled-waters/.
[92] Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (2023), https://unfccc.int/documents/637073.
[93] Fergus Green, Olivier Bois von Kursk, Greg Muttitt, and Steve Pye (2024). "No new fossil fuel projects: The norm we need." *Science,* https://doi.org/10.1126/science.adn6533.

Environment Programme – show the need to go further and rule out new development within existing licences.[94]

c. **In fact, staying within a 1.5°C budget requires leaving the majority of oil and gas in *existing* fields – those that have already received approval from governments and companies – in the ground.** Research shows that oil, gas, and coal extraction projects already producing or under construction globally would push the world far beyond 1.5°C of temperature rise and jeopardise 2°C as well.[95] New projects will either lock in even higher degrees of global heating beyond 1.5°C, or require an even larger portion of already operating projects to shut down early, leading to greater economic disruption.
d. In the UK and globally, ending new field development within existing licences will have a much more significant impact in preventing climate breakdown, compared to ending new licences for exploration alone. As the consultation recognises, new licences in the UK could make only a "marginal overall difference" (at p. 15) to future production, given the maturity of the basin. While new fields will likewise not reverse the decline in UK production, their development would have a significant global impact on the climate. Uplift's analysis, based on NSTA data, shows that by ruling out approval of licensed and as-yet unapproved projects, the UK Government has the opportunity to prevent 1.5 billion tonnes of CO2 pollution – more than would be produced running 15 coal-fired power stations from now until 2050.[96]
e. Globally, the largest threat for locking in more oil and gas production beyond the 1.5°C limit comes from new fields within existing licences. OCI's 2023 analysis found that, of the top 20 countries on track to approve the most significant new oil and gas extraction to 2050 (including the UK), only 8% of the carbon pollution associated with new production would depend on new licences; the vast majority would be caused by developing new fields within existing licences.[97]
f. Thus, we urgently need Governments like the UK to lead in setting a comprehensive "no new fossil fuel" norm – ending approval of both new production and new licences – that other governments in a position to do so

---

[94] IEA (2021). *Net Zero by 2050: A Roadmap for the Global Energy Sector.* https://www.iea.org/reports/net-zero-by-2050; IEA (2023), *The Oil and Gas Industry in Net Zero Transitions,* https://www.iea.org/reports/the-oil-and-gas-industry-in-net-zero-transitions, pages 19 and 36 to 39; UNEP (2023), *Emissions Gap Report 2023,* https://wedocs.unep.org/20.500.11822/43922 at pages 34-35.

[95] Kelly Trout et al. (2022), "Existing fossil fuel extraction would warm the world beyond 1.5 °C," *Environmental Research Letters*, https://doi.org/10.1088/1748-9326/ac6228; updated in: Kelly Trout (2023), "Sky's Limit Data Update: Shut Down 60% of Existing Fossil Fuel Extraction to Keep 1.5°C in Reach," Oil Change International, https://oilchange.org/publications/skys-limit-data-update-shut-down-60-of-existing-fossil-fuel-extraction-to-keep-1-5c-in-reach/.

[96] Uplift (2024), "UK faces unique opportunity to prevent 1.5 billion tonnes of CO2 emissions from North Sea," https://www.upliftuk.org/post/uk-faces-unique-opportunity-to-prevent-1-5-billion-tonnes-of-co2-emissions-from-north-sea.

[97] Oil Change International (2023), *Planet Wreckers: How Countries' Oil and Gas Extraction Plans Risk Locking in Climate Chaos*, https://oilchange.org/publications/planet-wreckers-how-20-countries-oil-and-gas-extraction-plans-risk-locking-in-climate-chaos/.

could aim to emulate. This would be a critical step towards preserving any chance of aligning oil and gas production with the Paris Agreement.

g. The Government's consultation and related analysis show it is fully possible for the UK to stop approving new production from existing licences while increasing energy security and managing a rapid transition of the workforce into other sectors.
    i. As the Government rightly emphasises, only a rapid shift to renewable energy can shield UK households from volatile fossil fuel prices and deliver energy security.
    ii. With a major step up in public coordination, investment, and worker support [as detailed in response to Qs 1a, 1b, 2, 3a, 4a, 4b & 5c], new jobs can be created at a pace that meets or exceeds those lost through a faster decline in production that would occur without new field development.[98]
    iii. Approving new fields would impede the rapid energy transition required while siphoning public and private investment away from the sectors, such as offshore wind manufacturing, ports, and decommissioning, that hold far greater potential for creating and sustaining jobs and UK-based supply chains – given the right policies and investments. New fields typically result in negative tax take to the UK Treasury in the immediate years post-approval. They would increase the already large decommissioning bill UK taxpayers are on the hook to cover. Furthermore, approving new development consents will make it more difficult and likely more expensive for the Government to take regulatory steps in the future to speed the phaseout of UK production to align with the 1.5°C limit. Once a company has been given consent for production, the risks and potential scale of investor-state arbitration claims increase significantly.[99]

h. Globally, continued approval of new oil and gas projects in a country like the UK – with the resources to manage a rapid transition and a basin in terminal decline – is a major deterrent and impediment to other countries taking the action required to align global fossil fuel production with climate limits. Conversely, a decision to stop new oil and gas development in the UK would create a globally leading precedent with far greater potential spill-on effects for catalysing increased cooperation and ambition, compared to ending licensing alone.

i. The Government has two key upcoming opportunities to set this globally leading example:
    i. First, **finalising forthcoming guidance on assessing Scope 3 emissions from new oil and gas projects that recognises the**

[98] Systemiq (2025), *Delivering a rapid, orderly and just energy transition,* at page 38; Oil Change International, Platform and Friends of the Earth Scotland (2019), *Sea Change: Climate Emergency, Jobs and Managing the Phase-Out of UK Oil and Gas Extraction*, https://oilchange.org/publications/sea-change-report/.

[99] International Institute for Sustainable Development (2025), *A Legally Sound Oil and Gas Phase-out*, https://www.iisd.org/system/files/2025-04/legally-sound-oil-gas-phase-out.pdf.

significant and unacceptable effects such projects will have in locking in global heating beyond 1.5°C.

ii. Second, **in line with such guidance, rejecting development consent for the major Rosebank field and ruling out new field approvals under all existing licences.**

103. **Commit to an accelerated end-date for UK production before 2035**.

a. The Government's current plan to "manage our existing fields for the entirety of their lifespan" (consultation at p. 47) runs counter to what is required to model and inspire an equitable global phaseout of oil and gas production aligned with the 1.5°C limit. Under this approach, the UK could still be producing oil and gas beyond 2050. Yet, 2050 is a deadline by which global fossil fuel production should be phased out under precautionary pathways aligned with limiting temperature rise to 1.5°C.[100]

b. For the world to be on track to phase out fossil fuels by 2050, countries like the UK must commit to and plan for an orderly phaseout of oil and gas production on a much faster timeline. This stems from the UK's commitment under the Paris Agreement to develop pledges and strategies that reflect the principle of common but differentiated responsibilities and respective capabilities.[101] The UK's fossil fuel pollution and extraction has contributed disproportionately to the climate crisis,[102] while aiding the UK to become one of the world's wealthiest economies, pointing to its responsibility to be one of the countries doing the most to solve the problem.

c. When it comes to capacity to phase out oil and gas extraction, it is both practical and just that countries with the highest incomes, the least dependence on oil and gas revenue and exports to fund government budgets, and the most diversified economies should move first and fastest while also committing their fair share to finance a just transition globally.[103]

d. **Assessments that apply criteria of economic capacity and responsibility to 1.5°C-compatible pathways find that the UK should be aiming to phase out North Sea oil and gas extraction by the early 2030s,** alongside its regional peers and other wealthy producers such as Canada and Australia.[104] While a rapid phaseout of extraction will bring challenges

---

[100] Dan Calverley and Kevin Anderson (2022), *Phaseout Pathways for Fossil Fuel Production Within Paris-compliant Carbon Budgets*, https://research.manchester.ac.uk/en/publications/phaseout-pathways-for-fossil-fuel-production-within-paris-complia; Civil Society Equity Review (2023), *An Equitable Phaseout of Fossil Fuel Extraction: Towards a reference framework for a fair and rapid global phaseout*, https://equityreview.org/extraction-equity-2023.

[101] "Paris Agreement," conclusion date: December 12, 2015, United Nations Framework Convention on Climate Change, https://unfccc.int/sites/default/files/english_paris_agreement.pdf at Articles 2.2, 4.3 and 4.19.

[102] Simon Evans (2021), "Analysis: Which countries are historically responsible for climate change?," https://www.carbonbrief.org/analysis-which-countries-are-historically-responsible-for-climate-change/.

[103] Greg Muttitt and Sivan Kartha (2020), "Equity, climate justice and fossil fuel extraction: principles for a managed phase out," *Climate Policy*, https://doi.org/10.1080/14693062.2020.1763900; Calverley and Anderson (2022), *Phaseout Pathways for Fossil Fuel Production Within Paris-compliant Carbon Budgets*, op. cit.; Civil Society Equity Review (2023), *An Equitable Phaseout of Fossil Fuel Extraction,* op. cit.

[104] Calverley and Anderson (2022), *Phaseout Pathways for Fossil Fuel Production Within Paris-compliant Carbon Budgets,* op. cit.; Civil Society Equity Review (2023), *An Equitable Phaseout of Fossil Fuel Extraction,* op. cit.

everywhere, the UK rises to the top ranks of countries capable of managing those challenges head-on, in a way that minimises social and economic costs.

e. For an illustrative comparison, UK oil and gas production accounts for around 0.16% of public revenues and employs 0.35% of the UK workforce (when including indirect employment).[105] In Iraq, oil and gas provides 88% of public revenues, on which vital public services and 3.4 million public sector workers – or 33% of the total workforce – depend.[106] For major producers such as Iraq with dependence on oil and gas for economic stability, it is reasonable to expect that it will take several decades – and significant international finance and support – to diversify and transition the economy off of extraction without deepening poverty. Leaving enough space in the global carbon budget for highly fossil fuel-dependent economies to transition requires the UK and its wealthy, diversified peers to commit to and implement a phaseout within a decade.
f. While managing such a rapid phaseout will be challenging, it is possible – if the Government commits to the scale of public investment and coordination, public engagement, and regulatory certainty required to steer its speed and deliver a just transition. The barriers are not technical – they are political.
g. In fact, the UK has committed to and executed significant energy transitions related to coal within a decade's time before, through a mix of direct regulation and coordination and fiscal incentives. In these cases, it should be noted that the phaseout of coal offers a number of lessons for the current Government. The phaseout of coal power came alongside the abrupt and catastrophic closure of coal mines without consultation or alternatives for workers. A significant number of deindustrialised and deindustrialising areas across the UK are still suffering the consequences of this unjust transition and the government should be extremely wary of repeating mistakes. At the same time, they show the potential of government intervention to drive rapid shifts:
    i. Following the discovery of oil and gas fields in the North Sea, the then publicly owned British Gas Corporation ran a 10-year conversion programme to switch the UK's entire heating network from coal-derived "town gas" to natural gas, employing teams of installers to inspect and where possible retrofit every gas appliance in every home.[107]
    ii. As of 2024, the UK became the first G7 country to phase out coal power, after announcing a 2025 deadline to do so in 2015. This milestone was made possible both by ending construction of new coal capacity that would have to be retired prematurely, tipping the

[105] Civil Society Equity Review (2024), *Fair Shares, Finance, Transformation: Fair shares assessment, equitable fossil fuel phase out, and public finance for a just global climate stabilization*, https://doi.org/10.6084/m9.figshare.27666531, at page 15.
[106] Civil Society Equity Review (2024), *Fair Shares, Finance, Transformation,* op. cit. at page 15.
[107] Clare Hanmer and Simone Abram, "Actors, networks, and translation hubs: Gas central heating as a rapid socio-technical transition in the United Kingdom", *Energy Research Social Science*, 34, 2017, http://dro.dur.ac.uk/23832/1/23832.pdf?DDD5+

economic scales towards alternatives, and setting a clear phaseout timeline in advance that created policy certainty.[108]

h. By contrast, recent moves by the UK Government to backtrack on end-dates for the sale of gas boilers and internal combustion cars have created market confusion and uncertainty, the opposite of what is required to drive rapid transitions. Studies on past and planned phaseouts demonstrate that setting an end-date can have four positive effects:
    i. A clear policy signal: Companies know that the date is coming, and adapt their plans accordingly.[109]
    ii. Helping governments and workers anticipate the speed of job transitions required, and scale up support in time to make a just transition possible.[110]
    iii. Stimulation of innovation in alternatives, to capitalise on the opportunity provided by the end-date.[111]
    iv. Minimisation of transition costs.

i. **Setting and meeting an accelerated end-date for UK production will require much stronger government intervention and regulation on multiple fronts to ensure the phaseout is happening in a sufficiently fast, fair, funded, and planned way.** The Government must recognise that rapid transitions will not be achieved in time or deliver necessary public benefits if left to private companies and market incentives alone. In particular, the Government will need to:
    i. Review policies and legal avenues to renegotiate existing licences and production permits, revoke them, or both;
    ii. Speed up proactive transition planning and protections for workers [see Q 2, 3a, and 4a];
    iii. Scale up public investment and ownership in industries that create jobs [see Q1b]; and
    iv. Ensure pay, conditions, and rights floors across the energy industry [see Q 3b, 3c, and 5c].

104. **Fully fund just transitions at home and abroad – by mobilising the scale and quality of public funding required to support workers and communities in the UK and to meet the UK's international climate finance obligations:**

---

[108] Molly Lempriere and Simon Evans (2024), "Q&A: How the UK became the first G7 country to phase out coal power," https://interactive.carbonbrief.org/coal-phaseout-UK/index.html.
[109] Karl Sperling et al. (2021), *Denmark without Oil and Gas Production: Opportunities and Challenges*, https://oilandgastransitions.org/resources/reports/denmark-without-oil-and-gas-opportunities-and-challenges.
[110] Ben Caldecott, Oliver Sartor, and Thomas Spencer (2017), *Lessons from previous 'Coal Transitions' High-level Summary for Decision-makers, IDDRI and Climate Strategies*, https://www.iddri.org/sites/default/files/import/publications/coal_synthesisreport_v04.pdf#page=6&zoom=page-width,-17,393, at pages 8-10.
[111] Jonas Meckling and Jonas Nahm (2019), "The politics of technology bans: Industrial policy competition and green goals for the auto industry," *Energy Policy*, https://doi.org/10.1016/j.enpol.2018.11.031; Gregory Trencher et al. (2022), "The rise of phase-out as a critical decarbonisation approach: a systematic review," *Environmental Research Letters*, https://doi.org/10.1088/1748-9326/ac9fe3.

a. A rapid phaseout of fossil fuel extraction in the UK and globally will only be politically possible if it is done in a fair way that leaves nobody behind. This depends on the UK committing to a larger scale of public funding at home as well as paying its fair share of climate finance globally on fair terms, through grants rather than loans. The UK Government has the opportunity to free up the required funding through readily available tax and other financial policy changes that will combat inequality, cost-of-living, and climate crises all at once, bringing mutual benefit to currently fossil fuel-dependent workers and communities in the UK and in Global South countries alike.
b. The UK has shown critical global leadership in ending its international public finance for fossil fuels abroad and has championed the Clean Energy Transition Partnership (CETP) initiative which has helped to bring down international public finance for fossil fuels by up to two-thirds (a drop of US$15 billion a year).[112] However, it has not shown equivalent leadership in scaling up the public funds required to drive a just energy transition at home or deliver the climate finance it owes to Global South countries.
c. **Domestically, the Government should be mobilising public funds to enable investment and worker support measures, as outlined in our responses to Questions 1b, 2 and 3a,** to ensure a just and fair transition for oil and gas workers and affected communities.
d. Globally, the failure of Global North governments including the UK to mobilise the public finance they owe to Global South countries for climate mitigation, adaptation, and loss and damage is a key barrier to greater global cooperation on the phaseout of fossil fuels. For the UK to set a globally leading example:
    i. The Government must massively scale up its grants-based international climate finance, including paying its fair share towards a just phaseout of extraction in the Global South.
    ii. The UK also has an opportunity and responsibility to show leadership in supporting initiatives that can help make the global financial system fairer and create fiscal space for Global South countries to fund climate action, including supporting negotiations for an effective UN Tax Convention[113] and supporting efforts to establish a UN debt workout mechanism at the Financing for Development 4 (FfD4) conference.[114]
e. Practically speaking, without international support and a fairer global financial system, a global solution to phase out fossil fuels will not be possible: many Global South countries are being structurally robbed of the resources and economic sovereignty required to fund a just transition, diversify

---

[112] Natalie Jones et al (2024), *Out With the Old, Slow With the New: Countries are underdelivering on fossil-to-clean energy finance pledge,* International Institute for Sustainable Development, https://www.iisd.org/publications/report/countries-underdelivering-fossil-clean-energy-finance-pledge.
[113] Tax Justice Network (2024), "Breaking the silos of tax and climate: climate tax policy under the UN Framework Convention on International Tax Cooperation," https://taxjustice.net/2024/12/09/siloing-climate-and-tax-talks-has-sunk-both-but-the-un-tax-convention-offers-a-lifeline/.
[114] Eurodad (2024), “Why do we need a framework convention on sovereign debt?,” https://assets.nationbuilder.com/eurodad/pages/5448/attachments/original/1732627037/debt-architecture-Q_A-nov20.pdf?1732627037.

extraction-dependent economies, and build renewable-based energy systems all while continuing to meet urgent development needs and pay for escalating climate damages they did little to cause.[115]

f. **Putting the scale of need for international support for a fair phaseout of extraction in context:** Needs-based estimates indicate that Global North countries must provide a minimum of US$1 trillion per year in grants and grant-equivalent finance for mitigation, adaptation, and loss and damage.[116] But these estimates are highly conservative and do not factor in the international support required for phasing out extraction. The UK's existing climate finance pledge, of £11.6 billion annually through 2026, is based on Global North governments' outdated and grossly inadequate prior commitment of delivering US$100 billion annually in climate finance – an amount ten times smaller than the US$1 trillion annual minimum need. The existing pledge also does not factor in or earmark any support towards a fair phaseout of extraction in Global South countries.

g. A 2023 analysis by the Civil Society Equity Review estimates that Global South countries with the least capacity to manage a production phaseout will require international support in the order of hundreds of billions of dollars per year – US$242 billion annually at a very minimum – with the actual need potentially exceeding US$1 trillion annually.[117] That is based on highly preliminary estimates of the need for transition support for impacted workers, targeted economic diversification plans, and cleanup and restoration of polluted sites in fossil fuel-producing countries with low economic capacity. This would be *additional* to other mitigation, adaptation, and loss and damage finance needs.

h. **Based on the UK's economic capacity and responsibility for historical climate pollution, the same study estimates the UK owes a <u>minimum</u> of US$11 billion (£8.25bn) annually to support Global South countries in phasing out extraction alone.[118]** Again, this type of support is not even accounted for within the UK's existing pledge.

i. Thus, the UK's full fair share towards climate mitigation, adaptation, and loss and damage needs, including the phaseout of extraction, would be orders of magnitude larger than what the Government has pledged to date.

j. **As it stands, the UK is undermining global trust and cooperation on climate by failing to deliver its fair share of quality public finance:**

---

[115] See, for example: The Vicious Cycle: Connections Between the Debt Crisis and Climate Crisis (2023), Action Aid, https://actionaid.org/publications/2023/vicious-cycle#downloads; 2024 Financing for Sustainable Development Report (2024), https://financing.desa.un.org/iatf/report/financing-sustainable-development-report-2024; Jason Hickel et al (2022), "Imperialist appropriation in the world economy: Drain from the global South through unequal exchange, 1990–2015," *Global Environmental Change*, https://doi.org/10.1016/j.gloenvcha.2022.102467.

[116] Oil Change International (2024), "Shifting and Unlocking Trillions for a Just Energy Transition at COP29," https://oilchange.org/publications/shifting-and-unlocking-trillions-for-a-just-energy-transition-at-cop29/.

[117] Civil Society Equity Review (2023), *An Equitable Phaseout of Fossil Fuel Extraction,* op. cit. at pages 27-28.

[118] Civil Society Equity Review (2023), *An Equitable Phaseout of Fossil Fuel Extraction,* op. cit. at pages 27-28.

Instead, the UK's recent track record, including cuts to aid budgets,[119] is impeding progress:

i. At COP29, the UK refused to put forward a specific number[120] towards the "quantum leap[121]" in climate finance required. The UK also promoted a wider "investment" target that would outsource its obligations to the private sector and depend on debt-inducing loans rather than grants.

ii. The Independent Commission for Aid Impact revealed that the UK has used accounting tricks and rising proportions of loans to claim progress towards meeting its existing, inadequate climate finance target.[122]

iii. This move away from prioritising grants-based financing towards loans and using public money to mobilise larger sums of private investment has failed to deliver on the Sustainable Development Goals and also has a poor track record in the energy sector specifically.[123] This approach risks exacerbating a worst-in-history debt crisis that is stymieing climate action and deepening poverty and inequality in the Global South.

105. **The positive news is that the public money on the scale required to fund just transitions in the UK and internationally is readily available.** It is not a matter of finding the money, but of mustering the political will to mobilise it.

a. OCI analysis shows that Global North countries on the whole have the means to mobilise well over US$5 trillion a year for climate action at home and to meet their international obligations by ending fossil fuel handouts, making big polluters pay, and changing unfair global financial rules.[124]

b. To contribute to such efforts, the UK should at the global level:

i. **Support a strong UN Tax Convention:** one of these revenue raising options include cracking down on tax evasion. The UK was one of the few countries alongside the United States to vote against the Terms of Reference for negotiating a UN Tax convention. However, negotiations

---

[119] Kat Lay (2025), "'This will cost lives': cuts to UK aid budget condemned as 'betrayal' by international development groups," *The Guardian*, https://www.theguardian.com/global-development/2025/mar/02/this-will-cost-lives-cuts-to-uk-aid-budget-condemned-as-betrayal-by-international-development-groups.

[120] Joe Lo (2024), "UK calls for "ambition" on COP29 climate finance goal but won't talk numbers," *Climate Home News*, https://www.climatechangenews.com/2024/09/17/uk-calls-for-ambition-on-cop29-climate-finance-goal-but-wont-talk-numbers/.

[121] Joe Lo (2024), "UN climate chief calls for "quantum leap in climate finance," *Climate Home News*, https://www.climatechangenews.com/2024/04/10/un-climate-chief-calls-for-quantum-leap-in-climate-finance/.

[122] Independent Commission for Aid Impact (2024), "UK's £11.6bn climate finance commitment at risk as aid resources stretched," https://icai.independent.gov.uk/uk-climate-finance-commitment-at-risk-as-aid-resources-stretched/.

[123] Oil Change International (2024), "COP29 Explainer: Why we can't rely on the private sector to finance the energy transition," https://oilchange.org/blogs/cop29-explainer-why-we-cant-rely-on-the-private-sector-to-finance-the-energy-transition/.

[124] Oil Change International (2024), "We Can Pay For It: Measures for rich countries to raise public funds for the new climate finance goal and other domestic and international public interest priorities," https://www.oilchange.org/wp-content/uploads/2024/09/Fact-Sheet-We-can-pay-for-it-1.pdf.

are now underway and if the UK were to support a strong UN Tax Convention, the global impact in unlocking funds would be massive. For example: cracking down on tax evasion could raise an estimated US$483 billion a year worldwide.[125]

ii. **Support debt relief and the establishment of a UN Framework Convention on Sovereign Debt:** At the Financing for Development 4 (FfD4) conference taking place in June in Seville, the UK has an opportunity to support calls from Global South countries for immediate debt relief and to establish a UN Framework Convention on Sovereign Debt, while avoiding placing increased emphasis in the role of the private sector and private finance in development and climate action.[126] Working with other G7 countries to cancel debt payments in low- and lower-middle income countries could unlock US$109 billion a year.[127]

c. At the domestic level, research by Patriotic Millionaires and Tax Justice UK outlines how the UK Government could raise over £60 billion a year to boost public services and tackle the climate emergency through ten reforms to tax wealth more, end and redirect fossil fuel subsidies, and close tax loopholes.[128]

d. Tax Justice UK, Oxfam GB, and Global Witness have put forward a policy platform, “Taxing Polluters: for a fairer, greener society,” supported by over 35 civil society organisations and networks, that includes an array of available measures to apply the Polluter Pays Principle to raise billions in revenue per year to tackle climate and cost-of-living crises.[129]

e. A forthcoming briefing from OCI shows how the UK can raise over £6 billion through readily available revenue raising measures to support a specific package of emergency transition measures for North Sea oil and gas workers.

106. Pursuing these solutions is a win-win – doing so would shift money out of sectors fueling climate damage and rising inequality and free up money to tackle both. We have seen the impact that UK policy precedents can have in encouraging a step-up in global ambition in removing harmful forms of finance.

107. In the case of ending international public finance for fossil fuels, the UK’s leadership in being the first G20 country to commit to ending its international fossil fuel finance[130]

---

[125] Tax Justice Network, Global Alliance for Tax Justice, and Public Services International (2021), “The State of Tax Justice 2021,” https://taxjustice.net/wp-content/uploads/2021/11/State_of_Tax_Justice_Report_2021_ENGLISH.pdf.

[126] Eurodad (2024), "Why do we need a Framework Convention on Sovereign Debt?," https://www.eurodad.org/un-debt-qa; Civil Society Financing for Development Mechanism, "Our Demands," last accessed 24 April 2025, https://csoforffd.org/our-demands/?locale=en.

[127] Oil Change International (2024), "We Can Pay For It,” op. cit.

[128] Patriotic Millionaires and Tax Justice UK (2025), "How to raise £60 billion for public services: our ten tax reforms," https://patrioticmillionaires.uk/latest-news/policy-recommendations-2025.

[129] Tax Justice UK, Oxfam GB and Global Witness (2025), "Taxing polluters for a fairer, greener society: Joint civil society policy platform," https://globalwitness.org/en/campaigns/fossil-fuels/taxing-polluters-for-a-fairer-greener-society-joint-civil-society-policy-platform/.

[130] "PM announces the UK will end support for fossil fuel sector overseas" (2020), https://www.gov.uk/government/news/pm-announces-the-uk-will-end-support-for-fossil-fuel-sector-overseas.

led to the creation of the Clean Energy Transition Partnership,[131] which now has 40 signatories and has had the real-world impact of reducing signatories' international public finance into fossil fuels by two-thirds.[132]

108. Now it is time for the UK Government to step up and set a globally leading example for funding the solutions to phase out fossil fuel production – through mobilizing public funding at the scale needed to support UK workers and communities, while paying its fair share on fair terms to enable an equitable global phaseout.

Question 11b: Is there anything else you think should be considered in the Government's definition of i) licensing and ii) new fields? What would be the case for doing so, including consideration of the commercial and environmental impacts?

109. In regard to defining licensing, the Government takes a sensible approach of ruling out issuing any new licences "that enable exploration and/or production activities to search and bore for and get petroleum resources" (at p. 49), regardless of the licensing mechanism.
110. However, **the Government must correctly define 'new fields' to align with standard industry and regulatory definitions, and to show it is serious about aligning policy with climate reality and the science on fossil fuels.** New fields, by standard definitions applied by the IEA,[133] the NSTA,[134] and peer-reviewed research,[135] refer to fields that have not yet been developed for extraction. This includes projects within existing licences that are awaiting development consent from the government and/or a company final investment decision.
111. In the consultation, the Government erroneously conflates the definitions of a new licence and a new field in stating (at p. 49):

> *We consider a 'new field' to encompass all offshore 'blocks' or 'part blocks' (areas) where there is not currently a licence assigned to support the exploration and/or production of petroleum resources. [...] It would not include any UKCS 'blocks' (areas) where there is a valid licence to search and bore for and get petroleum resources.*

---

[131] "Clean Energy Transition Partnership," https://cleanenergytransitionpartnership.org/.
[132] Natalie Jones et al (2024), *Out With the Old, Slow With the New: Countries are underdelivering on fossil-to-clean energy finance pledge,* International Institute for Sustainable Development, https://www.iisd.org/publications/report/countries-underdelivering-fossil-clean-energy-finance-pledge.
[133] IEA (2023), *The Oil and Gas Industry in Net Zero Transitions*, https://www.iea.org/reports/the-oil-and-gas-industry-in-net-zero-transitions. Figures 1.11 and 1.13 show that supply from existing and approved oil and gas extraction projects globally exceed a 1.5°C-compatible scenario. 'New fields' and 'new supply' refer to any projects that have not yet been approved for development, including within existing licences.
[134] When the NSTA projects illustrative scenarios for UK production without the development of any 'new fields', it is referring to a scenario in which no new fields are brought into production within *existing* licences, as well as no *new* licences being granted: NSTA (2025), "Production and expenditure projections," last accessed 25 April 2025, https://www.nstauthority.co.uk/data-and-insights/insights-and-analysis/production-and-expenditure-projections/; NSTA (2024), "UK Oil and Gas Reserves and Resources," https://www.nstauthority.co.uk/media/vtjkyqnf/uk-reserves-and-resources-report-as-at-end-2023.pdf. "New field developments" and "Proposed new developments" refer to projects that have received or are seeking development consent within existing licences.
[135] Green et al (2024), "No new fossil fuel projects," op cit.; Trout et al. (2022), "Existing fossil fuel extraction would warm the world beyond 1.5 °C," op. cit.

112. The Government's definition suggests that any area within an existing licence is an existing field, even if it is not yet approved for development. This is contrary to standard industry and regulatory understandings of the lifecycle of oil and gas development. It is commonly understood that existing licences include a combination of:
    a. ***existing fields*** already in production;
    b. proposed ***new fields***, or projects companies are seeking consent to develop;
    c. discoveries under evaluation for field development;
    d. areas undergoing exploration.
113. By collapsing the categories of new licences and new fields in the consultation, **the Government appears to be trying to create a loophole for claiming greater climate leadership than it is committing to in reality.**
114. As detailed in response to Question 11a, aligning global oil and gas production with the 1.5°C limit requires putting an end to both new licences and new fields, whereas the consultation proposes taking only the first step.
115. Such a position is inconsistent with what is required to stabilise the climate. Burning the oil and gas in already producing fields alone would push the world far beyond 1.5°C of temperature rise.[136] When the IEA concluded in 2021 that "beyond projects already committed as of 2021, there are no new oil and gas fields approved for development" in a 1.5°C-consistent scenario[137] – a finding consistent across a wide array of feasible 1.5°C scenarios[138] – it was referring to any field not yet approved for extraction.
116. Importantly, **it is approving development of a new field or project, rather than issuing a new licence, that has the greatest effect in locking in new carbon pollution.** A new licence triggers investment in exploration to *discover* new fields, but does not lock a company into a production plan. As the consultation notes (at p. 48), very few newly issued licences have progressed to production in recent years. However, when a company receives Government consent for a new field, such as Rosebank or Jackdaw, and subsequently makes a final investment decision to sink millions or billions of dollars into developing it, it represents a commitment to extraction and emissions that cannot be easily reversed or avoided. Companies will be incentivised to keep producing to recoup their invested capital and then to maximise profits, while the Government faces higher regulatory and legal hurdles to stopping production once consent has been given.[139]
117. The landmark *Finch* ruling that led to development consents for Rosebank and Jackdaw being quashed recognises this pollution lock-in effect. The Court found that once a new oil and gas project is approved, in this case an onshore well, the emissions and significant climate effects associated with burning its reserves are "not merely likely, but inevitable."[140]

---

[136] Trout et al. (2022), "Existing fossil fuel extraction would warm the world beyond 1.5 °C," op. cit.
[137] IEA (2021), *Net Zero by 2050*, https://www.iea.org/reports/net-zero-by-2050, at page 21.
[138] Green et al (2024), "No new fossil fuel projects," op cit.
[139] Green et al (2024), "No new fossil fuel projects," op cit.
[140] Finch Judgment. (2024). R (on the application of Finch on behalf of the Weald Action Group) v Surrey County Council and Others [2024] UKSC 20. Retrieved from: Supreme Court: https://www.supremecourt.uk/cases/uksc-2022-0064.html, page 3, paragraph 7.

118. The Government's misleading conflation of 'new fields' with 'new licences' is misaligned with the science of fossil fuels, and its own regulatory regime. **If the Government is serious about setting a globally leading example on climate, it must correctly define a 'new field' as any field not yet approved for extraction, and commit to ruling out <u>both</u> new licences and new field development.**

119. In regard to existing licences, it is also important to recognise that the UK will need to phase out its production within a decade, before many existing licences would terminate, for the climate safety and equity reasons detailed in response to <u>Question 11a</u>. This will require ending development consent for new fields within existing licences while also setting an accelerated phaseout and decommissioning schedule for already producing fields. In this regard, **the Government should study and consult on legal avenues to renegotiate existing licences and production permits, revoke them, or both. The logical first step would be to rule out the granting of 'licence extensions'.**

Question 13a: Which of the following options for revising the principal objectives, if any, do you prefer?

- **Revised single principal objective**
- Introduction of sub-objectives
- Multiple primary objectives
- Other: Please specify
- Don't know
- Prefer not to say

120. We support a revised single principal objective.

Question 13b: Please share your rationale for your answer to question 13a. If you prefer the introduction of a revised single principal objective, or the introduction of sub-objectives or multiple primary objectives, please outline what you think the objective(s) should cover.

121. As recognised by the Government in the consultation document, the current objective for the NSTA, of Maximum Economic Recovery, is not fit for purpose and must be removed and replaced.
122. It is disappointing that the consultation document seeks to ask how many or types of objectives a revised NSTA should have, but does not make concrete suggestions as to what those should be.
123. As outlined above in our answer, the need to wind down production in the UK North Sea is urgent, and therefore the regulator should have a single primary objective that reflects that. We would suggest that the NSTA should have a revised principal objective that sets out a responsibility to manage a rapid, just, and orderly phaseout of oil and gas production in line with our legal obligations under the Paris Agreement, and which protects North Sea workers and affected communities.
124. An objective that includes "maximising the economic benefits … of existing fields" (at p. 54) would be at cross-purposes with the UK's climate obligations: The Paris Agreement commits countries to pursue action that reflects their capacity and

responsibility. As outlined under Question 11a, that means the UK should be among the countries globally moving fastest to phase out production within existing licences, rather than maximising their lifetimes.

125. Creating multiple objectives, where this competes against or must be balanced with, for example, energy production and security, risks watering down progress towards our legally binding obligation under the Paris Agreement, and also leaves the mandate open to interpretation if a future government is less committed to a transition.

Question 14a: What are your views on the ideas for reforms to the NSTA's powers considered above?

126. The current North Sea Transition Deal between industry and the NSTA has been broadly perceived to be insufficient and created without the input of workers or trade unions. Objectives for a 50% reduction in production emissions by 2030 fall well short of the 68% deemed feasible by the CCC, and as they are voluntary, leave the NSTA with very little enforcement power where operators do not make the necessary changes.
127. In reforming the NSTA, the North Sea Transition Deal must be scrapped and replaced with a legally binding plan – co-produced with workers, trade unions and affected communities – for a rapid, just, and orderly phaseout of oil and gas production in line with our legal obligations under the Paris Agreement.
128. Reforms to the NSTA's powers should see a regulator with significantly more enforcement power, in order to achieve its mandate of a phaseout of oil and gas production. This reset should also be an opportunity to bring some of the NSTA's functions back into the UK Government in the Department for Energy Security and Net Zero to ensure the transition is managed in the public interest, whereas currently the NSTA operates at arms-length. Looking at the enforcement power of Norway's regulator can be illustrative here.
129. Furthermore, the NSTA should be focused on winding down production, rather than having a lead role or responsibility in expanding renewable alternatives. The NSTA was established through a review process driven by oil and gas industry interests. Its historic closeness with the oil and gas industry makes it a poor fit for fairly managing the rapid scale-up of renewable solutions in the public interest.
130. Decommissioning is a crucial, and yet often overlooked part of the oil and gas project lifecycle, and the UK is well behind on decommissioning responsibilities. To assist with this, any reform of the powers of the NSTA should ensure that operators meet their legal obligations in respect of decommissioning while limiting default risk. This means new powers to ensure better coordination of work by imposing time limits, taking financial security from operators when necessary, and imposing sufficient penalties on operators that do not comply.