

T	
E	+44 (0) 20 7215 5000
W	enquiries@beis.gov.uk www.gov.uk

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Navraj Singh Ghaleigh
Senior Lecturer in Climate Law
University of Edinburgh

By Email: n.ghaleigh@ed.ac.uk

Dear Mr Ghaleigh,

Thank you for your email of 18th October, about Cambo oil field

The Prime Minister is grateful to you for having taken the time to write. I have been asked to respond on his behalf.

As we move towards net-zero, oil and gas will play a smaller role in meeting UK energy demand. However, it will continue to play an important role. All scenarios proposed by the Climate Change Committee setting out how we could meet our 2050 net zero emissions target include demand for oil and natural gas.

The UK Continental Shelf is a mature oil and gas basin where production is declining. We expect this rate of decline to be broadly in line with our domestic demand as we transition to cleaner sources of energy. Even with continued development, this decline is expected to continue, and we expect the UK to remain a net importer of both oil and gas throughout. This means that a faster decline in UK production would result in the UK importing more oil and gas from other countries on a net basis.

The Cambo field is not a new project: it was licensed in 2001 and 2004 and is going through the normal regulatory approval process, which all licensed projects are required to complete before progressing to production. Following extensive exploration and appraisal over the past twenty years, Cambo's operators have now submitted their proposals for developing the field. As is normal for such a site, our regulators (the Oil and Gas Authority, OGA, and the Offshore Petroleum Regulator for Environment and Decommissioning, OPRED) submit these proposals to extensive scrutiny, including a full environmental impact assessment and a public consultation. The OGA and OPRED have yet to approve these proposals.

All previously licensed fields, such as Cambo, are accounted for in terms of projected production and estimated emissions and we are confident that they can be developed, even as we seek to achieve our commitment to net zero by 2050. Looking forward, the

Government will introduce a climate compatibility checkpoint which will be used to assess whether any future licensing rounds remain in keeping with our climate goals. We have committed to launching the checkpoint by the end of 2021.

You might also like to know that the recently updated OGA Strategy includes a requirement for industry to take appropriate steps to support the delivery of the net zero target. Under the new strategy, the OGA has introduced new expectations on how North Sea oil and gas assets will be managed in the least polluting way. The OGA and OPRED will hold industry to account on emissions reduction targets by tracking and monitoring performance.

I hope you find this information useful.

Yours sincerely,

BEIS CORRESPONDENCE UNIT