



Michael Matheson MSP, Cabinet Secretary for Net Zero, Energy and Transport,  
Mairi Gougeon MSP, Cabinet Secretary for Rural Affairs and Islands  
Kate Forbes MSP, Cabinet Secretary for Finance and the Economy

St Andrew's House  
Regent Road  
Edinburgh  
EH1 3DG

Dear Ministers,

We note with considerable concern the announcement last week that the Innovation and Targeted Oil and Gas (INTOG) leasing round will be further delayed until August and is being extended to a 3-month window.

This is hugely frustrating for businesses bidding into this leasing round who have worked extremely hard to satisfy the original timescales set by the Scottish Government. Our members have reported that they are ready to go but that these latest delays may knock investor confidence.

As you will be aware, the original INTOG design consultation was supposed to lead to a scheme outline in autumn 2021. This was then pushed back several months to February 2022 and now pushed back once again for a further six months.

Aberdeen and Grampian Chamber of Commerce, the North-east's leading business membership organisation, harbours serious concerns about these successive delays and the impact upon the energy sector, our regional supply chain and how this could impact upon meeting emissions targets.

Every month of delay equates to a further 1.5 million tonnes of further CO2 emissions and puts the North Sea Transition Deal target of a 25% reduction in offshore production emissions further out of reach. Platform decarbonisation through electrification and e-fuels is a critical part of achieving and surpassing this target.

Given the multibillion-pound infrastructure investment required for successful basin-wide decarbonisation in the North Sea, we firmly believe the INTOG process should be prioritised. It has huge potential to create substantial numbers of green jobs, several years before those associated with ScotWind, while also laying foundations for build capacity which will come from realising our offshore wind potential thereafter.

At a time when the UK government's windfall tax is impacting upon investment decisions and operator confidence, we need INTOG to move forward without delay to allow the energy sector to play its part in meeting emissions reduction targets and not missing out on 'first mover' advantage in terms of new technology.

Yours sincerely,



Russell Borthwick  
**Chief Executive**