



**Aberdeen &  
Grampian  
Chamber of  
Commerce**

Anas Sarwar MSP  
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Dear Anas,

We were deeply concerned to read reports in the Sunday Times about UK Labour's intentions to block all new North Sea oil and gas licensing.

Aberdeen and Grampian Chamber of Commerce is the largest chamber by membership in Scotland and among the most active in the UK, representing 1,200 organisations which collectively employ around 100,000 people. Approximately a third of these are energy and supply chain firms, and many of the rest depend in turn on the truly world-class industry based in our region which has been established over many decades.

It cannot be overstated how damaging the adoption of such a hardline policy would prove in terms of lost jobs and opportunities, damage to the UK's economy and a backwards step in the partnership working between industry and government in the shared mission to reach net zero.

Nobody in the energy sector dismisses the need to reach net zero and to reduce our carbon emissions in order to play our part to address climate change. But that transition must be properly managed, with a joint consensus between industry, government and the public at large, if we are to stand any chance of succeeding in that goal.

We cannot allow the mistakes of the 20th century to be repeated. Too many of Scotland's communities still bear the scars of deindustrialisation. It would be unforgivable to allow Aberdeen and the North East of Scotland to succumb to that same fate.

Of the 200,000+ energy jobs across the UK, approximately one quarter are located in our region. The excellent 'Making the Switch' report produced last year by Robert Gordon University sets out both the opportunity for Aberdeen to become a global energy hub and the need to sustain and develop existing skills to deliver the energy transition. But it also outlines how damaging failure could be, with 17,000 direct energy jobs and many more induced ones, lost from the region for good by 2030. The choice between those two futures will be determined in large part by governments pursuing the right policies.

At your party's Spring Conference this year you stated that in order to deliver on the key principles of achieving net zero, the approach has to be "jobs first" and that leaders in the oil and gas sector must be involved in ensuring this commitment is met. It was therefore particularly disappointing that the Sunday Times story emerged with apparently no consultation between the Labour Party and industry. Indeed, the news has shocked and angered many within the sector as well as one of the country's biggest trade unions.



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Furthermore, you have spoken about the requirement to deliver energy security in a way which ensures “we are not relying on big imports from abroad”. If we were to follow a policy of blocking new licensing it would create the opposite effect: driving increased reliance upon costlier, less secure and more carbon intensive imports of oil and gas. This would be a backwards environmental and economic step.

We hope that you will support the businesses and the workforce we represent by doing the following:

- Clarify whether you support calls to block new oil and gas development in the North Sea, as suggested by your UK Labour colleagues this week, or confirm if you are in favour of supporting the development of new fields.
- Speak up for Scotland’s energy sector to your UK Labour colleagues and encourage better understanding of the damage their ill-advised announcements will have on jobs and investment.
- Agree to meet with Aberdeen and Grampian Chamber of Commerce and the businesses we represent, to hear first-hand their serious concerns about Labour’s strategy and work with us as we all seek to rise to the challenge of securing clean, green, affordable energy and jobs that will underpin a net zero future.

Yours sincerely,



Russell Borthwick  
Chief Executive