



Gillian Martin MSP Minister for Energy Scottish Government St Andrew's House Regent Road Edinburgh EH1 3DG The Hub Exploration Drive Aberdeen Energy Park Bridge of Don Aberdeen AB23 8GX

T 01224 343900 E info@agcc.co.uk www.agcc.co.uk

01 June 2023

Dear Gillian,

We were very pleased to note your comments this week in response to Labour's proposals to block licensing of new oil and gas in the North Sea.

As you know, Aberdeen and Grampian Chamber of Commerce have long advocated a more reasoned debate around energy transition and the integral role that our oil and gas sector will continue to play through that process for many years to come.

We agree with you that this policy position from Labour is both "too simplistic", "lacks nuance" and will undermine the confidence of those working within the energy industry.

AGCC took further encouragement from your ministerial colleague Mairi McAllan's comment that stopping all future activity in the sector would be "wrong".

We were delighted to welcome Ms McAllan to make a keynote speech at the launch of the findings of our 37th Energy Transition (ET37) survey in Aberdeen last week. We have also shared this with Scottish Government officials and with you in your capacity as constituency MSP for Aberdeenshire East.

While there are many grounds for optimism in ET37, including an uplift in renewables activity, the most remarkable finding is a very worrying drop in sector confidence, seemingly driven by government policy (including taxation).

Furthermore, there are significant challenges in terms of staff recruitment in key roles at all levels within the energy sector, which is hampering firms' objectives over the long terms — an area in which you have shown considerable interest and undertaken a great deal of valuable work in recent years.

We hope you might find time, perhaps over the summer recess, to meet with the Chamber policy team and some of our members to discuss these findings in further detail. We would be grateful if your office could contact our policy adviser, Fergus Mutch, to arrange a suitable date — fergus.mutch@agcc.co.uk

Yours sincerely,

MILLU NO Mill

Russell Borthwick Chief Executive



