



Michael Marra MSP
Scottish Labour
The Scottish Parliament
Edinburgh
EH99 1SP

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The Hub
Exploration Drive
Aberdeen Energy Park
Bridge of Don
Aberdeen
AB23 8GX

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

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Dear Mr Marra,

We were deeply concerned to read recent 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 must not 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.

We took some encouragement from further reports in the media this week that you had raised concerns with colleagues about the potential impact of blocking new licensing upon tens of thousands of jobs in the energy sector. We hope that you will continue to speak up for the North East workforce you represent as these discussions continue.

In recent weeks Aberdeen and Grampian Chamber of Commerce published the findings of our 37th Energy Transition survey (ET37), which we have shared with your office. 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). The research was undertaken long before UK Labour's latest proposals were briefed to the media. No doubt they would compound existing concerns in the energy sector.

We would like to invite you to meet with our policy team and some of our members in the coming weeks to discuss all of these matters in greater detail. Please let our policy executive Heather Morrell know when you might be available to for a meeting or call — heather.morrell@agcc.co.uk

Yours sincerely



Russell Borthwick
Chief Executive