Task force must examine netzero plan to safeguard 200,000 jobs, says trade body



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A business network has called for an independent task force to examine the plans for <u>North Sea</u> energy transition and to safeguard about 200,000 jobs.

The <u>British Chambers of Commerce</u> (BCC) made the plea after publishing a report on Monday in which they said there must be a balance that "preserves the investment and skills needed for the green economy and safeguards thousands of jobs".

The BCC report said it recognised the UK must fulfil its climate commitments, but said current plans for the oil and gas industry risk reducing investment and impacting energy security.

BCC officials have said the independent task force should bring together expertise of all sectors impacted by North Sea operations, including, but not limited to the energy sector, economists, environmentalists and unions.

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Shevaun Haviland, BCC

The task force would produce a series of recommendations for the <u>Government</u> to an accelerated North Sea transition while maintaining jobs, skills and employment.

The report called for a "national conversation" about the North Sea as a "critical asset".

It highlighted recent estimates that 200,000 direct and indirect jobs across the UK are reliant on the oil and gas industry.

Shevaun Haviland, director general of the BCC, said: "The imperative for net zero is ratcheting up daily as fresh evidence of the damage caused by climate change emerges.

"But it's equally important that we manage this process to avoid catastrophic harm to our economy and workforce.

"We need an effective energy transition which does not cut adrift the tens of thousands of highly skilled people across the UK who rely on the sector for their livelihoods.

"It must also balance the diversity of our power supplies, so that the UK's energy security is not put at risk, and we do not become over-reliant on imported fuels."

She added: "This means having a clear and integrated plan in place as soon as possible.

"Politicians cannot keep kicking the can down the road. It is in everyone's interests to get round the table and find pragmatic solutions.

"There also need to be honest conversations about how this can be financed.

"Plans to reduce capital and investment allowances will undermine business confidence in the sector and jeopardise a successful transition."

The director concluded that if private investment in the energy sector is put at risk, then "the repurposing of infrastructure and the pathway forward are also put in doubt."

She said: "We are therefore calling for the establishment of an independent task force to further our research and support the new Government.

"A partnership approach can create a future for the North Sea which preserves the investment and skills needed for the green economy and safeguards thousands of jobs.

"Last week's announcement that Government will consult on new environmental guidance for the oil and gas sector, provides an opportunity for all parties to shape the fair and just future everyone wants to see. This report provides the framework for this to happen.

"Independent recommendations from a task force will help create a route towards the certainty and confidence that businesses, the workforce, unions and environmental groups can all believe in."

A Department for <u>Energy</u> Security and Net Zero spokesperson said: "We are engaging with industry, workers, trade unions and civil society to provide certainty through a phased and responsible transition in the North Sea.

"Our highly skilled offshore workers will lead the world in a clean energy future with generations of good jobs in clean homegrown power." Acting Cabinet Secretary for Net Zero and Energy Gillian Martin said: "There can be no effective energy transition without drawing on the expertise of the workforce and investment from the oil and gas sector.

"The <u>Scottish Government</u> is working to ensure a just transition for the workforce as we move to our future in green energy.

"Our focus is on energy security, reducing emissions in line with our climate commitments, and delivering affordable energy supplies for households facing soaring bills in energy rich Scotland.

"The Scottish Government will, later this summer, publish our Energy Strategy and Just Transition plan and we will carefully consider this report."