

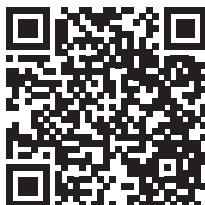


The champions of the offshore industry

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Energy Transition Outlook

In its 2021 *Energy Transition Outlook*, OGUK estimates that emissions from the production, transport and processing of oil and gas in the UK fell to the equivalent of 17.1m tonnes of CO₂ in 2020. This compares with the 2018 figure of 18.9m tonnes (5 percent of the UK's national emissions).



Economic Report

OGUK's Economic Report 2021 provides a detailed insight into our changing energy landscape at a critical time in the national conversation. The need for urgent action, by everyone, to tackle climate change is indisputable. We the UK's changing offshore oil and gas industry, are unequivocal in our support for net-zero. Indeed, we are already in action to improve the production of cleaner indigenous oil and gas while putting our skills to work to help other sectors transform.



Offshore Oil and Gas: Our contribution to the UK economy

We are proud of the role the offshore oil and gas sector plays – and will continue to play – in both the UK and Scottish economy, as well as our commitment to achieving Net Zero by 2050. Using research by economic analysts, Experian, OGUK's *Offshore Oil and Gas: Our contribution to your local economy*, sets out the holistic economic contribution of the offshore oil and gas sector at national, regional and constituency level across the country. Alongside estimates of employment and Gross Value Added, this research also provides visibility of the geographical distribution of the industry and its supply chain across the UK.



www.oguk.org.uk/publications

North Sea Transition Deal - powering a cleaner UK

OGUK chief executive Deirdre Michie sets out what the North Sea Transition Deal means for the future of the UKCS.

As I'm sure you're now aware, after months of collaboration with the UK Government, in March this year OGUK were delighted to announce the successful agreement of the transformational North Sea Transition Deal.

The Deal, which is the first of its kind by any G7 nation, recognises that the oil and gas industry is and will continue to be key in achieving net-zero carbon emissions by 2050. It also looks to futureproof hundreds of thousands of jobs for our energy communities in industrial heartlands across the UK and put our people in the driving seat.

Through this deal, our industry has agreed to move urgently towards a lower carbon future and show global leadership in sustainability. The government, for their part, have agreed to create an internationally competitive and level playing field that prioritises UK energy, jobs, businesses and communities, encouraging innovation and sustaining the investment needed to realise net zero.

Representing months of collaborative work between industry the UK government, this agreement provides five core commitments for both industry and government to follow. Once fully realised, this crucial agreement can deliver our shared net-zero goals at pace, grow the economy and exports, create tens of thousands of jobs, and continue to provide affordable, sustainable energy to millions as we navigate the energy transition. In a year where the eyes of the world are on the UK

as COP26 comes to Glasgow, today's agreement reaffirms that the UK government and the offshore oil and gas industry are committed to a low-carbon future.

The deal comes at the end of what has been an extremely challenging 12 months for our industry. We estimate that by the end of the year as many as 30,000 jobs could be lost. This deal however goes a long way in protecting our resilient workforce, who throughout the pandemic, worked tirelessly to keep our homes lit and our hospitals powered.

And it is this workforce who will be critical in implementing the North Sea Transition Deal. Within our industry exists a level of talent, skill and expertise which will be critical to unlock the challenge of net-zero. For our industry to achieve the lofty targets we've set ourselves on climate, disruptive thinking and brave decision-making from the individuals who make this industry special will be key.

I'd like to take this opportunity to thank the member representatives on the Task Finishing Group, as well as our Sustainability Director Mike Tholen and other OGUK colleagues for their hard work in achieving this landmark agreement. Over the coming months and years, we look forward to showcasing how our industry can play a crucial and constructive role in tackling climate change.

To explain the Deal further, we've put together the animation overleaf.

Lastly, we'd really value your support to make sure this important milestone is publicised as widely as possible. Join us on our net-zero journey and get involved in the conversation by using #TransitionDeal on social media.

Kind regards,
Deirdre Michie OBE
Chief Executive, OGUK



#TransitionDeal





Learn more about the
North Sea Transition Deal
and the work of OGUK



www.oguk.org.uk/nstd

Add yourself to our distribution list
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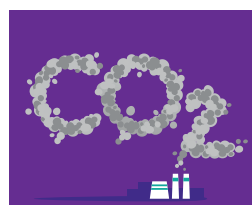
North Sea Transition Deal at a glance:



**01 SUPPLY
DECARBONISATION:**
cutting emissions through an
emissions reduction programme

Cut emissions

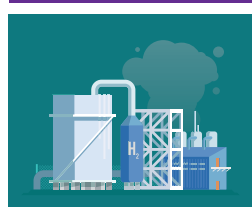
Cut emissions by 60 million tonnes – equivalent to taking 2.5m cars off the road, with 15 million tonnes to be reduced from industry production by 2030



**02 CARBON CAPTURE
& STORAGE:**
capturing carbon released through
production and in society to reduce
UK's carbon footprint

World-leading infrastructure

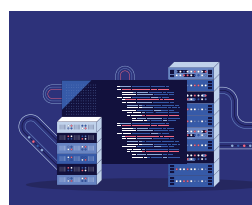
Boost the world-leading infrastructure - carbon capture - scientists (and the Committee on Climate Change) say is necessary to tackle climate change.



03 HYDROGEN:
developing hydrogen revolution
in the UK to provide a realistic
alternative for heating, heavy
industry, and transport

Kickstart hydrogen in the UK

Building a platform to provide a needed alternative for heating, heavy industry, and transport, providing resilience to the energy system as a whole.



**04 SUPPLY CHAIN
TRANSFORMATION:**
developing expertise that underpins
energy-sector wide export growth
from the UK, creating a globally
competitive energy supply chain
with great reputation

Investment for the energy transition

Unlock up to £16bn in investment over the next decade in crucial low carbon solutions



**05 PEOPLE
& SKILLS:**
securing, stimulating, and
creating tens of thousands of
high-quality jobs in industrial
heartlands across UK

Secure & retain jobs

Secure 40,000 energy jobs in industrial heartlands across the UK, ensuring energy communities like Aberdeen and Teesside can successfully transition, retaining jobs and skills and creating a more diverse and inclusive workforce

“OGUK is a not-for-profit organisation, owned by our members. We are the leading representative body for the UK offshore oil and gas industry. We stand up for the issues that matter to your business by engaging with governments, regulators, and the media. By joining us, you will help shape our industry and become part of a leading network that will provide you and your business with many valuable opportunities

Deirdre Michie,
OGUK CEO



OUR MEMBERS, OUR ENERGY

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OGUK encourages all stakeholder to join the debate and support the industry's work in delivering on our climate ambitions.

oguk.org.uk

If you'd like to hear more about membership of OGUK, get in touch with our membership team:

membership@oguk.org.uk

OGUK