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| **Summary** The Rosebank oil field is the biggest undeveloped field on the UK Continental Shelf. Containing nearly 500 million barrels[[1]](#footnote-1) of oil equivalent, it is three times the size of the controversial Cambo oil field, which the Scottish Government publicly opposed last year. The science is clear that there can be no investment in new oil and gas extraction in order to stay within the 1.5ºC target set out in the Paris Agreement. Allowing Rosebank to be developed would be inconsistent with these global climate commitments. New oil and gas fields will not deliver on energy security, as the majority of oil from the North Sea is exported. Developing Rosebank will lock us into the broken energy system that is delivering record-breaking profits[[2]](#footnote-2) for companies like Equinor and pushing millions into fuel poverty, while UK taxpayers carry almost all of the costs of developing the field. We urgently need a just transition to an energy system built on renewables and energy efficiency, which starts by ending oil and gas expansion now. MSPs should individually oppose Rosebank, and should also put pressure on the Scottish Government to set an end date for the extraction of fossil fuels, and follow the precedent they set by opposing the Cambo oil field to call on the UK Government to reject the Rosebank oil field.  |

**Background**

Rosebank is a planned new oil field 80 miles off the Shetland coast in the North Atlantic. An application has been submitted by its operator, the Norwegian oil company Equinor, for UK Government approval to develop the Rosebank field.

**Rosebank will exacerbate climate change**

To turn its rhetoric into action and to meet its climate targets, the Scottish Government must oppose all new oil and gas developments.

The science is clear that new oil and gas fields are incompatible with our climate commitments. Burning Rosebank’s oil and gas would produce over 200 million tonnes of CO2[[3]](#footnote-3), equivalent to the combined annual CO2 emissions of all 28 low-income countries in the world.

To ensure an equitable phase out of fossil fuels in line with the 1.5ºC target set out in the Paris Agreement, research has shown that wealthy countries like the UK must have phased out all oil and gas extraction by 2031, yet Rosebank would still be extracting oil in 2051.

**Rosebank will not deliver on energy security**

Rosebank would be the deepest oil well drilled in UK waters. This makes it a complex, high-cost and risky field to exploit, with any oil extracted not available for many years to come, let alone this winter. [[4]](#footnote-4)

Ninety percent of Rosebank’s reserves are oil, not gas. The majority of this is likely to be exported as nearly 80% of oil produced in the UK is exported. This will be sold on the open market, where prices are set internationally.

The independent UK Climate Change Committee has made it clear that additional UK oil and gas production will not affect wholesale market prices so will not bring energy bills down. Therefore, Rosebank will do nothing to tackle the cost of living crisis.

To address the rising cost of energy, a just transition to renewable energy, coupled with measures to increase energy efficiency, including a nationwide insulation programme, is needed to reduce reliance on volatile fossil fuels altogether.

**Rosebank will cost UK taxpayers over £500 million**

If approved, Rosebank will be developed by Equinor, which is majority-owned by the Norwegian state. The oil extracted from the field will belong to Equinor, adding to its already massive profits. The UK public, however, would carry almost all the costs of developing Rosebank.

Rosebank’s owners will receive over £500 million in taxpayer subsidies to develop the field, through the Investment Allowance in the Energy Profits Levy (windfall tax). The new allowance will see oil and gas companies receive overall a 91% tax relief on investments.

To ensure true energy security and value for taxpayers, investment must be directed towards renewables and energy efficiency measures to create a more reliable, decentralised energy system and permanently reduce bills.

**Just transition**

Equinor suggests that Rosebank will create 1600 jobs, but as most of these are involved in the construction of the field, they admit the long-term number is less than a third of this. Research shows that there could be three jobs created in the renewables industry for every one affected by a transition away from the fossil fuel industry.

The necessary transition away from fossil fuels also risks leaving Rosebank as a stranded asset.

Saying no to Rosebank and setting an end date for fossil fuels is essential to avoid a deferred collapse of the oil and gas industry and enable a planned and just transition that centres the skills, expertise and needs of workers and communities currently dependent on the sector for their livelihoods.

**Scottish Government position on oil and gas**

Last year, the Scottish Government set a precedent for opposing new oil and gas development by announcing its opposition to the controversial Cambo oil field off the coast of Shetland. This followed the First Minister’s announcement that the Scottish Government would no longer support the policy of ‘Maximum Economic Recovery’ of North Sea oil and gas.

Despite the final decision-making power on new oil and gas development being reserved to the UK Government, it is clear that the Scottish Government has the power and the duty to influence decision making on these projects. It can urge the UK Government to act as well as making further fossil fuel expansion unattractive to the industry.

After the Scottish Government publicly opposed Cambo, one of the main funders, Shell, quickly pulled out and the whole project was paused. The Rosebank oil field is three times the size of Cambo’s first phase and would go on extracting oil and gas until 2051[[5]](#footnote-5) - six years after Scotland’s legally binding Net Zero target - therefore the Scottish Government must follow its own precedent and take a stance against Rosebank.

The Scottish Government must oppose Rosebank and use the forthcoming Energy Strategy & Just Transition Plan to chart a clear path away from our broken fossil fuel energy system, to a climate-safe future with clean, affordable renewable energy for all.

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1. [https://www.stopcambo.org.uk/updates/what-is-the-rosebank-oil-field](https://www.google.com/url?q=https://www.stopcambo.org.uk/updates/what-is-the-rosebank-oil-field&sa=D&source=docs&ust=1666865986761651&usg=AOvVaw1_Oe-pFmiGEqKumfXHqCta) [↑](#footnote-ref-1)
2. <https://www.reuters.com/business/energy/equinor-returns-more-cash-owners-q2-profit-beats-forecast-2022-07-27/> [↑](#footnote-ref-2)
3. [https://www.stopcambo.org.uk/updates/what-is-the-rosebank-oil-field](https://www.google.com/url?q=https://www.stopcambo.org.uk/updates/what-is-the-rosebank-oil-field&sa=D&source=docs&ust=1666865986760258&usg=AOvVaw3LfggQ1qgPq8OOy6Tl6Q0r) [↑](#footnote-ref-3)
4. The first oil from Rosebank is not expected until late 2026 <https://www.stopcambo.org.uk/updates/what-is-the-rosebank-oil-field> [↑](#footnote-ref-4)
5. <https://www.stopcambo.org.uk/updates/what-is-the-rosebank-oil-field> [↑](#footnote-ref-5)