

The Role of the Scottish Government in the Phase Out of Oil & Gas

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**Friends of
the Earth
Scotland**

Summary

The Intergovernmental Panel on Climate Change (IPCC) has identified this decade as our last chance to make the “rapid and deep emissions reductions” required to limit warming to 1.5°C¹. At the same time, our current energy system, which is delivering billions in profits to oil and gas companies every year, is pushing millions of people in Scotland into fuel poverty. This means that a rapid and just transition away from fossil fuels to clean, affordable energy is an urgent necessity.

In order to turn rhetoric on climate leadership into action, the Scottish Government must:

- Ensure the new Energy Strategy charts a clear path away from our broken fossil fuel energy system, to a climate-safe future with clean, affordable renewable energy for all.
- Set an end date for phasing out oil and gas production within this decade, and advocate for the UK Government to adopt a similar policy.
- Call on the UK Government to cancel all future licensing rounds for oil and gas in the North Sea, and revoke licences for undeveloped oil and gas fields.
- Reject plans for a new gas power station at Peterhead, and any new infrastructure that would prolong the use of fossil fuels in the energy system.
- Adopt a position of no support for onshore oil and gas fuel extraction, and revoke existing licences.
- Join the Beyond Oil and Gas Alliance as a Core Member.

Introduction

At only 1.1°C warming we are already seeing devastating impacts of the climate crisis around the world, with extreme weather events like the floods in Pakistan and heatwaves across Europe made more likely by warming already locked-in. Global emissions continue to rise, while pledges to cut emissions under the Paris Agreement put us on the path for a deadly 2.8°C heating.² Burning fossil fuels accounts for the vast majority of global carbon dioxide emissions³, so an urgent priority is to phase out their extraction in line with the 1.5°C target in the Paris Agreement. A managed phase out of oil and gas will also reduce our dependence on these volatile fossil fuels, which are driving the cost of living crisis and pushing 7 million households in the UK into fuel poverty⁴. Despite much of energy policy being reserved to the UK Government, the Scottish Government has previously advocated and provided support for the fossil fuel industry. The Scottish Government's 2021 commitment to end support for Maximum Economic Recovery of oil and gas,⁵ due to its incompatibility with climate targets, is therefore a welcome and necessary shift in direction. More recently the Scottish Government has stated its opposition to the UK Government's new licensing round for oil and gas⁶. This briefing sets out the steps the Scottish Government must take to achieve a managed phase out of oil and gas.

¹https://report.ipcc.ch/ar6wg3/pdf/IPCC_AR6_WGIII_FinalDraft_FullReport.pdf

²<https://www.unep.org/resources/emissions-gap-report-2022>

³ https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_SPM.pdf

⁴<https://www.endfuelpoverty.org.uk/about-fuel-poverty/>

⁵ <https://www.gov.scot/news/unlimited-recovery-of-hydrocarbons-not-sustainable/>

⁶https://www.scottishparliament.tv/meeting/meeting-of-the-parliament-november-22-2022?clip_start=14:31:54&clip_end=14:33:24

Need for a managed phase out

Climate science is clear that to remain within the limits of the Paris Agreement, a managed phase out of fossil fuel extraction must happen as quickly as possible. The International Energy Agency stated in 2021 that to meet the 1.5°C target, there should be “no new oil and gas fields approved for development”⁷.

Currently the world is on track to be producing 110% more fossil fuels in 2030 than would be consistent with limiting warming to 1.5°C⁸. In order to ensure an equitable phase out in line with the principle of common but differentiated responsibilities, the UK and other rich nations must end oil and gas production by 2031⁹. The Scottish Government must formalise its commitment to ending MER and set an end date for extracting fossil fuels, putting pressure on the UK Government to do the same.

Halt new licences

A managed phase out of oil and gas must begin with an end to new extraction in the North Sea. The UK Government’s new licensing round will issue over 100 new licences for exploration, extending the lifetime of oil and gas well into the future. The average time between a licence being issued and any oil or gas being extracted is 28 years¹⁰, meaning that issuing new licences will not alleviate the current cost of living crisis, yet it will ensure that oil and gas is still being extracted well beyond the 2031 date set for an equitable phase out.

No more fossil fuel infrastructure

⁷ <https://www.iea.org/reports/net-zero-by-2050>

⁸ <https://productiongap.org/2021report/>

⁹ [https://www.research.manchester.ac.uk/portal/en/publications/phaseout-pathways-for-fossil-fuel-production-within-pariscompliant-carbon-budgets\(c7235a8e-e3b1-4f44-99de-c27958c03758\).html](https://www.research.manchester.ac.uk/portal/en/publications/phaseout-pathways-for-fossil-fuel-production-within-pariscompliant-carbon-budgets(c7235a8e-e3b1-4f44-99de-c27958c03758).html)

¹⁰ <https://www.theccc.org.uk/wp-content/uploads/2022/02/Letter-to-Kwasi-Kwarteng-Climate-Compatibility-of-New-Oil-and-Gas-Fields.pdf>

As well as ending new licensing, there is an urgent need to reject previously licenced, but undeveloped oil and gas fields in the North Sea. There are currently over 30 licensed oil and gas fields, such as Rosebank¹¹, awaiting approval from the UK Government which would not be affected by a ban on new licences.

Infrastructure that will prolong the life of the oil and gas industry should also be rejected. For example, the proposed new gas-fired power station at Peterhead relies on the continued production of oil and gas, as well as Carbon Capture and Storage technology which has a long history of repeated failures. The Scottish Government has the power to, and must, reject this proposal.

Onshore oil and gas extraction

The Scottish Government must use its powers to ensure that no new fossil fuel extraction can take place on Scottish shores. The moratorium on fracking must be made permanent, and there must be a strong policy of no support for onshore conventional oil and gas extraction, as well as coal extraction, under any circumstances. These decisions are all devolved to the Scottish Government.

Beyond Oil and Gas Alliance

The Beyond Oil and Gas Alliance brings together countries and regions to accelerate the phase out of oil and gas production, setting end dates in line with the Paris Agreement. We encourage the Scottish Government to act on its intentions to end support for MER by joining BOGA as a Core Member.

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¹¹ <https://policy.friendsoftheearth.uk/print/pdf/nod-e/237>