**Summary**

The UK Government’s regulator, the North Sea Transition Authority, has given consent for the Rosebank oil field to begin development. Rosebank is the biggest undeveloped field on the UK Continental Shelf. Containing nearly [500 million barrels](https://www.stopcambo.org.uk/updates/what-is-the-rosebank-oil-field) 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](https://www.iea.org/reports/net-zero-by-2050) 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 the development of Rosebank is not consistent 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](https://www.reuters.com/business/energy/equinor-returns-more-cash-owners-q2-profit-beats-forecast-2022-07-27/) 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. The First Minister has stated that he is ‘disappointed’ by the decision to approve Rosebank and that new oil field approvals risk the pace of a transition to renewables. The Scottish Government must take a firm position against Rosebank and all new oil and gas developments.

**Background**

Rosebank is a planned new oil field 80 miles off the Shetland coast in the North Atlantic. An application was [submitted](https://www.gov.uk/government/publications/rosebank-field-development) in August 2022 by the Norwegian oil company Equinor to the UK Government for permission to develop the Rosebank field. In September 2023, after multiple delays due to concerns raised about the compatibility of Rosebank with UK Net Zero plans, the UK Government’s regulator gave its consent for development to begin on the field.

With licences for Rosebank handed out in the early 2000s and the reserves first discovered by Chevron in 2004, Rosebank’s development has been delayed several times. A decade ago, Chevron declared it [uneconomic](https://www.reuters.com/article/chevron-north-sea-idUSL5N0J737B20131122). Likewise, Equinor has delayed Rosebank’s development, first shifting its financial investment decision from [2019 to 2022](https://www.equinor.com/news/archive/equinor-sets-new-timeline-for-rosebank-project), and then into 2023.

**Scottish Government opposition to Rosebank**

In 2021, the Scottish Government set a precedent for opposing new oil and gas development by [announcing its opposition](https://www.scottishparliament.tv/meeting/meeting-of-the-parliament-november-16-2021?clip_start=16:53:30&clip_end=16:54:43) 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’](https://www.gov.scot/news/unlimited-recovery-of-hydrocarbons-not-sustainable/) of North Sea oil and gas. Now with the publication of the first draft of its Energy Strategy and Just Transition Plan, the Scottish Government is considering whether there should be a presumption against any new oil and gas extraction.

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 condemn decisions made by the UK Government 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](https://www.stopcambo.org.uk/updates/what-is-the-rosebank-oil-field) - six years after Scotland’s legally binding Net Zero target - therefore the Scottish Government must follow its own precedent and publicly condemn the decision to give Rosebank the green light.

**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.

[Scientific evidence](https://www.iisd.org/system/files/2022-10/navigating-energy-transitions-mapping-road-to-1.5.pdf) is clear that new oil and gas fields are incompatible with our climate commitments. Burning Rosebank’s oil and gas will produce over [200 million tonnes](https://www.stopcambo.org.uk/updates/what-is-the-rosebank-oil-field) of CO2, equivalent to the [combined annual CO2 emissions](https://data.worldbank.org/indicator/EN.ATM.CO2E.KT) 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](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) that wealthy countries like the UK must have phased out all oil and gas extraction by 2031, yet Rosebank will still be extracting oil in 2051.

Rosebank’s infrastructure will be developed in the Faroe-Shetland Sponge Belt Nature Conservation Marine Protected Area, part of our ocean known for its sensitive marine habitats. Similar concerns have been raised about the neighbouring Cambo oil field.

The oceans where Rosebank will be developed are visited by species listed as Scottish Priority Marine Features, including many species of dolphin and whales, as well as multiple species of seabirds; and commercial species such as haddock.

Both the UK and Scottish Governments have faced enormous public pressure to reject the Rosebank oil field. In March this year, 700 climate scientists and academics wrote to the Prime Minister Rishi Sunak calling for Rosebank to be halted. Politicians from all major political parties have opposed Rosebank, including former First Minister Nicola Sturgeon, Shadow Secretary of State for Climate Change and Net Zero Ed Miliband and former Conservative climate advisor Chris Skidmore. Following its approval, thousands of people took to the streets in protest, and the campaign group Uplift UK has pledged legal action against the UK Government’s decision.

**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 and will not be available in time for this winter, or indeed for years to come. The first oil from Rosebank is not expected until late [2026.](https://www.stopcambo.org.uk/updates/what-is-the-rosebank-oil-field)

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](https://www.theccc.org.uk/publication/letter-climate-compatibility-of-new-oil-and-gas-fields/) has made it clear that additional UK oil and gas production will not affect wholesale market prices so will not bring energy bills down.

To increase energy security, a just transition to renewable energy is needed to reduce reliance on volatile fossil fuels altogether. Every new oil and gas project approved now delays this transition to a renewable energy system.

**Equinor will receive a tax break of £2.8 billion**

The Rosebank oil field will be [developed by Equinor](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1097880/Rosebank_Environmental_Statement_-_Final_for_Submission_To_OPRED_Equinor_3rd_August_2022.pdf), 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 (91%) of developing Rosebank. This will come in the form of a tax loophole in the Investment Allowance in the Energy Profits Levy (windfall tax).

To ensure true energy security and value for taxpayers, investment must be directed towards renewables and energy efficiency measures which will permanently reduce bills and increase energy security. With £2.8 billion, the UK Government could insulate and install clean heating systems in every home in the North East of Scotland.

Equinor claims 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](https://cdn.sanity.io/files/h61q9gi9/global/0c0ac22fa94009344190f5cdad065ba88b4404ed.pdf?rosebank-socioeconomic-report-equinor.pdf). [Research](https://foe.scot/wp-content/uploads/2019/05/SeaChange-final-r2-web.pdf) 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.

**For more information contact:**

Malachy Clarke

Public Affairs Manager

[*mclarke@foe.scot*](mailto:mclarke@foe.scot)