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Dear Michael,

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Thank you for your response to me of 10th February. Events meantime have underscored the need to bring forward measures which could, in short order, bolster domestic oil and gas production from the UK Continental Shelf. At a time of heightened global instability, the UK cannot afford to sideline its own resources or its world-class oil and gas industry and associated supply chain.

The current Energy Profits Levy is demonstrably failing on its own terms. It continues to deter investment and cost jobs. Replacing the EPL with the Oil & Gas Price Mechanism as soon as possible would restore a degree of predictability and fairness to North Sea taxation, targeting genuine windfall conditions rather than penalising operators who are providing the energy the UK needs. Crucially, such a move would unlock significant stalled investment in the UK, providing an immediate boost to economic activity and sending a powerful signal of confidence to the UK's offshore supply chain. We are closely engaged with operators, many of them among our membership, who have held discussions with the Treasury in recent weeks. They have provided significant detail on what they are prepared to invest if this progressive tax change is brought forward. The UK Government should not delay any longer in implementing this much needed tax reform.

Equally concerning is the continued delay in consenting key projects such as Rosebank and Jackdaw. Together these developments represent £8 billion in direct UK investment and support for approximately 3,000 jobs. Yet they have remained mired regulatory uncertainty for over two years. This lack of progress reflects a wider systemic issue: the absence of a clear, functioning regulatory pathway for new developments in the North Sea. Our neighbours in Norway, over the same period, have approved 25 new oil and gas projects – strengthening their economy and energy security while they continue to expand renewables. We know that the regulatory logjam in the UK is discouraging others from bringing projects forward, which is further undermining confidence within the sector.

It is also important to be clear on the environmental dimension. Rosebank and Jackdaw will be among the lowest-emissions intensity projects in the UKCS – itself already one of the most stringently regulated and lowest-emissions basins globally. The alternative to domestic production is increased reliance on imported LNG, which carries around ten times the emissions intensity of Jackdaw, while delivering none of the economic, revenue or strategic energy security benefits to the UK.

We also need urgent clarity on future development more broadly. The Government's North Sea Future Plan published in 2025 committed to limited future licensing around tiebacks. While this signals some flexibility, it remains insufficiently defined. Industry cannot plan future operations in this vacuum of uncertainty and needs urgent clarity on tiebacks through relevant legislation and subsequent regulations. This definition must be sufficiently broad to allow operators to maximise existing infrastructure and access nearby reserves most effectively.



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The current geopolitical climate demands urgency. With global energy markets under sustained pressure, the UK has a clear opportunity to strengthen its own contribution to energy security by accelerating domestic production. Critically, many North Sea projects are primed and ready to be brought onstream within months, not years. The industry can provide government with a near-term solution to a pressing challenge. Uncertainty and delay on fiscal reform, consent processes and regulatory clarity – while problems before the current crisis – are now actively undermining the UK's ability to respond as effectively as it could to evolving global conditions.

As a government Minister responsible for UK energy policy, energy security and the future of domestic oil and gas production, we urge you to champion the following measures:

1. Immediate replacement of the failed EPL with a fit-for-purpose OGPM
2. Rapid consent for Rosebank and Jackdaw, to clear the regulatory logjam
3. Clear and pragmatic definition through relevant legislation and regulation to enable tieback developments to move forward at pace.

Without these steps the UK risks continuing down a path of accelerated decline in domestic production, increased import dependency and missed economic opportunity.

Yours sincerely



Russell Borthwick  
Chief Executive