

**The UK extracts more oil and gas than any other country in Europe (except Norway) and accounts for around 1% of global production.**

Oil and gas are produced from geological formations offshore, such as the North Sea, Irish Sea and the area West of Shetland. Most UK oil output (80%) is exported while gas is used onshore for heating and electricity generation.

Climate change requires rapid reductions in both consumption and production of oil and gas, and a transition offshore to renewable energy generation.

In 2019, the UK government committed the country to Net Zero by 2050. Achieving Net Zero requires reducing and removing greenhouse gas emissions by 100% by 2050. 'Net' means some emissions can continue if they are counterbalanced by removing an equivalent amount of greenhouse gases from the atmosphere (e.g. by restoring forests or capturing carbon dioxide from the air).

# The changing face of the UK oil and gas industry

## Case study: Rosebank

The Rosebank oil and gas field is the UK's largest undeveloped oil field with about 500 million barrels worth of oil (equivalent to 5 days of oil consumption worldwide). The developer of Rosebank is Equinor, a company owned by the Norwegian Government.

Development was given the go-ahead in 2023, despite climate scientists, campaigners and many MPs and peers urging the government to block drilling.

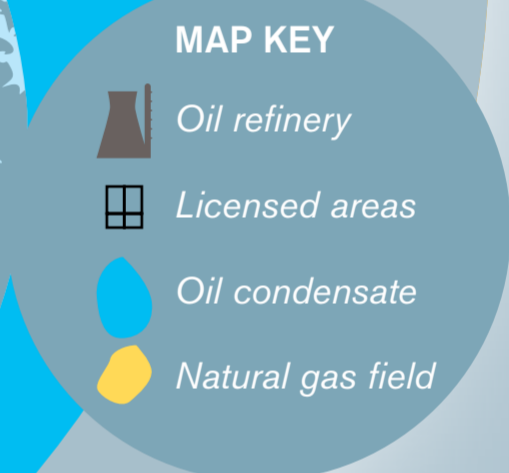
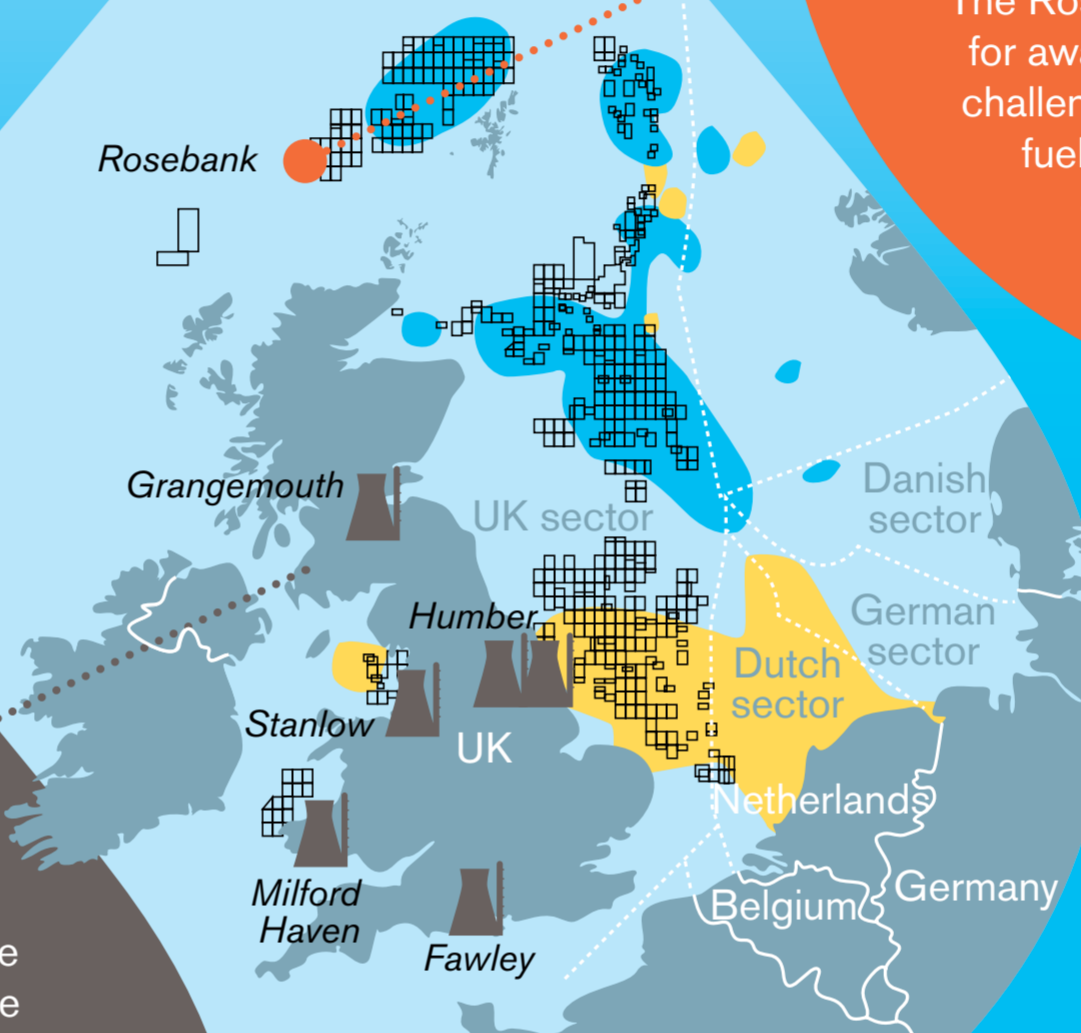
The Rosebank decision, and the wider system for awarding oil and gas licensing, are being challenged in the courts. 50 years after fossil fuel extraction began in the North Sea, offshore oil and gas are a highly contested space.

### Case study: Grangemouth Oil Refinery

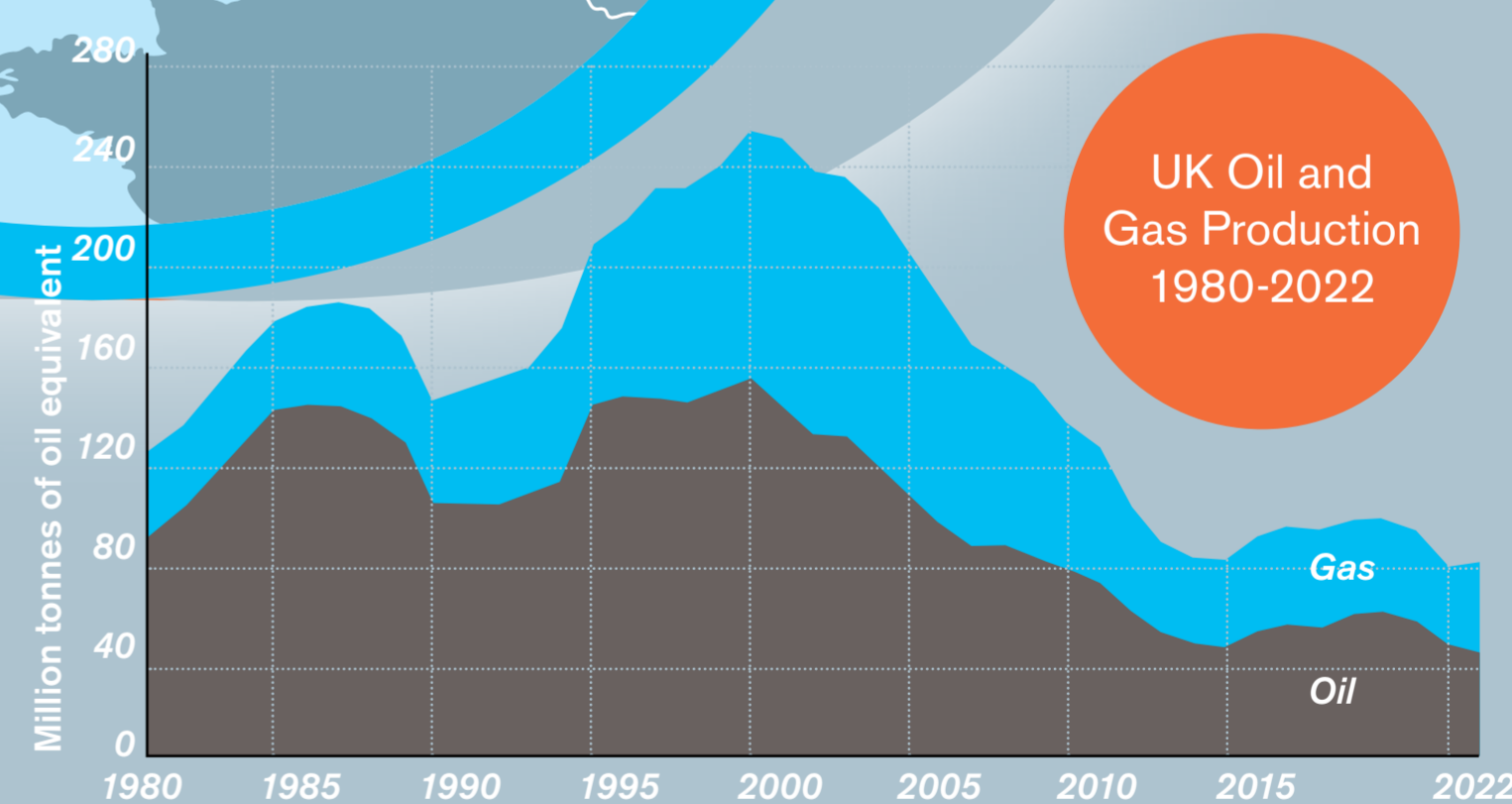
Situated on the Firth of Forth, the Grangemouth refinery uses a mix of imported and UK crude oil to produce a range of refined products.

Owned and operated by BP for decades, the refinery was sold in 2011 to INEOS (a private company owned by Britain's richest person) and PetroChina (a company owned by the Chinese Government) in a 50:50 joint venture. Grangemouth is the only refinery in Scotland and a primary supplier of aviation fuel to Scotland's airports, but its owners have announced closure plans for 2025.

The Grangemouth case combines recent shifts in ownership with the challenges of achieving a just transition for workers and communities associated with the UK's oil infrastructure.



**UK Oil and Gas Production 1980-2022**



Overall, there have been 3 major changes in the UK's oil and gas industry...

### 1. Ownership

The ownership of oil and gas companies operating in the UK has changed. Many multinational oil companies with deep roots in the UK have either left (like Chevron or Occidental) or reduced their overall presence here (like Shell, BP and Exxon). Their assets have been acquired by other companies entering the UK, including state-owned firms from other countries (like Norway, South Korea and China) and smaller companies owned by private investors.

### 2. Geography of control

The UK oil and gas industry is highly international with many of the companies operating in the UK headquartered overseas. There have been different waves of investment with companies entering the UK from Japan, Canada, and China in the past couple of decades. Even apparently 'British' firms like BP – in which the UK government was once the largest shareholder – have become increasingly international in terms of the location of reserves, production, finance and corporate culture.

### 3. Contesting oil

UK oil and gas facilities have become contested spaces as environmental campaigners, trade unions, scientists, MPs and private companies have different visions about the future of the sector. There are growing calls to reduce demand for oil in transport (petrol, diesel, jet fuel) and for gas in power generation and heating, with the aim of ending new oil and gas production on the UK Continental Shelf.