

Deirdre Michie OBE
Chief Executive, OGUK
Industry Conference Opening Speech
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Good morning everyone and welcome to OGUK's annual conference for 2021 – taking place virtually of course but what we have lost in face-to-face we have made up for with the speakers we have for you over the next three days.

This conference comes at a historic moment for our industry, just two months after we signed the landmark North Sea Transition Deal with the UK Government.

It's an ambitious deal that will accelerate a bold path to harness our sector's five decades of energy expertise and help generate cleaner energy for millions of people here in the UK.

And with the right support, the UK could become the Silicon Valley of energy, leading the way on emissions reduction, clean energy and low carbon technologies.

But before I talk too much about where we are heading, I want to take a moment to reflect on where we are today.

It's been two years since we met in person at OGUK's last industry conference, and I am so looking forward to getting to meet you all again in 3D.

We have of course faced incredibly difficult times with Covid affecting us all, both personally and professionally.

The impact on the UK has been enormous, and our sector has been really challenged like other parts of the economy.

Almost overnight, commodity prices dropped, activity levels plummeted, with many jobs being lost. Our response was to prioritise protecting our workforce and to put in place mitigations to keep our key workers safe and well.

Which meant that we kept safe production going – 24//7, the lights on, and homes and hospitals heated. Much kudos and sincere thanks to all those involved in doing this – continuing to make this vital contribution to the country at a time of significant crisis.

Each and everyone played a role in keeping the sector on its feet, despite the difficulties they faced. So, as we come through this crisis, it's important to note that, although the pandemic has been so difficult for so many, it has reinforced key insights and lessons that we need to keep learning from and relating to the other challenges we face as a sector.

The most obvious one is that pandemics have no respect for borders and guess what – neither does climate change.

And what is increasingly obvious from the pandemic is that no one is safe until everyone is safe and that mantra rings just as true for climate change.

The other insight is of course – that global issues and challenges require both individual and collective action.

From owning the challenge at a personal level – staying at home to protect the NHS – to collective action with the development and delivery of the vaccination programme.

Action, commitment and support is needed from everyone.

And of course the same needs to be said for tackling climate change. From reducing our own personal carbon footprint to supporting industries like ours to come up with the industrial solutions that need to be delivered at pace.

Indeed, the North Sea Transition Deal represents our collective action as a sector in terms of it being a catalyst for change. And for being an exemplar that that can be championed on a global stage this month when the G7 meet in Cornwall and then five months later when all world leaders meet in Glasgow for COP26, seeking this kind of industrial solution.

Our Deal is a transformative partnership between industry and the UK Government – the culmination of a lot of effort and support from our members, many stakeholders and specifically BEIS and the OGA and thank you to Andy Samuel who is speaking with us next.

It's the first of its kind by a G7 country and will spark an acceleration in low-carbon activities, delivered right here on our doorstep in the UK.

The Deal will see us cut our emissions with stretching targets, 50% by 2030 and 90% by 2040.

It will help other sectors cut their emissions too by accelerating CCS and the hydrogen economy.

It will generate jobs and provide a focus for local content in these new energies and it will support our supply chain to transition and transform, so that they can take advantage of the opportunities at home and then export their skills, expertise and products in energy transition, across the world.

In the UK Government's own words, this is a quid pro quo deal – where both parties understand that mutual support is needed if the agreed outcomes are to be delivered.

They recognise that this sector can help the country become a net-zero economy, that we will be the backbone of the energy transition.

They know that we can both support the UK's security of energy supply, while at the same time, providing the essential expertise to unlock other vital low carbon solutions – like CCS and hydrogen.

The support of both Governments is and will continue to be, essential.

You are all more than aware of the many headwinds we are facing and many of you will have seen the IEA's recent report last week that bluntly stated that no new global exploration for oil or gas should be undertaken, if we are to reach our climate goals.

And while we agree with their recommendations that renewables, CCUS and hydrogen investment and development must be rapidly ramped up to deliver the net zero ambitions.

We also agreed with them when they said that low emissions oil and gas from domestic production is to be favoured over high emissions options such as imports – and that's because here in the UK, we are in a pretty unique situation, as our industry is already leading the way by committing as I said – to sector leading emissions reduction targets, and through the North Sea Transition Deal we are demonstrating how our industry can be compatible with and can support the net zero and the aims of the Paris Agreement.

The Climate Change Committee has stated that there will be a continued need for oil and gas for decades to come.

So, while the UK continues to use oil and gas, we should use our own domestic decarbonised supplies to reduce our reliance on imports, while also developing homegrown greener energy.

Because we know that prematurely shutting down domestic supply, will do nothing to stop demand.

In fact, in my opinion, it would be grossly irresponsible to shut down our sector while we are still in need of its products.

Not only would this undermine our energy security, it would also damage livelihoods, local communities, and the wider economy.

Let's make the most of what we have right here on our doorstep. The natural resources, the technology, the people, the expertise, the supply chain.

Let's all of us show leadership by continuing to take responsibility for our own carbon footprint – let's become experts in low-carbon oil and gas production.

It won't be easy – it will be difficult and complex and stressful.

But the UK has faced industrial challenges before, and I think we can learn a lot from them.

Our sector, is still a jewel in the crown and an industrial success story for the UK.

There have been many other jewels – ship-building, textiles, steel and mining to name just a few.

What all of these have in common – is that they were all lost while the demand for their products continued.

With dire consequences – let's not sugar coat it – on people and jobs, communities and businesses that were left behind and opportunities to transform being lost.

Understanding why we let this happen is key because history doesn't have to be repeated.

But we have to make conscious choices.

We are choosing to be responsible and drive down our industry emissions while investing in the energies of the future – at a pace which is leading the way globally,

So I continue to ask politicians of all parties to consider their conscious choice, that while the UK continues to use oil and gas, we meet as much of that from UK businesses.

Being accountable for our emissions, supporting jobs, and powering energy communities which are very much on the cusp of change.

Unlocking the investment but also the engineering expertise we need to get there faster.

Supporting the hundreds of companies across the supply chain who have sharpened their skills in the oil and gas sector and are now working across the energy industry.

That is the choice that means we will meet our climate goals in a way which is fair, and leaves no one behind. And if UK really is to be the Silicon Valley of Energy.

To quote former President Obama: "Change will not come if we wait for some other person, or some other time. We are the ones we've been waiting for. We are the change that we seek."

So with our members, with governments and with key bodies like the OGA – we aren't waiting for things to happen – we are all taking responsibility and we are getting into action and delivering solutions.

Our members – operators and supply chain are already involved in CCS projects – whether that's up in Peterhead, or in Teesside, Humber, or Merseyside and we are also leading the way in offshore wind.

Taken together, our sector is helping to drive the energy transition forward.

And of course, central to all this, are the people who work for and with our industry.

They have the ideas, the insight, the enthusiasm to keep our sector moving forward, to keep us progressing.

And over the next three days of virtual conference you are going to get some great insights and learnings from many of them. And I do hope you get a lot out of the time you spend with us at our industry conference 2021.