Offshore Petroleum Licensing Bill: Impacts on nature recovery Briefing ahead of Lords 2nd Reading on 26.03.24

Wildlife and Countryside Link (<u>Link</u>) is the largest environmental coalition in England, bringing together 83 organisations to use their joint voice for the protection of the natural world.

Executive summary

• As well as jeopardising climate resilience, the Offshore Petroleum Licensing Bill poses a direct threat to nature's recovery at sea.

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- It increases the potential for significant expansion of oil and gas exploration and extraction within Marine Protected Areas (MPAs), reducing the ability of these areas to safeguard threatened marine habitats and species.
- If crucial climate and nature recovery targets are to be met, the Bill should be withdrawn. If withdrawal is not possible, two amendments would minimise damage to MPAs:
 - A prohibition on applications for oil and gas exploration and extraction activities in any of the 377 Marine Protected Areas in UK seas.
 - A 'spatial prioritisation test' which would make geographical blocks of the sea available for licensing only when such activity would be compatible with the achievement of environmental and climate targets.
- Wildlife & Countryside Link requests that peers to make these points at 2nd Reading and to consider amendments to protect nature at subsequent stages.

Nature recovery at sea

This is a critical turning point for the marine environment. In 2022, the UK signed a global agreement to halt and reverse the loss of wildlife and manage 30% of the land and sea for nature by 2030 (known as the 30x30 commitment). In England, that promise is backed by targets set under the Environment Act 2021 to halt the decline in species abundance (on land and at sea) by 2030 and for 70% of the designated features in the Marine Protected Area (MPA) network to be in favourable condition by 2042.

These targets must be met to allow the UK's ocean health to recover, delivering benefits for nature, climate, society and the economy. However, achievement is still a long way away.

The UK is failing to meet 11 out of 15 targets for Good Environmental Status in the marine environment¹, and many marine species are in significant decline or facing extinction. A quarter of commercially exploited species in UK waters are now at critically low population levels.² Seabird numbers are falling, with declines found across 62% of UK seabird species.³ In Scotland, the UK's seabird stronghold, declines have been found across 70% of species.⁴ On top of these declines, Highly Pathogenic Avian Influenza has had a devastating impact on our seabirds since 2021 and has been confirmed as a major additional threat to some species.⁵

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The poor state of the MPA network, specifically designated to safeguard some of the most vulnerable marine habitats and species from irreversible damage, is inhibiting recovery across marine species. At present, only 8% of English MPAs offer effective protection for nature against the most damaging form of fishing (bottom-towed gears) and 56% of features within them have been assessed as being in an unfavourable condition. The UK is a significant way off from achieving 30x30 commitments and Environment Act targets.⁶

The achievement of key marine nature recovery targets is dependent on improving the health of the MPA network.

The impact of the Offshore Petroleum Licensing Bill

Climate change has significant negative impacts on marine life including sea-level rises, temperature change, changes to food webs and ocean acidification. The 2023 State of Nature report points to climate change as the main driver of species decline, on both land and sea.⁷ The Offshore Petroleum Licensing Bill will increase fossil fuel extraction and set back the UK's ability to achieve its legally-binding net zero target. Achieving net zero is the only way the UK can play a full part in tackling global climate change and increase our chances of halting climate-driven species decline.

Above and beyond the impact climate change has on the marine environment, the Bill also poses a direct threat to nature. The duty it imposes on the North Sea Transition Authority (NSTA) to run annual oil and gas licensing rounds in the UK will require decisions on which geographical blocks of the sea become available for oil and gas exploration and extraction. In its current form, the Bill has no provisions in place

¹<u>https://www.wcl.org.uk/new-era-for-nature-needed-after-lost-decade.asp</u>

² <u>https://uk.oceana.org/reports/taking-stock-2023/</u>

³ <u>https://stateofnature.org.uk/wp-content/uploads/2023/09/TP25999-State-of-Nature-main-report_2023_FULL-DOC-v12.pdf</u>

⁴ <u>https://jncc.gov.uk/our-work/seabirds-count/</u>

⁵ <u>https://www.rspb.org.uk/birds-and-wildlife/seabird-surveys-project-report</u>

⁶ https://www.wcl.org.uk/docs/WCL 2023 Progress Report on 30x30 in England.pdf

⁷ <u>https://stateofnature.org.uk/wp-content/uploads/2023/09/TP25999-State-of-Nature-main-report_2023_FULL-DOC-v12.pdf</u>

to prevent the NSTA from offering up and licensing offshore oil and gas exploration and extraction within or under MPAs.

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More than a quarter of oil and gas blocks approved in the October 2023 licensing round fell within UK MPAs⁸; a clear example where licensing location has been inappropriately granted, irrespective of targets and commitments. The Bill will allow more such harmful decisions, exposing more habitats and species in MPAs to potentially irreversible harms, including:

- Oil spills, including regular & chronic oiling, which occur throughout the exploration and extraction process, causing harm to marine wildlife populations and disrupting whole ecosystems. Further pollutants, including chemicals and microplastics, can be introduced into areas of the sea through exploration and extraction.
- Polluting underwater noise from 'seismic airgun' surveys undertaken for oil and gas exploration. The levels of noise emitted from exploration activities can cause severe harm (including physiological damage, displacement and stress) to marine mammals, commercially important fish species and invertebrates. Further noise pollution comes from drilling and increased vessel traffic.
- Direct destruction of seabed habitats, including rare deep sea sponge communities and coldwater corals. Marine habitats and species are essential both for carbon storage and the critical role they play in nutrient cycles which are essential to ocean productivity and ecosystem health.⁹

Due to these harms, the International Union for Conservation of Nature (IUCN) recommends that no industrialised activities take place within MPAs.¹⁰ By allowing the NSTA to issue oil and gas exploration and extraction licenses in blocks within MPAs, potentially at a very large spatial scale, the Bill rejects this expert advice and undermines the very purpose of MPA protections.

This environmentally careless course of action will result in a fresh wave of damage to MPAs, impairing the health of these spaces and reducing their ability to contribute to the achievement of nature recovery and climate change targets. As Sarah Champion MP observed at the Bill's Commons 2nd Reading:

"There is currently no provision in the Bill to exempt marine protected areas from oil and gas exploration. I find that an extraordinary omission. It is absolutely crucial that no MPAs are put at risk because of the Bill. By ignoring that, the Government are jeopardising their own Environment Act 2021 targets and their commitment to protect nature effectively in 30% of the sea by 2030 under the global biodiversity framework."¹¹

¹¹<u>https://hansard.parliament.uk/commons/2024-01-22/debates/D1B46B7E-C26E-45F5-94A3-5B0E3493B03E/OffshorePetroleumLicensingBill</u>

⁸ <u>https://unearthed.greenpeace.org/2023/11/20/more-than-a-quarter-of-newly-approved-oil-and-gas-blocks-fall-in-marine-protected-areas/</u>

 ⁹ For more on all these harms, see: <u>InDeepWater-Report-Edited-LowRes.pdf (oceana.org)</u>
¹⁰ Marine protected areas and climate change - resource | IUCN

Addressing the Bill's nature harms

Wildlife and Countryside Link's primary recommendation to parliamentarians is to reject the Offshore Petroleum Licensing Bill in its entirety, due to the climate impacts of the new wave of fossil fuel exploitation it will enable (without boosting energy security¹²) and the associated risk to nature.

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If the Government cannot be persuaded to withdraw the Bill, there are two possible routes for amending it to reduce the harm it will cause to marine wildlife.

The first route is to prohibit any consideration of licensing and consenting blocks for oil and gas activities within Marine Protected Areas. This could be achieved by a simple amendment to Clause 1, prohibiting NSTA from inviting any applications for oil and gas exploration and extraction activities in any of the 377 Marine Protected Areas in UK seas.¹³ Such a ban on oil and gas developments in MPAs would help ensure that they are provided with effective protection, in line with the 30x30 commitment.

The second route is to add to the carbon intensity and net importer tests already in the Bill. A further 'spatial prioritisation test' would only make geographical blocks of the sea available for licensing if such activities could be shown to be compatible with the achievement of Environment Act and Climate Change Act targets, as set out in a marine spatial prioritisation programme. With space at sea heavily in demand for offshore renewable development, offshore transmission network development, sustainable fisheries, shipping, leisure and nature recovery, it is prudent to have a prioritisation strategy that ensures that enough space is allocated for essential environmental objectives. As the Government is already working on a marine spatial prioritisation programme, designed to allocate and prioritise sea-space for different activities¹⁴, such a plan-led approach would be readily achievable. An amendment along these lines was tabled and widely supported at Commons Committee stage.¹⁵

Wildlife and Countryside Link would be very happy to discuss support for tabling such amendments at future stages, please see contact details below.

For questions or further information please contact:

Matt Browne & Cassie Rist, Wildlife and Countryside Link E: <u>matt@wcl.org.uk</u> & <u>cassie@wcl.org.uk</u> 14.03.24

¹² <u>https://eciu.net/media/press-releases/2024/british-fuel-from-new-north-sea-licences-would-make-up-less-than-</u> <u>1-of-a-tank-of-petrol</u>

¹³ <u>https://jncc.gov.uk/our-work/uk-marine-protected-area-network-statistics/</u>

 ¹⁴ <u>https://www.wcl.org.uk/docs/assets/uploads/Guiding principles for Marine Spatial Planning 30.11.23.pdf</u>
¹⁵ <u>https://hansard.parliament.uk/commons/2024-02-20/debates/6A7C27EB-C359-4D82-8C20-</u>

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The briefing is also supported by the following organisations:

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Oceana RSPB ZSL ORCA Whale & Dolphin Conservation Environmental Investigation Agency The Angling Trust Rewilding Britain