



Offshore Petroleum Licensing Bill: Environmental amendments

Briefing ahead of Lords Committee stage on 23.04.24

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

At Lords Second Reading on 26th March, Peers from across the House came together to raise their concern about the impact the Offshore Petroleum Licensing Bill would have on the marine environment.¹

The requirement in the Bill for the North Sea Transition Authority (NTSA) to run an annual oil and gas licensing round would perpetuate applications to undertake exploration activity in the North Sea. Such perpetuation would likely to feed through into more licensed exploration activities, which would damage marine habitats and species through:

- Exploratory drilling, which destroys seabed habitats² and throws up clouds of polluting sediment, often including toxins, into the surrounding sea.³
- Seismic surveys using airguns, which produce very loud sound pollution intense enough to penetrate into bedrock and propagate hundreds of kilometres from the source; this is currently a dominant source of sound pollution in waters around the UK.⁴ The noise levels are high enough to disrupt and potentially damage the sensitive auditory systems used by marine mammals to travel, communicate, and hunt, as well as causing displacement, physiological stress, and behavioral changes.⁵
- Pollution from the supporting infrastructure needed for exploration, which can leak oil, chemicals and microplastics into the water.⁶

Further chronic and acute harms will result from oil and gas development following exploration.⁷ The passage of the Bill in its current form will result in more of these marine harms, at a time when the marine

¹ <https://hansard.parliament.uk/lords/2024-03-26/debates/97355905-06E7-4C20-8C23-6D70126302ED/OffshorePetroleumLicensingBill>

² https://core.ac.uk/reader/195267301?utm_source=linkout

³ <https://pubmed.ncbi.nlm.nih.gov/21735543/>

⁴ <https://www.sciencedirect.com/science/article/pii/S0025326X20300692?via%3Dihub>

⁵ [https://www.cell.com/current-biology/pdfExtended/S0960-9822\(22\)02000-0](https://www.cell.com/current-biology/pdfExtended/S0960-9822(22)02000-0)

⁶ <https://www.sciencedirect.com/science/article/pii/S0141113620306164>

⁷ <https://www.indeepwater.co.uk/>



environment is already in fragile condition and facing unsustainable pressure from infrastructure development and industrial fisheries.⁸

In this briefing, we set out the case for two amendments which would mitigate the environmental harms caused by the Bill; one removing Marine Protected Areas from new licensing and another requiring all new licenses to pass a marine spatial prioritisation test, influenced by environmental considerations.⁹

In addition to these two routes to limiting environmental harms, we also support the amendment which would prevent any new licenses until a ban is in place to stop the burning and release of hydrocarbons (known as flaring and venting) from oil and gas installations.

The proposed licensing rounds would make very little, if any, difference for UK energy security or independence, but they could inflict serious and potentially permanent harm on the UK's invaluable marine ecosystems.¹⁰

The simplest way of avoiding the environmental damage and the carbon emissions that will come from the Bill would be to withdraw and to ban future oil and gas licensing. We welcome that Baroness Jones of Moulsecoomb has given notice of her intention to oppose the Question that Clause 1 stand part of the Bill.

In the absence of Bill withdrawal, we ask Peers to speak in support of the following amendments at Committee stage on 23rd April.

**Amendment to Clause 1: Marine Protected Areas
Tabled by Baroness Willis of Summertown, The Lord Bishop of Norwich, Lord Randall of Uxbridge, and Baroness Young of Old Scone**

At Second Reading, a number of Peers raised concerns about the environmental impact of oil and gas exploration and development within Marine Protected Areas (MPAs), the areas of the sea meant to be protected from damaging activities in order to safeguard threatened habitats and species.¹¹

In the words of Baroness Willis of Summertown at second reading:

"I do not see how we can protect 30% of our marine environments by 2030 and achieve the Environment Act target that 70% of designated features in MPAs should in a favourable condition by 2042 while we

⁸ https://stateofnature.org.uk/wp-content/uploads/2023/09/TP25999-State-of-Nature-main-report_2023_FULL-DOC-v12.pdf

⁹ <https://bills.parliament.uk/publications/54963/documents/4704>

¹⁰ <https://eciu.net/media/press-releases/2024/british-fuel-from-new-north-sea-licences-would-make-up-less-than-1-of-a-tank-of-petrol>

¹¹ <https://portals.iucn.org/library/efiles/documents/pag-003.pdf> p98



continue to drill in these marine protected areas and cause huge amounts of damage to these critically important environments.’¹²

In response Lord Callanan, speaking for the Government, suggested that measures in the existing licensing process were sufficient to protect MPAs from harm caused by oil and gas activities. He stated that: *“We already have a robust regulatory framework in place to ensure that marine protected areas are effectively protected. Licences will be awarded only after ensuring that the environmental regulator OPRED is satisfied that activities will not have negative effects on those important protected areas. Future licensing will not affect our ability to reach our targets for ensuring that our marine protected areas are in a good or recovering state.”*

This significantly overstates the robustness of environmental measures within the licensing process.

For MPAs that have SACs and SPA status (i.e they are European Protected Sites covered by the Habitats Regulations) regulations state that licenses for exploratory activity should only be granted when the Secretary of State, in consultation with the Joint Nature Conservation Committee (JNCC), is satisfied that the activity is not likely to have a significant effect on the Protected Site.¹³ If the Secretary of State concludes that a significant effect is likely, they can still grant the license if they conclude that there are overriding public interest reasons for the activity to proceed (IROPI).

For MPAs that are Marine Conservation Zones protected under the Marine and Coastal Access Act 2009, the bar is lower: if a significant effect is likely, a licence can be granted if the public benefits are deemed to outweigh the risks.¹⁴

If the North Sea Transition Authority grants a licence, the work is overseen from an environmental standpoint by the Offshore Petroleum Regulator for Environment and Decommissioning (OPRED). Subsequent applications for development licenses also have to include an environmental statement.

Throughout this process, the Secretary of State makes the final licensing decision on receipt of environmental advice. It is there that the nub of the problem lies; whilst environmental advice from JNCC & OPRED is meant to be factored into the decision, this advice is rarely published and is never binding. The Secretary of State can override OPRED and JNCC recommendations on the balance of a subjective view of the public interest.

¹² <https://hansard.parliament.uk/lords/2024-03-26/debates/97355905-06E7-4C20-8C23-6D70126302ED/OffshorePetroleumLicensingBill>

¹³ See Habitats Regulations 2017: <https://www.legislation.gov.uk/ukxi/2017/1012/regulation/64/made>

¹⁴ See Marine and Coastal Access Act 2009 <https://www.legislation.gov.uk/ukpga/2009/23/section/126>



Significant environmental concerns can be raised, and the Secretary of State can decide to grant licences anyway.¹⁵

This is a licensing process where environmental considerations can be discounted by political decision-makers, even in sites that are meant to be protected for the environment. As such it is not surprising that the oil and gas licenses granted over recent years have resulted in real harm being caused to European endangered threatened and protected (ETP) species and MPAs. Examples of harms include the cumulative loss of 36,000 m² of sandbank habitat in the Haisborough, Hammond and Winterton SAC¹⁶, damage to 71 km² of the seabed in the Dogger Bank MPA and seismic survey disruption to an important marine mammal travel route north-west of Scotland in the East Faroe Shetland Channel MPA.¹⁷

The inadequacy of environmental considerations in the current licensing process means that continued expansion in oil and gas exploration will correspondingly increase damage to the MPA network.

This is at odds with the Government's wider efforts to better protect MPAs, such as the commitment to prohibit bottom-trawling in the MPA network.¹⁸ It is inconsistent to treat different pressures on the marine environment differently; Marine Protected Areas should benefit from a consistent approach and be protected from all damaging industries.

The additional damage from fossil fuel industries as a result of the Bill would come at a critical time for the network. The Government's own figures suggest that only 44% of protected features in MPAs are currently assessed as being in a favourable condition, leaving a lot of ground to cover to reach the target, set under the Environment Act 2021, of 70% being in good condition by 2042.¹⁹ The Wildlife Trusts estimates that only 16% of MPAs in English waters have all their features in favourable or recovering condition.

¹⁵ In addition to the Habitats Regulations and Marine and Coastal Access Act highlighted above, the following regulations also underpin this process:

[Offshore Petroleum Activities \(Conservation of Habitats\) Regulation 2001](#)

[Environmental Assessment of Plans and Programmes Regulations 2004](#)

[Offshore Petroleum Licensing \(Offshore Safety Directive\) Regulations 2015](#)

[Offshore Marine Habitats and Species Regulations 2017](#)

¹⁶<https://designatedsites.naturalengland.org.uk/Marine/SupAdvice.aspx?SiteCode=UK0030369&SiteName=haisborough&SiteNameDisplay=Haisborough%2c+Hammond+and+Winterton+SAC&countyCode=&responsiblePerson=&SeaArea=&IFCAArea=&NumMarineSeasonality=>

¹⁷ <https://www.indeepwater.co.uk/>

¹⁸ <https://www.gov.uk/government/news/uk-takes-further-action-to-protect-vital-marine-habitats>

¹⁹ [https://hansard.parliament.uk/lords/2023-01-24/debates/BE258E23-1CA7-4607-804B-FD42A0EC3DEE/EnvironmentalTargets\(MarineProtectedAreas\)Regulations2022](https://hansard.parliament.uk/lords/2023-01-24/debates/BE258E23-1CA7-4607-804B-FD42A0EC3DEE/EnvironmentalTargets(MarineProtectedAreas)Regulations2022)



Similarly Link, using the Government’s own criteria²⁰, estimated in 2023 that only around 20% of the English MPA network (amounting to 8% of total sea area) is protected from the most damaging fishing activities and therefore has potential to be considered as effectively managed for nature and capable of contributing towards the promise to protect 30% of the sea for nature by 2030 (known as ‘30x30’).²¹ New exploratory activities, and in due course development, in MPAs on the unprecedented scale envisioned by the Bill could in future negatively alter assessments of features currently in good condition and sites currently under effective management, making Environment Act and 30x30 targets even harder to hit than they currently are.

The amendment tabled by Baroness Willis of Summertown and others is essential to prevent this step backward for nature recovery. The amendment would prohibit NSTA from inviting any licensing applications for oil and gas exploration and development activities in any of the 377 Marine Protected Areas in UK seas²², effectively taking MPAs off the table for new licensing. This will protect MPAs from a significant expansion in exploration activities, and the damage this additional exploration (and subsequent development) will bring.

We urge Peers to strongly support this amendment to protect MPAs from damaging activities and to keep Environment Act and 30x30 targets within reach.

Amendment to Clause 1: Spatial prioritisation test

Tabled by Lord Randall of Uxbridge, Lord Teverson, Baroness Young of Old Scone and Baroness Willis of Summertown

At Second Reading, as well as pointing towards environmental measures in the current licensing process, Lord Callanan also tried to address concerns by suggesting that new marine spatial prioritisation measures could be used to direct oil and gas activities away from environmentally sensitive areas. He told the House that:

“The soon-to-be-commissioned strategic spatial energy plan and the cross-government marine spatial prioritisation programme will ensure that we take a more strategic approach to identifying future sites for marine developments and energy infrastructure, while allowing for nature’s important recovery.”

Link agrees with the Government about the potential for marine spatial prioritisation and planning to deliver improved outcomes for nature. Spatial prioritisation can set out priorities for use of the sea (including nature recovery and climate change mitigation) and lead through to spatial strategies to

²⁰ https://consult.defra.gov.uk/nature-recovery-green-paper/nature-recovery-green-paper/supporting_documents/Nature%20Recovery%20Green%20Paper%20Consultation%20%20Protected%20Sites%20and%20Species.pdf p21-22

²¹ https://wcl.org.uk/assets/uploads/img/files/WCL_2023_Progress_Report_on_30x30_in_England_1.pdf

²² <https://jncc.gov.uk/our-work/uk-marine-protected-area-network-statistics/>



allocate space for these priority activities, allowing the sea to be better managed to deliver positive environmental and economic outcomes.²³

The problem with the Minister’s Second Reading assurance is that the Government’s marine spatial prioritisation programme is not yet fully established. Work on the programme was first announced in January 2022; over two years on it has yet to lead to any public outputs.²⁴ Given this limited progress, it is highly likely that annual licensing rounds will take place (if the Bill passes) well before spatial prioritisation is in place. Additionally, with the content of the Government’s Marine Spatial Prioritisation programme unclear, we cannot be sure that it will be effective at securing sufficient space for nature and renewable energy infrastructure.

The spatial prioritisation test amendment tabled by Lord Randall and others would prevent this cart-before-the-horse situation coming to pass. It would require the Secretary of State to publish a marine spatial prioritisation policy, including prioritisation of the achievement of relevant targets under the Climate Change Act 2008 and the Environment Act 2021, *before* any licensing round is held under the legislation. With a marine spatial prioritisation policy in place, a marine spatial prioritisation test would then be applied. Proposals for exploration and development activities found to be incompatible with the policy would not be licensed.

An amendment along these lines was widely supported at Commons Committee stage.²⁵ The Government should accept the cross-party Lords successor amendment, to give practical effect to its assurance that marine spatial prioritisation can mitigate environmental harms from offshore oil and gas activities.

Amendment to Clause 1: Flaring and venting

Tabled by Baroness Hayman, Baroness Blake of Leeds, Lord Randall of Uxbridge and Earl Russell

The discarding of excess oil or gas from an installation, through either burning (flaring) or release (venting) results in harmful carbon emissions. Flaring releases greenhouse gases and toxic particulates (black soot) into the atmosphere, venting releases methane.²⁶ NTSA guidance currently states that there should be zero routine flaring and venting from new developments, and that routine flaring and venting from existing developments should be phased out by 2030. Enforcement is however patchy, not helped by these measures being only found in non-binding guidance.

The amendment tabled by Baroness Hayman and others would put this guidance on firmer footing, setting out in law that no new licenses should be granted until a legal ban on flaring and venting is in place. This

²³ https://www.wcl.org.uk/docs/assets/uploads/Guiding_principles_for_Marine_Spatial_Planning_30.11.23.pdf

²⁴ <https://www.gov.uk/government/speeches/minister-pow-keynote-speech-coastal-futures-2022>

²⁵ <https://hansard.parliament.uk/commons/2024-02-20/debates/6A7C27EB-C359-4D82-8C20-C028F0C5B749/OffshorePetroleumLicensingBill>

²⁶ <https://green-alliance.org.uk/wp-content/uploads/2023/11/The-North-Sea-super-polluters.pdf>



will ensure that new oil and gas activities arising from the Bill do not lead to a final flurry of flaring and venting and help secure delivery of the 2030 ban for existing developments.

For questions or further information please contact:

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The briefing is also supported by the following organisations:

RSPB

Oceana

ORCA

Whale & Dolphin Conservation

Seal Research Trust

Angling Trust

Environmental Investigation Agency

Humane Society International/UK