

Letter to the Business Secretary

Dear Kwasi

I see you wish to help the PM apply pressure to Russia as Putin prosecutes an illegal and murderous war against Ukraine.

There is a major way in which you can make a difference. The PM's wish to see stiffer sanctions has been impeded by Germany and Italy owing to their dependence on Russian gas. A single western country cannot bring much pressure to bear without all other countries undertaking the same measure so it is watertight. The UK needs to help ease the energy squeeze in Europe.

You should invite in the leading oil and gas investors and licence holders in the UK industry and work with them to increase the output of UK oil and gas. This should be a series of immediate short term measures to maximise output from existing fields in production, and work to move through exploration to production investment and licences for new fields and field expansions. Over the next couple of years the UK could achieve a substantial increase in output which can replace UK imports at the moment or could be exported to help displace Russian gas in the EU.

Burning our own North Sea gas rather than imported LNG more than halves the amount of CO₂ generated, gives us a big increase in domestic tax revenues from the existing higher corporation tax rate applied to oil and gas production and helps ease the squeeze on European energy markets. In due course nuclear and renewables will provide more of our energy, but only once these plants are built and once many more people have switched from gas to electricity to power factories and heat homes. You need a plan for this decade which remains the decade of gas in the UK and Europe. That plan must cut reliance on Russian gas and oil.

Yours

John