

# Net zero did not even make it to Christmas

The road to net zero is meant to be a thirty year commitment. The three leaders or main players in favour of the whole speeded up plan were the EU, the USA and the UK at COP 26. The USA and the EU have already pulled back substantially from what they said and promised at the summit.

The ink was hardly dry on the compromise conclusions before an increasingly unpopular President decided he needed to take action to cut US petrol and diesel prices which were becoming inconvenient to motorists and business alike. He pledged to sell some of the US strategic oil reserve to help get the oil price down. More importantly he had words with his allies the Saudis to get OPEC to pump some more. No thoughts here to use higher prices to force more people and businesses off fossil fuels.

Also alarmed by the huge surge in European gas prices for home heating and industrial use, he decided to keep US gas prices way below European stressed levels. He issued 3091 drilling permits for more gas, and is auctioning 80 million acres of the Gulf of Mexico for oil and gas exploration. He is now happy by implication that his predecessor Mr Trump had provided a big boost to US gas output and is dining out on that success and boosting it further with his drill baby drill policy. The Greens see this as tearing up his good intentions and promises at COP 26. It is the reason US gas prices are so much lower than Europe's.

It took the EU a bit longer after COP 26. Faced with a disastrous shortage of gas, a sometime shortage of wind power, and closures of coal and nuclear generating stations, the EU has decided to make a major pivot back to fossil fuels in the form of gas. They have now decided to buy up as much gas as they can in world markets to keep the factories turning and the lights on. They have also decided to designate gas as a green fuel which makes an important difference.

The US and EU pledges made for COP 26 did not make it unscathed to Christmas. China artfully avoided getting on the road to net zero anytime soon.

The U.K. should respond to the decision of two of the three largest generators of CO<sub>2</sub> in the world to change course like this. As the U.K. is still running on EU rules transposed into U.K. law this is one occasion when we should follow the EU lead and re designate gas. Unlike the EU we should not tie ourselves more to their shortage of domestic energy and gas but should use our independence to extract more of our own gas alongside imports from Norway to make our supplies of this recently greened fuel more secure. China of course, the world's largest CO<sub>2</sub> generator by far, was happy to see the west pledged to net zero whilst making clear China plans to increase its CO<sub>2</sub> output for most of the rest of this decade.

Germany is closing all its nuclear stations within a year and all its coal

stations this decade. France has several older nuclear plants temporarily closed. This will worsen the EU's energy shortage. The U.K. cannot rely on imports from the EU. We need to rely more on ourselves and have enough gas to heat our homes and to power U.K. industry.

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## [See my article on tax and energy price promises in the Mail on Sunday on line](#)

– <https://www.dailymail.co.uk/debate/article-10361185/Britain-energy-self-sufficient-vital-keeping-lights-on.html>

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## [Glengorm gas field](#)

Not many people disagree with my argument that all the time we need to burn or use gas as a feedstock it makes more sense to use gas from nearby from our own gasfields than to transport it miles across the oceans of the world in an LNG carrier or to draw on continental supplies that also depend on Russia.

I do get asked how realistic this is, given the way the North Sea is running down. It is true that recent years have not seen the same huge discoveries the drillers discovered in the earlier years of the development of this great resource. It would be wrong to say there is no new gas to find or to produce. Recent years have seen important discoveries made. The Jackdaw field is a substantial find which is ready to develop, with gas pipes running nearby and the Shearwater platform with available capacity to process the raw output.

There is a potential upgrade of Goddard in the southern North Sea, and development of Lancaster as an extension to Hurricane. There are the Glengorm and Glendronach finds west of Shetlands. In total the Oil and Gas Authority tells us over the last three years the industry found an additional 500m barrels of oil equivalent between oil, gas and gas liquids. That was with much reduced drilling.

On top of this is the more contentious issue of the Bowland shales in northern England. So little drilling has been allowed there that estimates of how much gas is available range from a very useful 2.7 trillion cm to a massive and game changing 37.6tcm.

The Conservative Manifesto promised “to introduce new measures to reduce (energy) bills”. Encouraging and permitting more exploration and development

wells in the North Sea would be a way of helping do this, which would also create plenty of new well paid UK jobs and save all those LNG carbon generating miles of travel.

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## 2022 message

In 2022 the government needs to put the pandemic behind it. It needs to return to its Manifesto promises of lower taxes, the successful implementation of Brexit and prosperity for the many through levelling up. Indeed, the three go together and are mutually reinforcing.

Lower tax rates on earning and venturing are essential to success. The Chancellor needs to sweep away the Maastricht austerity rules that we had to follow in the EU and which he has allowed back in using slightly different language. He needs to grasp that the way to get the deficit down and control the debts is to promote faster growth with the help of lower tax rates. Set the UK corporation tax rate at the new world base of 15% and the investment and activity will flood in as it has to Ireland with a lower rate than ours. Set the tax on jobs, National Insurance, at a lower rate to stimulate employment. Cancel the new features of IR 35 which penalise or prevent people working for themselves.

Now out of the EU the Chancellor should revise VAT to tailor it to UK policy aims. He should abolish VAT on boiler controls, draught excluder, insulation materials and other green products, The government is trying to encourage people to improve energy efficiency and change their ways of heating homes, so they should not be taxed for doing so. He should remove VAT from domestic fuel for the time being to assist with reducing the cost of living pressures.

The government should take action to restore full GB/Northern Ireland trade, as the Protocol allows. They may need to legislate in the UK to instruct our customs and excise officials to allow free passage of goods from GB to NI where those goods have a clear end customer and destination in the UK. The UK is losing a lot of business and therefore tax revenue from the deliberate diversion of trade to the Republic against the express letter of the Protocol. If we had been doing this the EU and its supporters would be accusing us of "breaking the law!".

The government should make more rapid progress to restore our fishing grounds to UK vessels . They should ban over 100 metre industrial trawlers that are doing too much damage to stocks and the marine environment.

The government should take stronger action, including legislation, to break the businesses of people traffickers and smugglers across the Channel. The UK is spending far too much on rescuing and housing in hotels people who are not genuine asylum seekers.

The government should set out a new subsidy scheme for UK farming which encourages more UK food production, The CAP did a lot of damage to UK agriculture., We need a system which is much more supportive.

The UK government should repeal the EU ports legislation and substitute UK rules that promote thriving ports. They need to be faster and more adventurous with the freedoms for Freeports.

The UK should legislate for its own data, intellectual property and innovation regimes . This is an innovative and enterprising country where some EU rules hold us back.

The government's levelling up agenda is crucial. It is not going to be achieved by a few more trams, better town halls and some extra powers for local and devolved government. It will be achieved by government backing people's personal journeys, removing some of the impediments to success. Excellence in education, more freedom in training, lower taxes on small business, more help with owning a home and a business are what is needed.

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## Happy new year

"Pour me another, lets toast the new year  
Here's to a better, put fizz in our cheer"

Tonight's not for sorrows, no mulling old wounds  
Come banish our troubles, lets sing some new tunes

Caught in the present is a moment to choose  
To look forwards or backwards, to win or to lose

If your comfort is still clinging to what has past  
This precious moment of hope will never last

Grasping the future and its so unknown way  
Could bring success and many a wonderful day

The past is well trodden, we know the ending  
The future is for moulding, shaping, bending

As last year expires, hopes and promises broken  
Change things this time , leave pledges unspoken

So pour me another,drink to the new year

here's to a better, put fizz in our cheer

If your life is a drama you can change the plot  
If your friends are the actors you can recast the lot

If people around you are holding you back  
Tell them you're changing, on a new track

Lets hold on to clichés that drive us to more  
Lets venture out from behind that closed door

We can stretch for the stars and strive for the sun  
We can soar with the wind making life more fun

You are only out of the game when you give up the play  
So write some new words so you have a new say

Aim for something better, embrace the best  
You may fall short of target but gain from the quest

So cast off the old. Live a new dream  
Grab the future foretold. Mine a new seam

So pour me another, lets toast the new year  
Here's to a better, put fizz in our cheer

Trust that tomorrow can be better than today  
Let the future empower us with its new way

Lets cast off from covid, from laws, test and trace

Lets make our own minds up and set our own pace

The future is only ours, my friend, if we want to race it  
Tonight is the night to embrace it

So pour me another, lets toast the new year

Here's to a better, put fizz in our cheer