



North Sea
Transition
Authority

North Sea Transition Authority

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Dear [Stakeholder]

RE: Supply Chain Action Plan Guidance Revision

Today the North Sea Transition Authority (NSTA) published its revised guidance and template for Supply Chain Action Plans (SCAPs). This follows the publication of the NSTA's amended Strategy (Strategy), which came into force in February 2021, and the announcement in March 2021 of the North Sea Transition Deal (NSTD) between the UK government and oil and gas industry. The updated guidance will further streamline the SCAP process. The NSTA is grateful to industry for engaging and providing feedback, which has played an important role in getting us to this positive outcome.

The Strategy places an obligation on the oil and gas industry to assist the UK government in reaching its goal of net zero emissions by 2050. The NSTA is challenging industry to reduce its carbon footprint through initiatives including electrification and energy efficiency initiatives, as well as other solutions including carbon storage and hydrogen, with support from the sector and government. The NSTA believes the supply chain has the skills and infrastructure to help unlock these solutions.

The SCAP process is an integral part of Field Development Plans / Field Development Plan Addenda and Decommissioning Programmes and is proving effective in promoting a culture of value-adding contracting between operator and contractor.

As the oil and gas sector moves forward to deliver on the NSTD, industry has indicated its support for extending the SCAP process to encompass energy transition activity. This will enable the NSTA to monitor the voluntary local content undertaking set out in the NSTD and identify high value gaps in the supply chain across emerging energy transition projects.

As the regulatory landscape develops, the NSTA is committed to extending the SCAP process across all new energy projects within scope of the NSTD. The NSTA will work with operators to promote the deployment of SCAPs as a tool to drive successful delivery of such energy transition activities.

Yours faithfully,

Bill Cattanach OBE

Head of Supply Chain