How oil & gas can help meet the challenges ahead for Europe

The next European Parliament must strive for a brighter future. Oil and gas can create jobs, increase competitiveness and improve energy security.

The European Union is currently struggling to emerge from its deep economic and financial crisis, which has led to high unemployment and sluggish growth, and is crippling national budgets. At the same time, Europe is importing more and more energy, while its long-term climate policy remains uncertain.

Europe’s prosperity over centuries was built on its access to energy resources—most recently oil and gas. Thanks to new technologies, those resources remain available.

We encourage policy-makers to create the right conditions to enable the investment and development needed to energise Europe’s future. Our industry is working globally to protect Europe’s future and to meet the growing energy demand around the world.

Building prosperity

The oil and gas industry currently generates 800,000 jobs in Europe. As a viable industry, it contributes billions of euros to national and regional government budgets through taxation and royalty payments.

In the UK, the industry paid €7.6 billion in corporate taxes in the latest financial year—15% of all corporation taxes*. It has also been the largest industrial investor over the last 35 years.

Successful exploration and production of Europe’s oil & gas, to offset the natural decline of current output, are essential to the EU’s economic and industrial competitiveness. The fundamentals are already in place, including world-class supply chains that win Europe strong international trade. Export opportunities and extensive research and development programmes further support the European economy. In addition, local communities and economies are stimulated wherever exploration and production activities take place.

European energy policy needs to recognise the positive contributions of the oil & gas industry to job creation, competitiveness and energy security. Only in a competitive, open and integrated market can this world-class industry continue to invest with confidence.

Respecting our climate

A shift to gas will help reach environmental objectives without compromising on economic growth. Gas is also the perfect complement for renewable sources of energy.

Respect for the environment and for our climate is driving a transition to cleaner and more efficient ways of producing energy. Natural gas is the ideal fuel to drive this shift, limiting greenhouse gas emissions quickly and without major additional costs. This helps consumers and the environment. It provides the flexibility that European electricity grids need when increasingly powered by variable energy sources. Natural gas is an ideal partner of variable sources such as wind and solar power.

Keeping us warm—and our lights on

Indigenous oil and gas development is the best way to improve Europe’s energy security.

Energy needs are growing globally. Fossil fuels will be essential to meet most of that rising demand*. In Europe, oil and gas are key to security of supply. They fuel the infrastructure that keeps homes warm, lights on and transport moving. Oil and gas also support vital services, such as electricity for hospitals and fuel for food deliveries.

For these reasons, Europe needs to remain open to exploration in new areas, using the latest, most reliable technologies. This can be done safely. Strict—and strictly enforced—procedures prevent incidents. So do continuous improvement and effective risk management. As a fail-safe, the industry is continually developing leading-edge technology to respond to emergencies —however rarely they might occur.

*IEA’s World Energy Outlook, 2012. See table 2.1: fossil fuel share in total primary energy demand is expected to be at least 63% in 2035.