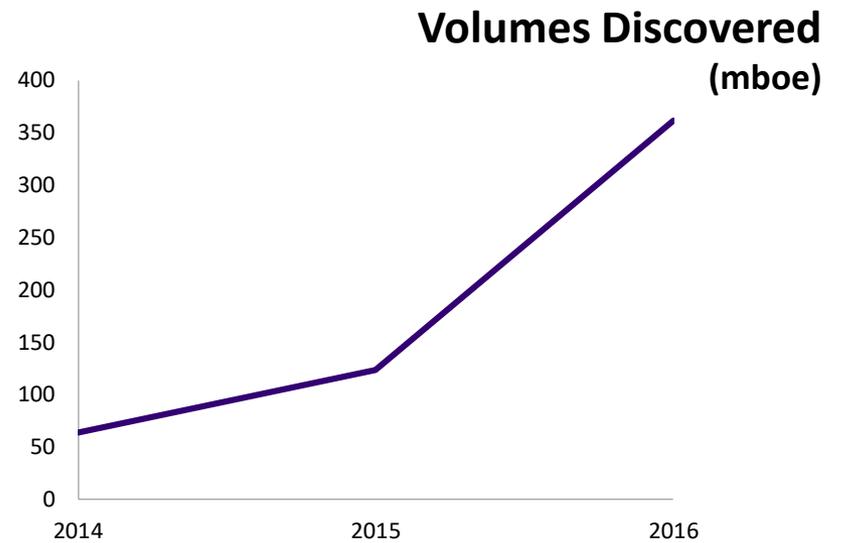
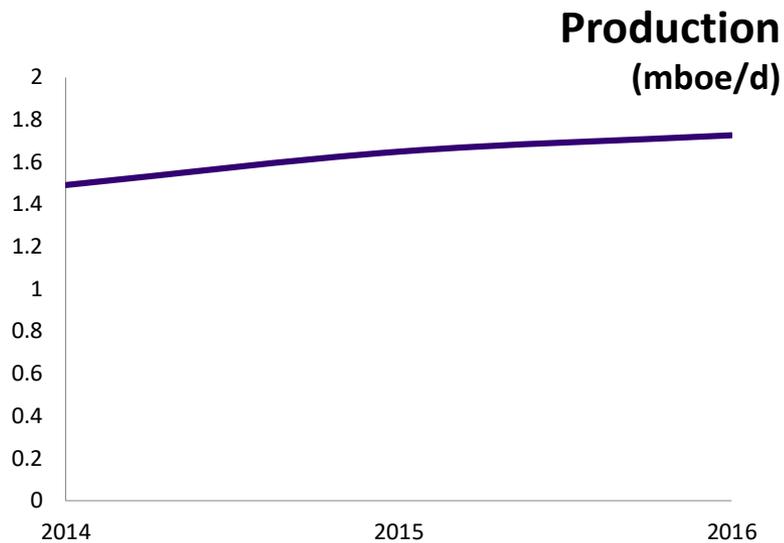
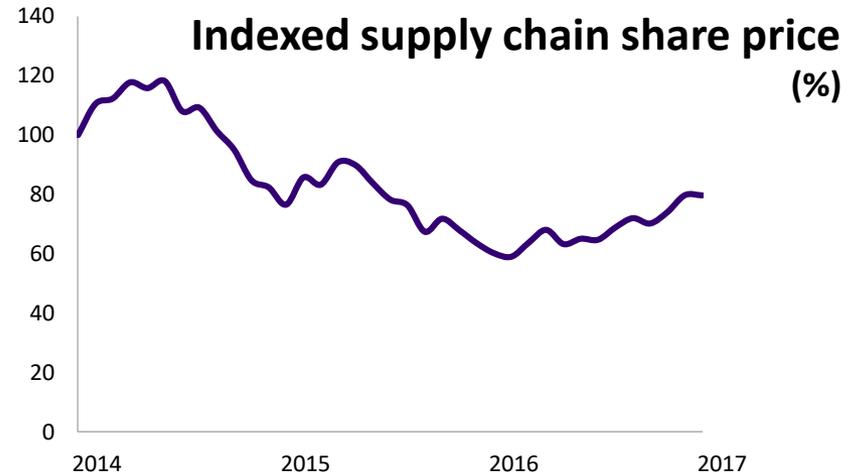
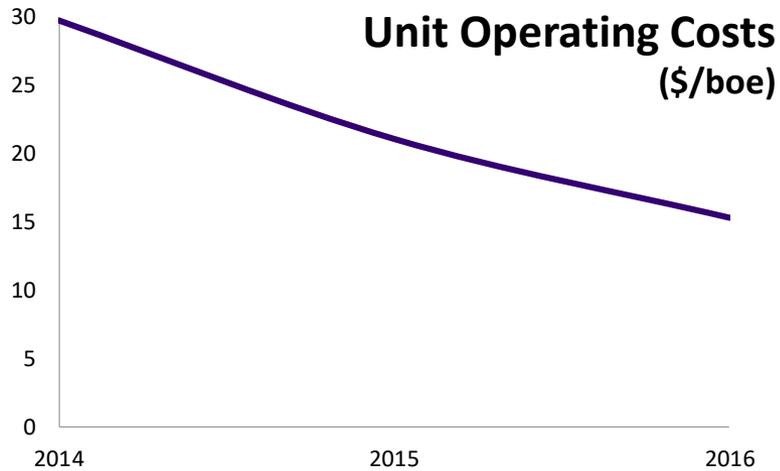


## Who will Invest and what will happen to existing assets?

Michael Tholen – Upstream Policy Director

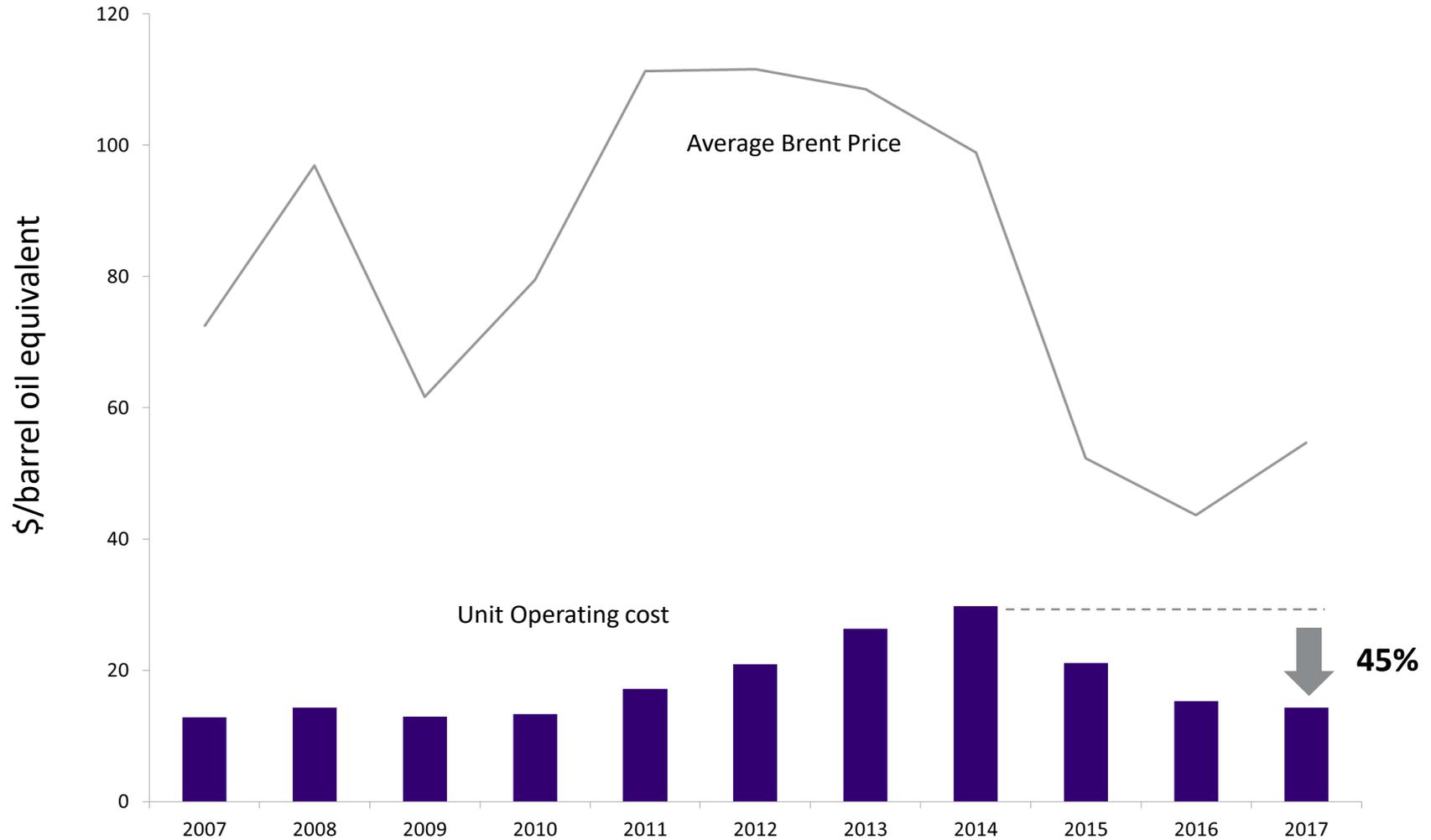
09.05.2017

# The Continental Shelf is getting fitter

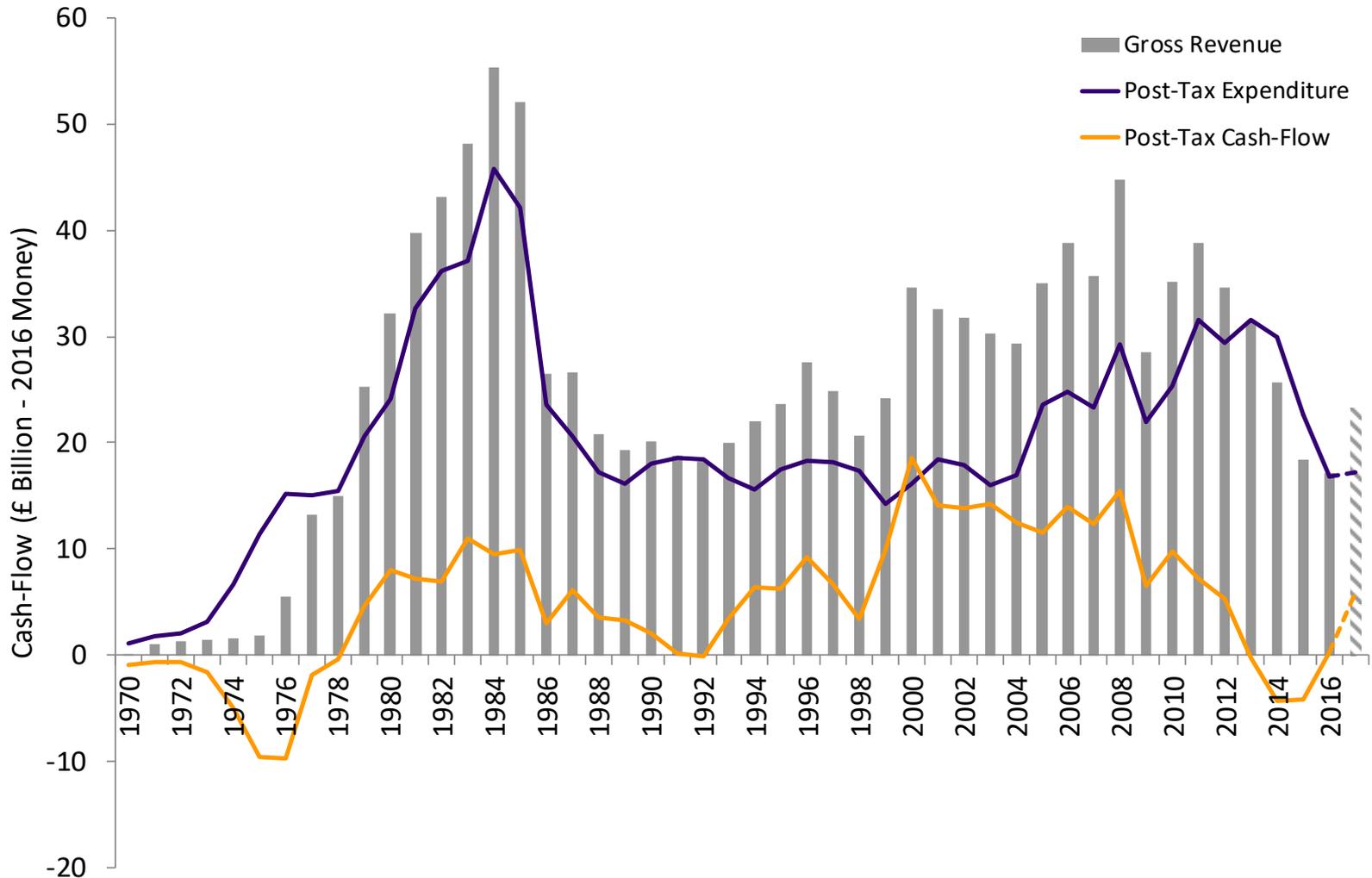


# A competitive UKCS

45% reduction in unit operating cost

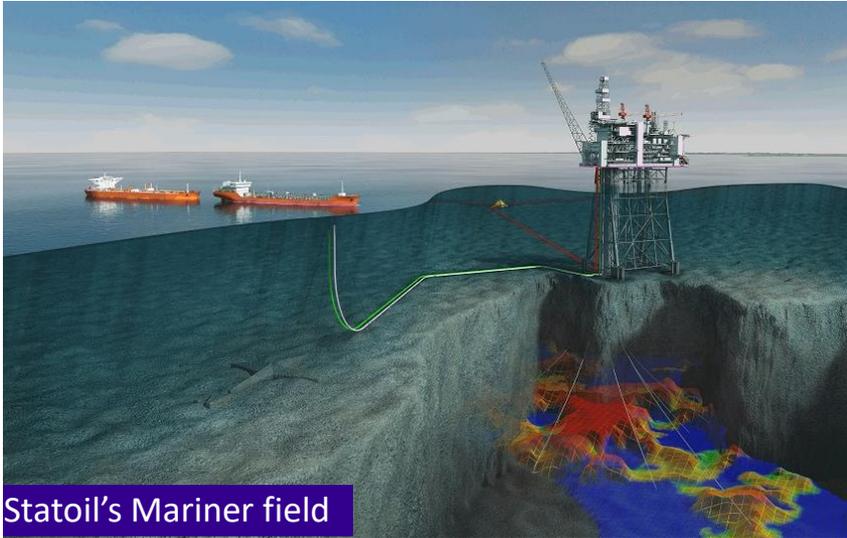


# The UKCS is back in cash flow positive

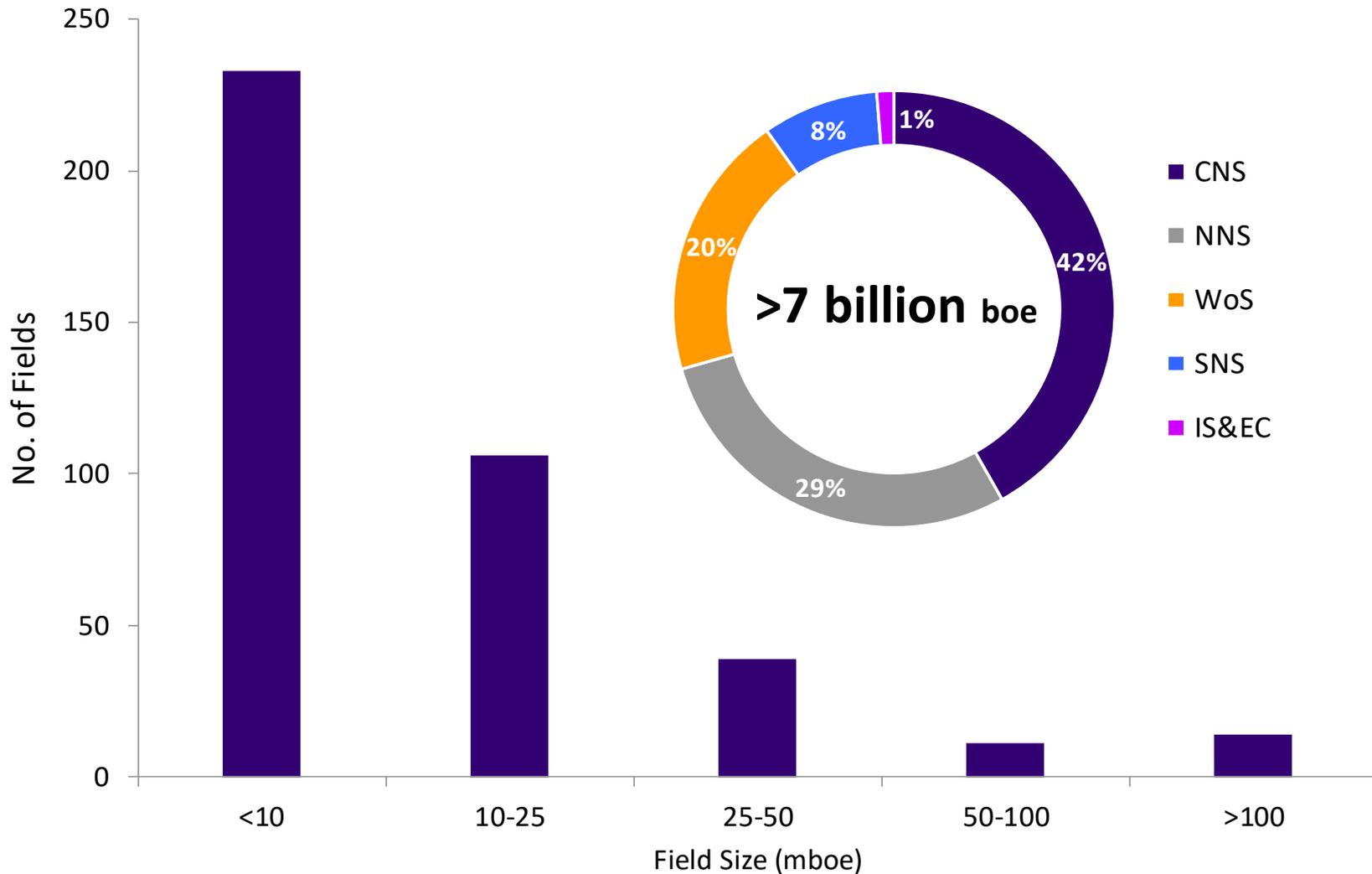


Source: OGA, Oil & Gas UK

# The future of the North Sea – A variety of opportunities



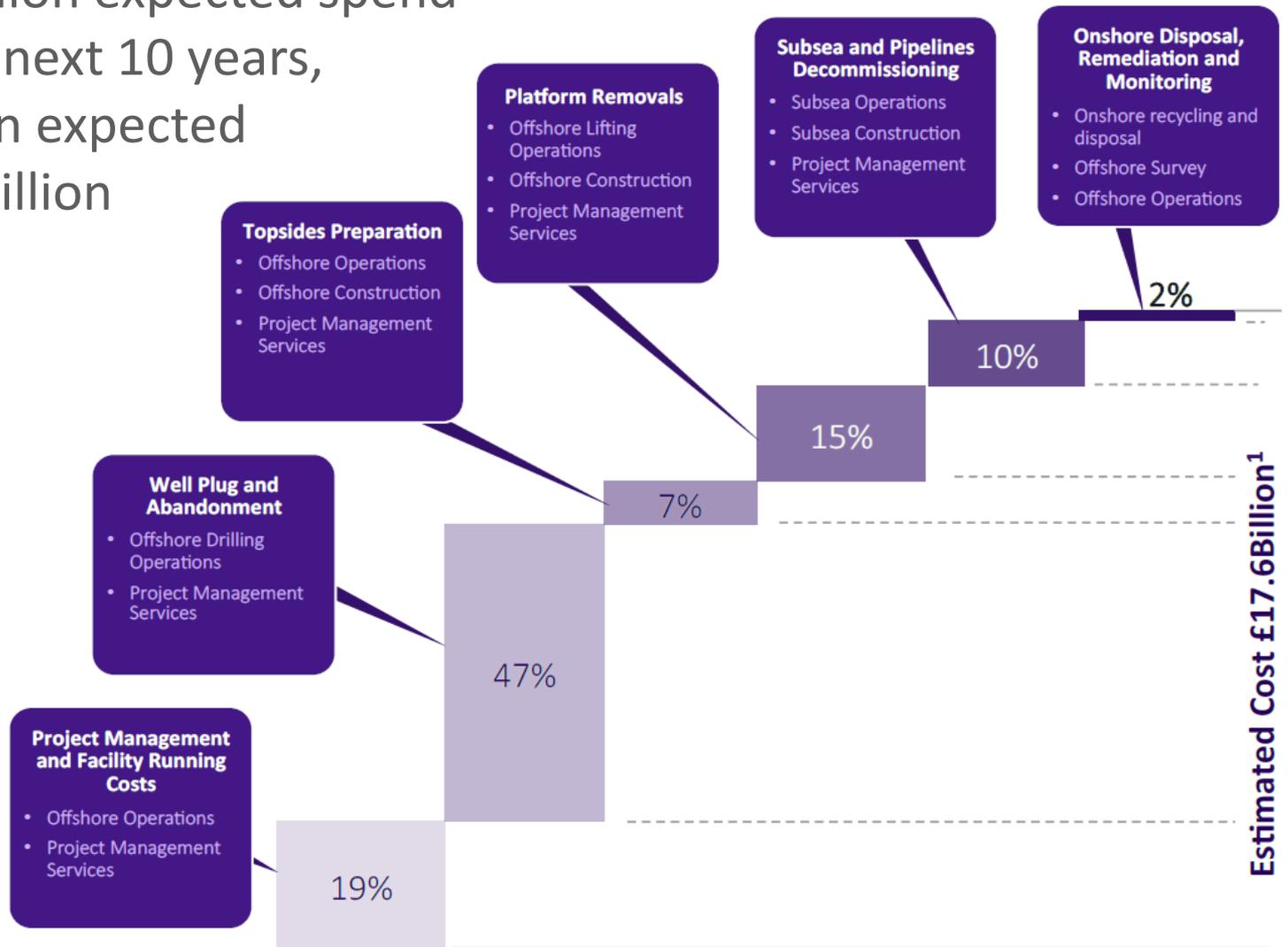
# Opportunities are available for a range of investors



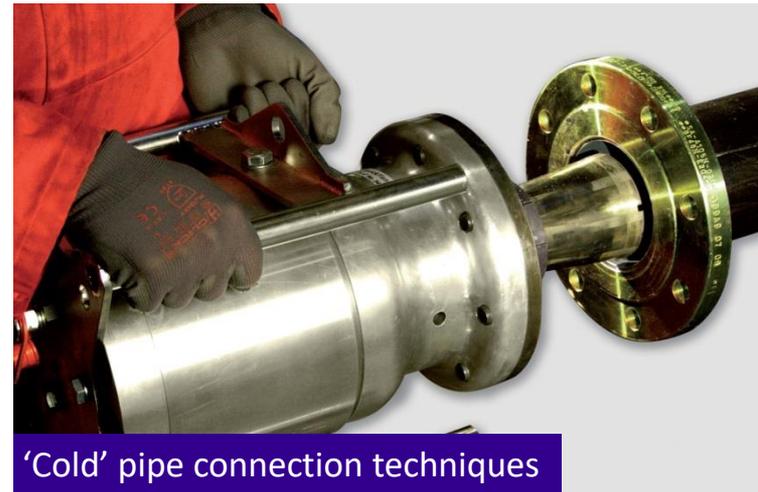
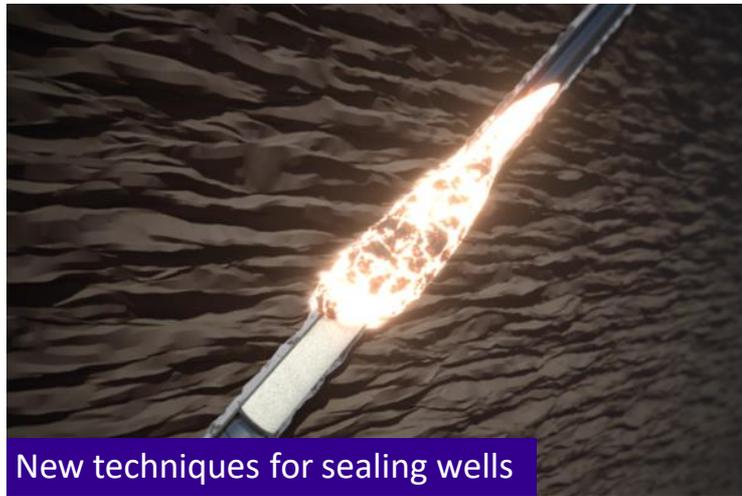
Source: Wood Mackenzie – Fields under development, undeveloped

# Decommissioning will proceed along side fresh investment

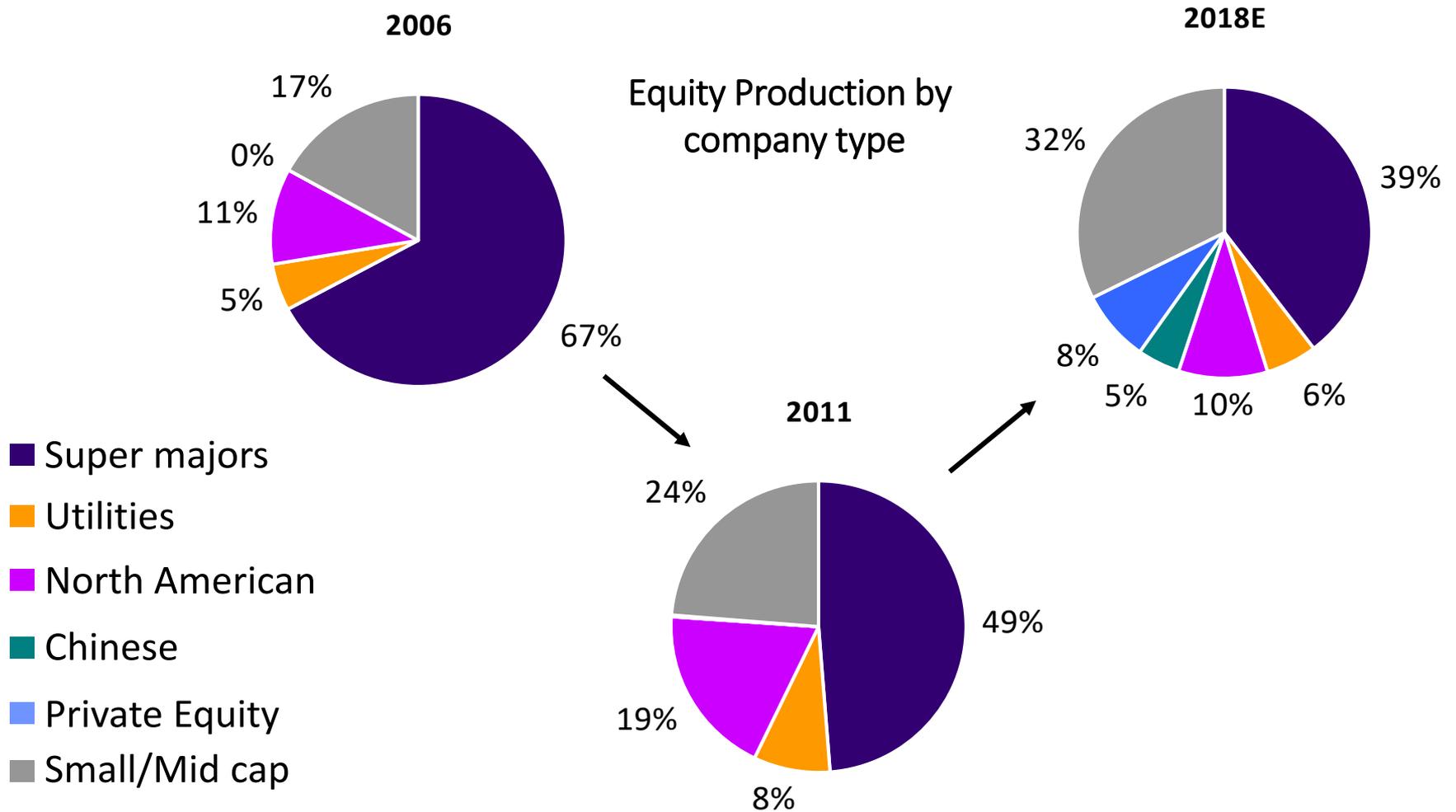
£17.6 billion expected spend over the next 10 years, part of an expected £50-60 billion in total



# A new wave of technology will shape the future of the North Sea



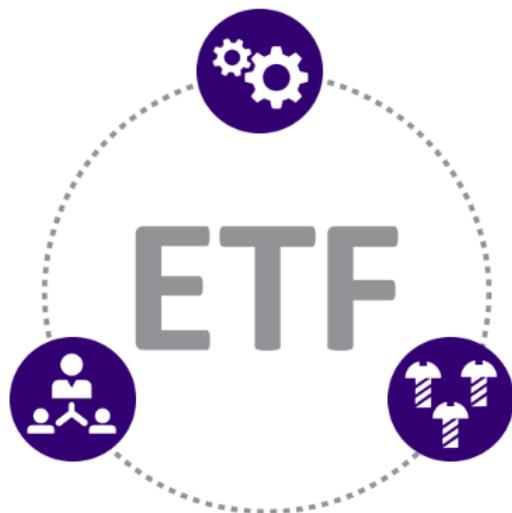
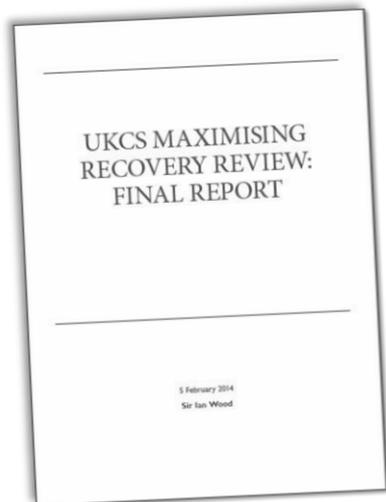
# The Changing of the guard - \$6 billion of M&A in the last 12 months



Supermajors: BP, Chevron, Conoco Phillips, Exxon, Shell, Total

Source: WoodMackenzie

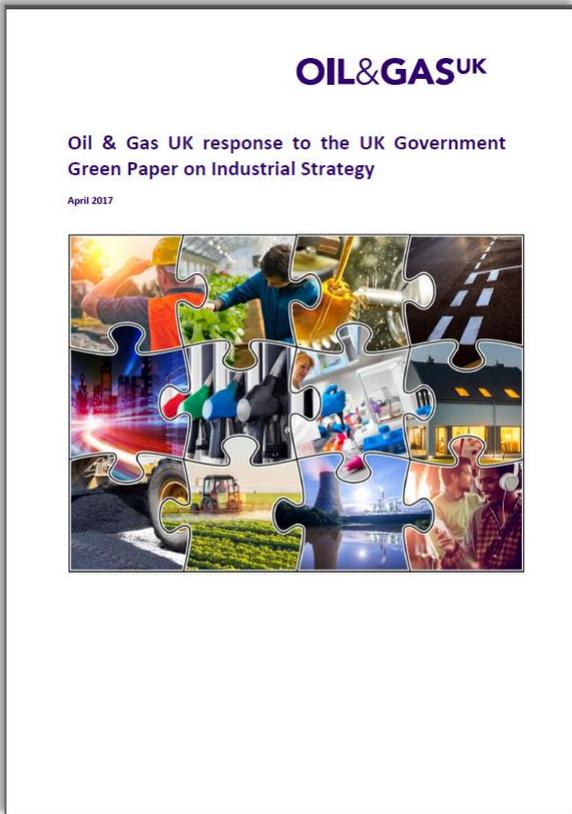
# What can be done - Build on current initiatives



40%  
Headline  
tax rate



# Work on new policy initiatives



Industrial Strategy Response – Delivered H1 2017, continuing promotion

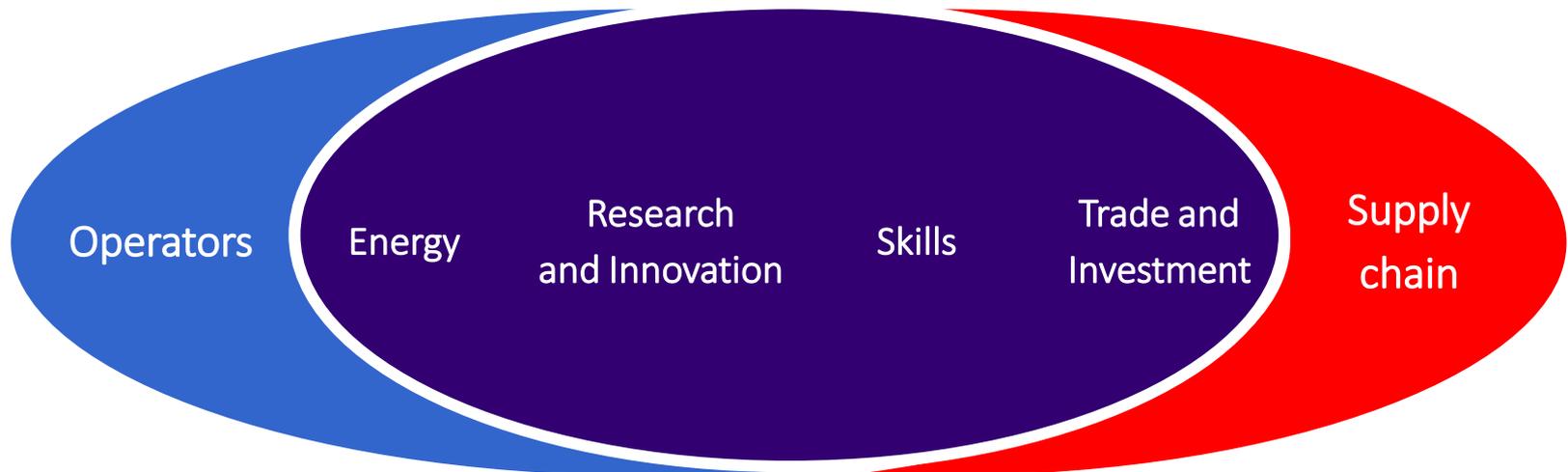
Sector Deal – TBDelivered H2 2017

Building our  
#IndustrialStrategy



# Vision 2035 for UK's Oil and Gas industry

*"Home to a global energy industry, anchored in the UK, powering the nation and exporting to the world"*



## MER UK

**"Doubling the productive future of the UKCS"**



## Industrial Strategy

**"Doubling supply chain turnover within a generation"**

**Delivering £290 billion additional turnover by 2035**

**OIL&GAS<sup>UK</sup>**

[www.oilandgasuk.co.uk](http://www.oilandgasuk.co.uk)  
[info@oilandgasuk.co.uk](mailto:info@oilandgasuk.co.uk)  
[#oilandgasuk](https://twitter.com/oilandgasuk)

© 2016 The UK Oil and Gas Industry Association Limited, trading as Oil & Gas UK