# UK energy sector faces talent and investment flight risking net zero targets



The UK energy sector is sounding alarm bells over a troubling trend that threatens its ambitious net zero goals. A recent report from the Aberdeen & Grampian Chamber of Commerce reveals a significant outflow of skilled workers and investment, as nearly half of surveyed firms report employees relocating to other energy-rich regions. This exodus not only highlights a deteriorating confidence in the UK Continental Shelf (UKCS) but also poses a serious risk to the nation’s capacity to achieve legally binding decarbonisation targets.

The findings indicate that 66% of UK firms plan to expand their international workforce by 2030, signalling a shift in focus towards more favourable overseas operations. With a mere quarter of companies expressing optimism about the UK's future as a sustainable energy hub, the ramifications of this migration are profound. In the face of binding commitments such as a 68% reduction in emissions by 2030, this decline in domestic activity—particularly in renewables and carbon reduction technologies—threatens to undermine efforts to establish a robust low-carbon economy.

Russell Borthwick, CEO of Aberdeen & Grampian Chamber of Commerce, describes the situation as a wake-up call for policymakers. He emphasises the UK’s capacity to lead in energy transition is being squandered by incoherent energy policies and excessive taxation. The report points to urgent changes needed in taxation and licensing, with energy firms advocating for the issuance of new North Sea licences that would be more competitively priced and lowering barriers that currently stifle investment. A staggering 90% of these firms cited the lack of a defined Scottish Government Energy Policy as detrimental, indicating a pressing need for clarity and strategy.

This challenge isn't isolated to Scotland; broader trends reflect a national concern. A separate survey by the UK Sustainable Investment and Finance Association found that 63% of UK energy companies are contemplating or have already shifted investments abroad, predominantly to markets offering more supportive sustainability frameworks. Concerns over grid capacity, planning processes, and inadequate subsidies were identified as key obstacles in retaining investment. The urgency for reform in policy settings is echoed widely, underscoring the risk of the UK losing its foothold in green energy leadership.

Significantly, while the UK’s net zero economy has reportedly grown by 10% over the past year, generating £83.1 billion in Gross Value Added, this growth might not be enough to counteract the growing exodus of talent. Reports highlight an acute skills gap; with only 42% of energy workers feeling businesses are adequately prepared for the transition, and less than half confident in possessing the necessary skills for a zero-carbon future. This discrepancy poses a substantial threat to meeting net zero objectives, all while the job creation in green sectors surpasses overall market growth by fourfold.

Despite government initiatives aimed at transitioning oil and gas workers into renewable energies, nearly half of companies believe these green roles cannot fully substitute the jobs being lost in conventional sectors. This gap between current policy and real-world outcomes suggests that measures adopted by both the UK and Scottish governments may be inadequate for securing a stable future in sustainable energy.

Bob Drummond, CEO of clean energy group D2Zero, warns that energy transition is not a straightforward process but requires sustained, coordinated efforts across multiple sectors. The ongoing fragmentation and short-sighted policymaking could severely jeopardise the infrastructure and innovation essential to a low-carbon future. If the UK does not act decisively, it risks losing not only its talent but also the foundational capacity necessary to build a sustainable energy landscape.

As the energy sector grapples with these pressing issues, the challenges posed by talent flight, insufficient policy frameworks, and skills shortages will demand urgent and coherent responses from all levels of government. The stakes are high, and the path forward will require collaboration, investment, and a shared commitment to a sustainable energy future.

## Reference Map:

* Paragraph 1 – [[1]](https://www.digit.fyi/uk-energy-sector-sounds-alarm-as-net-zero-talent-moves-abroad/), [[2]](https://www.ft.com/content/bb43b828-19ff-4b63-b563-9535f580dc6e)
* Paragraph 2 – [[1]](https://www.digit.fyi/uk-energy-sector-sounds-alarm-as-net-zero-talent-moves-abroad/), [[5]](https://www.energyvoice.com/renewables-energy-transition/wind/uk-wind/548631/report-finds-nearly-two-thirds-of-uk-energy-firms-consider-moving-investments-abroad/), [[6]](https://www.resolveenergy.com/blog/article/63percent-of-energy-companies-moving-abroad)
* Paragraph 3 – [[3]](https://eciu.net/media/press-releases/2025/uk-net-zero-economy-grows-10-in-a-year-finds-new-report), [[4]](https://www.cityandguilds.com/news/july-2023/new-report-says-energy-sector-upskilling-crisis-is-damaging-uks-chances-to-hit-net-zero-goals), [[7]](https://www.freelanceinformer.com/contractors/uk-energy-transition-faces-green-trade-skills-shortage/)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.digit.fyi/uk-energy-sector-sounds-alarm-as-net-zero-talent-moves-abroad/> - Please view link - unable to able to access data
2. <https://www.ft.com/content/bb43b828-19ff-4b63-b563-9535f580dc6e> - A Financial Times article reports that 63% of UK energy companies are considering or have already moved investments abroad to markets more supportive of their sustainability goals. The UK Sustainable Investment and Finance Association's survey highlights concerns over grid capacity, planning processes, and subsidy levels, suggesting that without policy changes, the UK risks losing its leadership in green energy investment. The article also notes that European energy companies are prioritising immediate financial returns over long-term sustainability, with some adjusting dividends and buybacks accordingly.
3. <https://eciu.net/media/press-releases/2025/uk-net-zero-economy-grows-10-in-a-year-finds-new-report> - A report by the Energy and Climate Intelligence Unit reveals that the UK's net zero economy has grown by 10% in the past year, now generating £83.1 billion in Gross Value Added (GVA). Employment within the sector has also seen significant growth of 10.2%, supporting the equivalent of 951,000 full-time jobs. The report underscores the sector's critical role in the government's growth agenda and its potential to drive innovation and productivity.
4. <https://www.cityandguilds.com/news/july-2023/new-report-says-energy-sector-upskilling-crisis-is-damaging-uks-chances-to-hit-net-zero-goals> - A City & Guilds report highlights a significant upskilling crisis in the UK's energy sector, which could impede the country's ability to meet its net zero targets. The survey found that only 42% of energy sector workers believe businesses are ready to decarbonise by 2035, and less than 46% feel they have the necessary skills for a zero-carbon energy system. The report calls for increased investment in training and development to equip the workforce for the transition.
5. <https://www.energyvoice.com/renewables-energy-transition/wind/uk-wind/548631/report-finds-nearly-two-thirds-of-uk-energy-firms-consider-moving-investments-abroad/> - An Energy Voice article discusses a report by the UK Sustainable Investment and Finance Association, revealing that nearly two-thirds (63%) of UK energy companies have moved or plan to move investments overseas to markets more supportive of their sustainability goals. The report identifies key policy measures, such as overhauling planning rules for renewables projects and ensuring adequate grid capacity, as essential to retain investment and accelerate the UK's energy transition.
6. <https://www.resolveenergy.com/blog/article/63percent-of-energy-companies-moving-abroad> - A Resolve Energy article examines a UKSIF report indicating that 63% of UK energy companies are considering or have already moved investments abroad due to a lack of supportive policy frameworks in the UK. The article highlights the need for clear and consistent regulations to promote renewable energy development and investment, emphasising the risk of losing green energy leadership without policy changes.
7. <https://www.freelanceinformer.com/contractors/uk-energy-transition-faces-green-trade-skills-shortage/> - A Freelance Informer article addresses the shortage of skilled workers in the UK's renewable energy sector, which could hinder the country's progress towards net zero targets. The article notes that green jobs are growing at a rate four times that of the overall UK employment market, but more than one-third of these roles are based in London and the South East, with a dominance of professional and scientific roles, leaving a significant skills gap in green trades.