# New UK guidance mandates full climate impact assessment for offshore oil and gas projects



New UK government guidance on assessing the climate impact of offshore oil and gas production, issued recently, has been welcomed by environmental campaigners as a significant advancement in addressing fossil fuel emissions comprehensively. This guidance follows a landmark Supreme Court ruling one year ago, which established that decision-makers must incorporate emissions generated from the combustion of produced oil and gas—known as scope 3 or downstream emissions—into environmental assessments. Previously, evaluations typically focused solely on emissions from the extraction process itself.

The guidance clarifies how fossil fuel extraction projects should assess environmental effects and explicitly require the inclusion of scope 3 emissions in Environmental Statements (ES) that accompany consent applications. This shift enables developers to submit new applications for offshore fields such as Rosebank and Jackdaw, where consents had been previously overturned following the Supreme Court judgement. The ES must now provide a transparent, comprehensive analysis of these combustion emissions, assess their significance in line with the UK’s climate commitments including the Paris Agreement and the Climate Change Act, and consider cumulative effects alongside other existing or future projects globally.

A key feature of the guidance is the stipulation that scope 3 emissions be assessed over the entire lifetime of a project, disregarding arguments that fossil fuels produced might simply displace other sources. Developers must start with a robust baseline description of the current environmental state, evaluate reasonable alternatives to the proposed project, and use credible, up-to-date methodologies such as the six-step framework recommended by the Institute of Environmental Management and Assessment (IEMA). This approach responds to the Supreme Court’s emphasis on thorough and transparent environmental impact assessments.

Campaigners who initially brought the legal challenge, including Sarah Finch of the Weald Action Group, see the guidance as a promising tool to strengthen efforts against new oil and gas developments. Finch expressed hope that it would make new projects less likely to proceed and indicated plans to advocate for similar criteria to be applied to onshore oil and gas operations, which currently remain under different regulatory pressures. The Weald Action Group underscored the gap in the regulatory landscape, noting that despite recent reviews, current national planning policies still encourage positive consideration of onshore developments in ways inconsistent with climate goals.

Environmental organisations have praised the guidance as a "huge win" for climate accountability and common sense. Mike Childs, head of policy at Friends of the Earth, highlighted that the reforms address the previous illogical situation where projects’ full climate impacts were neglected. He pointed out that with renewable energy sources in the UK now cheaper, cleaner, and quicker to deploy, these changes further undermine the rationale for new fossil fuel investments. Tessa Khan, executive director at Uplift, commented that the government appeared to have approached the guidance exercise earnestly and dispelled industry hopes that the new rules would ease approval processes for contentious sites like Rosebank. She welcomed the clear insistence that all hydrocarbons produced will eventually be combusted and that emissions must be assessed at the highest production levels against credible emission reduction pathways.

Government officials, including Energy Minister Michael Shanks, framed the guidance as a constructive step towards a managed transition from oil and gas extraction to a sustainable clean energy future in the North Sea. The policy aims to balance climate responsibilities with economic considerations by involving industry, trade unions, local communities, and environmental groups. The updated guidance is also expected to provide greater certainty and stability to the offshore sector, supporting jobs while aligning with the UK's long-term emission reduction commitments.

This move follows a consultation process that sought stakeholder input on how scope 3 emissions should be incorporated within Environmental Impact Assessments, reinforcing the commitment to fair, transparent regulation. The Supreme Court ruling referenced IEMA guidance directly, underscoring the centrality of scientific rigor in evaluating fossil fuel projects’ climate impacts. Legal analysts and environmental experts note that this precedent has fundamentally reshaped the planning framework for UK fossil fuel developments, mandating a higher standard of scrutiny that accounts for the full lifecycle emissions of these projects.

While the new guidance currently applies only to offshore projects, environmental campaigners remain vigilant and active in pushing for equivalent measures onshore. This development marks a pivotal moment in UK climate policy, signalling tougher scrutiny for fossil fuel extraction and a clearer pathway for integrating climate science into planning decisions.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://drillordrop.com/2025/06/20/campaigners-welcome-new-guidance-on-climate-impact-of-oil-and-gas-production/), [[4]](https://www.theguardian.com/environment/article/2024/jun/20/landmark-supreme-court-ruling-throws-doubt-on-new-uk-fossil-fuel-projects), [[2]](https://www.gov.uk/government/news/updated-oil-and-gas-guidance-following-supreme-court-ruling)
* Paragraph 2 – [[1]](https://drillordrop.com/2025/06/20/campaigners-welcome-new-guidance-on-climate-impact-of-oil-and-gas-production/), [[5]](https://www.iema.net/resources/news/2024/landmark-climate-impact-ruling-for-fossil-fuel-projects-cites-iema-guidance/), [[6]](https://www.nortonrosefulbright.com/en-gb/knowledge/publications/4df30610/supreme-court-judgment-will-significantly-impact-planning-decisions-for-fossil-fuel-projects)
* Paragraph 3 – [[1]](https://drillordrop.com/2025/06/20/campaigners-welcome-new-guidance-on-climate-impact-of-oil-and-gas-production/), [[4]](https://www.theguardian.com/environment/article/2024/jun/20/landmark-supreme-court-ruling-throws-doubt-on-new-uk-fossil-fuel-projects)
* Paragraph 4 – [[1]](https://drillordrop.com/2025/06/20/campaigners-welcome-new-guidance-on-climate-impact-of-oil-and-gas-production/)
* Paragraph 5 – [[1]](https://drillordrop.com/2025/06/20/campaigners-welcome-new-guidance-on-climate-impact-of-oil-and-gas-production/)
* Paragraph 6 – [[1]](https://drillordrop.com/2025/06/20/campaigners-welcome-new-guidance-on-climate-impact-of-oil-and-gas-production/)
* Paragraph 7 – [[2]](https://www.gov.uk/government/news/updated-oil-and-gas-guidance-following-supreme-court-ruling), [[3]](https://www.gov.uk/government/news/uk-government-consults-on-oil-and-gas-scope-3-emissions), [[5]](https://www.iema.net/resources/news/2024/landmark-climate-impact-ruling-for-fossil-fuel-projects-cites-iema-guidance/), [[6]](https://www.nortonrosefulbright.com/en-gb/knowledge/publications/4df30610/supreme-court-judgment-will-significantly-impact-planning-decisions-for-fossil-fuel-projects), [[7]](https://www.carbonbrief.org/qa-what-does-the-landmark-horse-hill-judgment-mean-for-uk-fossil-fuels/)

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## Bibliography

1. <https://drillordrop.com/2025/06/20/campaigners-welcome-new-guidance-on-climate-impact-of-oil-and-gas-production/> - Please view link - unable to able to access data
2. <https://www.gov.uk/government/news/updated-oil-and-gas-guidance-following-supreme-court-ruling> - The UK government has updated environmental guidance for offshore oil and gas projects following a Supreme Court ruling. The guidance requires operators to assess emissions from burning oil and gas, known as scope 3 emissions, in Environmental Impact Assessments. This change aims to provide greater certainty and stability for the industry and is expected to be implemented from Spring 2025. The consultation with stakeholders, including the offshore industry, is part of the government's commitment to a fair and prosperous transition in the North Sea that supports investment, protects jobs, and meets climate obligations.
3. <https://www.gov.uk/government/news/uk-government-consults-on-oil-and-gas-scope-3-emissions> - The UK government has opened a consultation seeking views on assessing the effects of scope 3 emissions from proposed offshore oil and gas projects. The consultation proposes that developers define a baseline scenario to assess scope 3 emissions and include information on relevant scope 3 categories, such as emissions from combustion and other downstream activities, in their permit applications. This initiative aims to ensure comprehensive environmental assessments for offshore oil and gas developments.
4. <https://www.theguardian.com/environment/article/2024/jun/20/landmark-supreme-court-ruling-throws-doubt-on-new-uk-fossil-fuel-projects> - A landmark Supreme Court ruling has mandated that UK planning authorities must consider the emissions from burning fossil fuels, known as scope 3 emissions, when assessing new oil and gas projects. The case, initiated by climate activist Sarah Finch, challenged the approval of an oil drilling project at Horse Hill, arguing that the environmental impact assessment should account for greenhouse gas emissions from the combustion of the extracted oil. The court's decision is expected to significantly impact planning decisions for future fossil fuel projects in the UK.
5. <https://www.iema.net/resources/news/2024/landmark-climate-impact-ruling-for-fossil-fuel-projects-cites-iema-guidance/> - The UK Supreme Court's ruling on the Horse Hill oil drilling project has cited guidance from the Institute of Environmental Management and Assessment (IEMA). The court emphasized that combustion emissions from burning extracted oil are direct and indirect significant effects of a project and must be considered in Environmental Impact Assessments. The IEMA's guidance on estimating combustion emissions was referenced in the court's decision, highlighting the importance of comprehensive environmental assessments for fossil fuel projects.
6. <https://www.nortonrosefulbright.com/en-gb/knowledge/publications/4df30610/supreme-court-judgment-will-significantly-impact-planning-decisions-for-fossil-fuel-projects> - A Supreme Court judgment has significantly impacted planning decisions for fossil fuel projects in the UK. The court ruled that planning authorities must assess scope 3 emissions, which include the combustion of extracted oil and gas, when deciding whether to grant approval for such projects. This decision emphasizes the need for comprehensive environmental impact assessments and is expected to influence future planning applications for oil and gas developments.
7. <https://www.carbonbrief.org/qa-what-does-the-landmark-horse-hill-judgment-mean-for-uk-fossil-fuels/> - The UK Supreme Court's judgment on the Horse Hill oil drilling project has significant implications for future fossil fuel projects in the UK. The court ruled that planning authorities must consider scope 3 emissions, which are the emissions from burning the extracted oil, in Environmental Impact Assessments. This decision is expected to influence planning applications for future oil and gas projects, requiring a more comprehensive assessment of their environmental impact.