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Convener of the Economy, Energy and Fair Work Committee

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Dear Michelle

This is an extremely difficult time for our business community and I recognise the need to do all we can to help the recovery of key sectors of the economy and Scotland's regions.

Given the Economy, Energy and Fair Work Committee's important role in considering and reporting on economy and energy matters. I would like to bring to your attention a new multi-million pound fund that has been set up to help the energy sector recover sustainably from the dual economic impacts of coronavirus (COVID-19) and the oil and gas price crash.

The £62 million Energy Transition Fund will support businesses in the oil, gas and energy sectors over the next five years as they grow and diversify and will help leverage significant private sector investment, focussed in the North East of Scotland.

The investment underpins the region's ambitions to become a world leader in the transition to net zero, helping Scotland meet its ambitious targets on climate change. Major projects to be considered for funding include a Global Underwater Hub, Net Zero Solution Centre projects, a Hydrogen Hub, the Acorn project and an Energy Transition Zone.

Aberdeen and the North East are recognised globally as a centre of excellence in oil and gas and this funding will help ensure that the knowledge, skills and expertise it has to offer will play a vital role in the energy transition.

The investment will also benefit the wider Scottish energy sector and supply chain, working with local businesses to support sustainable jobs and maximise inclusive economic growth across the country.

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It is vital we move quickly to seize the opportunity to take forward a green, low-carbon recovery and support the workforce as the energy sector diversifies. Now is an opportune time to re-imagine the Scotland around us and to begin building a greener, fairer and more equal society and economy focused on wellbeing.

I will keep the committee informed on the progress and delivery of the fund in due course.

Kind regards
Fiona Hyslop

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