

Cambo oil field United Kingdom

Sectors: Oil and Gas Extraction

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[Project website](#)

Status

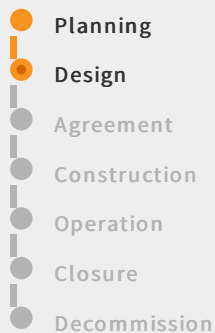


Sectors

Oil and Gas Extraction

Location

Status



Website

<https://www.siccarpointenergy.co.uk/our-portfolio/corona-ridge-area>

About Cambo oil field

The Cambo oil field is located 125 kilometers north-west of the Shetland Islands in the United Kingdom. It spans offshore blocks covered by two licences granted in 2001 and 2004 respectively. [Siccar Point Energy](#) acquired a 100% interest in the field in January 2017, before subsequently selling a 30% non-operated interest to Shell UK in May 2018.

The Cambo oil field [contains over 800 million barrels](#) of heavy crude oil. Phase 1 seeks to extract approximately 170 million barrels of oil initially, with further phases envisaged. If approved by the UK Oil and Gas Authority, drilling could start in 2022, with oil production beginning in 2025 for a period of approximately 25 years.

Why this profile?

The development of the Cambo oil field is clearly not aligned with the pathways required to meet the 1.5°C temperature goal under the Paris Agreement. The 'Net Zero by 2050 Roadmap' published in May 2021 by the International Energy Agency underscores the need to phase out oil and gas production and states that that no oil and gas fields are required beyond those already in production and approved for development.

What must happen

Banks and other financial institutions should not provide financial or advisory services relating to projects that involve new exploration or development of fossil fuels, such as the Cambo oil field project, or to companies planning them. The existing financiers of Siccar Point Energy and Shell should engage with them to influence them to stop pursuing the Cambo project, and consider terminating their relationships if they refuse.

Impacts

Social and human rights impacts

Human rights impacts The dire outlook of climate change in excess of 1.5°C involves impacts on a range of internationally recognised human rights, including the rights to life, water and sanitation, health, food, a healthy environment, an adequate standard of living, housing, property, culture, self-determination, indigenous people, women, and development. Setting to one side their fossil fuel-related business activities to date, any future development of the Cambo oil field by Siccac Point Energy and Shell and the associated emissions would fuel future climate change-related human rights impacts, which are of the utmost severity and of an unprecedented scale.

The impacts of the Cambo oil field on human rights, and the implications for banks, were further elaborated in a September 2021 [letter from ClientEarth](#) addressed to the CEOs of 17 banks exposed to the project.

Environmental and climate impacts

In May 2021, the International Energy Agency, the world's most influential energy forecaster, produced [a roadmap for the global energy sector](#) to reach net zero by 2050. One of the essential conditions for the energy sector to reach net zero emissions, it found, is "a huge decline in the use of fossil fuels", stating that "there is no need for investment in new fossil fuel supply in our net zero pathway". They add that there should be "no new oil and gas fields approved for development".

Climate change impact The Cambo oil field would be able to produce 170 million barrels of oil a year - the climate equivalent of running 18 coal-fired power stations - over 25 years in the project's first phase alone. This [would result in](#) 63.5 million tonnes of greenhouse gas emissions, further endangering the adverse impacts of global warming.

CO2 emissions Shell A landmark Dutch court ruling recently required Shell to reduce its total CO2 emissions, including the emissions resulting from the use of the fossil fuels it produces. This has significant implications for the North Sea oil industry's promises to reduce emissions from extracting oil and gas - to create a "net zero hydrocarbon basin" as the Scottish Government says - while ignoring the emissions from burning the oil and gas extracted ([FoE Scotland](#)).

Other impacts

Corruption investigation Petrofac A firm being investigated on corruption charges and founded by a major Tory donor is a contractor on the proposed Cambo oilfield in the North Sea. Petrofac, whose co-founder Ayman Asfari has along with his wife [donated](#) almost £900,000 to the Conservative Party, is under [investigation](#) by the Serious Fraud Office for allegedly paying million-pound bribes to secure contracts in nine different countries ([DeSmog](#)).

Governance

Bank policies

The following bank investment policies apply to this project:

DNB

Group Standard for Corporate Social Responsibility in DNB Group's credit activities

Feb 26 2018 | DNB

Responsible investment - climate change

Nov 30 2018 | DNB

ING

Environmental and Social Risk Framework

Jul 1 2019 | ING

Stance on climate

Date listed represents date as accessed on website

Feb 15 2021 | ING

Natixis

Commitment to the climate and the environment

Dec 11 2017 | Natixis

ESR Sector Policy - Oil and Gas

Nov 23 2018 | Natixis

ABN AMRO

Climate Change Statement

Oct 23 2014 | ABN AMRO

Sustainability Risk Policy for Lending

Apr 16 2014 | ABN AMRO

Barclays

Environmental and Social Risk Briefing Oil & Gas

Mar 27 2016 | Barclays

Energy and Climate Change Statement

Jan 14 2019 | Barclays

BNP Paribas

Commitments to the environment

Oct 17 2017 | BNP Paribas

Citi

Environmental and Social Policy Framework

Mar 15 2021 | Citi

Commonwealth Bank

Climate Policy Position Statement

Aug 14 2017 | Commonwealth Bank

Group environment policy

Mar 19 2019 | Commonwealth Bank

Approach to climate change

Aug 11 2020 | Commonwealth Bank

Environmental & social framework

Aug 10 2021 | Commonwealth Bank

Nedbank

Managing social and environmental risk

Date listed represents date as accessed on website

Apr 16 2020 | Nedbank

Climate change position statement

Apr 22 2021 | Nedbank

NIBC

Sustainability policy

Aug 31 2018 | NIBC

Environment - sustainability policy supplement

Aug 31 2018 | NIBC

Offshore energy policy

Nov 30 2017 | NIBC

Applicable norms and standards

OECD Guidelines for Multinational Enterprises

UN Guiding Principles on Business and Human Rights

Updates

Financiers

The Cambo oil field is owned by Siccar Point Energy (70%) and Shell (30%). Commercial banks are financing both companies through debt (lending and underwriting).

Commercial banks finance Siccar Point Energy via loans and bond issuance underwriting:

- In December 2020 Siccar Point Energy signed an agreement with several commercial banks to extend a USD 550 million loan facility to 2027. See below for details of banks involved;
- In February 2021, Siccar Point Energy (via its subsidiary Siccar Point Energy Bonds) issued a USD 200 million bond with maturity in March 2026. The bond was underwritten by DNB, Pareto Securities and SpareBanken 1. See below for details of banks involved.

Commercial banks finance Shell through lending and bond issuance underwriting. Shell's debt totalled USD 108 billion as at 31 December 2020. The company's current and recent financing includes:

- Numerous bonds listed on the New York, London and Zurich stock exchanges with maturity dates up to 2052;
- A USD 10 billion revolving credit facility and a dual currency USD 7.2 billion and EUR 4.4 billion revolving credit facility.

See [BankTrack's Dodgy Deal profile on Shell](#) for more information on Shell's financiers.

Related companies

Project sponsor

A PHP Error was encountered

Severity: Notice

Message: Trying to get property 'title' of non-object

Filename: project/pdf.php

Line Number: 90

Backtrace:

File: /home/btwebhost/www/btci3/application/views/sections/project/pdf.php

Line: 90

Function: _error_handler

File: /home/btwebhost/www/btci3/application/libraries/sections/Dodgydeal.php

Line: 160

Function: view

File: /home/btwebhost/www/btci3/application/controllers/Main.php

Line: 295

Function: content

File: /home/btwebhost/www/btci3/index.php

Line: 315

Function: require_once

Other companies

Petrofac United Kingdom

Contractor for Cambo oil field

Royal Dutch Shell Netherlands [show profile](#)

Oil and Gas Extraction

30% owner of Cambo oil field