

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations make amendments and modifications to the existing regime for the licensing of petroleum consequent on sections 47 and 48 of the Scotland Act 2016 (c. 11) (“the 2016 Act”), which devolve legislative competence to the Scottish Parliament and transfer certain functions and powers to the Scottish Ministers for the granting and regulation of licences to search and bore for and get petroleum within the “Scottish onshore area” (as defined in section 47 of that Act), and related matters. The Regulations come into force on commencement of section 48 of the 2016 Act. These Regulations also amend existing licences in the Scottish onshore area as provided for in section 49 of the 2016 Act and prescribe the model clauses relating to reserved matters which must be included in any licence granted by the Scottish Ministers (pursuant to section 4(1B) of the Petroleum Act 1998, as inserted by section 48 of the 2016 Act).

Part 2 amends secondary legislation relevant to the licensing of petroleum, including substituting a new definition of the line dividing landward and seaward areas for the purposes of petroleum licensing to reflect the approach adopted in section 47 of the 2016 Act (regulations 3(3) and (5) and 4(2) and (5)). Regulation 3(4), (6) and (7) prescribes new model clauses relating to reserved matters for incorporation in licences granted by the Scottish Ministers. Finally, Part 2 of these Regulations also makes consequential amendments to secondary legislation to reflect the transfer of functions to the Scottish Ministers (regulations 2, 3(2), 4(3) and (4) and 5).

Part 3 of these Regulations amends existing licences in the Scottish onshore area consequent on the division of competence between the Scottish Ministers and the Secretary of State and transfer of functions to the former (regulation 7). Part 3 also modifies the secondary legislation relevant to petroleum licensing in the Scottish onshore area until such time as the Scottish Ministers make their own legislation (regulations 8 to 10) and makes provision for savings (regulation 11).

A full regulatory impact assessment has not been produced for these Regulations as no impact on the private or voluntary sectors is foreseen.

**Changes to legislation:**

There are currently no known outstanding effects for the The Scotland Act 2016 and Onshore Petroleum (Consequential, Transitional and Saving Provisions and Model Clauses) Regulations 2018.