

# Oil & Gas Sector UK corporate criminal liability reforms: risks for the oil & gas sector

29 June 2026



There is now a heightened possibility that some features of both the upstream and downstream operations of oil and gas companies could lead to criminal investigations or prosecution. Reforms to UK corporate criminal liability under the Crime and Policing Act 2026 (CPA), which are now in force, make it easier for prosecutors to hold companies criminally liable for the actions of individuals within them. These changes are not targeted at the oil and gas sector – they apply to all companies. However, elevated prosecution risk may flow from some aspects of their operational or commercial arrangements.

## Key takeaways

- 1 It is now easier for prosecutors to attribute the actions of individuals to corporate entities – if a "senior manager" (defined widely) commits any UK criminal offence, so may the company.
- 2 Where some issues may to date have attracted potential civil litigation or regulatory enforcement action, they could now also prompt lengthy and intrusive criminal investigations or prosecutions.
- 3 Businesses can mitigate risks by reviewing, refining and supplementing existing training and compliance arrangements. Identifying situations in which the conduct of individuals could expose the organisation to criminal liability and by implementing appropriate training, policies and other compliance measures.

## What is changing?

A company may now be held criminally liable where a "senior manager" commits a broad range of criminal offences while acting within the actual or apparent scope of their authority.

The previous longstanding legal position (referred to as the "identification doctrine") generally required prosecutors to show that the offence was committed by the company's "directing mind and will". In practice, this

was often difficult and impractical as authority for corporate decision-making is rarely vested in one individual, but rather is usually shared between multiple senior personnel.

The reforms build on earlier changes introduced by the Economic Crime and Corporate Transparency Act (ECCTA). Since December 2023, for certain economic offences, prosecutors have no longer needed to turn to the identification doctrine, but instead have been able to base corporate liability on the actions of "senior managers". Under the CPA, this concept of the actions of "senior managers" bringing potential corporate criminal liability attribution rule now extends more broadly. Businesses, including those located or operating outside the UK where there is a sufficient jurisdictional nexus, may now face criminal liability for any UK criminal offence committed by "senior managers". Prosecutors have a wide discretion when deciding whether to take action against companies. In practice, the likelihood that they will do so will be highest where decisions have been taken by individuals within entities located or operating in the UK (for example those selling oil and gas into the UK market or with significant processing operations in the UK).

UK criminal enforcement agencies are already actively seeking cases in which to test the changes to the law on attribution made under ECCTA. The application of those changes to all offences will provide more opportunities for them to do so. The National Crime Agency and HM Revenue & Customs also have extensive investigative powers encompassing many facets of oil and gas companies upstream and downstream commercial arrangements. The exercise of powers by these and many other criminal enforcement agencies can be disruptive. Serious operational disruption can result from large scale document production requirements and/or allegations made against key individuals. Even if prosecutions do not follow, the effects of management distraction, reputational damage and follow on litigation can be significant and long lasting.

### **Why this matters for businesses in the oil and gas sector**

Operating in the oil and gas sector already depends upon having sophisticated compliance and risk management arrangements, including in many areas where breaches of requirements may lead to potential criminal enforcement action. However, in many cases, existing arrangements will not contemplate potential prosecution risk across all operational areas.

Multi-jurisdictional and bespoke supply chain arrangements and corporate structures may lead to pockets of concentrated risk. Decision making and oversight responsibilities may be held by personnel far removed from the boardroom (both geographically and in terms of overall seniority) but who are, for the purposes of the CPA, "senior managers". Many instances of conduct occurring outside the UK and scenarios in which work is carried out by other parties, for example under outsourcing or joint venture arrangements will fall within scope of the new law on attribution under the CPA.

NGOs have already shown their readiness to seek to persuade criminal enforcement authorities to take action against oil and gas companies. The new mechanism for attribution provides an additional avenue they may

argue it is appropriate for prosecutors to pursue. In some cases, activist groups may seek to bring private prosecutions themselves.

### Example scenarios

The table below sets out non-exhaustive examples of hypothetical scenarios in which oil and gas companies may face an elevated risk of corporate criminal liability.

Example scenarios	Underlying offences
<ul style="list-style-type: none"> <li>A senior manager omits key details when responding to questions asked by officers from investigating authorities.</li> </ul>	<ul style="list-style-type: none"> <li>Failure to respond to requirements to produce documents or provide information/providing misleading information to investigating authorities.</li> </ul>
<ul style="list-style-type: none"> <li>A regional director knowingly enters into a contract with a labour supplier who uses forced labour, ignoring clear evidence of forced labour and exploitative working conditions in order to reduce labour costs and meet production targets.</li> </ul>	<ul style="list-style-type: none"> <li>Encouraging or assisting the commission of forced labour offences.</li> </ul>
<ul style="list-style-type: none"> <li>A senior manager within an oil company responsible for the distribution of petrol and diesel on the UK market allows the sale of fuel that does not comply with prescribed standards.</li> </ul>	<ul style="list-style-type: none"> <li>Breaches of legislation relating to the content and composition of motor fuels.</li> </ul>

### Steps to mitigate risks

Existing compliance arrangements will be calibrated according to the corporate criminal liability landscape that has existed for decades in the UK. This requires companies to take action to identify and address gaps. Practical steps may include:

- delivering targeted training to senior personnel and teams involved in higher-risk functions;
- updating policies, approval processes, delegation arrangements and escalation routes so that concerns involving senior operational managers, executives, local business units or outsourced teams are identified and addressed promptly; and
- assessing the risk exposure created by affiliates, contractors, joint venture partners and other intermediaries, and testing how those third parties manage compliance risk before and during engagement.



**Christopher David**  
Partner, London

Email: christopher.david  
@cliffordchance.com  
Mobile: +44 7867523082

This publication does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. It is not designed to provide legal or other advice.

cliffordchance.com

Clifford Chance, 10 Upper Bank Street, London, E14 5JJ

© Clifford Chance 2026

Clifford Chance LLP is a limited liability partnership registered in England and Wales under no. OC323571. The firm's registered office and principal place of business is at 10 Upper Bank Street, London E14 5JJ. The firm uses the word "partner" to refer to a member of Clifford Chance LLP or an employee or consultant with equivalent standing and qualifications.

If you do not wish to receive further information from Clifford Chance about events or legal developments which we believe may be of interest to you, please either send an email to [nomorecontact@cliffordchance.com](mailto:nomorecontact@cliffordchance.com) or by post at Clifford Chance LLP, 10 Upper Bank Street, Canary Wharf, London E14 5JJ

Abu Dhabi • Amsterdam • Barcelona • Beijing • Brussels • Bucharest\*\* • Casablanca • Delhi • Dubai • Düsseldorf • Frankfurt • Hong Kong • Houston • Istanbul • London • Luxembourg • Madrid • Milan • Munich • Newcastle • New York • Paris • Perth • Prague\*\* • Riyadh\* • Rome • São Paulo • Shanghai • Singapore • Sydney • Tokyo • Warsaw • Washington, D.C.

\*AS&H Clifford Chance, a joint venture entered into by Clifford Chance LLP.

\*\*Clifford Chance has entered into association agreements with Clifford Chance Prague Association SRO in Prague and Clifford Chance Badea SPRL in Bucharest.



**Chris Stott**  
Senior Associate, London

Email: chris.stott@  
cliffordchance.com  
Mobile: +44 207006 4471



**Michael Lyons**  
Partner, London

Email: michael.lyons  
@cliffordchance.com  
Mobile: +44 7904803819



**Luke Tolaini**  
Partner, London

Email: luke.tolaini  
@cliffordchance.com  
Mobile: +44 7984524058



**Matthew Lee**  
Senior Associate, London

Email: matt.lee  
@cliffordchance.com  
Mobile: +44 7508344178



**Beth Enos**  
Lawyer, London

Email: beth.enos  
@cliffordchance.com  
Mobile: +44 7929846499



**David Sweeney**  
Partner, Houston

Email: david.sweeney  
@cliffordchance.com  
Mobile: 17138212829



**Craig Nethercott**  
Partner, Dubai

Email: craig.nethercott  
@cliffordchance.com  
Mobile: +44 7798816978