



RICS

the mark of
property
professionalism
worldwide

EU Affairs

PUBLIC CONSULTATION

Improving offshore safety, health and environment in Europe

**A response by
The Royal Institution of Chartered Surveyors (RICS)
11 May 2011**

ID number of the European Commission's register of interest representatives:
12309911354-39

Contact:

Thomas Jezequel
RICS
67 rue Ducale
Bruxelles, 1000
EU Policy and Public Affairs Officer
tjezequel@rics.org
(0032)2 289 25 33

Contributions : RICS MARINE GROUP

Royal Institution of
Chartered Surveyors

Rue Ducale 67
1000 Brussels
Belgium

t +32 2 733 10 19
f +32 2 742 97 48
e rics europe@rics.org
rics.org/eu

NEW YORK • LONDON • BRUSSELS • DUBAI • NEW DELHI • HONG KONG • BEIJING • SYDNEY



Introduction:

RICS (Royal Institution of Chartered Surveyors) is the leading organization of its kind in the world for professionals in **property, land, construction and related environmental issues**. We qualify members and **guarantee standards** all over the globe.

Over 100 000 RICS members, who are Chartered Surveyors, operate out of 146 countries, supported by an extensive network of regional offices located in every continent around the world. Our European Office is based in Brussels, and our European work is supported by 19 national associations.

RICS represents the surveying profession with 17 different professional groups (PGs). RICS Geomatics is the natural RICS home for technical and professional offshore surveyors **and** offers the designations of chartered land, hydrographic and engineering surveyor. RICS has also recently launched a new technical/associate route for hydrographic surveyors that is compatible with the IHO category B qualification. The geomatics professional group was formerly known as the Land and Hydrographic division and has a very long and distinguished offshore and hydrographic survey history. RICS Geomatics has over 3500 members and has the largest percentage of international members (over 40%) of any RICS area of practice. RICS Geomatics is part of the Land Group which comprises the Environment, Minerals and Waste Management, Planning & Development and Rural professional groups

RICS Geomatics maintains strong industry and academic links. **RICS accredits numerous marine and hydrographic courses worldwide**. Many of these courses are also accredited by IHO to Cat A & B standard. As mentioned above, RICS has developed a specialised Hydrographic Surveying technical AssocRICS route in which Health and Safety issues are central. FIG (Commission 4, Hydrography) and IHO are partners and RICS maintains close industry relationships with bodies such as RSPsoc, RGS, TSA, ICES, IMCA, FIG, IHO, IFHS and IMarEST.

RICS takes marine and offshore issues very seriously and is involved in a whole host of marine initiatives. From the production of strong technical information such as the RICS FIG client guide on Vertical Reference Frameworks to in-depth policy responses on the UK/EU Marine Bill and Coastal Access legislative consultations. RICS policy responses are formulated from member led cross Professional Group panels.

RICS believes that the current system for licensing is adequate – the general European public seem to trust the systems in place. There is adequate publicly available information on operational techniques such as drilling, rig moves etc. The general view is that post Piper Alpha¹ the necessary lessons were both learnt and wholly implemented making the offshore industry Oil and Gas sector one of the safest working environments considering the hostile conditions it often endures.

¹ On the Piper Alpha North Sea Oil Production Platform, an explosion and resulting fire destroyed it on July 6, 1988, killing 167 men, with only 62 survivors. See : http://en.wikipedia.org/wiki/Piper_Alpha



RICS

the mark of
property
professionalism
worldwide

EU Affairs

rics.org/eu

RICS response to the consultation

Authorisations

1. Which changes, if any, would you recommend to the authorisation conditions for offshore prospecting or exploration or production activities? Please specify which authorisations your recommendations concern (all authorisations, those in a specific country, those authorising only a certain stage(s) such as prospecting, exploration or production etc) (Please limit your response to maximum 1000 words)

As stated in the introduction to this public consultation the North Sea shallow / medium depth drilling areas are fast being depleted.

This is roughly the area encompassed by the **coordinate reference framework** (CRF) created to realise the ED50 **coordinate reference system** (CRS). The North Sea is said to be a “mature” oil & gas production region, and in an effort to satisfy ever growing demand new exploration operations are being made further northwards and westwards into much deeper / remote waters, i.e. outside of the ED50 CRF.

This was foreseen many years ago by the geodesists advising UKCS ([United Kingdom Continental Shelf](#)) licensing, and the convention was adopted that operations made west of the “Thunderer Line” (meridian 6°W of the ED50 CRS) would use a global CRS. This was chosen to be ETRS89 (approximately equal to WGS84 to within a few cm), and its offshore derivation CRF ETRF89.

In RICS’ opinion, ETRS89 is far more preferable since it is (1) derived from a global CRS, and not limited to a discrete network area like ED50, and (2) it is linked via movement vectors to the underlying European continental plate as a 4D CRS. The combination of both **makes the entire system more accurate** up to and beyond any accuracy ever required offshore.

The existing UKCS operations east of the Thunderer line have been made in various CRSs and map projections (e.g. UTM30N, TM0, UTM31N). This is long accepted, and newer developments within the same area often find they have to conform to existing definitions, sacrificing accuracy for consistency. Note that the situation described is limited only to the UKCS; whilst other nations’ regions are physically all within the ED50 region their CRSs and map projections may still vary.

It is however RICS’ firm belief that the EU should not attempt to complicate the status quo. Nor should it attempt to force uniformity into existing offshore installations since this will greatly increase the risk of human gross errors leading to a major offshore incident.

The work involved in converting millions of historical documents’ coordinates is an



RICS

the mark of
property
professionalism
worldwide

EU Affairs

rics.org/eu

unrealistic venture in terms of both its colossal cost and potential for subsequent misunderstandings. The decommissioning of infrastructure has already begun in the shallow / medium areas, and these areas are likely to be fully depleted / decommissioned within 1 or 2 generations.

If ED50 is utilised in any specification or document, then the parameters to realise the identical ETRS89 should be specifically stated, and vice versa. Failure to cross reference in this manner has the potential to compromise safety and integrity through misidentification and incorrect language. Petroleum licensing both in the UK and Norway references European Datum ED50: it also specifically states the relationship that should be used to realise ED50 from TRS89. Ireland has adopted the same relationship.

More generally, RICS wants to put the emphasis on the **need for consistency and clarity in the use of geographic coordinate reference systems**. A lack of clarity on this subject could have serious ramifications for issues such as minerals extraction licenses, wind farm positioning, ecological zone management/boundaries and oil & gas operations to name but a few. UK marine area development, particularly in the oil & gas extraction sector, has suffered from a lack of clarity in this area in the past.

2. European law ²foresees that the competent national authorities shall ensure that authorisations are granted on the basis of selection criteria which consider, among other things, the financial and technical capability of the companies wishing to carry out offshore oil or gas operations.

What key elements³ should this technical capacity requirement include in your view? Please limit your response to maximum 500 words

Similarly, what key elements should the financial capability requirement include in your view? (Please limit your response to maximum 500 words)

RICS believes that it is the role of the national regulators to provide the European Commission information on these points. Offshore safety is soundly and robustly regulated at the national level.

² Directive 94/22/EC of the European Parliament and of the Council of 30 May 1994 on the conditions for granting and using authorizations for the prospection, exploration and production of hydrocarbons

³ Focus is only on the main elements of this capability as opposed to detailed requirements which vary according to the different geological, geophysical, technical and other circumstances of each individual case.



RICS

the mark of
property
professionalism
worldwide

EU Affairs

rics.org/eu

3. How (such as through legislation or voluntary measures at international, EU or national levels or by industry) should the adoption of state-of-the-art authorisation practices be best achieved throughout the EU? Should neighbouring EU Member States be consulted on the award of authorisations? (Please limit your response to maximum 1000 words)

The EU offers the best chance to urge the oil and gas industry in European waters to conform to agreed safer authorisation practices. Given the – realistically – self preserving interests of each country and company, RICS recommends an exchange of information between national regulators, commission and industry experts. RICS does recognise that, like natural disasters, a potential deep water incident would not recognise national maritime boundaries.

There is a very valid argument that an EU Directive could infringe on the sovereignty of EU members' mineral / land ownership rights.

However, due to their geographical location, a deep water oil & gas incident could have a huge impact on those EU countries already experiencing major economic problems (e.g. Ireland, Greece, potentially Iceland). It is in the EU's self interest to limit further destructive financial shocks by setting up protection and disaster contingency frameworks relating to major deep water incidents.

Given the widespread geographical reach, high-cost destructive power and potential long-term effects of a deep water incident, it is perfectly reasonable to include **neighbouring EU Member States** on the award of authorisations. As with offshore geographical data and coordinate systems RICS again stresses the need for consistency. RICS would highlight that it was individual countries that made recent 'continental shelf' claims to International Courts of Justice (ICJ) under the terms of the UNCLOS (United Nations Law of the Sea) rather than regional political entities such as the EU.

Prevention of accidents

4. Please describe here any recommendations or changes (to the current regulatory framework or practices) - if any - that you consider important to improve the prevention of accidents affecting the health or safety of workers on offshore oil and gas installations in the EU: (Please limit your response to maximum 1000 words)

In RICS' opinion, existing regulatory frameworks and practices are good but do need certain changes;

- Review possibly unrealistic targets in the monitoring / reporting schemes that are being promoted in the offshore industry (e.g. Transocean's 1 card per day, per person policy)



RICS

the mark of
property
professionalism
worldwide

EU Affairs

rics.org/eu

- Ensure that Health and Safety issues become a natural element of every part of the offshore industry and are not perceived as being overbearing or unnecessary. The heavy civil engineering construction seems to have successfully implemented this concept with a resulting drop in incidents. RICS believes that education and awareness are critical issues in H&S practice and should be resourced adequately.
- Ensure all EU member countries operate the vantage card system for helicopter operations, and it includes details of mandatory survival / medical certificates.
- Pre-arrange PAT certificate requirements at the helicopter check-ins, so that the onus is on appropriate personnel to check all newly arriving electronic equipment is safe, calibrated and working. Current PAT checks for personal equipment are believed to be inadequate.
- There is a lack of awareness of how **computer virus's** could potentially disrupt offshore operations , and could arguably lead to a marine incident. The trend in the past 5 ~ 10 years has been for crew to come aboard with increasing number of USB / external hard drives which can easily **harbour** computer viruses. RICS believes that the aforementioned PAT checks for electronic equipment should be extended to all computer hardware with specific virus checks carried out before any such equipment is allowed offshore.
- Legally clarify unambiguous **maximum working hours** (per day, and over specific lengths of time). **As with onshore construction fatigue allied to long working hours in difficult conditions are a major source of H&S incidents.**
- Legally clarify **minimum mobilisation** times for sub-contractor crews, and legally guarantee that sufficient time will be given once aboard to rest if necessary. In RICS' experience survey teams may have 24 hours notice to mobilise, spend the past 6~12 hours travelling, and arrive too exhausted to work despite the major financial implications of missing a weather window.
- Ensure uniformity of health and safety permit / reporting / monitoring / alarm systems throughout the industry in all EU waters. Attempt to ensure this uniformity with Norway (note that **Norway is often regarded as a world leader here**).



RICS

the mark of
property
professionalism
worldwide

EU Affairs

rics.org/eu

5. Please describe here any recommendations or changes (to the current regulatory framework or practices) – if any – that you consider important in order to better prevent damage to the natural environment from accidents on offshore oil and gas installations: (Please limit your response to maximum 1000 words)

Deep water operations are in certain ways very different to shallow / mid water operations. RICS recommends for deep water;

- 3D visualisation to be used as mandatory for rigs / sub sea assets / anchor handling vessels / ROVs / AUVs during operations. As assets around platforms become more complicated, this reduces the risk of human error. This was used successfully and extensively in the Gulf of Mexico prior to the Deep Water Horizon incident, but **survey companies have found it difficult to persuade drilling companies to adopt it in European waters. This is no longer an issue of technology but one of education.**
- Chain out / tension counters have a **digital output** that can be monitored in real time by an **independent surveyor**.
- **Adequate space** be set aside for sub-contractor's brief but essential operations, and this is to be demonstrated to the licensing authority prior to licenses being granted. Given the catastrophic effects of a deep water incident, this is reasonable.
- A **“traffic light” system** for lane deviation of anchor handling vessels is made **mandatory**.
- **A minimum of 2 Tow Masters** are always used rather than 1.
- **A minimum of 1 survey team and 1 independent client's survey representative** be used.

Verification of compliance and liability for damages

6. Please describe here any recommendations you would like to make on how to improve compliance of the offshore oil and gas industry with applicable offshore safety legislation and other regulatory measures in the EU. (Please limit your response to maximum 1000 words)

RICS would recommend random inspections from inspectors with wide reaching H&S powers, e.g. UK's HSE.

There has been a long history of the use of **client representatives** offshore for specific areas of interest (e.g. marine, survey), and these are excellent as they are



RICS

the mark of
property
professionalism
worldwide

EU Affairs

rics.org/eu

there for short durations with limited financial motivation to the rig long-term. The role of **client representative** offshore is important and should be highlighted within any output from this consultation.

7. In your view, which are the key measures to supervise and verify compliance of the industry with offshore health, safety and environmental rules and who should do the supervision and verification? (Please limit your response to maximum 1000 words)

Again, client representatives **must** be there. The trend to disregard client survey representatives in survey operations must be overhauled. For deep water operations these should be qualified (e.g. mariners' tickets for marine representatives, professional qualifications for surveyors such as AssocRICS and/or MRICS). There must be provision for trainee specialist positions.

8. In your view, should the existing environmental liability legislation (Directive 2004/35/EC) be extended to cover environmental damage to all marine waters under the jurisdiction of the EU Member States? (Please limit your response to maximum 1000 words)

No comment

9. In your view, is the current legislative framework sufficient for treating compensation or remedial claims for traditional damage caused by accidents on offshore installations? If not, how would you recommend improving it? (Please limit your response to maximum 1000 words)

No comment

10. In your view what would be the best way(s) to make sure that the costs for remedying and compensating for the environmental damages of an oil spill are paid even if those costs exceed the financial capacity of the responsible party? (Please limit your response to maximum 1000 words)

Firstly the responsible party / parties should show an ability to be able to meet a *reasonable* proportion of all but the most catastrophic of incidents, as part of their initial licence application. There must not be a repeat of the recent UK bail-out of banks during the financial crisis. The oil & gas industry wishes to take risks, but **it must** have adequate disaster contingency plans in place and do its utmost to manage 'risk'.

But there must be recognition of:

- The probability that when all control measures from risk assessments are being



RICS

the mark of
property
professionalism
worldwide

EU Affairs

rics.org/eu

stringently followed a deep water incident is unlikely,

- the extremely high cost of such an incident,
- the potential environmental and human effects and that any potential incident would be multinational in its impact.

There is an element of responsibility on the licensing bodies (and their respective governments). RICS thus recommends that a **fund be created**, based on contributions from a fixed percentage of the licence fee a drilling company will make to each EU Member State. This should be **set aside in readiness for an emergency**. This should be used for **immediate emergency responses**, and long-term monitoring post event.

Transparency, sharing of information and state-of-the-art practices

11. What information on offshore oil and gas activities do you consider most important to make available to citizens and how? (Please limit your response to maximum 1000 words)

The value of data both geographical and statistical must be balanced with the ease they can be manipulated when offshore. **An onus is put upon companies to show statistically how good they are, and these pressures have to be balanced with financial business realities.**

There must – in the event of an environmental disaster or genuine public fear of one – be complete transparency with regards to publicly available data.

RICS believes that the current system for licensing is adequate – the general European public seem to trust the systems in place. There is adequate publicly available information on operational techniques such as drilling, rig moves etc. The general view is that post Piper Alpha⁴ the necessary lessons were both learnt and wholly implemented making the offshore industry Oil and Gas sector one of the safest working environments considering the hostile conditions it often endures.

However in response to fears to potential deep water incidents, **public awareness campaigns** would be beneficial. Online **and archived onshore** links to ongoing activities could be organised on location by location basis, showing real-live nav, rig move survey screens, ROV screens, daily operations meetings etc. There should be no reason why such information could not be published in real-time via the internet.

⁴ On the Piper Alpha North Sea Oil Production Platform, an explosion and resulting fire destroyed it on July 6, 1988, killing 167 men, with only 62 survivors. See : http://en.wikipedia.org/wiki/Piper_Alpha



RICS

the mark of
property
professionalism
worldwide

EU Affairs

rics.org/eu

12. What is the most relevant information on offshore oil and gas activities that the offshore companies should in your view share with each other and/or with the regulators in order to improve offshore safety across the EU? How should it best be shared? (Please limit your response to maximum 1000 words)

All assets locations, survey reports, technical diagrams, safety plans etc after taking into consideration national security and commercially sensitive issues.

13. What information should the national regulators share with each other and how to improve offshore safety across the EU? (Please limit your response to maximum 1000 words)

Emergency response plans well in advance so coordinated international response plans can be coordinated as per (1) incident location, (2) season, and (3) existing EU Member State liabilities, e.g. military vehicles.

Heliport baggage **contraband limitations should be made uniform across the EU**. The existing framework is **not consistent and leads to numerous problems**.

Heliport “vantage” card details should be **shared across EU heliports** with access to current offshore certification each person holds. This might avoid delays in transferring crew offshore.

14. Which means, if any, would you recommend using to promote, across the EU, the use of state of the art practices to protect occupational health and safety during offshore oil and gas operations? (Please limit your response to maximum 1000 words)

Existing North Sea occupation health and safety practices are **generally perfectly adequate**. RICS would advocate a “penalty” system for offenders and causers; offenders’ penalties should be tailored to the person’s;

- Experience
- Remuneration – a fine system might be introduced

The offshore industry is an active working environment with increasingly tight time scales for project completion. H&S issues should be central from the earliest contract negotiations and project management stages and are understood to be the responsible of all personnel within the industry.



RICS

the mark of
property
professionalism
worldwide

EU Affairs

rics.org/eu

15. Which means, if any, would you recommend using to promote, across the EU, the use of state of the art practices to protect the environment against accidents caused by offshore oil and gas operations? (Please limit your response to maximum 1000 words)

RICS has one recommendation: RICS would make the current trend for “**management of change**” documentation exercises a **mandatory requirement**. This documentation helps concerned parties to recognise and consider contract changes and inherent ‘downstream’ issues.

Emergency response and International activities

16. In your view what should be the role of the EU in emergency response to offshore oil and gas accidents within the EU? (Please limit your response to maximum 1000 words)

To (1) pre-empt **deep water disaster scenarios**, and plan **worst case scenario responses**. To (2) **coordinate responses**. To (3) control **a fund** for helping manage such disaster reactions. To (4) **provide a spokes-person**.

17. Please describe any recommendations you may have concerning cooperation with non-EU countries to increase occupational safety and/or environmental protection in offshore oil and gas operations internationally? (Please limit your response to maximum 1000 words)

Working standards should never be lowered. The **EU standard will probably have to take into account the highest and lowest and find a workable median that all can adhere to**.

18. Please describe here any recommendations you may have on how to incentivise oil and gas companies with headquarters in the EU to apply European offshore safety standards and practices in all their operations worldwide: (Please limit your response to maximum 1000 words)

RICS believes that the sharing of **best practices** is to be preferred : for example, Shell have a good approach, having a set of 10 simple health & safety rules that, if broken, block you from working with them again.



RICS

the mark of
property
professionalism
worldwide

EU Affairs

rics.org/eu