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European Commission

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Consultation on Improving offshore safety, health and environment in Europe

Authorisations

- 1. Which changes, if any, would you recommend to the authorisation conditions for offshore prospection 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 prospection, exploration or production etc)**

The prospector, explorer or producer should be allowed to start operation only after all the requirements have been met and an insurance for liability and possible compensations has been given for full amount of estimated total costs for any incident (possible incidents or “not possible”-incidents). The requirements should include all safety measures and response activities to accidents or other incident. The insurance should be such that in no conditions any costs would come on states. The authorisation conditions should be regulated in EU legislation without possibility to national derogations. The authorisation process should be transparent. The process should include environmental impact assessment with possibility to public participation.

- 2. European law ¹foresees 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.**
 - a) What key elements² should this technical capacity requirement include in your view? Please limit your response to maximum 500 words**

1 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

2 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.

The technical capacity required should be estimated. The estimation should include possible standard deviation. The permit requirements should be estimated capacity + two times estimated standard deviation.

The capacity estimation should include capacity to handle accidents. The capacity should be estimated for “worst possible accident”. The requirement for accident handling should be twice the capacity for “worst possible accident”. The accidents can be cumulative, so simultaneous accidents are possible. At the same time with “worst possible accident” there probably will be minor accidents at the same time. The capacity must be able to handle both at the same time.

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

The financial capacity should be determined so, that the decommissioning of the system is included. There should be an insurance that covers the worst possible accident twice. The insurance should cover also inflation over the whole period of activity.

- 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)**

With legislation at EU level.

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)**

No comments.

- 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)**

There should be readiness for handling “possible accidents”. The worst situations arise from “not possible” accidents. There will always rise new threats and there will be incidents, that no one have been able to foresee. In Fukushima no one had seen the possibility of losing all power in the installation. In the oil spill of Mexico Gulf the possibility for blowout preventer malfunction was estimated 0 (zero). There will always be minor or large incidents, with 0 possibility. The accident handling capacity should include capacity to handle “not possible” accidents.

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)**

EU should have an authority to inspect and evaluate the compliance. The compliance should be followed continuously. It should recommend means to improve legislation and guard, that BAT are followed.

- 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)**

EU should have an authority to inspect and evaluate the compliance. The compliance should be followed continuously. The authority should have power to stop all activity, if requirements are not followed.

- 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)**

The environmental liability should cover also areas outside the jurisdiction of the EU member states. The damages can extend to large areas outside EU.

- 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?**

Class action should be possible for all EU citizens also in environmental cases.

- 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)**

The system must involve strict (i.e. regardless of "fault") liability, for traditional (property, economic etc) damage *and* environmental damage. It must cover all the costs of environmental remediation. It must include a provision for financial security. Permits must not be given to companies unless companies are able to provide some evidence that they will be able to meet the costs of an incident at least up to an independently agreed level. If the insurance does not cover everything, the company must have some other warranty for covering the possible costs.

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?**

The EIA legislation describes the needed information. The Espoo convention must be applied. The details could be decided when planning the EIA program in interaction with the public.

- 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?**

No comments.

- 13. What information should the national regulators share with each other and how to improve offshore safety across the EU?**

All possible information.

- 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?**

By publishing the BAT reference document.

- 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?**

By legislation and by publishing BAT reference document.

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?**

No comments.

- 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?**

No comments.

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:

Use the BAT in all countries as in the EU.

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