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Directorate-General  
for Energy



# ● Facing the Challenge of the Safety of Offshore Oil and Gas Activities

EU response to the Deepwater Horizon accident

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# Offshore safety challenged at several levels

- **Changing circumstances**
  - Shift to frontier operations (end of “easy oil”)
  - Aging infrastructure
  - Structural shift towards specialist companies
- **Industry specific**
  - BAT/Good practice uneven proliferation
  - Compliance practices
  - “Safety-first” corporate culture
- **Additional factors**
  - Austerity vs. regulators’ resources
  - Access to information



# Case for EU action

- **Subsidiarity vs. European interest**
- **Subsidiarity: Art. 194 TFEU**
- **European interest:**
  - **Cross-border impact of spills**
  - **Single market**
  - **BAT/BP proliferation**
  - **Positions in third countries**



# Objectives of EU action

- **Health & Safety of workers**
- **Protection of wider communities and the environment**
- **Deepening of single market**
- **Security of energy supplies**
- **EU's global interests**



# No-case for non action

- **Blow-outs suprisingly frequent**
- **Industry action**
  - MS level
  - International
- **MS action**

# ● Commission Communication – October 2010

- **Ensuring "state of the art" practices across Europe**
  - The crucial role of responsible licensing
  - Regulatory regime conducive to highest safety of operations
  - Liability regimes
  - Industry's responsibility
  - New model for public oversight
- **Precaution must apply while improvements take place**
- **Reinforcing EU's intervention capacity for offshore accidents**
- **New partnerships for offshore safety also outside European waters**
  - Neighbourhood regional initiatives as first circle of international action
  - European industry's international obligation
  - Global responsibility

# ● Main EU actions proposed (I)

## 1. Possible legislative proposal(s) in mid-2011

to ensure available best practices are followed throughout the EU

- **Setting EU-wide key requirements for licensing**  
“safety case”, technical and financial capacity to deal with an eventual accident; independent verification
- **Strengthening environmental legislation**  
pollution control, inspection, accident prevention, management of individual installations
- **Strengthening rules on environmental liability**  
extension of the scope of the Environmental Liability Directive to cover all EU waters; possible new financial security requirements
- **Reviewing product safety legislation**  
applicability to drilling operations; well design and control standards; standardization through CEN/CENELEC/ISO/
- **Setting standards for public oversight**  
best practice in verification/inspections; framework for independent evaluation and transparency

# ● Main EU actions proposed (II)

## 2. Improving EU's emergency response system

- Evaluation of EU's disaster response capacity (Communication in 2010)
- Extending EMSA's competence to oil spills from installations
- Transparency on the state of the water column and sea bottom

## 3. International activities

- **Common initiatives with neighborhood countries**  
emergency information channels; exchange of information on operations and standards; joint enforcement
- **Promotion of regional regulatory cooperation**  
building on the NSOAF example
- **Global promotion of best practices and high safety standards**  
Using existing energy partnerships and bilateral dialogues; contribution to actions within G20; roundtable in 2011



# ● Stakeholders contributions crucial (I)

- Member States
- Industry
- Civic society (NGO, communities)

**Public consultation launched mid-March, till mid-May:**

[http://ec.europa.eu/energy/oil/consultations/2011\\_05\\_11\\_oil\\_gas\\_offshore\\_safety\\_en.htm](http://ec.europa.eu/energy/oil/consultations/2011_05_11_oil_gas_offshore_safety_en.htm)

# ● Stakeholders contributions crucial (II)

## Member States

- **Review all current complex operations as well licensing procedures to make sure that best available practices are used**
- **Review existing “safety cases” and HSE documentation; define necessary upgrade programmes as necessary**
- **Collaborate on the development of a continuously updated public repository of relevant information (performance statistics, contingency plans)**
- **Development of frameworks for independent evaluation of national regulators’ performance and for voluntary peer review of licensing for complex operations**

# ● Stakeholders contributions crucial (III)

## Industry

- **Implementation and proactive development of best available practices (state-of-the-art); roadmaps/action plans to be presented (still in 2010!)**
- **Contribution to development of necessary technical standards – both on drilling and emergency response equipment**
- **Improving industry's emergency response and well control capabilities in Europe**
- **Commit to follow EU-level of safety and prevention worldwide (in locations with weaker requirements)**



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# Thank you for your attention

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