

【欧州】 【海事】

Maritime Issues - Offshore development (oil, gas): The European Commission publishes annual report on the 2018 safety of offshore oil and gas operations

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【概要 : Summary】

The Offshore Safety Directive (2013/30/EU) on safety of offshore oil and gas operations and amending Directive 2004/35/EC, addresses the risk of accidents arising from offshore oil and gas operations. It also contains the subsequent response and recovery mechanisms if preventive measures fail. The Offshore Safety Directive establishes also goals for environmental protection and an adequate emergency response. The Commission presents annually a report on the findings regarding the safety of EU's offshore oil and gas operations, based on the Directive 2013/30/EC. It assesses whether the Offshore Safety Directive, as implemented by Member States, has achieved the objective to ensure safe operations. Furthermore, in November 2020, the Commission presented its report (COM/2020/732 final) assessing the experiences of implementing the Directive 2013/30/EC, covering the period from the date when the Member States implemented the Directive to the end of transitional arrangements for the industry. The Commission's aim is to investigate whether the Directive needs any for improvement and adjustment in line with the technical progress. The Commission's report found that the Offshore Safety Directive as implemented by Member States mostly fulfils its purpose and is effectively used in practice.

Therefore, the Commission's findings are largely positive regarding the Directive and the potential benefits regarding avoided accidents largely exceed the cost of implementation and the adjustments needed in the offshore installations. However, the Commission concluded that there are three areas in which further improvements could be reached. These areas are, firstly, the liability of owners and operators of offshore installations and the handling of compensation claims. Secondly, the procedure used for mutual recognition of mobile drilling units moving between the Member States' different jurisdictions, and thirdly, regarding the decommissioning of installations, the sealing of wells and future monitoring of former sites need to be improved.

【記事 : Article】

1. Background of Directive 2013/30/EU

At present, the EU transport sector is still heavily dependent on fossil fuels and at the same time, offshore sectors in the oil & gas exploration are under increasing pressure due to their environmentally negative impact. In Western Europe, the majority of oil and gas production takes place offshore. There were 556 production and non-production installations reported in EU waters in 2018, which constitutes an increase of

two installations compared to 2017, despite several decommissions. Eight of the ten largest European oil and gas fields are located in Norway, and two are located in the UK. In 2019, the UK alone produced 72% of EU offshore oil and gas. After the withdrawal of the UK from the EU on 31 January 2020, the most important EU producers of offshore oil and gas are Denmark, the Netherlands and Italy. In the Mediterranean, Italy is the most active Member State followed by Croatia. In the Black Sea region, Romania has an established offshore oil and gas industry, while Bulgaria has continued exploration activities for offshore hydrocarbons with one installation. According to the reports received from Member States on the Baltic Sea, only Poland has offshore installations in this region.

In 2018, there were 13 installations reported as being decommissioned in EU waters: 12 in the UK and 1 in Italy. In the same year, 1 new fixed installation was reported entering into operation in the Netherlands. Following the departure of the UK from the EU, which operates 363 offshore installations, there are left around 193 installations in European waters. Given the EU's high energy demand, these operations help ensure a secure supply of energy.

Considering the safety of offshore oil and gas platforms, accidents can have a detrimental impact on the workers' safety and on the environment. Between 1980 and 2010, there were at least eleven major accidents in offshore petroleum activities, which caused significant loss of life and pollution of the sea, as well as economic loss to the coastal states. The two most serious incidents occurred on installations in European waters, in the North Sea. Furthermore, the accident at the 2010 Deepwater Horizon in the Gulf of Mexico, a drilling operation, which was controlled by an EU based company, underlined the importance and need for setting up safety measures for offshore oil and gas development in order to avoid direct environmental damages from

the oil and gas exploration sites.

Therefore, in the wake of the Deepwater Horizon accident, the European Commission intended to introduce a legislation to assess and improve the safety of offshore oil and gas operations. While safety is the primary responsibility of operators and individual countries within or outside the EU, the introduction of EU rules was important because an accident in one country could also cause environmental and economic damages in a neighbouring EU Member State.

The Directive 2013/30/EU on safety of offshore oil and gas operations and amending Directive 2004/35/EC, establishes goals for achieving a high level of safety in offshore oil and gas operations, environmental protection and an adequate emergency response, for the benefit of workers, the environment, offshore platforms and equipment, and economic activities such as fishing and tourism. The Directive 2013/30/EU as implemented by Member States aims at helping to: (i) prevent major accidents; (ii) reduce the number of incidents; and (iii) ensure effective follow-up of accidents and incidents in order to mitigate their consequences.

The Directive (2013/30/EC) entered into force on 19 July 2013 and the EU Member States had to transpose the Directive by 19 July 2015. All the 16 Member States, in which licensed oil and gas operations take place, declared the transposition of the Offshore Safety Directive.

2. Annual reports on safety of EU's offshore oil and gas operations

On 17 August 2018, the European Commission published the annual report on the safety of the EU's offshore oil and gas operations for the year 2016. While this annual report was the first on this subject, the Commission underlined that no fatalities were reported in 2016. This was the first of currently three available annual reports on the safety of offshore oil and gas operations. The latest report is the Commission's report COM

(2020) 263 final, and was published on 25 June 2020, covering the year 2018.

The annual reports' purpose is to provide data on the number and type of installations in the EU and to publish information about incidents and an assessment of the safety performance of offshore oil and gas operations in the EU. The annual reports' analysis is based on data notified by Member States as required by the Offshore Safety Directive. The Commission has received data from Bulgaria, Croatia, Cyprus, Denmark, Germany, France, Greece, Ireland, Italy, the Netherlands, Poland, Romania and Spain, as well as from the UK, which was still an EU Member State in 2018.

In 2018, most of the installations were located in the North Sea and Atlantic Ocean (380 installations), while there were 166 installations in the Mediterranean Sea, 8 in the Black Sea and 2 in the Baltic Sea. According to report COM (2020) 263 final, in 2018, there were 13 installations reported as being decommissioned in EU waters, being 12 in the UK and 1 in Italy. In the same year, 1 new fixed installation was reported entering into operation in the Netherlands. The competent authorities of the Member States inspected 318 offshore installations in their jurisdictions in 2018.

The total the number of inspections decreased from 630 in 2017 to 593 in 2018. Specifically, Italy decreased the number of inspections from 289 to 236, the Netherlands from 60 to 32, whereas the UK increased the number of inspections from 232 to 273. For the first time, also Romania carried out inspections. In contrast to the decreasing number of inspections, more efforts were allocated in terms of man-days spent on inspections per installation (2817 man-days in 2018 compared to 2083 man-days in 2017).

Following certain incidents, three Member States (the UK, Denmark and the Netherlands) carried out investigations during the reporting period. According to report COM (2020) 263 final, the UK carried out 41 investigations for safety and

environmental concerns, and 5 investigations for major accidents. Denmark carried out 3 investigations for safety and environmental concerns, but no investigation on major accidents. The Netherlands carried out one investigation on a major accident, but no investigation on safety and environmental concerns. The figures provided by Member States, specifically on the number and severity of accidents reported in relation to the number of installations, indicate a significantly lower level of safety in the European offshore sector compared to the two preceding years 2016 and 2017.

According to the annual report COM/2020/263 final, the number of incidents sharply increased from 59 in 2017 to 124 in 2018. Incidents in the UK increased from 30 to 99 and in the Netherlands from 13 to 52. In contrast, this number decreased for Denmark from 14 to 9. Major accidents increased from 4 to 6 between 2017 and 2018. The number of major accidents includes incidents with a significant potential to cause fatalities or serious personal injuries even if they did not lead to such outcomes. Most of the failures (80 %) that happened at the reportable events fell under the category of unintended releases; 13,7% concerned the loss of well control (blowout/diverter activation); 1,6% concerned failures of safety and environmental critical elements (SECE); and 1,6% concerned the loss of structural integrity (loss of station keeping). Two incidents required the evacuation of personnel. As in 2016 and 2017, no fatalities were reported in 2018 but 10 injuries and 17 serious injuries occurred. According to the reports of competent authorities, the significant increase in the number of accidents requires both, an in-depth analysis of causes and follow-up measures by competent authorities. The Commission will co-operate with Member States and seek co-operation with the UK to bring the safety performance back to the level of recent years. Regarding the increased number of accidents, the

Commission closely co-operates with Competent Authorities concerned to determine the causes for this development and to discuss a potential follow-up allowing a higher level of safety performance as soon as possible. Co-operation takes place bilaterally and in the context of the European Offshore Authorities Group (EUOAG).

3. The European Commission report on the assessment of the Offshore Safety Directive 2013/30/EC (COM/2020/732 final)

Based on Article 40 of the Offshore Safety Directive (2013/30/EC), the European Commission must assess the experience of implementing this Directive and whether the Directive has achieved the objectives of ensuring safe operations and avoiding major accidents or an undue number of incidents. The Commission is required to then submit a report to the European Parliament (EP) and the Council with the results of the assessment. On 16 November 2020, the European Commission published its report on the safety of offshore oil and gas operations. In the Commission's "REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE assessing the implementation of Directive 2013/30/EU of the European Parliament and of the Council of 12 June 2013 on the safety of offshore oil and gas operations and amending Directive 2004/35/EC, regarding the assessment of the Offshore Safety Directive (COM/2020/732 final), there are clear indications that the aims of the Directive (2013/30/EC) have been met. The report on experiences of implementing the Directive covers the period from the date when the Member States implemented the Directive to the end of transitional arrangements for the industry. The evaluation covered the period between the implementation date of the Directive on 19 July 2015 and 31 December 2018. The Commission assessed whether the Offshore Safety Directive

has achieved the objective to ensure safe operations by avoiding major accidents, limiting the number of incidents and mitigating the effects of any unintended releases of hydrocarbons or other hazardous substances. Specifically, the establishment of adequate levels of safety for offshore oil and gas operations and environmental protection were considered. The Commission verified whether, firstly, the main objectives of the Offshore Safety Directive have been achieved, and if not, whether an amendment to the Directive or other legal initiatives are appropriate; secondly, the report assessed whether there are any gaps in legislation that need to be addressed to improve the level of safety in offshore oil and gas operations. Thirdly, it considered if certain provisions of the Directive impose undue burdens on Member States or industry, and whether their removal should be considered. Fourthly, it considered if the Directive has sufficiently harmonised the regulatory structure and level of safety across the EU offshore operations and fifthly, the report analysed if the Directive is effective, efficient, coherent, relevant and provides sufficient added value to the EU. According to the Commission's assessment, the EU Member States and industry are closely following requirements, although with some differences of interpretation. The Commission considers it being too early to identify safety performance trends in the offshore sector, although there are clear indications that the aims of the Directive are being met. According to the Commission's analysis, the Member States and industry have largely welcomed the introduction of the Directive 2013/30/EC in its current scope and most of the open issues can be handled under existing work and communication channels. In this context the issues could be handled with Member States' authorities and stakeholders, and specifically through the European Union Offshore Authorities Group (EUOAG).

On the other hand, the report (COM/2020/732) states, that the environmental non-governmental organisations (NGOs) have a more diversified view on the safety of oil and gas platforms and call for a further tightening of some measures.

The EU Member States' notifications of their national rules and legislation indicate that most of the Directive's measures are in place. Most fundamentally, industry has taken on risk management duties, and each offshore installation is the subject of a detailed risk report. Each Member State has appointed an expert competent authority with wide powers of oversight.

The report identifies possible areas for further improvements. This includes the liability of owners and operators of offshore installations e.g., for loss, damage and pollution from an accident and the handling of compensation claims. Furthermore, the currently used procedure for mutual recognition of mobile drilling units moving between the Member States' different jurisdictions requires a new approval procedure in each new Member State. This could also be an issue that needs to be considered to be revised. Finally, regarding the decommissioning of installations, the report COM/2020/732 final refers to the sealing of wells and future monitoring of former sites, as an area of concern. However, all stakeholders agree on the issue, that more time and monitoring is required before considering any further legislative steps.

4. Conclusions of the Commission's report on the assessment of Directive (2013/30/EC)

The Commission's analysis of the Offshore Safety Directive 2013/30/EC as implemented and applied in practice by the EU Member States shows the strengths and weaknesses of the Directive regarding all relevant safety aspects of the offshore oil and gas operations. Both, the EU Member States and stakeholders are satisfied with the effectiveness of the Directive (2013/30/EC). In the Commission report COM/2020/732 final's

conclusions, the Commission underlines that the Directive clearly has led to an improvement of the safety of offshore operations, not only in the EU but also in other parts of the world via EU enterprises' global safety policy and culture. However, the Commission also concludes that the Directive may not always ensure effective accident prevention outside the EU. Environmental NGOs commented that although the implementation experience was positive, stronger protection of the environment and financial responsibility mechanisms should be introduced.

The Commission concludes that while the Offshore Safety Directive has achieved its objectives, there are possible areas for further improvement. These include the topics of the liability, financial security and the handling of compensation claims; the mutual recognition of mobile drilling units in the Member States' different jurisdictions; and the removal and the decommissioning of installations, as well as subsequent follow-up of fixed production platforms in the EU. The Commission expects comments on its report from the European Parliament, the Council and the European Social and Economic Committee.

Furthermore, regarding the Offshore Safety Directive's compatibility with the European Green Deal, the European Commission intends to assess the Directive regarding the target of reaching zero net emissions of greenhouse gases in the year 2050. The offshore oil and gas installations operating industry needs to further improve its environmental performance within the EU. This could also include carbon capture and storage (CCS), among others.

Considering the impact of the COVID-19 pandemic, it has also a negative impact on the offshore oil and gas industry. One important impact of the crisis is the prevention of infections in a workforce with personnel commuting from a wide geography. As offshore facilities have limited space and hence potential for higher infection

risk, a “minimum manning” was introduced whereby operators limit the number of personnel offshore by temporarily deferring non-essential tasks. On some facilities, workers were also requested to remain offshore for longer shifts, to limit the risk of infection brought about by the arrival of any new personnel. Although the Offshore Safety Directive was not developed for a pandemic context, it is nevertheless considered fit-for-purpose in this situation. It provides meaningful approaches on how Competent Authorities may adapt to ever-changing circumstances, including a focus on risk management approaches, key roles and responsibilities and reporting requirements. However, Member States could identify potential amendments for circumstances such as a pandemic.

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