



Italian Application of the Directive 30/2013

Challenges and new perspectives

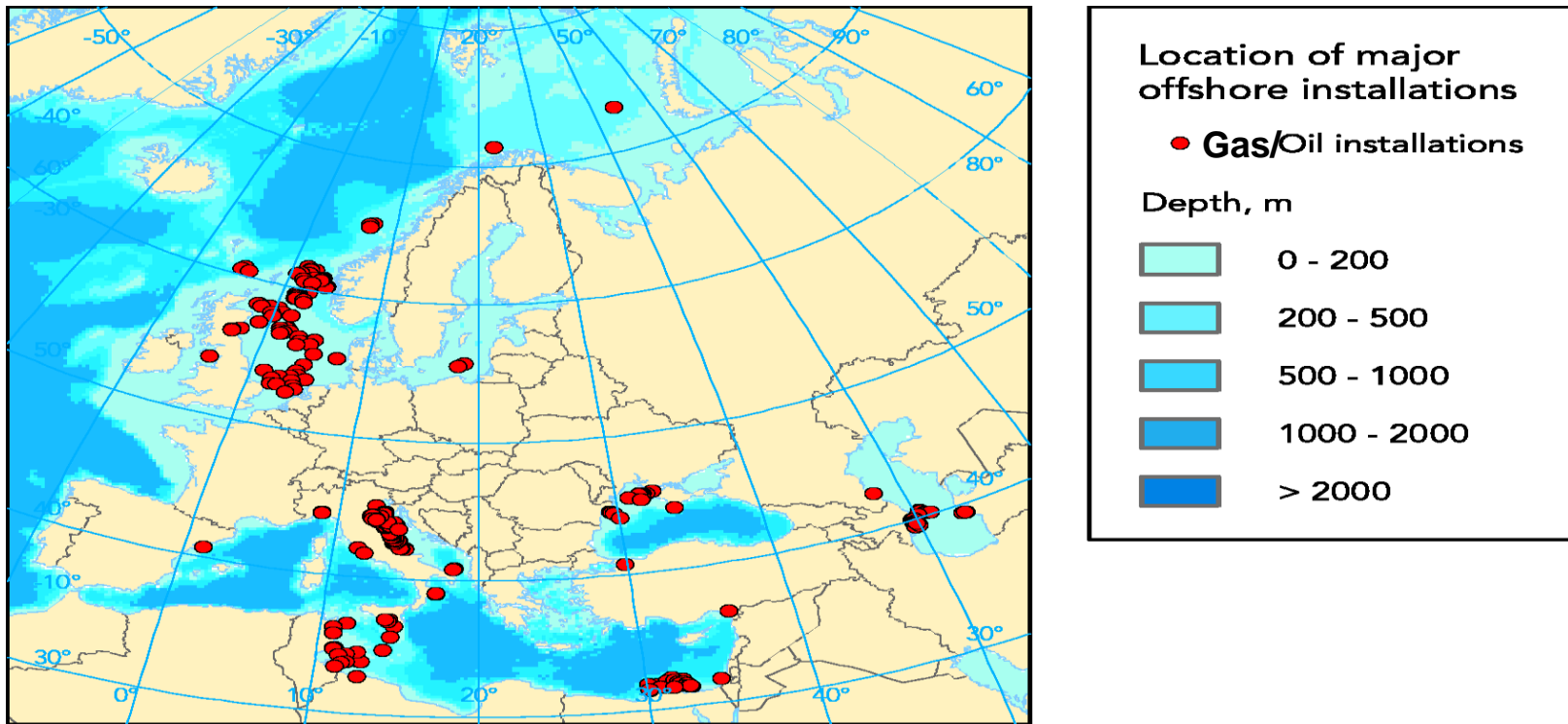
Turin, 25th June 2014

Antonino Caliri

Italian representative in the European Offshore Authorities Group
Ministry of Economic Development



Offshore licensing in EU & adjoining States



Mediterranean Sea > 200 offshore installations ⁽²⁾

Atlantic Ocean NE > 1500 offshore installations ⁽³⁾

Sources: ⁽¹⁾ Agenzia Europea dell'Ambiente; ⁽²⁾ COM(2011) 690 finale; ⁽³⁾ OSPAR

E&P activities in Italy @ 31/05/2014

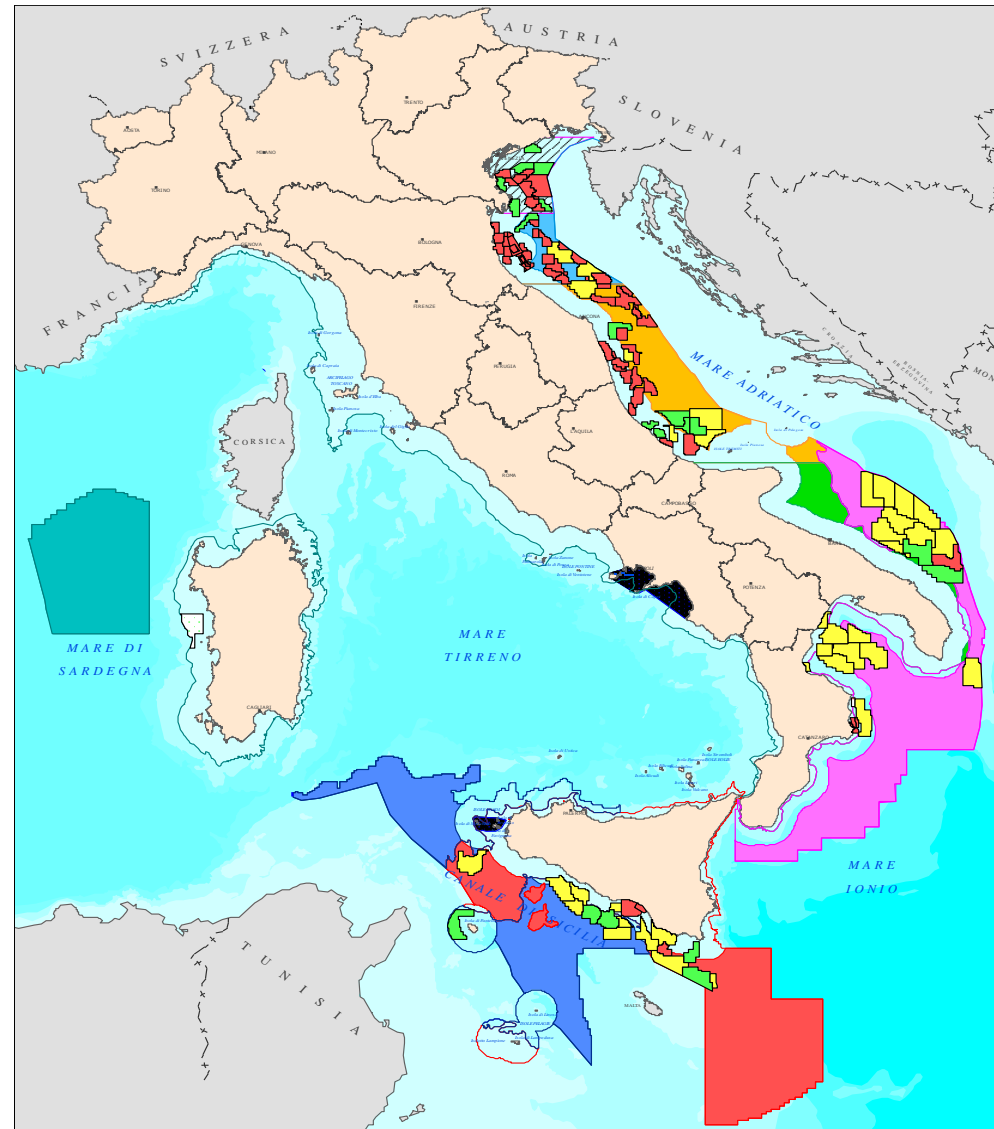
- **105** offshore platforms
- **8** process platforms
- **2** FSO + **1** FPSO
- **114** exploration permits (94 onshore, 20 offshore)
- **200** production licenses (134 onshore e 66 offshore)
- **887** wells (559 onshore, 328 offshore)

Hydrocarbons production (2013):

Oil: 5,48 Mln Ton – ca. 40 Mln bbls (~13% offshore)

Gas: 7.71 Bcm (~69% offshore)

- **59** operators (**2** offshore)
- **> 100** service companies
- **> 12.000** employees



The European side of the Directive



The Offshore Safety Proposal: Context

The EC has reacted to the disaster in the Gulf of Mexico in 2010 analyzing the current rules adopted in the European Union. There are great differences between laws and practices adopted by the MS such as authorization procedures, provisions on liability, safety equipment, public involvement.

The economic losses and damages due to offshore accidents are estimated between **205 M€/year and 915 M€/year**.



In the 2nd half of 2010 the “*Proposal for a Regulation of the European Parliament and of the Council on the safety of offshore prospection, exploration and production in the hydrocarbon sector*” was issued.

Its objectives were:

- A) reduce the risk of serious accidents in EU waters**
- B) limit the consequences, in case of an accident**

The path toward the "Offshore Safety Directive"



European Commission

Offshore Safety Proposal - 27 October 2011



European Parliament



UE Council

Industry, Research and
Energy Commission (ITRE)

Plenary Sitting (Oct '12)

Energy Working Party

Weekly Meeting (Sept '12-April '13)

Directive 2013/30/EU

12 June 2013

Ministry of Economic development
DG RME takes part with 2 permanent
representatives in the EUOAG

Ministry of Economic
development –
DG RME takes part regularly to the
EWP meetings

Major Point of the Directive 30/2013

- Role of Licensing Authority/Competent Authority
- Major Hazard Report (MHR)
- Public Participation
- Environmental Liability
- International Cooperation
- Deadline for transposition

19 July 2015: for laws, regulations and administrative provisions

19 July 2018: for compliance of existing offshore platform



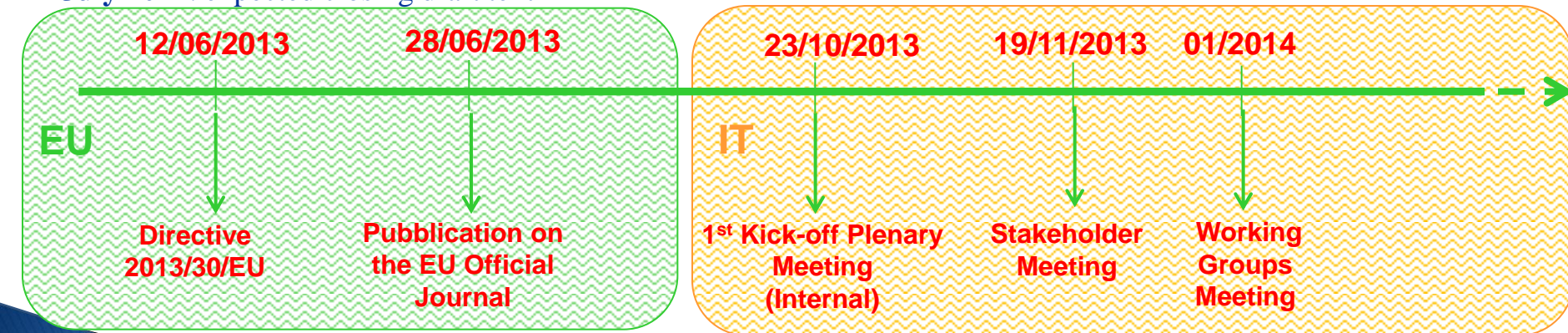
The Italian side of the Directive



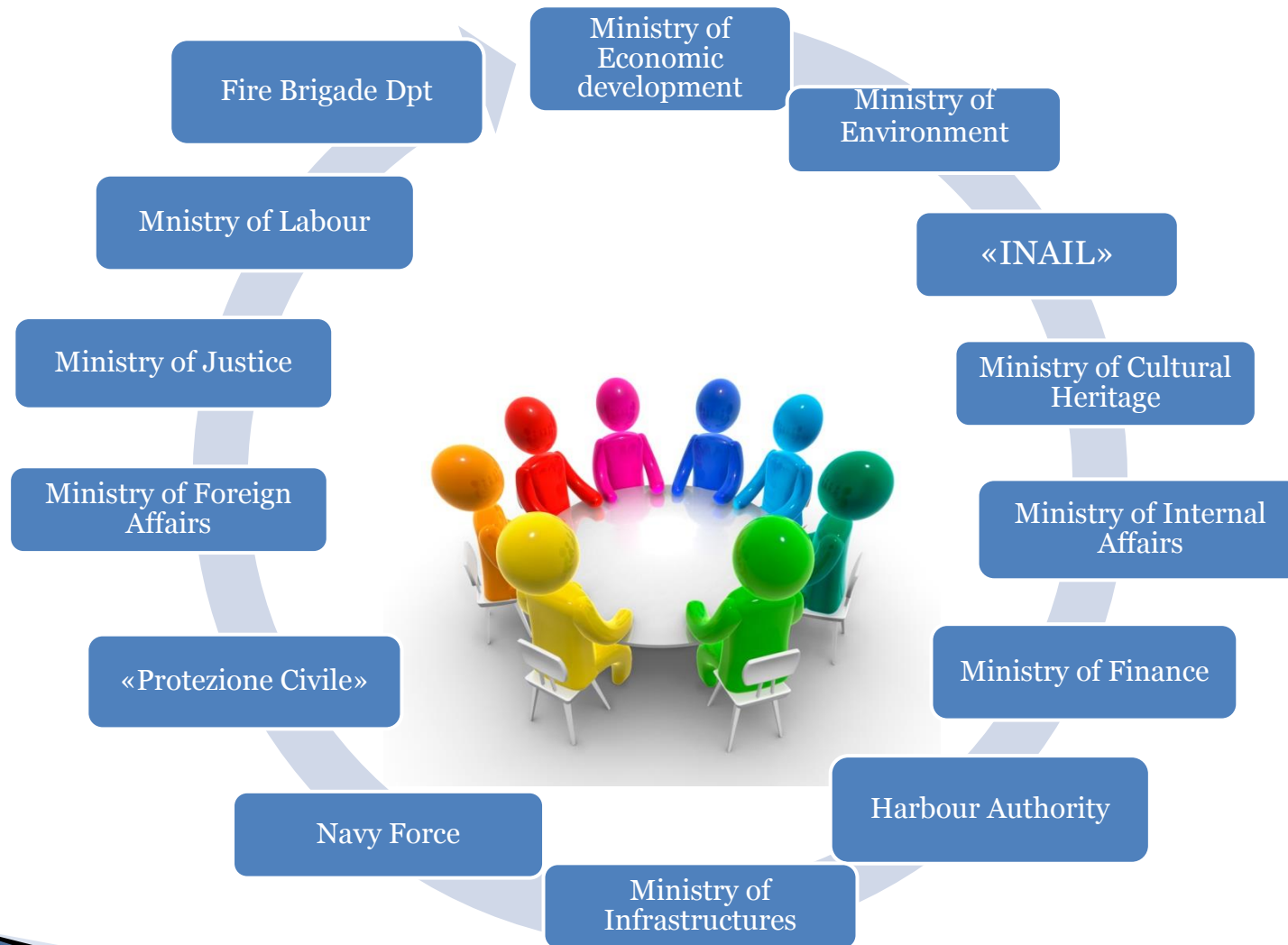
Update on the Italian transposition

Soon after the publication of the Directive 2013/30/EU, the Italian Ministry of Economic Development (MSE) has been involved in defining guidelines and procedures for the transposition, identifying key players and roles in the process:

- **October 2013:** under the responsibility of the MSE, it has been organized the 1st Kick-off Plenary Meeting. All the ministries, institutional bodies and governmental organizations have been involved.
- **November 2013:** all the relevant stakeholders (industrial, environmental associations, NGOs) has been involved in order to have them as active part of the transposition activities, collecting their point of views, concerns and needs
- **January 2014:** it has been established 3 different working groups with all the relevant authorities dealing with 3 specific topics.
- **Feb 2014 – June 2014:** monthly meeting have been organized to discuss among all the relevant authorities
- **July 2014:** expected closing draft text



Different Actors, a couple of perspectives...one text



The path toward the transposition in the Italian law



European Institutions

Directive 2013/30 - 12 June 2013

(published on the EU Official Journal on 28/06/2013)



Italian Parliament

European Delegation Law
(2013 second semester)

Ministries

3 Working groups for the transposition
scheme

Draft Text (expected June 2014)

Under responsibility of Ministry of
Economic development & Ministry of
Environment

Presidency of the Ministry European Politics Dpt.

Italian Parliament Approval

«Conferenza Stato – Regioni»

Transposition - Final Text

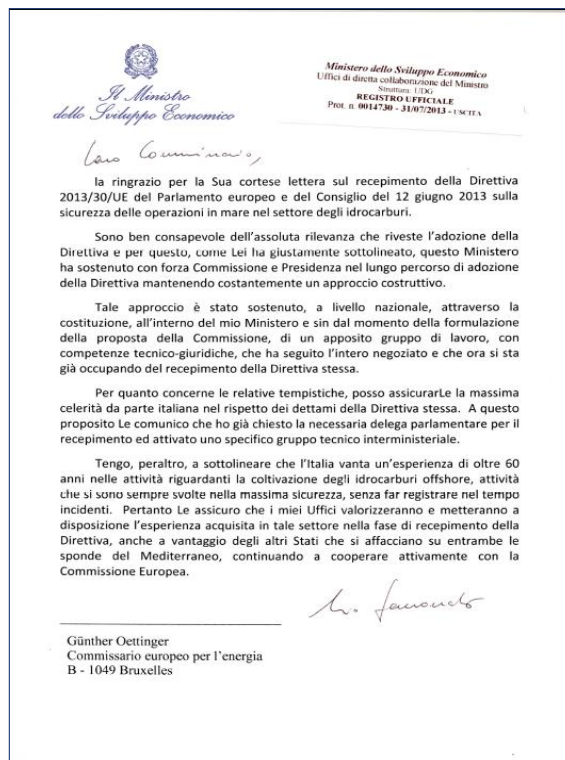
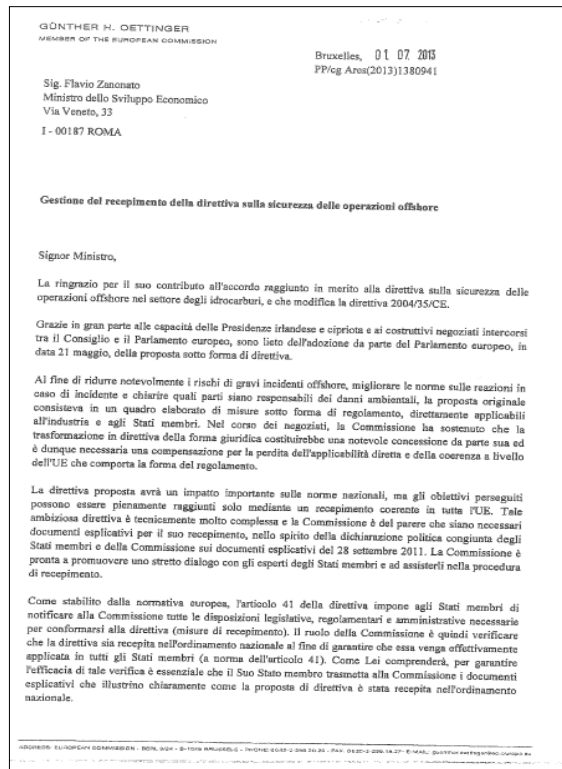
(expected end 2014)

Topics to be highlighted

- 1. Fast approach to conclude the transposition**
- 2. Competent Authority organization**
- 3. International Cooperation**
- 4. Financial Liabilities**

1- Timeline

Correspondence between Energy Commissioner Mr. Oettinger and Italian Ministry of Economic Development



The target is to complete the procedure within the Italian Presidency of the EU-Council (end-2014)

1- Timeline

In order to expedite the transposition in a convenient timeline and draft a text shared among all the relevant authorities it has been decided to adopt a collaborative approach among all the stakeholders.

It has been established 3 different groups under the supervision of the Ministry of Economic Development.

Each group has a specific task and it involves a couple of different governmental bodies and ministries:

Group 1: **PREVENTION AND RISK MANAGEMENT**

Group 2: **ENVIRONMENTAL DAMAGE AND PUBLIC PARTICIPATION**

Group 3: **TECHNICAL CAPABILITIES AND FINANCIAL LIABILITIES**

2- Competent Authority

NO CONFLICTS OF INTEREST

(among licencing authority and control& inspection body)

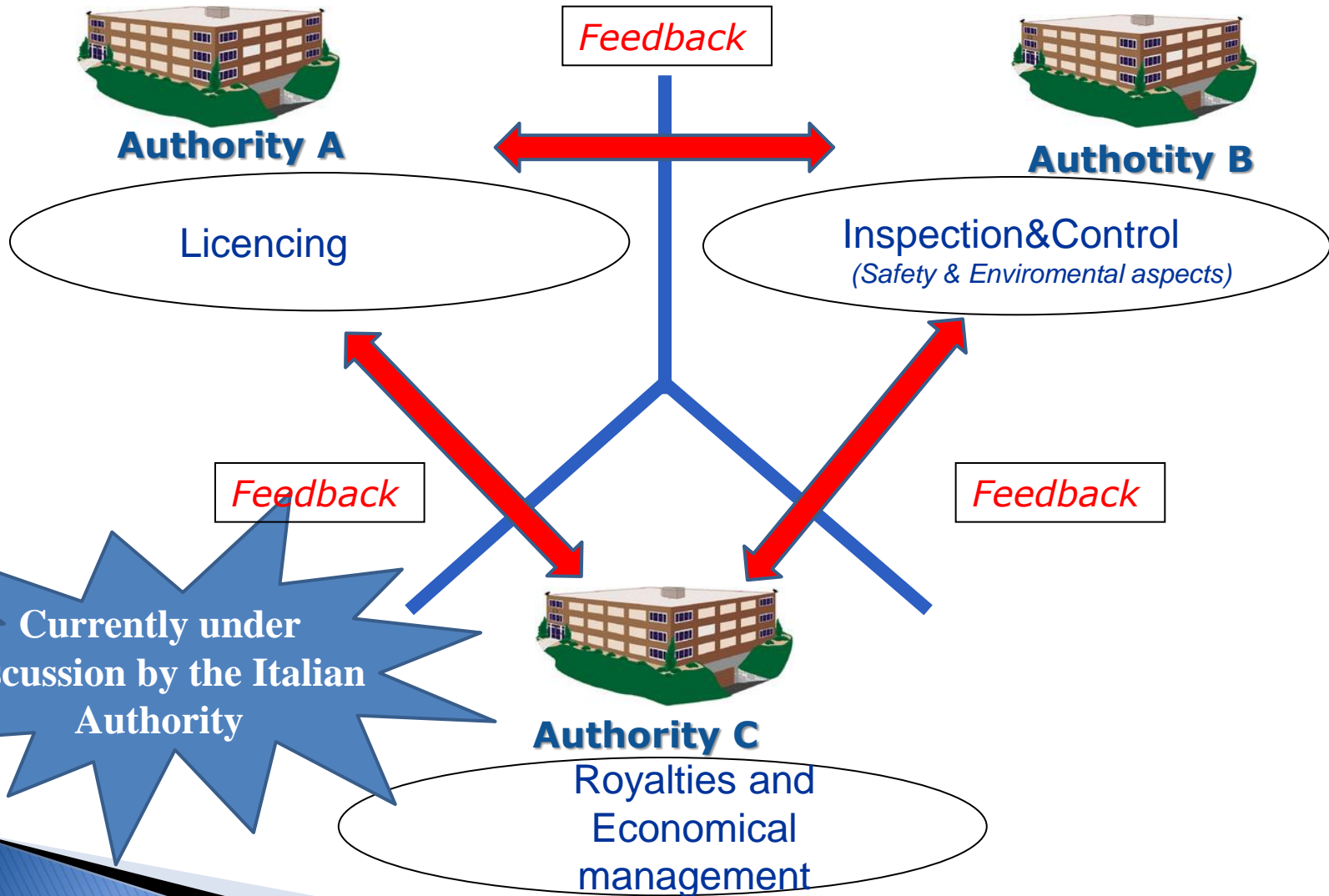


**INDEPENDENCE AND ENHANCEMENT OF
CONTROL & INSPECTION SUPERVISORY
AUTHORITY**

UNIFORMITY AMONG ALL THE MEMBER STATES

2- Competent Authority

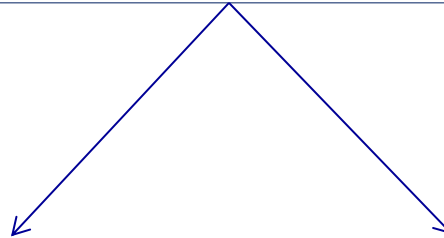
New Organization requested under art. 8 of Directive 30/2013



3- International Cooperation

Strengthen **cross-border agreements** with particular attention to the Mediterranean Sea:

- ✓ emergency management
- ✓ information exchange
- ✓ leveling up the safety standards (especially among **non-EU Countries**)



Cooperation among Mediterranean MS

France, Spain, Slovenia, Croatia, Greece,
Malta, Cyprus

Cooperation among non-EU Countries

Algeria, Tunisia, Libya, Egypt, Israel,
Turkey, etc.

International Cooperation- Offshore Protocol & Regional Conventions

It is important to highlight the synergy coming out from a possible combined action between the coming into force of:

Offshore Protocol Barcelona Convention

Protection against pollution from offshore activities

Both sides of the Mediterranean Sea
(EU and extra EU)

Regional Marine Pollution Emergency
Response Centre for the
Mediterranean Sea (REMPEC)

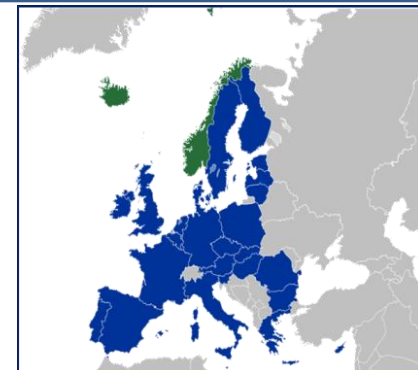


Directive 30/2013

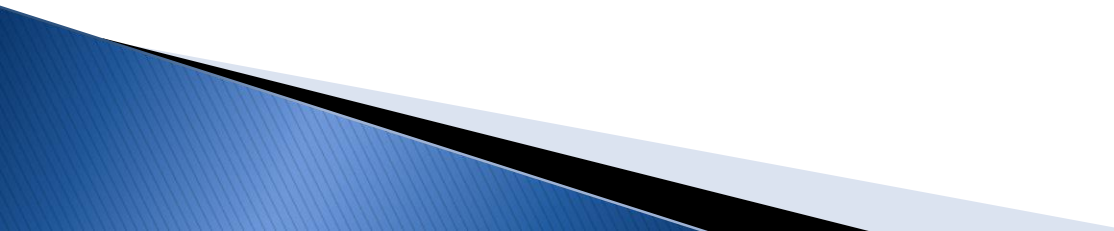
Safety of offshore oil and gas

Valid for the whole EU

European Marine Safety Agency
(EMSA)



4 – Financial Liabilities

- ▶ **Prequalification of offshore operators**, with specific rules for big operators
 - ▶ Establishment of a **guarantee fund**
 - ▶ Rules for **cross-border interventions**
- 

Conclusions and Next Steps

1. The application of the Directive 30/2013 will increase the protection of the **marine environment against pollution, reducing risks and establishing** minimum conditions for safe offshore exploration and exploitation, improving the response mechanisms in case of accidents
2. There will be assured the independence of the competent authority. To prevent conflicts of interest, each MS should ensure a clear **separation** between **regulatory functions** and **environment and technical functions** relating to economic development, including licensing and revenues management



*It would be desirable **EU Countries** together with **US** and other important hydrocarbons producers, including **Norway, Russia and OPEC**, will develop common regulatory policies to ensure high safety level in the hydrocarbons industry*

Thank you



Via Molise 2 – 00187 Roma

Tel. (+39) 02-6228328

Fax (+39) 06-47887802

Email dgrme.segreteria@mise.gov.it

Web <http://unmig.sviluppoeconomico.gov.it>

Overview of the authority responsible for O&G activities in Europe

In Europe, supervisory and inspections authorities for O&G activities are generally under the responsibility of the Ministry which has been delegated for energy matters. Nevertheless they have different degrees of separation from licensing authority.

- ▶ **UK, Norway and France** completely separate the supervisory and inspections authorities from the Ministry of Energy. The authority is regulated by the UK Government, the Ministry of Labour in Norway, the Ministry of the Internal Affairs in France
- ▶ In the **Netherlands**, the supervisory and inspections authority is functionally separate from licensing authority; it is included in the Ministry of Economy and it refers to the highest hierarchical levels of the Ministry
- ▶ In other countries (**Spain, Croatia, Greece, Cyprus, Malta**), the Government or the Ministry of Energy directly manage the licensing activities while the supervisory and inspections authorities belong to other Ministries with different degrees of separation.

Main European Regional Sea Conventions

It should be important to create synergies throughout other regional sea conventions, such as **OSPAR Convention**, **Helsinki Convention** or the **Bucharest Convention**

