



# Preventing major accidents in offshore oil and gas operations: how effective is EU Offshore Safety Directive?

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# Offshore Oil and Gas Safety in Europe

## 1. Background

- Over 90% of oil and 60% of gas produced in Europe comes from offshore operations, and more than 1,000 offshore installations are operating in European waters.

## 2. EU Offshore Safety Directive (OSD)

- A review: Facing the challenge of the safety of offshore oil and gas activities
- Impact Assessment & a proposal for a Regulation
- Two peer review meetings

## 3. Objectives of the OSD

- Establishing minimum requirements for preventing major accidents in offshore oil and gas operations
- Limiting the consequences of such accidents

# Implementation Timeline of the Offshore Safety Directive

Process	Deadline
The Directive is addressed to the Member States.	12 June 2013
Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with the Directive.	19 July 2015
Owners and operators needs to comply with the requirements for new builds.	19 July 2016
Existing installations must be brought into line with the new regulations.	19 July 2018
The Commission shall assess the experience of implementing this Directive, and submit a report to the European Parliament (EP).	19 July 2019

# Outstanding questions

- How has the OSD unified and reinforced the legal framework on the safety of offshore oil and gas operations in European water?
- How have environmental principles (precaution, prevention, source and polluter-pays) been applied in the OSD?
- What exactly are the minimum safety standards for operators (owners), as well as their implementation problems in Member States?

# The Framework of the EU Offshore Safety Directive

## Seven pillars (Chapters):

1. Prevention of Major Accidents
2. Preparing and carrying out operations
3. Prevention policy
4. Transparency and sharing information
5. Cooperation
6. Emergency preparedness and response
7. Transboundary effects

Consistent with the Integrated Maritime Policy and the Marine Strategy Framework Directive, extending their scope to cover the risk of pollution of offshore waters arising from accidents.

Without prejudice to any requirements under any other EU legal acts, especially in the field of safety and health of workers at work

## Amends:

Directive 2004/35/EC on environmental liability with regard to the prevention and remedying of environmental damage ('ELD') –extending scope of 'water damage' definition to cover 'marine waters' under the Marine Strategy Framework Directive (2008/56/EC)

# Application of Environmental Principles in the OSD

- **Precautionary Principle:** The OSD's licensing process requires Member States to take into account “the risk, the hazards and any other relevant information relating to the licensed area concerned, including, where appropriate, the cost of degradation of the marine environment.”
- **Prevention principle:** require operators to “take all suitable measures to prevent major accidents” and “limits [their] consequences for human health and for the environment.”
- **Polluter-pays principle:** liability: 1st, it puts forward preconditions on licensing that licensees shall be technically and financially able to cover liabilities deriving from their offshore operations; 2<sup>nd</sup>, it declares licensees financially liable for prevention and remediation of environmental damage.

# Minimum Safety Standards for Offshore Operators

## Member States, Competent Authority, **Operators**

- Corporate major accident prevention policy (CMAPP)
- Safety and environmental management system (SEMS)
- Report on major hazards (MHR)
- Internal emergency response plan
- Independent verification

# Concluding Remarks

- 1. In practice, most Member States are struggling with OSD implementation, because the OSD results in a decline in business, people are getting fired and there is less money to spend. As new regulations coming in each State, operators have to spend more money on safety. However, in long terms, I have a positive view toward the OSD and believe it can make offshore safety regulation in different countries more consistent. This is important when EU countries are facing with common risks of major offshore accidents, and these accidents may also cause huge trans boundary marine pollution.
- 2. EU's practice may provide a good example of unifying and reinforcing offshore safety law in order to better protect marine environment meanwhile develop marine economy. If the OSD is demonstrated to be feasible and effective in EU waters, this practice may also promote international law for the offshore oil and gas activities. Because we see there were several attempts that establishing an international convention for offshore oil and gas activities, but finally they were failed due to the rejection from stakeholders countries

# Thank you

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- **Involvement**

- Environmental Law Blog

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