



**OGP Response to the Commission’s Proposal for a
“Directive establishing a framework for Maritime Spatial Planning and
Integrated Coastal Management”**

KEY MESSAGES

1. OGP acknowledges the “*Proposal for a Directive establishing a framework for maritime special planning and integrated coastal management*” (Proposal for a MSP Directive) and welcomes the objective to ensure an optimal distribution of maritime space among relevant stakeholders to enable concurrent activities “to achieve their full potential”¹.
2. OGP welcomes the decision to propose a Framework Directive, leaving planning details and the determination of management objectives to the Member States. The national level is the most appropriate to meet an ecosystem-based approach and ensure proper protection of natural resources. Such policy must be based on sound scientific knowledge².
3. However, OGP considers that the proposal, as it currently stands, fails to recognise the critical role of traditional offshore energy production: maritime EU oil and gas resources are key in terms of energy security, balance of payments, employment, and in short regarding the sustainable development of the European Union. These elements are detailed below.

GENERAL REMARKS

1. Offshore oil and gas sector: a key maritime player

Offshore oil and gas production is an essential EU maritime actor participating actively to the EU economy (about 550,000 jobs and 64 Bio EUR³ value added), EU innovation⁴, and is also likely to contribute in a significant way to GHG reduction⁵. It is worth recalling that over 90% of European oil and gas production is taking place offshore, and has world-class records regarding safety and

¹ *Explanatory Memorandum, point 1.2.*

² *Recital 12 and 18 of the proposed Directive*

³ *2010 EEA Figures ; See Commission, Study on the economic effects of Maritime Spatial Planning – Final Report, Policy Research Corporation, April 2010.*

⁴ *See for instance the Ormen Lange field project in Norway where new technologies have enabled the development of a field without visible installation on the surface of the sea. All the installations are at a sea depth of 800 to 1, 1000 metres, combined with an onshore plant.*

⁵ *The conversion from best performance CCGT power plants from coal and oil to gas could reduce power plants GHG by more than 50%. Major CO₂ reduction from power plants wouldn’t hence be possible without a reliable and affordable supply of EU domestically produced gas. Also carbon dioxide capture and sequestration (CCS) has significant potential (15%) as a mitigation technique for climate change within Europe.*

IHS CERA Report “Sound Energy Policy for Europe: Pragmatic Pathways to a Low-Carbon Economy”, 2011.

environmental performance⁶. Based on decades of experience, the oil and gas production sector has the ambition to be a key actor of the Europe's Blue Economy.

2. Importance of domestic oil and gas activities for the EU

The EU imports over half of the energy it uses, and experts forecast a rise in EU demand for energy in the decades to come⁷. In that context the development of domestic oil and gas production is key in a number of strategic areas identified in the Lisbon Treaty: sustainable growth, security of supply, value creation in the economy, and technology leadership. Providing good spatial conditions for EU offshore exploration and production projects is therefore of the utmost importance to get the best of their potential. Given its importance, OGP regrets that the strategic value of these traditional energy sources is not adequately acknowledged and believes that the role pointed out in the “Blue Growth” policy for oil and gas in the future EU’s energy mix needs to be better recognised in the future MSP Directive⁸.

SPECIFIC REMARKS

1. **Definitions:** The introduction of a “*marine energy*” definition (Art. 5(a)) embracing oil and gas is needed to reflect the importance of these (offshore) energy sources as outlined in Regulation 994/2010/EC and Directive 2009/119/EEC⁹.

OGP also believes that the full range of oil and gas activities is not clearly reflected in the draft Directive (Art. 7 §2) leading to potential conflict with existing EU legislation¹⁰: a clear reference to both exploration and extraction activities is required.

The definition of “public” (Art. 3.5) should also be replaced by “public concerned” to avoid misinterpretation in Art. 9 but also for the sake of consistency with existing EU legislation¹¹.

- **Introduce a definition of “marine energy”**
- **Correct the definition of “public”**
- **Properly identify both exploration and extraction in oil and gas activities**

⁶ The OGP “Environmental Performance Indicators report Indicators - 2011 data”, October 2012 indicates that on a range of main environmental indicators OGP members “performance” in Europe is largely better than in many other geographical regions of the world.

⁷ The IEA forecasts an increase of 63% of EU gas imports by 2035; International Energy Agency, World Energy Outlook 2012, November 2012.

⁸ “Working together with the conventional energy sector will help secure affordable energy supplies in the EU”, Blue Growth COM(2012) 494 final, p. 8. According to the IEA New Policies Scenarios (NPS), the share of both oil and gas will account for around 55% in 2035.

⁹ Directive 994/2010 concerning measures to safeguard security of gas supply and Directive 2009/119/EEC imposing an obligation on Member States to maintain minimum stocks of crude oil.

¹⁰ 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; Directive 2004/17/EC, the “Utilities Directive” and the “new utilities Directive” (2011/0439 (COD))

¹¹ Directive 2001/42/EC on strategic environmental assessment and Directive 2011/92/EC on environment impact assessment.

2. **Sustainable development:** OGP welcomes the coherent management of marine areas to promote a holistic approach considering all maritime activities and to enable them to achieve their full potential within the framework of sustainable development¹². We welcome the general rather than sector-specific approach advocated in the Explanatory Memorandum but regret the absence of clear confirmation of this approach in the text of the Directive itself. The development promotion¹³ needs to be an equal promotion of all existing and new forms of marine energy (Art. 5 and 7).

➤ ***To embrace all existing and future energy sources in Europe***

3. **Data and information:** The identification process to delimit particular areas for which a maritime plan must be developed should be open and transparent. It should enable stakeholders to provide relevant data (Art. 9 and 10) and to participate in the development of MSP during the preparation, implementation, monitoring and evaluation phases. The sharing of data (Art. 16) however raises the question of the link between MSP and the Marine Knowledge 2020 Policy, in particular the risk of commercially sensitive seeing oil and gas industry data being transferred to the public domain to serve other industries.

➤ ***Safeguard commercially sensitive information***

4. **Regional Seas Conventions:** The EU should build not only upon existing legislation (Art. 4) but also upon the knowledge and experience of expert-based and well-established Regional Sea Conventions (RSC) such as OSPAR, HELCOM, and the Barcelona Convention. RSC set challenging regulations for many aspects of E&P operations and provide ambitious short and medium term objectives, as well as long term strategies for the oil and gas industry. OGP therefore recommends a clear reference to Regional Sea Conventions under Art. 12.

➤ ***References to “Regional Sea Conventions” should be included for consistency***

OGP CONCLUSION

OGP welcomes the main objective of the proposal to promote the sustainable growth of maritime activities and the sustainable use of marine resources. However, the MSP Directive needs a more balanced reference to all energy sources. This would safeguard the strategic value of oil and gas sources, which is a prerequisite of Regulation 994/2010/EC and Directive 2009/119/EEC

¹² Explanatory Memorandum, 1.3, 1st and 3rd para.

¹³ “shall aim to contribute to securing the energy supply by promoting the development of marine energy sources (...)”, Art. 5 (a) OGP emphasis.

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About OGP: *The International Association of Oil and Gas Producers (OGP) represents the interests of companies engaged in the exploration and extraction of oil and natural gas, as well as national and other related industry associations. OGP membership spans the globe and accounts for more than half of the world's oil output and about one third of global gas production. From our London office, we foster cooperation in the area of health, safety and the environment, operations and engineering, and represent the industry before international organisations, such as the UN, IMO and the World Bank, as well as regional seas conventions, such as OSPAR, where we have observer status. OGP Europe in Brussels represents before the EU OGP members who are active in Europe.*