



# The Italian Participation in the *G20-Global Marine Environment Protection* (GMEP) *Initiative*

# GMEP WEB SITE: THE ITALIAN NATIONAL PAGES

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# 1- THE MISSION OF ITALY

In Italy the offshore oil and gas exploration and exploitation activities have lasted over 50 years, always conducted with the maximum respect for the workers' safety and protection of the environment.

Our Country believes it is essential to enhance mining and energy resources with full respect of the environment and the latest safety standards.

Based on this experience and due to the nature of its strategic position with respect to the Mediterranean Sea, Italy is prepared to do its part by acting to increase the cooperation with all the Countries involved in offshore mining activities.

### Links

http://unmig.sviluppoeconomico.gov.it/home.asp

http://www.minambiente.it/home\_it/index.html?lang=it

http://www.naturaitalia.it/home\_en/

http://www.protezionecivile.gov.it/jcms/en/homepage.wp

# 2- THE GEOGRAPHICAL CONTEXT OF ITALIAN OFFSHORE E&P

- 2.1 The Italian continental shelf
- 2.2 Offshore zones open to hydrocarbon E&P
- 2.3 Marine areas prohibited to E&P activities

# 2.1 THE ITALIAN CONTINENTAL SHELF

Description of the Italian continental shelf with legal regulations and international agreements. More detailed information is available in the Supplement to BUIG Year LVII 2 <u>THE SEA</u>.





Chart of the Italian Continental Shelf.

The principles adopted by Italy for the regulation of the exploration and production of hydrocarbons from its continental shelf are established by <u>July 21, 1967 Law no. 613</u>. This law promulgates the rules for the issuance of exploration permits establishing that, in accordance with the provisions of the Fourth Geneva Convention of 1958, the Italian continental shelf is delimited by the 200-m isobath, or beyond that limit, where the depth of the subjacent waters allow the exploitation of natural resources up to the median line between the opposite coasts of Italy and the

neighboring State, unless delimitation lines are to be agreed through a bilateral treaty in the future. The <u>Law No. 689 of 2 December</u>, 1994, ratifies the execution of the United Nations Convention on the Law of the Sea concluded at Montego Bay on December 10, 1982. The definition of the continental shelf, as embodied in Art. 1 of Law No. 613/1967, is replaced by the provision in Art. 76 of the United Nations Convention on the Law of the Sea of December 10, 1982.

Below are the treaties which Italy has entered with its Mediterranean neighboring Countries regarding the continental shelf:

# Countries of the former Yugoslavia

Agreement with Yugoslavia of January 8, 1968 (ratified by <u>Decree of the President of the Republic 22 May 1969, n. 830</u>, in force since 21 January 1970): conforms to the principles of the median line equidistant from the coasts of the two countries, attributing a void or minimum effect in tracing the boundary in the case of the Yugoslav island of Pelagosa and uninhabited islands of Pomo and S. Andrea; exceptions of the principle of equidistance were made in favor of Italy, as part of a compensation area between the two Parties, taking into account the effect of the islands of Jabuka and Galiola.

Slovenia, Croatia and Montenegro are successor states with respect to this Agreement. Italy and Croatia have signed a technical agreement in 2005 (Ministerial Notice of 30 September, 2005) that, confirming the original Agreement of 1968, adopted the use of WGS 84 allowing an accurate determination of the boundary line of the Italian and Croatian continental shelves;

# 1

# Albania

The Agreement between Italy and Albania signed on 18 December 1992 (ratified by <u>April 12</u>, <u>1995 Law no. 147</u> and entered into force on 26 February 1999). The delimitation following the criterion of equidistance from respective baselines, regardless of the straight baselines. The Agreement also stipulates that:

- the boundary ends outside the triple points area of the boundary line of Greece and the Federal Republic of Yugoslavia( delimitation to be set by later treaty with the States concerned);
- o this principle is not applied in the legal regime of the waters and the air space above the continental shelf;

- o there are defined criteria (proportionality and fair compensation) for the exploitation of deposits that may exist straddling the boundary lines;
- o the commitment of both parties to take all possible measures to ensure that the exploration and exploitation of natural resources does not impair the ecological balance of the sea or unjustifiably interfere with other legitimate uses of it.

# Greece

Agreement with Hellenic Republic Greece signed on 24 May, 1977 (ratified by March 23,1980 Law no. 290, and in force since July 3, 1980) establishes the delimitation of the continental shelf taking into account the islands of Strofades, Zakynthos, Kefalonia, Lefkada and Corfu. The only exception is the island of Fano, whose effect is reduced;

# Tunisia

The Agreement for the delimitation of the continental shelf between the Italian Republic and the Republic of Tunisia of 28 August 1971, (ratified by June 3, 1978 Law No. 347 and entered into force since 16 December 1978), applies to the south central Mediterranean Sea the method of drawing the median line equidistant between the opposite coasts of Tunisia and Sicily. It does not give relevance to the "special circumstances" of the islands of Pantelleria, Lampedusa, Linosa and the isle of Lampione. In this case, the portion of the platform is delimited by arcs of respectively 13 and 12 mile range, which overlap the territorial waters of those islands with the exception of Pantelleria. As a result of the Treaty, Tunisia was granted an area of almost 30,000 square kilometers, which corresponds to that which would have been entitled to Italy if it had been taken into consideration the midline of the Pelagie Islands. Note that according to this solution the so-called "Mammellone" falls entirely within the Tunisian continental shelf;

# 🌄 Spain

Agreement with Spain signed on February 19, 1974 (ratified by <u>June 3,1978 Law no. 348</u>, in force since 16 November, 1978) follows the criterion of the median line between Sardinia and the Balearic Islands, lightly concave, which gives greater emphasis to the development of the coast of Sardinia over the island of Minorca. Objections were raised by France as it claims rights on a portion of the area of the continental shelf carved up between Italy and Spain;

With reference to the Italian continental shelf also consider:



### Malta

An informal modus vivendi is in place between Italy and Malta, established by the exchange of notes of 29 April 1970, agreeing to the provisional and partial delimitation of the seabed within the depth range of 200 m by applying the median line criterion between the northern coast of Malta and the facing coast of Sicily. In the dispute between Malta and Libya for the delimitation of their respective continental shelves brought before the International Court of Justice, Italy applied for its interests to be regarded.



# France

In 1986 an Agreement was signed between the Government of the Italian Republic and the Government of the French Republic concerning the delimitation of the maritime border in the Strait of Bonifacio (The France-Italy Maritime Boundary Convention of 28 November, 1986)

#### *Note:*

The text of this page is taken from the <u>Glossary of the Law</u> of the Sea Navy <u>Document in pdf version</u>

# 2.2 OFFSHORE ZONES OPEN TO HYDROCARBON E&P

Following is a description of the marine areas, along with a summary of regulatory references and international agreements.

More detailed information is available in the Supplement to BUIG Year LVII 2 THE SEA.

- Chart of Offshore Zones pdf version
- Service 
  Chart of Offshore Zones kml version
- Download of Chart kml version



Zone A

This zone is located in the Adriatic Sea and extends north of the 44th parallel. It is delimited on the west by the coastline and on the east by the boundary line between Italy and Slovenia and Italy and Croatia.

### • Ministerial Notice of May 31, 2006

Delimitation of the marine zones A, B and F further to the technical Agreement on the delimitation line of the common continental shelf between Italy and Croatia.

# • Ministerial Notice of September 30, 2005

Technical agreement of the delimiting line of the common continental shelf between Italy and Croatia.

### • March 14, 1977 Law no. 73

Ratification and implementation of the Treaty between the Italian Republic and the Socialist Federal Republic of Yugoslavia.

• <u>Decree of the President of the Republic of May 22, 1969, no. 830</u>

Agreement between the Italian Republic and the Socialist Federal Republic of Yugoslavia.

# • July 21, 1967 Law no. 613

Exploration and production of liquid and gaseous hydrocarbons in the territorial sea and continental shelf.

### Zone B

This zone is located in the central Adriatic Sea and extends from the 44th to the 42nd parallel. It is delimited on the west by the coastline, and on the east by the boundary line between Italy and Croatia and Italy and Bosnia (former Yugoslavia).

### • Ministerial Notice of May 31, 2006

Delimitation of the marine zones A, B and F further to the technical Agreement on the delimitation line of the common Continental shelf between Italy and Croatia.

### • Ministerial Notice of September 30, 2005

Technical agreement of the delimiting line of the common continental shelf between Italy and Croatia.

• Decree of the President of the Republic of May 22, 1969, no. 830

Agreement between the Italian Republic and the Socialist Federal Republic of Yugoslavia.

# • July 21, 1967 Law no. 613

Exploration and production of liquid and gaseous hydrocarbons in the territorial sea and continental shelf.

### Zone C

It extends into the southern Tyrrhenian Sea and the Sicily Channel between the Sicilian coastline and the 200-m isobath line. In the southwest it is delimited by a section of Italy-Tunisia boundary and in the south east by Italy-Malta boundary. It also includes the seabed adjacent the Island of Lampedusa between the 200-m isobath and Italy-Tunisia boundary.

- <u>Ministerial Decree of December 27, 2012</u> Enlargement of the Marine area C.
- June 3, 1978 Law no. 347

Ratification and implementation of the Agreement between the Italian Republic and the Republic of Tunisia.

• July 21, 1967 Law no. 613

Exploration and production of liquid and gaseous hydrocarbons in the territorial sea and continental shelf.

### Zone D

This zone is located in the Adriatic Sea south of the 42nd parallel and in the Ionian Sea up to the Strait of Messina. It is delimited in the west by the coastline and in the east by the 200-m isobath.

• July 21, 1967 Law no. 613

Exploration and production of liquid and gaseous hydrocarbons in the territorial sea and continental shelf.

### Zone E

This zone is located in the Ligurian and Tyrrhenian Seas and the Sea of Sardinia. It is delimited in the west by the coastline, and in the east by the 200-m isobath.

• The France–Italy Agreement signed on November 28, 1986

Treaty between France and Italy, which delimits the maritime boundary between the two countries in the Strait of Bonifacio.

• July 21, 1967 Law no. 613

Exploration and production of liquid and gaseous hydrocarbons in the territorial sea and continental shelf.

### Zone F

It extends into the southern Adriatic Sea and the Ionian Sea up to the Straits of Messina. It is bounded in the west by the 200-m isobath line, in the east by the meridian and parallel arcs and the Italian continental shelf defined in the agreements with: Bosnia, Montenegro (formerly Yugoslavia), Albania and Greece.

# • Ministerial Decree of October 30, 2008

Enlargement and sizing of the marine areas open to hydrocarbon exploration and production.

# • Ministerial Notice of May 31, 2006

Delimitation of the marine zones A, B and F further to the technical Agreement on the delimitation line of the common continental shelf between Italy and Croatia.

# Ministerial Notice of September 30, 2005

Technical agreement of the delimiting line of the common continental shelf between Italy and Croatia.

# April 12 1995 Law no. 147

Ratification and implementation of the Agreement between the Italian Republic and the Republic of Albania.

### May 23 1980 Law no. 290

Ratification and implementation of the Agreement between the Italian Republic and the Republic of Greece.

### • Ministerial Decree of 13 June, 1975

Delimitation of the marine area to be named Zone F and open to hydrocarbon exploration and production.

### • Decree of the President of the Republic of May 22, 1969, no. 830

Agreement between the Italian Republic and the Socialist Federal Republic of Yugoslavia.

### Zone G

It extends into the southern Tyrrhenian Sea and the Sicily Channel. It is delimited to the north by arcs of median and parallel, in the southwest by the Italy-Tunisia boundary line, and in the southeast by the 200-m isobath.

### • *Ministerial Decree of March 29, 2010*

Marine areas open to hydrocarbon exploration and production. Enlargement of the Zone G.

• Ministerial Decree of October 30, 2008

Enlargement and sizing of the marine areas open to hydrocarbon exploration and production.

• Interministerial Decree of June 26, 1981

Delimitation of two marine areas of the Italian continental shelf named overall Zone G open to hydrocarbon exploration and production.

• June 3, 1978 Law no. 347

Ratification and implementation of the Agreement between the Italian Republic and the Republic of Tunisia

# 2.3 MARINE AREAS WHERE E&P ACTIVITIES ARE PROHIBITED

More detailed information is available in the Supplement to BUIG Year LVII 2 THE SEA.



THE SEA

HYDROCARBONS AND
GEOTHERMAL RESOURCES
OFFICIAL BULLETIN

Chart of Areas Prohibited to E&P Activities

### **RULING REFERENCE**

June 22, 2012 Decree-Law no. 83

Urgent measures for the Country's economic growth. Decree converted with amendments by August 7, 2012 Law no. 134.

The Decree-Law amends the <u>April 3, 2006 Legislative Decree no. 152</u> - Environmental Regulations.

# July 7, 2011 Legislative Decree no. 121

Implementation of Directive 2008/99/EC on the protection of the environment through criminal law and Directive 2009/123/EC amending Directive 2005/35/EC on ship-source pollution and on the introduction of penalties for infringements.

Article 3, paragraph 1 introduces the following changes to <u>April 3, 2006 Legislative Decree no.</u>
152

In paragraph 17 of Article 6 of Legislative Decree 3 April 2006, n. 152, after the second sentence is inserted as follows: «For the historic bay of the Gulf of Taranto in Article 1 of the Decree of the President of the Republic of 26 April 1977, no. 816, the ban on liquid hydrocarbons shall be determined within five miles from the coastline».

# June 20, 2010 Legislative Decree no. 128

Amendments and additions to 3 April, 2006 Legislative Decree no. 152 laying down rules on the environment, in accordance with Article 12 of June 18, 2009 Law n. 69.

Article 2, paragraph 3, letter. h) adds the following paragraph 17 of Article 6 of <u>April 3, 2006</u>
<u>Legislative Decree no. 152.</u>

17. For the purposes of protecting the environment and ecosystem, within the perimeter of the coastal and marine areas protected in any way for environmental purposes, in accordance with national laws, regional or implementation of international acts and conventions are prohibited the prospecting, exploration and production of liquid and gaseous hydrocarbons at sea referred to in Articles 4, 6 and January 9, 1991 Law no. 9. The prohibition is also established in the sea areas located within twelve nautical miles from the outer perimeter of these marine and coastal protected areas, as well as the only liquid hydrocarbons in the marine band including within five miles from the baselines of the territorial waters along the entire national coastline.

### August 6, 2008 Law no. 133

Conversion into law, with amendments, of Decree-Law of June 25th, 2008, no. 112, containing urgent measures for economic development, simplification, competitiveness, stabilization of public finance and tax equalization.

Article 8. Law for the exploitation of hydrocarbon deposits.

1. The prohibition of prospecting, exploration and production of hydrocarbons in the Gulf of Venice, as per the article 9 of January 9th, 1991 Law no. 9, as amended by Article 26 of July 31, 2002 Law no. 179, shall apply until such time that the Council of Ministers (in agreement

with the Veneto region), proposed by the Minister of the Environment, land and sea, has assessed a non-existence of appreciable subsidence risk on the coast, on the basis of new and updated studies, which must be submitted by holders of exploration permits and exploitation concessions, using the more conservative valuation methods and the best technologies available for production.

# • January 9, 1991 Law no. 9

Rules for the implementation of the new National Energy Plan

Article 4. Prohibition of prospecting, exploration and production.

1. Prospecting, exploration and production of hydrocarbons is prohibited in the waters of the Gulf of Naples, Gulf of Salerno and the Egadi Islands, with the exception of permits, authorizations and concessions in place, as well as in the Gulf of Venice, in the stretch of sea between the parallel passing through the mouth of the river Tagliamento and the parallel passing through the mouth of the river Po di Goro.

# 3- OFFSHORE SAFETY AND ACCIDENTS

- 3.1 Safety and Environmental protection in offshore activities
- 3.2 Accidents in drilling activities
- 3.3 Accidents during production activities

# 3.1 SAFETY AND ENVIRONMENTAL PROTECTION IN OFFSHORE ACTIVITIES

The Ministry of Economic Development plays a key role in the issues related to the health and safety of workers and environmental preservation and protection. The Ministry evaluates projects technically and economically through its central and local bodies, releases the related authorizations, ensures the proper execution of work and compliance with workplace safety standards in the entire field of hydrocarbon prospecting, exploration and production, including offshore activities.

Although in the European Union a strong regulatory apparatus already exists on the subject, the target set by the EU and by the single Member States is to raise the current standards of safety by constantly adaptating EU regulation to the continuous procedural and technological innovation.

# A GLOBAL OVERVIEW

The United Nations Environment Programme (UNEP) has been the first world organization to deal with marine water protection, launching the Regional Seas Programme (RSP) in 1974. It aims to establish a common global strategy and a framework for environmental protection, promoting the sustainable development and implementation at a "regional" level, following the identification of 18 different macro areas.

The RSPs carry out their functions by an Action Plan (AP). In most cases, the Action Plan is supported by a strong legal framework through a "regional convention" and associated protocols on the specific issues.

### EU CONTEXT

The European Union's policy has always been aimed at reducing the occurrence of major accidents related to offshore oil and gas activities and to limit their consequences. This increases the protection of the marine environment and coastal economies from pollution and limits possible disruptions to indigenous energy production in the Union by improving the response mechanisms in case of accident.

As a result, the EU regulatory framework relies on a number of directives of great importance such as:

- Directive 92/91/EC concerning the minimum requirements for improving the safety and health protection of workers in the mineral-extracting industries through drilling (Health and Safety Workers Directive);
- Directive 96/61/EC of 24 September 1996 concerning integrated pollution prevention and control;
- Directive 2000/60/EC establishing a framework for EU common action about water policies.

# REGIONAL CONTEXT: FOCUS ON THE MEDITERRANEAN SEA

In reference to the mentioned RSP, 16 Mediterranean countries and the European Community adopted the Mediterranean Action Plan (MAP). The MAP was the first ever plan adopted as a regional program under the cover of UNEP, reflecting the great attention

displayed to environmental protection by the countries bordering the Mediterranean Sea. In particular, we note the Convention for Protection against Pollution in the Mediterranean Sea (Barcelona Convention) as a legal and operating instrument of the MAP with the both sides (EU and coastal Countries non-EU) as signatories. In accordance with the mentioned Barcelona Convention and with specific reference to environmental aspects, we mention the "Protocol for the Protection of the Mediterranean Sea against pollution resulting from exploration and exploitation of the continental shelf and the seabed and its subsoil" (Offshore Protocol), entered into force March 25, 2011.

### A NATIONAL OVERVIEW

Italy accurately and in a compelling way transposed the EU decisions into its national legislation, adopting strict and advanced standards that have been repeatedly used as a reference at the EU level; In particular, we refer to:

- <u>President of the Republic Decree 24 May 1979, n. 886</u> "Integration and adaptation of police regulations in mines and quarries";
- <u>Legislative Decree 25 November 1996, n. 624</u>, as transposition of Directive 92/91/EEC;
- <u>Legislative Decree 3 April 2006, n. 152</u> "Environmental Regulations" and subsequent amendments.

Italy is also a signatory to the mentioned Offshore Protocol.

# • "AFTER MACONDO": PROPOSAL FOR AN OFFSHORE REGULATION, EUOAG AND ADHESION TO THE OFFSHORE PROTOCOL

The European Commission reacted to the disaster in the Gulf of Mexico that occurred at the "Macondo" well in April 2010 through a thorough analysis of existing standards adopted throughout the European Union.

The study resulted in the drafting of the document "Facing the challenge of the safety of offshore oil and gas activities" (European Commission, 2010), where it is reported that, even though the Union already has examples of excellence in national regulatory practices related to offshore oil and gas activities, a leveling up of the implementation of the actual

regulatory framework for offshore oil and gas operations could further improve the safety of offshore activities.

On the basis of these findings, on October 27, 2011, the European Commission adopted the draft "Proposal for a Regulation of the European Parliament and of the Council on safety of offshore oil and gas prospection, exploration and production activities" (Offshore Regulation), with the aim of reducing the occurrence of major accidents related to offshore oil and gas activities and to limit their consequences, thus increasing the protection of the marine environment.

During three different EU Presidencies (Poland, Denmark and Cyprus), the Council, through its Working Party on Energy (EWP), in which some representatives of the DGRME actively participate, has analyzed the Proposal of Regulation and has submitted different amendments.

Currently (February 2013), the text is being examined by the European Parliament, European Commission and Council of Europe and will almost certainly be adopted during the first half of 2013 in the form of a Directive: it should be noted, in fact, that on February 27, 2013 it has been diffused by the Commission's press release noting that the agreement took place in the "informal" trialogue, between the Commission, Council and European Parliament on the text of the "Proposal for a Regulation of the European Parliament and of the Council on safety of offshore oil and gas prospection, exploration and production in the hydrocarbon sector - Approval of the final compromise text." The text, publicly released in English and also translated into Italian, will be submitted for first reading in the European Parliament and in the Council, in accordance with the ordinary legislative procedure.

This Directorate General is actively involved in this process by formulating observations and proposals aimed to increase European safety standards. In particular, the Italian proposal to include in the text tools such as the "black box," already introduced in our system as a result of technical analyzes following the accident in the Gulf of Mexico, has been accepted, and so it will be part of the safety policy of all Member States.

At the same time, it is recognized that the regular exchange of experience between the regulatory authority and industry and the shared identification of best practices, as well as the improvement of the implementation measures, are the fundamental aspects of an effective regulatory regime. Since 1989 the North Sea Offshore Authorities Forum (NSOAF) has operated with the objective of guaranteeing continuous improvement in the health,

safety and environment in the offshore activities in the North Sea. The constituent countries are: Norway, Denmark, Islands Far Oer, Germany, Ireland, Holland, Sweden, and the UK. Subsequently the European Commission, founded the EU Offshore Authority Group (EUOAG) with Decision of January 19, 2012. the EUOAG is composed of experts appointed by the competent authorities of Member States for the oversight of the application of the norms in offshore activities in the hydrocarbons sector and connected politics. The experts represent the Public Administrations and the societies that operate in the sector because it is recognized that the regular exchange of experience between the regulatory authorities and the industry, the identification of common best practices, as well as the improvement of implementation measures, constitute the fundamental aspects of an effective regulatory regime.

Italy plays a key role in this group since its establishment, by participating with two representatives appointed by the Ministry of Economic Development and actively participating in working groups because of its relevant experience in the field of hydrocarbon exploration and production, acquired in over fifty years of offshore activities.

Moreover, the European Union recently adopted the Offshore Protocol with European Commission Decision of December 17, 2012. It has, therefore, positively evaluated the beneficial synergy, coming out from a possible combined action between the upcoming Offshore Regulation and Offshore Protocol. The former is mainly aimed to ensure "the safety of offshore oil and gas," while the second is to "protect against pollution from offshore activities".

It provides a series of measures to prevent, reduce, combat and control pollution resulting from the following activities:

- a) exploration activities, such as geoseismic surveys, taking samples and exploratory drilling;
- b) exploitation activities, such as the construction of facilities for the extraction of resources, including drilling, extraction, treatment and storage, ground transportation via pipeline and on ships, maintenance, repair and other auxiliary operations;

c) scientific research activities related to the resources of the seabed and subsoil.

The framework covers the entire lifecycle of offshore installations (including authorization, construction, operations, decommissioning), providing for cooperation between the Contracting Parties to the Convention. In particular, the framework regulates the activities of exploitation and exploration of the continental shelf and the seabed and its subsoil, imposing the obligation (already existing in Italy) that these activities be carried out according to the best available technologies.

#### **Documentation**

- Proposal for a regulation on offshore safety Final compromise text after the "trialogue" February 21, 2013

  Approval of the final compromise text Proposal for a Regulation of the European Parliament and of the Council on safety of offshore oil and gas prospection, exploration and production in the hydrocarbon sector.
  - Founding Act of the group EUOAG European Union Offshore Authorities Group
     European Commission Decision of 19 January 2012 on the establishment of the
     Group of European Union authorities for offshore activities in the hydrocarbons
     sector
  - Proposal for a regulation on offshore safety Initial version proposed by the European Commission
     On 27 October 2011, the European Commission adopted a proposal for a new

regulation, which ensures that offshore oil operations meet high standards of safety and environmental protection, which are common in all EU countries.

Adoption of the conclusions of the the European Union Council

Document of the EU Council of 3 December 2010

Following the European Commission's Communication of 12 October 2010, the Ministers Council of Energy of 3 December 2010 approved a document of adoption of the conclusions of the European Council.

• To face the challenge of the safety of the offshore activities in the sector of the hydrocarbons

Communication from the European Commission on 12 October 2010. The European Commission presented on 12 October 2010 the Communication "Facing the challenge of the safety of offshore activities in the sector of the hydrocarbons" that identifies a common strategy, as well as new procedures and safeguards for the activities of oil exploration in deep water.

#### Data and statistics

- Accidents in drilling and production activities
   Analysis of data concerning accidents in drilling and production activities.
   Comparison of data from the last four years and 1995
- North Sea Offshore Authorities Forum (NSOAF)
- European Commission Energy

# 3.2 ACCIDENTS

In 2012, a total number of 36 injuries occurred in the sector of exploration, production and storage of hydrocarbons (19 out of them in the course of drilling, 15 in production, and 2 in storage), none of which were fatal. Of the 36 injuries reported, 32 may be specifically related to oil & gas activities. The remaining incidents reported by the local UNMIG offices did not occur in the unfolding of oil & gas activities (e.g. accidental ingestion of pieces of glass during a meal or fractures from falls caused by rough sea, etc.). Of the 36 cases reported by the local UNMIG offices, a rate of 44% may fall within the definition of severe ones (with a prognosis of more than 30 days) and 56% were not considered severe. Considering the total number of cases reported above and hours worked (9.159.503), in 2012 there was a LTIF rate (Lost Time Injury Frequency) of 3.93.

- o UNMIG data: in 2011 the LTIF rate for the oil and gas sector was 2.94 (28 injuries per 9,509,976 hours worked)
- o INAIL data in 2011 the rate of LTIF involving all occupations was 13.04, much higher than the rate for specific occupations in O & G activities.
- o International Oil & Gas Producers Association data in 2011 OGP estimates the LTIF on globally based data equal to 0.43, on European based data to 1, 08 and Italy's data to 1.55.

However, the comparison between UNMIG and OGP data should be made taking into account that, for the purposes of data consolidation, some types of injuries - considered here - are not reported in the statistics of OGP (eg. occurrences during the preparation of food for private consumption or activities outside working hours).

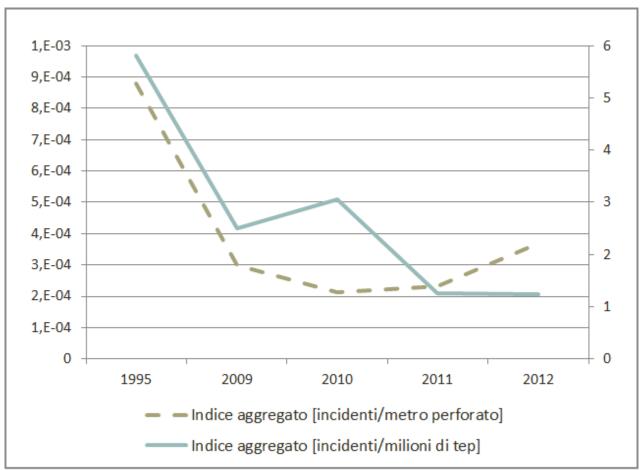
Statistics on causes of incidents that occurred in 2012:

- o 22% of injuries occurred during the assembly / disassembly of tools and machinery;
- o 22% during load handling activities;
- o 19% from slipping on stairs. In particular, two very similar accidents occurred to workers who slipped on the stairs connecting the main and cellar deck;
- o 14% from sliding on a flat surface;
- o 6% from falling due to the presence of obstacles;
- o the remaining 17% from other causes (electrocution, inhalation of toxic chemicals, etc.)

Below is the table with a comparison of injury rates in 2012 and historical data, broken down by drilling and production:

DRILLING	1995	2009	2010	2011	2012
Metres Drilled	137565	80521	56640	55810	51476
Incidents Occurred	121	24	12	13	19
Sinthetic Index	8,80 E-04	2,98 E-04	2,12 E-04	2,33 E-04	3,69 E-04
[Incidents per drilled metre]					
Variance over year 1995		-0,66	-0,76	-0,74	-0,58
PRODUCTION	T 199	95 2009	2010	2011	2012
Gas [Billion cubic metres]	20	,4 7,9	7,9	8,3	8,5
Petrolio [Millions of tons]	5	,2 4,5	5,1	5,3	5,4
Totale [Millions of toe] (*)	2,15 E+6	01 10,82	1,14 E+01	11,94 1,2	22 E+01
Incidents Occurred	l = 12	25 27	35	15	15
(*) 1 Mm3 gas = 800 toe					

The above tables show that the incident rate on production remains virtually unchanged between 2011 and 2012, while the number of accidents per metre drilled has increased by about 60%. Therefore the main issues in terms of security for operators are in the drilling sector - with particular focus on the activities of handling and equipments assembly/disassembly. In consideration of the above premises, it seems appropriate to intensify checks on drilling contractors, ensuring the constant implementation safety practices and procedures. of



Indici infortunistici di perforazione e di produzione

# 4- OIL SPILL RESPONSE

- 4.1 Operating Emergency Response Plan
- 4.2 National Emergency Response Plan

# 4.1 OPERATING EMERGENCY RESPONSE PLAN

The Italian Minister of the Environment and Protection of Land and Sea with Ministerial Decree of 29 January 2013 approved the new "Operating Emergency Response Plan for the Defense of the Sea and Coastal Zone from the accidental pollution by hydrocarbons and other harmful substances."

The Plan, which replaces the previous one of 1987, includes provisions for preventing and combating the damaging effects of accidental pollution by hydrocarbons and other harmful substances to the resources of the sea. The plan also includes directives aimed at operating procedures that are consistent with the goals of protection of the coasts, the sea and biological resources embedded in national legislation on the prevention and combating pollution.

# Link:

http://www.naturaitalia.it/home\_it/biodiversita/conservare-la-biodiversita/tut-eco-sisma.html?p=6

http://94.86.40.85/export/sites/default/archivio/comunicati/PIANO\_MATTM\_23\_01\_2013\_APPROVATO\_definitivo\_2.pdf

# 4.2 NATIONAL EMERGENCY RESPONSE PLAN

The hereby "national emergency plan" represents the highest level of the national operational plan and it applies to all possible marine and coastal pollution, whatever its sources and situations that have originated them, every time a national state of emergency is declared.

The Italian Civil Protection Department drafted the "National Emergency Response Plan against pollution by hydrocarbon derivates and toxic material spilled at Sea".

The plan has been approved by Leg. Decree issued by the President of the Council of Ministers on November 4, 2010. The above plan stands at the third level of the national planning program which includes the issue of marine pollution. The first level includes the operational plans in response to local emergencies under the responsibility of the Head of the maritime sector (Coast Guard). The second level deals with the national plan of action for the protection of the sea and coastal areas from pollution by oil and other harmful substances caused by marine accidents. The Ministry for the Environment and Protection of Land and Sea is responsible for the second level.

# Link:

http://www.protezionecivile.gov.it/jcms/en/view\_pde.wp?request\_locale=en&content
Id=PDE22353

http://www.protezionecivile.gov.it/resources/cms/documents/piano\_nazionale\_antinquinamento\_marino\_ENGLISH.pdf

# 5- SUPPORTING DOCUMENTATION

- 5.1 Annual Report 2013 DGRME
- 5.2 Executive Summary of Annual Report 2013
- 5.3 "THE SEA" supplement to Hydrocarbons and Geothermal Resources Official Bulletin Year LVII N.2 February 28<sup>th</sup>, 2013
- 5.4 Cartography: current titles and plants

# 5.1 ANNUAL REPORT 2013 - DGRME

2013 Annual Report on the activities of the Directorate-general for mineral and energy resources of the Minister of Economic Development of the year 2012:

# 5.2 EXECUTIVE SUMMARY OF DGRME ANNUAL REPORT 2013

2013 Executive Summary of DGRME Annual Report on the activities of the year 2012:



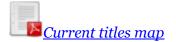
# 5.3 "THE SEA" supplement to Hydrocarbons and Geothermal Resources Official Bulletin – Year LVII N.2 – February 28<sup>th</sup>, 2013

Focusing on offshore hydrocarbon exploration and exploitation:



# **5.4 CURRENT TITLES AND PLANTS**

More detailed information is available in the Supplement to BUIG Year LVII 2 THE SEA.



Plants map

Data as december 30, 2012 Update on january 3, 2013

- Zona A
- Zona B
- **Zona** C
- **Zona** D
- Zona E
- Zona F
- **Zona G**

Data as november 30, 2012 Update on january 3, 2013

- Zona A
- Zona B
- Zona C
- Zona D
- Zona F

Through the following links you can download the polygons of the current permits in KML format (Google Earth  $\triangle$ Exploration permits;  $\triangle$ Exploitation concessions;  $\triangle$ Natural gas storage concessions

# 6- PROCEDURAL ITEMS ABOUT OFFSHORE O&G DRILLING

# 6.1 The Directorate Decree 22 March 2011

# 6.1 THE DIRECTORATE DECREE 22 MARCH 2011

Operating procedures for implementation of the <u>Ministerial Decree 4 March 2011</u> and how to carry out prospecting, exploration and production of oil and gas and related controls in accordance with Article 15, paragraph 5 of the Ministerial Decree of 4 March 2011:

# 7- TECHNICAL ACTIVITIES ABOUT O&G OFFSHORE E&P

7.1 The Black Box: an opportunity to improve safety

# 7.1 THE BLACK BOX: AN OPPORTUNITY TO IMPROVE SAFETY 1/2

# Italian law

Directorial Decree - Art. 28 par. 10

"...the licensee establishes a system for an unalterable and protected information data recording for drilling parameters ..."



# Proposal for a Regulation on safety of offshore oil&gas prospection, exploration and production activities

Art. 18 par. 9

"...MS shall ensure, where appropriate, that operators take measures to use adequate technical means or procedures in order to promote reliability of the collection of details of the drilling parameters' records and prevent possible manipulation thereof "



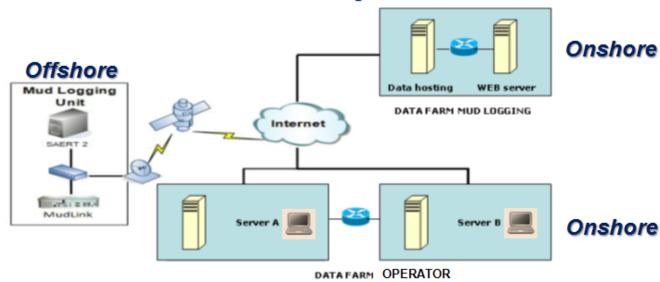
# What's new?

An acquisition-transfer-saving data system on an *onshore server* is now active

# 7.2 THE BLACK BOX: AN OPPORTUNITY TO IMPROVE SAFETY 2/2

### RECORDING SYSTEM DATA FLOW

- ✓ Data Transmission via satellite connection (certified for 99.5% up time);
- ✓ Every 5 secs and 20 cm depth, Mud Logging Unit (drilling site) sends data contemporarily to the Contractor DATA FARM (Ireland and USA for Baker, France for Geolog) and to the Operator dedicated DATA FARM (2 servers in parallel for each Contractor - data acquisition every 10 secs);
- ✓ High protection levels against external violation;
- ✓ Secure data transmission thanks to coded protocols



# 8- ECONOMICAL ISSUES IN O&G PRODUCTION

- 8.1 Royalties
- 8.2 ART. 16 OF THE DECREE-LAW NO. 1/2012

# 8.1 ROYALTIES

Royalties income from oil production

In Italy, oil and gas reserves are are owned by the State (Article 826 CC). However, the Government does not carry out exploration and exploitation directly, but allows concessions to private companies.

Every dealer has to observe work plans; fees payment, proportionate to mineral permits area' and royalties payment, proportionate to the exploited hydrocarbons amount.

Owed royalties are similar in value to the oil and gas price set up by the Electric and Gas Authority through a QE index (energy rate for raw materials cost), calculated in Euro every three months for a given year.

### o Royalties revenues in 2013

Oil royalties revenues applied to 2012 and 2011 years' productions. Royalties revenues from previous years: 2012, 2011, 2010, 2009 e 2008;

Hydrocarbons production royalties rates and their assignment by value
 General information about royalties on hydrocarbons production
 Rates allotment as value

### Fuel prices reduction fund

Fund set up, allocation amount

Royalties rules in other European countries

Comparison between Italian and European rules about product averages in the hydrocarbons sector, environment protection and industrial development.

# Taxation oil and gas production in Italy

Technical-economical study on oil sector taxation carried out by Nomisma Energy Institute (on January 2012).

# 8.2 ART. 16 OF THE DECREE-LAW NO. 1/2012

Disposizioni urgenti per la concorrenza, lo sviluppo delle infrastrutture e la competitività. Come convertito con modificazioni dalla <u>Legge 24 marzo 2012, n. 2</u>7

[omissis] Art. 16

Sviluppo di risorse energetiche e minerarie nazionali strategiche

- 1. Al fine di favorire nuovi investimenti di ricerca e sviluppo delle risorse energetiche nazionali strategiche di idrocarburi, garantendo maggiori entrate erariali per lo Stato, con decreto del Ministro dell'economia e delle finanze di concerto con il Ministro dello sviluppo economico, previa intesa sancita in sede di Conferenza Unificata di cui all'articolo 8 del Decreto Legislativo 28 agosto 1997, n. 281, da emanare entro sei mesi dalla data di entrata in vigore del presente decreto, sono stabilite le modalità per individuare le maggiori entrate effettivamente realizzate e le modalità di destinazione di una quota di tali maggiori entrate per lo sviluppo di progetti infrastrutturali e occupazionali di crescita dei territori di insediamento degli impianti produttivi e dei territori limitrofi nonché ogni altra disposizione attuativa occorrente all'attuazione del presente articolo.
- 2. Le attività di cui all'articolo 53 del <u>Decreto del Presidente della Repubblica 24 maggio 1979, n. 886</u>, sono svolte secondo le norme vigenti, le regole di buona tecnica di cui alla norma UNI 11366.

[omissis]

Testo completo del Decreto Legge

Decreto Legge 24 gennaio 2012, n. 1

Disposizioni urgenti per la concorrenza, lo sviluppo delle infrastrutture e la competitività. Come convertito con modificazioni dalla Legge 24 marzo 2012, n. 27

# 9- ITALIAN LEGAL FRAMEWORK

# 9- ITALIAN LEGAL FRAMEWORK

# Decreto Legge 24 gennaio 2012, n. 1

Disposizioni urgenti per la concorrenza, lo sviluppo delle infrastrutture e la competitività. Convertito con modificazioni dalla Legge 24 marzo 2012, n. 27

### Decreto del Presidente della Repubblica 1 agosto 2011, n. 151

Regolamento recante semplificazione della disciplina dei procedimenti relativi alla prevenzione degli incendi, a norma dell'articolo 49, comma 4-quater, del decreto-legge 31 maggio 2010, n. 78, convertito, con modificazioni, dalla legge 30 luglio 2010, n. 122.

### Decreto Direttoriale 22 marzo 2011

Procedure operative di attuazione del Decreto Ministeriale 4 marzo 2011 e modalità di svolgimento delle attività di prospezione, ricerca e coltivazione di idrocarburi liquidi e gassosi e dei relativi controlli ai sensi dell'articolo 15, comma 5 del Decreto Ministeriale 4 marzo 2011.

### Decreto Ministeriale 4 marzo 2011

Disciplinare tipo per i permessi di prospezione e di ricerca e per le concessioni di coltivazione di idrocarburi liquidi e gassosi in terraferma, nel mare e nella piattaforma continentale.

### Decreto Legislativo 29 giugno 2010, n. 128

Modifiche ed integrazioni al <u>Decreto Legislativo 3 aprile 2006, n. 152</u>, recante norme in materia ambientale, a norma dell'articolo 12 della Legge 18 giugno 2009, n. 69.

### Decreto Legislativo 9 aprile 2008, n. 81

Attuazione dell'articolo 1 della legge 3 agosto 2007, n. 123, in materia di tutela della salute e della sicurezza nei luoghi di lavoro

### Decreto Legislativo 3 aprile 2006 n. 152

Norme in materia ambientale

Come modificato ed integrato dal <u>Decreto Legislativo 29 giugno 2010, n. 128</u>, dal <u>Decreto Legislativo 7 luglio 2011, n. 121</u>, dal <u>Decreto Legge 9 febbraio 2012, n. 5</u> convertito con modificazioni dalla Legge 4 aprile 2012, n. 35 e dal <u>Decreto Legge 22 giugno 2012, n. 83</u> convertito con modificazioni dalla Legge 7 agosto 2012, n. 134.

# Decreto Legislativo 25 novembre 1996, n. 625

Attuazione della direttiva 94/22/CEE relativa alle condizioni di rilascio e di esercizio delle autorizzazioni alla prospezione, ricerca e coltivazione di idrocarburi

# Decreto Legislativo 25 novembre 1996, n. 624

Attuazione della direttiva 92/91/CEE relativa alla sicurezza e salute dei lavoratori nelle industrie estrattive per trivellazione e della direttiva 92/104/CEE relativa alla sicurezza e salute dei lavoratori nelle industrie estrattive a cielo aperto o sotterranee

# Decreto del Presidente della Repubblica 24 maggio 1979, n. 886

Integrazione ed adeguamento delle norme di polizia delle miniere e delle cave, contenute nel D.P.R. 9 aprile 1959, n. 128, al fine di regolare le attività di prospezione, di ricerca e di coltivazione degli idrocarburi nel mare territoriale e nella piattaforma continentale