Oil & gas association commends European Parliament’s restraint on moratorium issue

London, 8 October, 2010: "Yesterday’s resolution by the European Parliament, which did not call for a moratorium on new deepwater drilling in EU waters, underlines the importance of learning the full lessons from the Macondo accident in the Gulf of Mexico," said Michael Engell-Jensen, Executive Director of the International Association of Oil & Gas Producers (OGP). "However, some of the measures suggested in the resolution failed to recognise the significant steps taken by the oil & gas industry since the Macondo incident. Nor did the resolution fully take into account the performance track record of existing country-based regulations relating to deepwater drilling in Europe.

Speaking on behalf of companies that produce more than half of the world’s oil and over a third of its gas, Mr. Engell-Jensen went on to stress that “the tragic loss of life and environmental damage in the Gulf of Mexico should never be forgotten – or repeated. But it is important that the outcomes of the various investigations into the Macondo incident can be fully assessed before determining how the industry should respond.” Before Macondo, he noted, the oil & gas industry had safely drilled 14,000 deepwater wells, many of them in European waters.

“It should be recognised that comprehensive regulations already exist at country-levels within Europe, many of which have been further strengthened since the Gulf of Mexico incident,” he said.

To help ensure that the results of the Macondo enquiries are incorporated into industry practice and government regulations, OGP has established a Global Industry Response Group (GIRG), which is closely liaising with United States industry groups and other industry associations around the world.

The GIRG is working closely with the consortium that is developing a Gulf of Mexico Marine Well Containment System. The GIRG’s London-based containment team is also involved with Oil & Gas UK’s OSPRAG project as part of an effort to determine if some aspects of the consortium’s project could be applicable elsewhere in the world, depending on regional conditions and requirements.

“Ensuring the continuing safety of oil & gas operations is a collaborative process that involves our industry with national and regional legislators, executive bodies, regulators and other stakeholders. Therefore, as always, we look forward to working closely with the European Institutions. Together, we can work for the safe and sustainable operations that provide the oil & gas on which Europe will continue to rely for decades to come,” Mr. Engell-Jensen said.
About the GIRG:

As the scale and significance of the Macondo incident became apparent, OGP’s Management Committee met to determine the best way for the Association to tackle the challenges highlighted in the Gulf of Mexico. The result was the formation of the GIRG as announced in Brussels on 14 July.

Its initial remit was to focus on the outcome of the official investigations and to identify – and help to answer – other questions about what happened in the deep waters of the Gulf of Mexico. In this role, the GIRG will prevent unnecessary duplication of effort and identify areas not yet covered.

Equally important is the GIRG’s role in consolidating and disseminating lessons learned from Macondo throughout OGP’s membership and beyond.

Under the direction of OGP’s Management Committee, the GIRG is focusing on three disciplines:

- Well design/operating procedures
- Containment capability – which looks at regional needs and potential technical solutions, drawing on analytical and technical/design capabilities
- Oil spill response

To date, the GIRG has 43 people from OGP member companies and organisations working across these issues.

About OGP:

OGP’s members include most of the world’s leading publicly-traded, private and state-owned oil & gas companies, oil & gas associations (such as the American Petroleum Institute and Oil & Gas UK), trade associations (such as the International Association of Drilling Contractors) and major upstream service companies. OGP members produce more than half the world’s oil and about one third of its gas.

OGP represents the upstream oil & gas industry before international regulators and legislators. From its headquarters in London, OGP represents the industry before UN bodies including the International Maritime Organization and the Commission for Sustainable Development.

OGP also works with the World Bank and with the International Organization for Standardization (ISO). In addition, OGP is accredited with a range of regional bodies. Among these are OSPAR, the Helsinki Commission and the Barcelona Convention.

OGP Brussels provides an essential conduit for advocacy and debate between the upstream industry and the European Union (EU). This involves regular contact with the European Commission and the European Parliament.

OGP also helps members achieve continuous improvements in safety, health and environmental performance and in the engineering and operation of upstream ventures. OGP’s extensive international membership brings with it a wealth of know-how, data and experience. OGP committees and coordination groups manage the exchange and dissemination of this knowledge through publications and events around the world.

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