"Oil spill in the Gulf of Mexico: is the Mediterranean ready?"

Antonio Martini

Rome, May 18th 2011



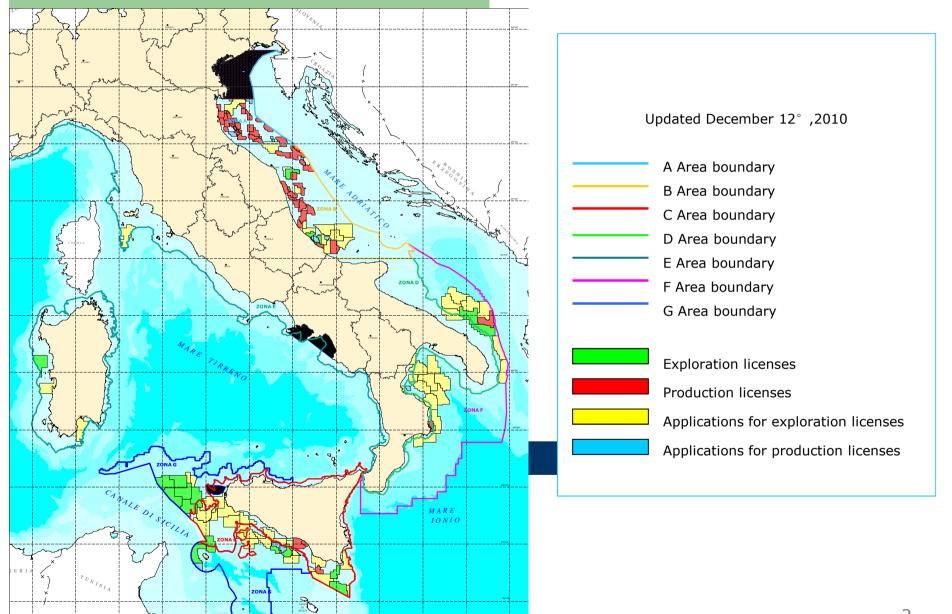
Ministero dello Sviluppo Economico

DIPARTIMENTO PER L'ENERGIA

Direzione Generale per le Risorse Minerarie ed Energetiche



MINING PERMITS MAP FOR OFFSHORE PROSPETCIONS, EXPLORARION, AND EXPLOTATION





EU AND MISE ACTIONS



COORDINATION

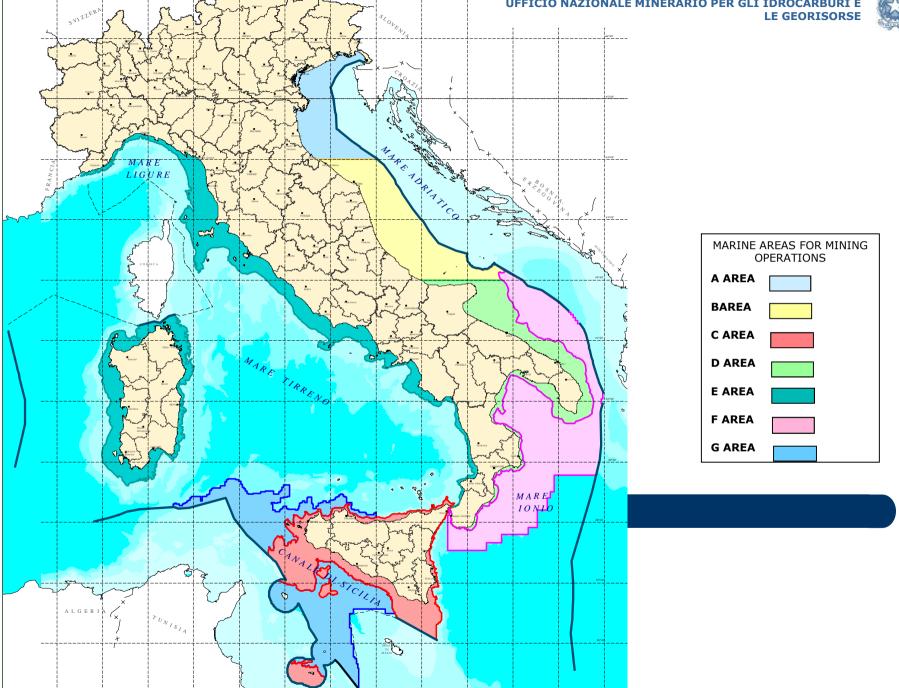
Ongoing Action in Italy in the European context

In the wake of the Gulf of Mexico incident, the Italian Government has assigned the Commission for Hydrocarbons and Mining Resources the task to prepare operational proposals based on the conclusion of an *ad hoc* working group. These proposals were approved on July 22, 2010. In the European context the DG Energy has put forward actions in order to enhance the safety of offshore activities. In particular, there are ongoing actions to implement the guidelines of the EU Council issued on November 24, 2010 that have been approved by the Council of the Ministers for Energy on December 3.



Focus on italian proposals for a EU ruling act:

- □Operator's activity assessment and relating growing skill levels (confirmed by expert authorities on the basis of carried out activities) compared to plan contingency.
- □Financial covering forecast by means of direct and indirect warranties or by joining a guarantee fund among the operators for their presence on oil rigs and for financial managing of the related emergency, as well as local fund establishing (for example in Mediterranean Sea) on the pattern of IOPC fund, for reclamation of concerned marine zones.
- □Operators agreements promoting to share emergency's operating technologies in deep waters by means of special financial funds in EU activity plans.
- □ Checking on technical-psychological professional training of special staff or personnel to improve further safety levels during the activities.



CONTEXT ACTIONS



THE MEDITERRANEAN SEA

Offshore Protocol to Barcellona Convention

Italy is on the way to ratify the "Mediterranean Sea Protocol from pollution coming from continental shelf exploration and exploitation activity, the sea bed and the marine soil" (Offshore Protocol) of Barcellona Convention, that has recently entered into force with the Syria ratification. It would be an important undertaking obligation in the environmental sector, acting as a compulsory law even for the other countries of the Southern Mediterranean Sea. In fact, it contains rules about offshore plants (authorization-building-operation-activity and replacement) as well as regarding the cooperation among the signatory States; so, it would be the best tool to resolve the need of coordination and harmonization.

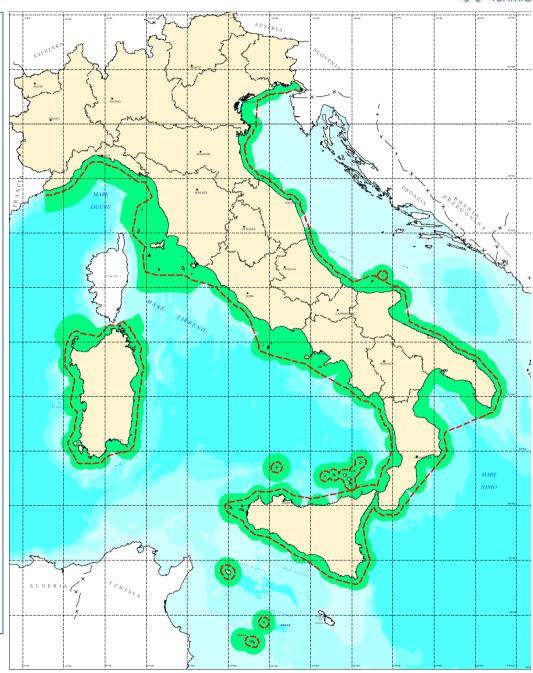


Memo on legislative decree 128/2010 modifying the environmental code

PROSPECTION, RESEARCH AND PRODUCTION OF GASEOUS AND LIQUID HYDROCARBONS ARE FORBIDDEN:

protected sea and coastal areas as defined by national and regional legislation, also as a transposition of EU legislation (Site of Community Importance (SCI); Special Protection Areas (SPA)) and international conventions (Ramsar Convention) and within 12 nautical miles of those areas.

Furthermore, for liquid hydrocarbons only, prospecting, research and production is forbidden within 5 miles from the baselines.



Memo on legislative decree 128/2010



modifying the environmental code

OUTLINE OF THE PROVISON

- Introduction of three different bans:
 - sea and coastal areas protected under whatever environmental provision (gaseous and liquid hydrocarbons)
 - sea areas within 12 nautical miles of the above mentioned protected areas (gaseous and liquid hydrocarbons)
 - Sea area within 5 nautical miles from the base line (only liquid hydrocarbons)
- Outside of the banned areas: environmental impact assessment and consent of local administrations
- Transitional provisions:
 - immediate application for authorisation procedures under way; issued authorisations are exempted from the new regime.



ITALIAN GOVERNMENT ACTIVITIES (1/3)

MSE OFFSHORE SAFETY DRILLING DIRECTIVES

The Directorate - General for Energy and Mining Resources has issued directives with new offshore safety rules to operators by implementing safety requirements. Its aim is to improve the prevention of the risks connected to eruptions during the drilling operations in particular critical conditions. These directives follows the provisions outlined in the Legislative Decree n. 624/96 and EU Directive 92/22/CEE.

The new instructions represents the least requirements to comply with and, if necessary, it is compulsory to adopt further specific safety requirements in accordance with all safety rules.

ITALIAN GOVERNMENT ACTIVITIES (2/3)

MSE OFFSHORE SAFETY DRILLING DIRECTIVES

Safety systems and equipments

Before any new drilling activity begins in Italy, all systems with shear rams must be tested. The test can be made at the manufacturer's facilities, but it must be repeated also on site. Safety systems and equipments must be certified by the manufacturer or by any other specialized entity within a fiveyear period.

Electronic registration of drilling data

The operator has to keep a secure digital record of all data concerning drilling; these data must be accessible and available for any following check by the authority.

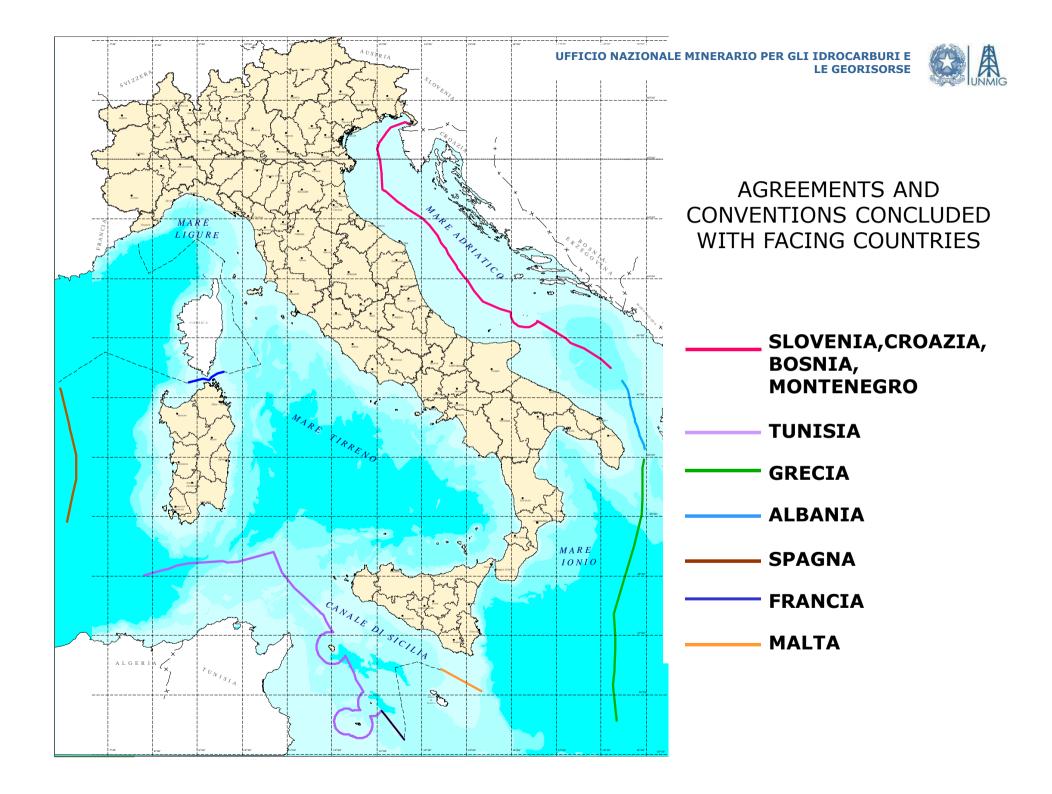
ITALIAN GOVERNMENT ACTIVITIES (3/3)

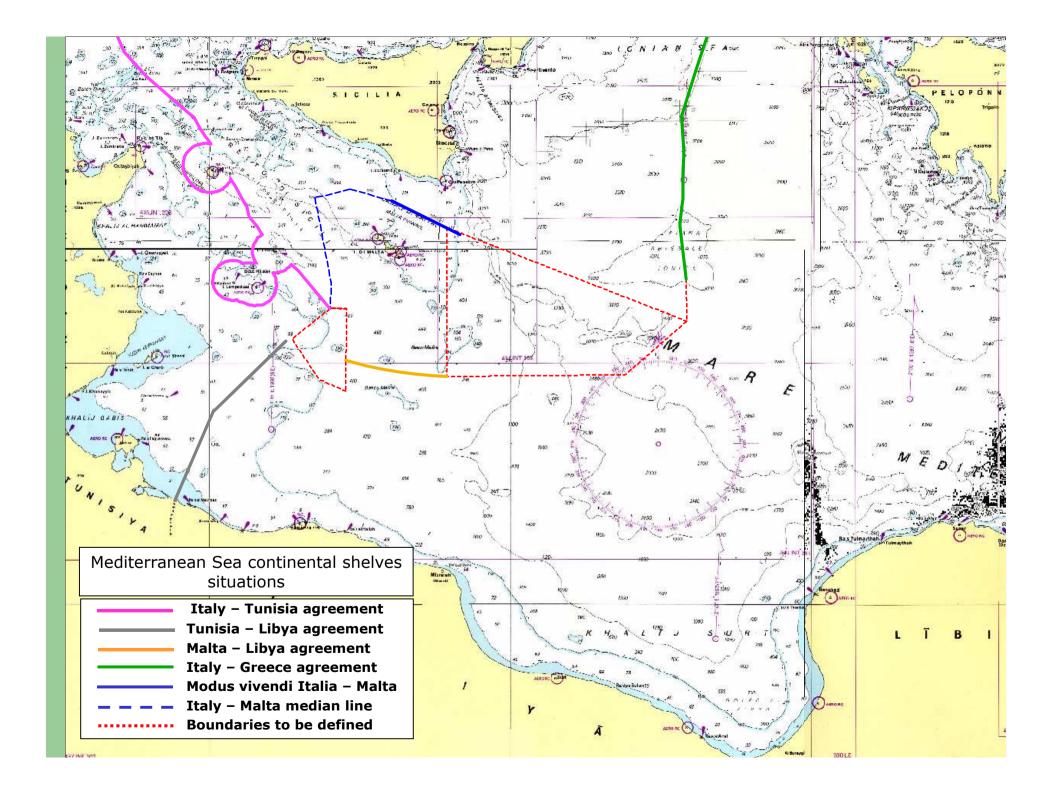
MSE OFFSHORE SAFETY DRILLING DIRECTIVES

<u>Further safety requirements for deep water operations (more than 200 meter depth):</u>

Daccelerated certification of equipment: Shear rams safety devices must have been certified by the manufacturer or any other specialized entity less than two years before.

□operational control: Operations are to be carried out under supervision of the responsible executive official (as foreseen for simultaneous operations).





Contacts

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