

**International Regulators Forum
Offshore Safety Summit Conference**
Stavanger, Norway
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**Challenges of the G20
Global Marine Environment Protection
Working Group (GMEP)**

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G20 Global Marine Environment Protection Initiative: the Origins

Summer 2010 – Russia proposed to establish an international mechanism for prevention and clean up of catastrophes on marine shelf. Its major points:

•Establishing regional international regulators for activities on the shelf (International Shelf Regulators). Such regulators may cover regions of active shelf development – the Arctic, Persian Gulf, the Caribbean, East Africa etc.

•The mandate for regulation of such mechanisms should include:

- The application of environmental impact assessment that consider impacts at all stages of exploration, production and suspension;
- Preventive development of infrastructure to enable rapid and effective response and establishing effective training systems for oil spill response personal;
- Thorough risk assessments that incorporate blowout events;
- Spatial planning ensuring security of biological resources;
- Transfer of technology to developing nations that could be impacted from oil spills.

•An appropriate financial structure for such regulatory mechanism could be Funds.

Replenishment of Funds established by the regional regulators can be done through regular industry's mandatory contributions, embedded in taxation systems or done through insurance systems.

•Global Marine Environment Protection Fund could become a light umbrella structure with primary focus on coordinating regional funds, including clearing house mechanism, standard development etc.

G20 Leaders: Mandates on GMEP

2009 Toronto Summit

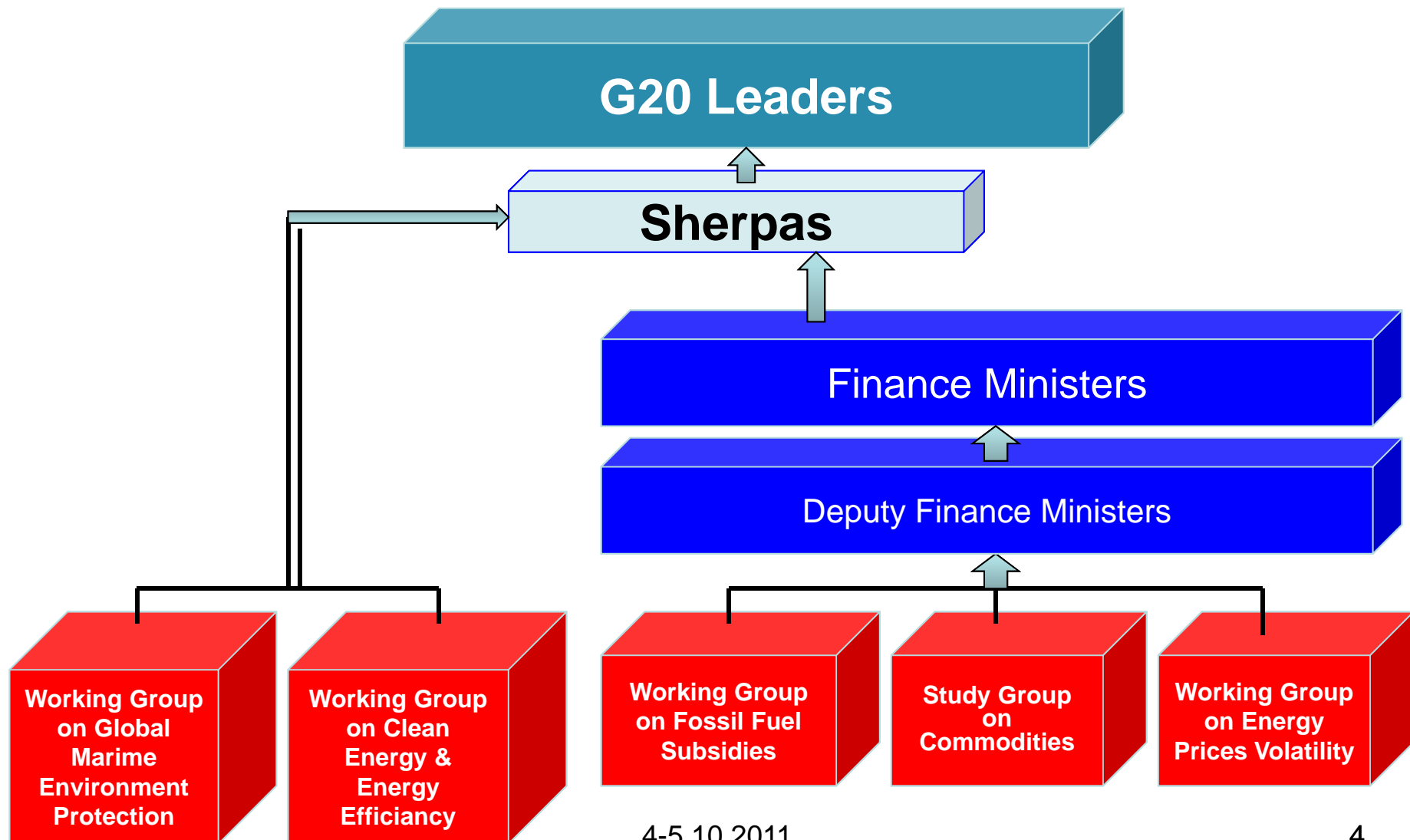
Following the recent oil spill in the Gulf of Mexico we recognize the need to share best practices to protect the marine environment, prevent accidents related to offshore exploration and development, as well as transportation, and deal with their consequences

2010 Seoul Summit

We welcome the progress achieved by the Global Marine Environment Protection (GMEP) initiative toward the goal of sharing best practices to protect the marine environment, to prevent accidents related to offshore exploration and development, as well as marine transportation, and to deal with their consequences. We recognize the work done by the GMEP Experts Sub-Group and take note of the progress made on reviewing international regulation of offshore oil and gas exploration, production and transport with respect to marine environmental protection as a first step to implement the Toronto mandate.

Future work on the GMEP initiative should benefit from relevant findings, as they become available, from the National Commission on the BP Deepwater Horizon Oil Spill in the United States and the Montara Commission of Inquiry in Australia. We ask the GMEP Experts Sub-Group to provide a further report, with the support of the IMO, OECD, IEA, OPEC, International Regulators Forum, and International Association of Drilling Contractors and, in consultation with relevant stakeholders, to continue work on the effective sharing of best practices at the 2011 Summit in France.

Group 20: Energy Issues Set-Up



4-5.10.2011

G20 GMEP Working Group:

Participation, Organization, Procedures, Outcome

Stakeholders:

- Governments of G20 countries and EU + Spain
- Governments of invited countries – the Netherlands, Norway and UAE
- Mandated and invited International Organizations
- Offshore oil and gas companies (operators and contractors)
- NGOs and experts/consultants

Governance – Co-Chairs: Brazil, Russia and Turkey + current G20 Presidency

Procedures:

- General meeting of the G20 GMEP Working Group (3)
- Voluntary participation
- Consensus principle
- Questionnaire

Outcome:

- Background Review on International Regulation of Offshore Oil and Gas
- Proposal on a Mechanism for Sharing Offshore Oil and Gas Best Practices

Discussed Major Parameters and a Set-Up of a Possible G20 GMEP Mechanism on Sharing Best Practices to Protect the Marine Environment, Prevent Accidents Related to Offshore Exploration and Development, as well as Transportation, and Deal with their Consequences

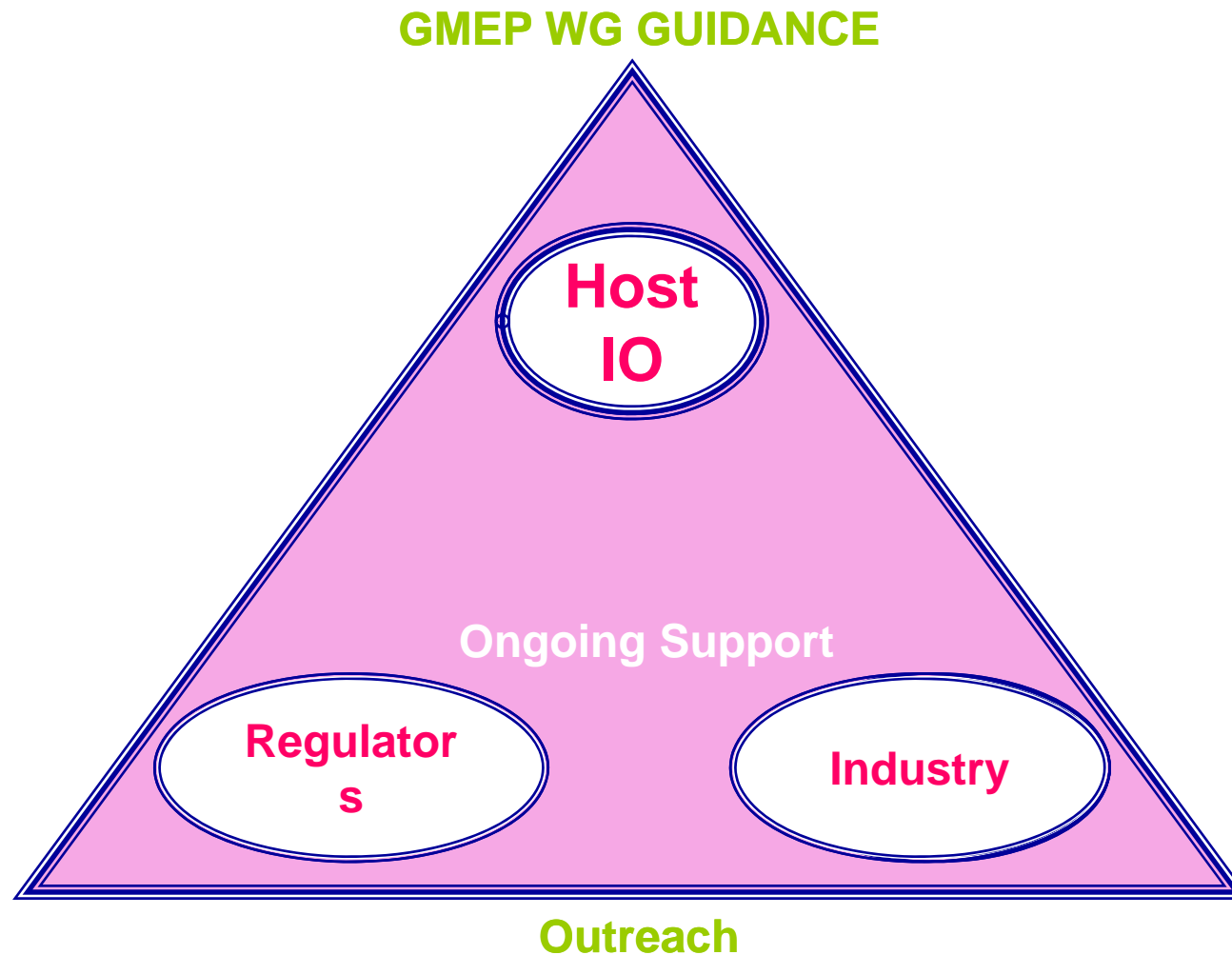
Substance areas:

- safe offshore oil and gas E&D, marine transportation, prevention of and preparedness for accidents in these areas and dealing with their consequences;
- technical, procedural, economic and environmental issues;
- stakeholders: governments, regulators and industry;
- local, national, regional or world levels.

Mechanism components:

- dedicated website
- face-to-face activities:
 - conferences, seminars, workshops;
 - training.

Discussed Structure of a Possible GMEP Mechanism for Sharing Best Practices



4-5.10.2011

What is Next?

- **Final agreement on the text of the GMEP WG Issue Paper for approval by the G20 Leaders**
- **Agreement on TOR amongst the GMEP WG members and between the Group and the selected International Organization to host the GMEP Mechanism for sharing offshore oil and gas best practices**
- **Approval by the G20 Leaders (November 3-4, 2011)**
- **Finalizing the GMEP Website structure and procedures and developing Work Program for the Mechanism's face-to-face activities**
- **Launching the GMEP Mechanism (2012)**

Thank you