

BRIEFING PAPER



Promoting Proven · Credible · Integrated · Sustainable Oil Spill Response Capability

During the 1990s, the Caspian Sea, Black Sea and Central Eurasia region emerged as one of the most important new sources of world oil supply, attracting investment and providing vital new export revenue. Such developments will bring great benefits to the region, provided uninterrupted exports are maintained.

A group of energy companies are implementing a series of actions regarding oil spill preparedness and response through a regional initiative. The activities, carried out in support of governments' own efforts, are improving the ability of the region to respond effectively in the event of an oil spill and contributing to the region's environmental protection.

More detail concerning the work of OSPRI may be obtained from:

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An
ipieca
Initiative

INTRODUCTION

During the 1990s, the Caspian Sea, Black Sea and Central Eurasia region (Figure 1) emerged as one of the most important new sources of world oil supply, attracting development and providing vital new export revenue. With more growth and investment certain, the countries of the region can rely increasingly on the benefits arising from uninterrupted exports. As more oil is handled in the region, the shared desire is to eliminate any spills from these operations. Further to a strong commitment to apply preventive measures, a group of energy companies - working in cooperation with governments - also believe it is prudent to undertake actions that can significantly reduce the consequence of such an incident.



Figure 1: Caspian Sea, Black Sea and Central Eurasia region

ASSESSING THE NEED

Is the oil industry ready to respond to a major spill and are the region's government agencies prepared?

A group of member companies of the IPIECA (the global oil and gas industry association for environmental and social issues) assessed the situation in 2002/03. The outcome was a comprehensive study which blended findings from earlier reports and lessons from past spills around the world with updated information and detailed analyses of the state of preparedness.

The study found that governments, companies, institutions and stakeholder groups widely agreed on the need for improved response capability. Beyond the significant economic and business risks posed by spills, there is universal concern to better protect the environment and the public. A poor spill response could harm the region's ecology and affect local business and the industry's reputation, with serious repercussions.

In line with the study recommendations the oil industry launched an initiative to support the efforts of governments and promote regional response capability in mid 2003 – the Oil Spill Preparedness Regional Initiative (Caspian Sea – Black Sea – Central Eurasia) – now known as OSPRI. This effort is leading to significantly enhanced levels of spill preparedness and response within the region.

THE REGION'S OIL MOVEMENTS AND PREPAREDNESS

The Black Sea and Caspian Sea is witnessing large growth in oil production and exploration activity. Approximately 160 million tonnes of crude oil and products per year of the growth will be handled and shipped from different facilities in this region. Pipelines (including Baku-Tbilisi-Ceyhan) are being utilized, leaving substantial volumes to be transported through the Turkish Straits.

The 10 countries surrounding the two seas are taking advantage of key international agreements and standards on spill response, liability and compensation. Seven have ratified the 1990 International Convention on Oil Pollution Preparedness, Response and Cooperation (1990 OPRC). Nine have joined the 1992 Protocol to the International Convention on Civil Liability for Oil Pollution Damage (1992 CLC), five have ratified the International Fund for Compensation for Oil Pollution Damage (1992 Fund), while seven have ratified the International Convention on Civil Liability for Bunker Oil Pollution (Bunkers 2001). Implementation of these agreements - and their associated resources and networks - presents a great opportunity to help move the region toward international standards of spill readiness and claims settlement.

The Bucharest and Tehran Conventions respectively provide the governments' regional frameworks for oil spill preparedness in the Black Sea and Caspian Sea. These frameworks are being used to enable cooperation mechanisms between governments' national response systems. The regional frameworks also provide scope for partnership with industry in developing a coordinated and integrated approach to preparedness.

OSPRI strongly advocates that the countries continue to seek the advice and support of the Global Initiative, a joint programme of IPIECA and the IMO devoted to helping developing regions or countries achieve oil spill preparedness. To this end, IMO and OSPRI have signed Statement of Intent for the Global Initiative Implementation in the Black and Caspian Seas

PARTICIPANTS, FOCUS AND BEST PRACTICE

BP, Chevron, Eni, ExxonMobil, KMG, NCOG, Shell and Total, – all major investors in the region – have organized and jointly fund OSPRI. With IPIECA providing management and coordination, they set up OSPRI with an emphasis on participation from the region's business units.

OSPRI embraces an overall vision, set out as:

Encourage and support industry and governments to work cooperatively, promoting the adoption of proven, credible, integrated and sustainable national, regional and international oil spill response capability

Guided by international best practices in oil spill preparedness and response, the activities being undertaken focus on addressing the core elements of effective capability:

- the state of **national spill-response planning** in key countries;
- the state of **regional planning**, as spills do not respect international borders;
- **response equipment** and **infrastructure** locations and condition;
- the **existing cooperative agreements** and efforts for spill response, their effectiveness and the lessons learned from them.

OSPRI recognizes the crucial role of **training and exercising**, ensuring the availability of designated responders well practiced in spill response. Descriptions of good practice for these core elements are outlined in Table 1, together with an indication of the related activities that OSPRI is encouraging and facilitating in the region.

The principle of tiered response is fundamental to OSPRI's activities. Local (tier 1) and area (tier 2) oil spill contingencies are based on comprehensive risk assessments, using mutual aid and cooperation mechanisms to maximize capability. The effectiveness of tier 2 crucially depends on its organizational capability built through cooperative efforts and shared resources; an independent stockpile of response equipment is not essential. Facilitating the access and integration of international support (tier 3) is a key aspect of the response escalation, in the unlikely case of a major incident. It is neither necessary nor cost-effective to duplicate within the region the existing industry investment in tier 3 centres, as this network already provides rapid and efficient global coverage.

OSPRI members facilitate government and industry partnership to develop efficient spill preparedness and response. This will reduce the environmental consequences in the event of a major spill, ensure wise investment in response capability and prevent wastage on substandard response and cleanup.

GEOGRAPHIC CHALLENGE, HOLISTIC SOLUTION

This initiative bridges a range of geographic and business interests – bringing benefits and synergies to areas of production, transfer and transportation. It enables industry to play an important role in the development and testing of effective and efficient oil spill contingency arrangements. OSPRI's support and encouragement of governments' own efforts at national and regional levels is improving both capacity and capability for spill response, building a stronger community of responders in the process. This effort is making a significant contribution towards helping governments and operators achieve best practice in their contingency planning. This benefits the regional economy, business, investors, neighbours and the environment.

ACHIEVEMENTS

OSPRI has provided technical and organizational support and technical inputs to a variety of events at national and regional levels. This has included training, exercises, workshops, conferences and seminars - all sharing the common theme of action-focussed targets and outcomes. Good relations with various international bodies enable OSPRI to encourage coordination of efforts; this means that the best synergies between these organizations and potential donor agencies can be achieved.

OSPRI was a significant player in all aspects of the planning and undertaking of the Black Sea's first major oil spill exercise to involve all the littoral States. Turkey acted as host for this 'Exercise SULH' and the nine months preparations provided many opportunities to develop knowledge and capacity, as well as building stronger relationships between industry and government. This is an excellent practical example of the positive role OSPRI and its members are playing. Subsequent major regional exercises were held in Romania, Georgia and Russia respectively, again with significant support from OSPRI.

	Description of good practice	Related OSPRI activity areas and achievements
National and Regional Planning	National management systems incorporate the key elements, namely, clear roles and responsibilities, a national plan and a minimum level of oil spill response capability.	Encouraging the ratification and implementation of the OPRC Convention and supporting national workshops with demonstrable follow-up.
	National plans clearly identify approved response policies, utilizing a net environmental benefit framework.	OSPRI members have attended national planning groups to facilitate industry integration and support.
	Tiered response is accepted by governments and industry as the most effective approach to oil spill preparedness.	OSPRI raises awareness of the tiered preparedness and response approach at all opportunities.
	Regional cooperation plans are finalized and implemented.	OSPRI strongly supported the regional exercise programme to implement the Black Sea plan and is closely involved in similar efforts in the Caspian Sea.
Equipment & Infrastructure	The level of oil spill combating equipment at each response tier is commensurate to the risk.	Working with all parties to develop sustainable tier 1 and 2 arrangements.
	Contingency plans incorporate all aspects of equipment utilization, including storage, maintenance, mobilization and transport (customs / immigration clearance for trans-boundary movements) to the spill site.	Undertake assessments of logistical capabilities in the region and test the procedures to assure access to tier 3 resources.
	Waste management planning is addressed in contingency plans with clear strategies for handling and disposal of recovered material.	Develop waste management plans for significant spills in conjunction with relevant national authorities.
Cooperation/Agreements	Information regarding planning and preparedness is freely shared amongst operators in the regions.	OSPRI members and their networks communicate regularly.
	Industry tier 2 and 3 planning includes the development of mutual aid arrangements and cooperatives.	Mutual aid agreements are encouraged to incorporate standard principles. These facilitate an integrated approach to planning.
	Oil spill response service providers use contracts incorporating standard principles.	Encourage companies negotiating new service contracts to discuss and agree standard principles.
Training/Exercising	Training programmes progressively prepare responders to perform their duties effectively, as identified in contingency plans.	Information on training programmes is shared and joint funding of events considered.
	Contingency plans are validated at each tier (1, 2 and 3) by an ongoing programme of realistic exercises.	Ensure exercise scenarios include escalation of response through tiers 2 and 3.
	Joint training and exercises between industry, agencies and other key organizations are incorporated into programmes.	OSPRI is heavily involved in the regions' exercise programmes. On-going drills are anticipated, in cooperation with all relevant parties.

Table 1: Good practice in oil spill preparedness and related OSPRI activities