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REPORT FROM THE COMMISSION

Annual Report from the European Commission on the Safety of Offshore Oil and Gas Operations for the Year 2022

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1. INTRODUCTION

Since 2016, the European Commission has published an annual report on the safety of EU offshore oil and gas operations.

The legal basis for this report is Directive 2013/30/EU¹ of the European Parliament and of the Council of 12 June 2013 on safety of offshore oil and gas operations and amending Directive 2004/35/EC (hereinafter: the “Offshore Safety Directive”). It aims to achieve a high level of safety in offshore oil and gas operations, for the benefit of:

- i. workers;
- ii. the environment;
- iii. offshore platforms and equipment;
- iv. economic activities, such as fishing and tourism.

The Directive, as implemented by Member States, helps to:

- i. prevent major accidents and incidents;
- ii. reduce the number of incidents;
- iii. ensure effective follow-up of accidents and incidents to reduce the severity of their consequences.

As past reports do, this annual report:

- i. gives the number and type of installations in the EU;
- ii. provides information on safety incidents in these installations;
- iii. assesses the safety performance of offshore oil and gas operations.

The report now covers a period of six years, and it serves as a record of the safety performance in Member States’ offshore oil and gas activities.

This report is based on annual reports and data submitted by Member States as required by the Offshore Safety Directive.

There are 164 offshore oil and gas installations located in the Mediterranean Sea, 135 in the North Sea and Atlantic Ocean, 8 in the Black Sea and 4 in the Baltic Sea. In 2022, the competent Member State authorities inspected the safety of 485 offshore installations in their jurisdiction. The countries reported no major accidents.

The number of incidents increased from 26 in 2021 to 37 in 2022.

¹ OJ L 178, 28.6.2013, p. 66.

2. LEGAL BASIS

In line with Article 25 of the Offshore Safety Directive, the Commission must publish an annual report on the safety and environmental impact of offshore oil and gas operations. This report is based on individual annual reports that Member States must submit to the Commission. Annex IX (3) to the Directive sets out the minimum information the annual reports must contain:

- i. the number, age, and location of installations.
- ii. the number and type of inspections and investigations carried out, in addition to any enforcement action or convictions.
- iii. incidents that have occurred.
- iv. any major change in the offshore regulatory framework.
- v. the safety performance of offshore oil and gas operations.

The deadline for Member States to publish and submit the required information is 1 June following the reporting period (e.g., 1 June 2023 for 2022).

Member States must submit the information using the templates provided in Commission Implementing Regulation (EU) No 1112/2014 of 13 October 2014². The templates allow:

- i. operators and owners of offshore oil and gas installations to share information on major hazard indicators.
- ii. Member States to publish information on major hazard indicators.

A guidance document³ provides specific information on the Implementing Regulation and explains how to use the reporting templates.

3. METHODOLOGY AND INFORMATION RECEIVED

Member States must submit clearly defined information on safety incidents in the offshore oil and gas sector using the templates. The data must include information on the offshore oil and gas installations in the EU, such as number, type, location, and age. Reports from Member States must also provide information on the number of (i) offshore inspections, investigations and enforcement actions taken; (ii) incidents by category; and (iii) injuries.

For this annual report, the Commission has used information provided by Bulgaria, Croatia, Cyprus, Denmark, France, Germany, Greece, Ireland, Italy, Malta, the Netherlands, Poland, Romania, and Spain. Other Member States were not active in the offshore oil and gas sector or did not submit

² OJ L 302, 22.10.2014, p. 1.

³ Guidance Document on Commission Implementing Regulation (EU) No1112/2014 of 13 October 2014. https://energy.ec.europa.eu/document/download/68234e29-37c0-48ed-a48c-cb6c488415f5_en?filename=guidelines_reporting_of_accidents.pdf

information. All Member States with offshore oil and gas operations declared they had submitted all the required information on all installations.

4. THE EU OFFSHORE OIL AND GAS SECTOR

4.1 Installations and production

Member States reported 311 installations in EU waters in 2022 (see Table 1):

- Most offshore installations⁴ were in the Mediterranean Sea. Italy is the most active (with 45% of all installations in EU waters) followed by Croatia.
- In the North Sea and Atlantic, most installations (approximately 36% of all installations in EU waters) were in the Dutch part of the North Sea (known as the exclusive economic zone of the Netherlands).
- In the Black Sea, Romania has a well-established offshore oil and gas industry. Bulgaria has continued offshore hydrocarbon exploration, but only had one installation and is producing small quantities of oil and gas.
- In the Baltic Sea, only Poland had offshore installations.

Table 1: Installations on 1 January 2022: type of installation by region and Member State

Region	Country	Type of installation (*)				Total (region/country)	Change compared to 2021
		FMI	NUI	FNP	FPI		
Baltic Sea		3	1	0	0	4	--
	Poland	3	1	0	0	4	--
Black Sea		5	3	0	0	8	--
	Bulgaria	0	1	0	0	1	--
	Romania	5	2	0	0	7	--
Mediterranean Sea		13	149	0	2	164	--
	Croatia	2	17	0	0	19	--
	Greece	1	1	0	0	2	--
	Italy	9	129	0	2	140	--
	Spain	1	2	0	0	3	--
North Sea and Atlantic		36	96	3	0	135	-36
	Denmark	7	11	1	0	19	--
	Germany	1	1	0	0	2	--
	Ireland	2	0	0	0	2	--
	The Netherlands	26	84	2	0	112	-36
Total (type of installation)		57	249	3	2	311	-36

(*) FMI: Fixed, manned installation; FNP: Fixed, non-production installation; FPI: Floating

⁴ Mobile offshore drilling units are not part of the data in section 4.1.

production installation; NUI: Normally un-attended installation.

More than half of offshore installations came into operation between 1980 and 2000. In 2022, one new fixed installation came into operation. Since 2010, the development of new production installations has dropped noticeably in the North Sea and Atlantic.

Approximately 80% of the EU's domestic oil and gas (16 264 kilotonnes of oil equivalent (hereinafter: "ktoe")) is produced in the North Sea and Atlantic (see Table 2). The biggest contributors in the North Sea and Atlantic are the Netherlands and Denmark. Italy and Croatia are the biggest producers in the Mediterranean Sea. Spain and Greece had no production. In the Black Sea, only Romania's output is significant.

Table 2: Offshore oil and gas production in the EU in ktoe in 2022

Region	Country	ktoe	% of EU total	% change compared to 2021
Baltic Sea		271	1,6%	+1 %
	Poland	271	1.6%	+1 %
Black Sea		922	5.7%	-12 %
	Bulgaria	15	0.1%	+1 %
	Romania	907	5,6%	-13 %
Mediterranean Sea		2069	12,1%	-4,2 %
	Croatia	197	1.2%	+ 6 %
	Greece	0	0%	- 100%
	Italy	1872	11,5%	-1%
	Spain	0	0%	-100%
North Sea and Atlantic		13002	80%	- 12%
	Denmark	4435	27,2%	-3%
	Germany	755	4.6%	-12%
	The Netherlands	7812	48%	-16%
Total		16 264	100 %	-11%

Production increased slightly in Croatia, with Poland and Bulgaria almost constant, but declined in all other Member States, particularly in the Netherlands, Germany and Romania. Greece and Spain had no production. Compared to production in Member States in 2021, there was a 11 % loss of production (cca. 1 923 ktoe) in 2022.

From overall production in the EU measured in ktoe, 69 % was gas and 31 % oil. Denmark (3230 ktoe) was the most important producer of oil, followed by Germany (745 ktoe), Italy (390 ktoe), and the Netherlands (308 ktoe).

4.2 Offshore inspections, investigations, enforcement actions and regulatory framework

The competent authorities in the Member States regularly inspected the offshore installations in their jurisdiction in 2022 (see Table 3). The more installations a country had, the more inspections it usually carried out.

Compared to 2021, the number of inspections increased, and the number of inspected installations almost doubled. Member States reported that, due to geo-political considerations, installations planned to be decommissioned resumed safe operations for ensuring the security of supply in the EU. To resume safe operation of installations, the authorities scheduled more inspections than in the previous year.

Two specific cases are Greece and the Netherlands. In Greece, there were 36-man days of inspections and no active installation. Because the installations were too long in shut down, the authorities had to conduct a full-scale inspection to confirm that operations could restart safely (biggest inspection ever done in Greece). In the Netherlands, the number of inspections tripled compared to 2021. At the same time, the Netherlands decommissioned three installations during the reporting period.

Table 3: Offshore inspections by region and Member State in 2022

Region	Country	Inspections	Working days spent on installation (travel time not included)	Number of installations inspected
Baltic Sea		2	8	5
	Poland	2	8	5
Black Sea		15	31,5	9
	Bulgaria	0	0	0
	Romania	15	31,5	9
Mediterranean Sea		333	408	271
	Croatia	36	36	9
	Cyprus	3	10	2
	Greece	1	36	1
	Italy	291	325	257
	Spain	2	1	2
North Sea and Atlantic		174	199	200
	Denmark	28	136	23
	Germany	4	9	2
	Ireland	0	0	0
	The Netherlands	142	54	175

Total	524	646,5	485⁵
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Article 18 of the Offshore Safety Directive gives rights and powers to the competent national authorities for operations and installations in their jurisdiction. These powers include the right to prohibit operations and to require measures ensuring both risk management compliance and safe operations.

In 2022, there were no investigations regarding major accidents. In 2021, one investigation was ongoing (Croatia).

In 2022, only the Netherlands took an enforcement action.

5. INCIDENTS AND SAFETY PERFORMANCE

Operators and owners of installations and national authorities must report an accident or situation of serious danger (referred to as an ‘event’). However, a single event can be categorised by one or more incidents. For example, two incident categories must be notified for the same event if there was an (a) unintended release of gas that (b) required the evacuation of staff.

Member States reported 37 events⁶ in 2022 compared to 26 in 2021:

- Denmark and Croatia – 12 events each, no major accidents (comparing to 13 events, and respectively two events in 2021)⁷.
- The Netherlands – 11 events, no major accidents⁸ (11 events in 2021).⁹
- Romania and Spain – one event each (no event reported in 2021)¹⁰.

Of the incidents that occurred in 2022, 75,67 % belong to the unintended releases of gas and/or oil, 18,91 % belong to the category of safety and environmental critical element failure, and 5,40 % to loss of wells. None of those incidents led to the loss of life. Also, no vessel collisions or helicopter accidents were reported.

Table 4: Incidents by category (set out in Annex IX to the Offshore Safety Directive) in 2022

Category	Total	Share of category total	Share of total incidents
(a) Unintended releases – total	28	100%	75,67 %

⁵ An installation could be inspected more than once during a reporting year, therefore the “number of inspected installations” (485) is different from that of “total installations” (311)

⁶ The reporting obligation does not cover certain events (e.g. those not related to operations).

⁷ For Denmark, all 12 incidents consisted in unintended releases. For Croatia, out of the 12 events, seven were due to unintended releases, and five to failures of safety and environmental critical elements.

⁸ Major accidents include incidents that could cause fatalities or serious injuries (even if none occurred).

⁹ For the Netherlands, the incidents consisted in two loss of wells, and 9 unintended releases.

¹⁰ The events consisted in failures of safety and environmental critical elements.

Fires caused by ignited oil/gas	0	0%	0
Explosions caused by ignited oil/gas	0	0%	0 %
Unignited gas	17	60,7%	45,95 %
Unignited oil	11	39,2%%	29,70 %
Hazardous substance	0	0%	0%
(b) Loss of wells – total	2	100%	5,40 %
Blowouts	0	0%	0 %
Blowout/diverter activation	2	100%	5,40 %
Well barrier failure	0	0%	0%
(c) Safety and environmental critical element failure	7	100%	18,91 %
(d) Loss of structural integrity – total	0	0%	0%
Loss of structural integrity	0	0%	0%
Loss of stability/buoyancy	0	0%	0%
Loss of station keeping	0	0%	0%
(e) Vessel collisions	0		
(f) Helicopter accidents	0		
(g) Fatal accidents^(*)	0		
(h) Serious injuries of five or more people in the same accident	0		
(i) Evacuation of personnel	0		
(j) Environmental accidents	0		
Total	37		100%
<i>(*) Only if related to a major accident.</i>			

In the EU, the total number of incidents increased from 26 in 2021 to 37 in 2022. This increase is due to a rise in unintended releases of both oil and gas from 20 to 28 and in safety and environmental critical element failures from three to seven. Incidents involving loss of wells decreased from three to two between 2021 and 2022. No incidents were classified as major accidents in 2022. The Member States authorities are assessing, together with the operators, the causes of the incidents to determine if investigations or enforcement actions are needed.

6. CONCLUSIONS

In 2022, there were 311 offshore oil and gas installations in the EU. The Netherlands decommissioned three installations during the reporting period.

Overall oil and gas production decreased from 18 187 ktoe in 2021 to 16 264 ktoe in 2022 (11% loss of production). Denmark and the Netherlands produced 75% of the EU's total offshore oil and gas.

The Commission has assessed the safety of the EU's offshore oil and gas operations based on the information provided by Member States, according to the rules of the Implementing Regulation on reporting. The accuracy of the Commission's analysis therefore depends on the accuracy of this information.

In 2022, national authorities kept up their efforts to ensure a high level of safety in offshore oil and gas operations by inspecting 485 installations (compared to 248 in 2021). One Member State (the Netherlands) reported an enforcement action.

There were no major accidents in 2022. The total number of incidents increased from 26 in 2021 to 37 in 2022. No fatality was reported, 44 injuries and 4 serious injuries occurred.

During 2022, due to geo-political considerations, installations planned to be decommissioned resumed safe operations for ensuring the security of supply in the EU. This can explain the increase in the number of incidents. The Member States authorities have taken measures for addressing the causes of and remedy the incidents that occurred. If needed, investigations and potentially enforcement actions will be put in place.

In conclusion, due to the obligatory inspections and actions taken, as stipulated by the Offshore Safety Directive, there was no significant negative impact on the offshore oil and gas operations.

To maintain this high level of safety, the Commission continues to work closely with the European Union Offshore Authorities Group (EUOAG). The EUOAG promotes best practices for carrying out safely all operations, and assists national authorities represented in the group.