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DIRECTORATE-GENERAL FOR ENERGY

Directorate B - Internal Energy Market
The Director

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Mr Patrick Verhoeven, ECSA,
Secretary General

Mr Derek Hart, IADC, Regional
Director North Sea

Mr John Bradshaw, IMCA Policy &
Regular Affairs Manager

Dear Sirs,

I refer to your letter of 8 May 2017 by which you comment on the European Parliament's resolution on liability, compensation and financial security for offshore oil and gas operations.

You raise concerns on the European Parliament's analysis and conclusions, which asks the Commission for additional initiatives with the objective of strengthening EU rules in the context of liability. I want to thank you for the analysis and contribution to this complex legal area.

We consider that the European Parliament's report provides valuable policy lines for the offshore oil and gas sector. It underlines certain weaknesses of the current legal framework with regard to questions surrounding the liability when offshore accidents happen. As a constructive and substantive contribution the resolution provides a structure of issues to be dealt with in the near future

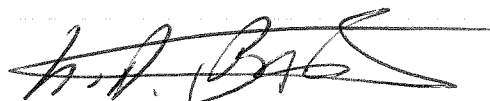
I want to inform you that during the discussion in the Parliament's Committees the Commission has explained where it shares the Parliament's views and where at the current stage the Commission would not yet draw final conclusions.

Before deciding on new legal initiatives, we need to know what progress has been made on these subjects in Member States when implementing the Directive and with the practical application of national rules and legislation. At the latest in 2019, the Commission will assess the experience with the implementation of the Directive. Taking into account the efforts of Member States, specifically their competent authorities, the report may include, as appropriate, proposals for amending the Directive and, if necessary, for additional initiatives.

The issues examined in the 2019 report will include an in-depth analysis of questions regarding liability, compensation and financial security for offshore and gas operations,

with the objective to address potential shortcomings. By means of a public consultation all stakeholders should get the opportunity to express their views on a potential revision of the Offshore Safety Directive, including the sensitive area of questions around liability.

The Commission will continue exchanging and discussing the Directive's effectiveness both with Member States and stakeholders. By taking into account stakeholders' views we will bring the issue forward in the European Offshore Authorities Group and in any other available forum. At the same time, in expert groups and high level groups, the Commission will refer to the European Parliament's resolution, which establishes guidance and target lines for the benefit of EU citizens.



Klaus-Dieter Borchardt