

TOR Reference No.:	Author(s): Duncan Mitchell
Version: 2	Date: 24 September 2015
<b>TERMS OF REFERENCE FOR WORK UNDER THE AUSPICES OF IMPEL</b>	

## 1. Work type and title

1.1 Identify which Expert Team this needs to go to for initial consideration	
Industry	<input checked="" type="checkbox"/>
Waste and TFS	<input type="checkbox"/>
Water and land	<input type="checkbox"/>
Nature protection	<input type="checkbox"/>
Cross-cutting – tools and approaches -	<input type="checkbox"/>
1.2 Type of work you need funding for	
Exchange visits	<input type="checkbox"/>
Peer reviews (e.g. IRI)	<input type="checkbox"/>
Conference	<input checked="" type="checkbox"/>
Development of tools/guidance	<input type="checkbox"/>
Comparison studies	<input checked="" type="checkbox"/>
Assessing legislation (checklist)	<input type="checkbox"/>
Other (please describe):	<input type="checkbox"/>
1.3 Full name of work (enough to fully describe what the work area is)	
Sharing regulatory best practice in regulating the exploration and production of the onshore oil and gas (OOG) industry, including unconventional fossil fuels (UFFs) and high-volume hydraulic fracturing (HVHF)	
1.4 Abbreviated name of work or project	
Regulating OOG	

## 2. Outline business case (why this piece of work?)

2.1 Name the legislative driver(s) where they exist (name the Directive, Regulation, etc.)
The OOG industry, including the emerging UFFs industry, is regulated under a number of different legislative instruments, including (but not exclusively) –

- Water Framework Directive
- Groundwater Directive
- Management of Waste from Extractive Industries Directive (the Mining Waste Directive)
- Waste Framework Directive
- Industrial Emissions Directive
- Environmental Impact Assessment Directive
- REACH Regulation
- Environmental Liability Directive
- Control of Major Accidents and Hazards Directive (Seveso III)

In addition, in January 2014 the European Commission published a Recommendation on minimum principles for the exploration and production of hydrocarbons (such as shale gas) using high-volume hydraulic fracturing. This Recommendation is currently under review.

Finally, a review of the BAT reference document (Bref) for the extractive waste industry is under way (including the energy sector), and a hydrocarbons Bref has been proposed.

## 2.2 Link to IMPEL MASP priority work areas

- |  |   |
|--|---|
| 1. Assist members to implement new legislation   | ☑ |
| 2. Build capacity in member organisations through the IMPEL Review Initiatives               | ☑ |
| 3. Work on ‘problem areas’ of implementation identified by IMPEL and the European Commission | ☑ |

## 2.3 Why is this work needed? (background, motivations, aims, etc.)

The intense public debate on the use of unconventional techniques, such as HVHF, to explore for and produce hydrocarbons from sources such as shale deposits has shone a spotlight on the whole OOG industry, how it is regulated and what is considered best practice for the industry.

This public interest has been reflected at the EU level by the Commission’s activities, including in particular its 2014 Recommendation on HVHF, which is currently under review; the review of the extractive waste Bref; and proposals for a general hydrocarbons Bref.

The public debate about OOG will produce the best outcomes only if it is founded upon more reliable information as to the environmental risks and their regulation. These are issues which the regulatory and scientific communities are seeking to address.

During 2015 a currently ongoing IMPEL project has brought IMPEL members together to consider best practice for regulating the OOG industry as a whole. Many of the key issues apply equally to conventional and unconventional fossil fuels. The project will not report finally until late November or early December, but some preliminary conclusions can be drawn:

- participants broadly agree that, while there is a need for further exchanges of information on specific technical and regulatory issues, the European OOG industry is well-established, and the *acquis communautaire* relevant to the sector is comprehensive, and should be applied in practice before being developed significantly further;
- regulation must be risk-based and proportionate;
- further EU-level guidance on certain technical issues and definitions may be desirable, where regulators find it difficult to be certain how the law should be implemented in practice;
- participants are keen to work further on specific issues through IMPEL to feed into and support developments at EU level.

The aim of this project is therefore to build upon the work currently being done and to review in much greater

detail participants' approaches on a number of critical issues, with a view to establishing and promoting best practice. We hope that all regulators will as a result feel more confident in delivering more consistent and reliable information to the public, industry and policy-makers. It may also avoid duplication of effort, and promote consistent and proportionate regulation across IMPEL members. It may also support dialogue with regulators in non-IMPEL countries which have developed, or are developing their UFF industry, such as the USA, Canada, Australia and China.

#### **2.4 Desired outcome of the work (what do you want to achieve? What will be better / done differently as a result of this project?)**

1. A more coherent understanding of the OOG industry's environmental record
2. A fuller picture of best practice on key issues for regulators
3. A better understanding of proportionate regulation of the industry
4. Consistency in regulation across IMPEL members
5. Capacity-building for regulators
6. Greater public trust in regulators and their decisions
7. Useful and reliable information for policy-makers

#### **2.5 Does this project link to any previous or current IMPEL projects? (state which projects and how they are related)**

The current IMPEL project on best practice in regulating the onshore oil and gas industry (including shale gas).

### **3. Structure of the proposed activity**

#### **3.1 Describe the activities of the proposal (what are you going to do and how?)**

1. Questionnaire to participants
2. Follow-up telephone and face-to-face interviews with participants
3. Live Meeting conferences as appropriate to update participants and discuss key issues
4. Two workshops, with site visits, discuss issues in more detail
5. Final report

#### **3.2 Describe the products of the proposal (what are you going to produce in terms of output / outcome?)**

A full report on the project and its findings, including any identified need for further collaborative work.

#### **3.3 Describe the milestones of this proposal (how will you know if you are on track to complete the work on time?)**

1. Planning activities, including defining the work and finalising project team members – January–February 2016
2. On the basis of the agreed project plan, draft and circulate questionnaire – February-March
3. Receive responses and collate information – April-May
4. Follow-up interviews – April-September
5. Workshop 1 and site visit - June
6. Workshop 2 and site visit – September

7. Draft final report – October-November
8. Finalise and submit report – late November/early December

### 3.4 Risks (what are the potential risks for this project and what actions will be put in place to mitigate these?)

**Risk 1:** That the project team will not be able to complete the project.

**Mitigation 1:** The project team members will be selected so as to ensure that the risk that all the team will be unable to complete the project is low.

**Risk 2:** That the project as initially framed is too broad in scope to be practically realised.

**Mitigation 2:** We will start work immediately in 2016 to narrow the scope of the project and draft the questionnaire, so as to address this issue.

**Risk 3:** Member States unwilling to complete the questionnaire or attend the workshop.

**Mitigation 3:** For the previous project 10 IMPEL members, plus Northern Ireland and Scotland from within the UK, completed the questionnaire and/or attended the workshops and site visits. This is a good level of participation for an IMPEL project, and participants have expressed enthusiasm for follow-up projects. A similar level of interest is expected in this follow-up project, but we shall also actively try to gain the involvement of additional IMPEL members which have an active interest in OOG.

## 4. Organisation of the work

### 4.1 Lead (who will lead the work: name, organisation and country) – this must be confirmed prior to submission of the TOR to the General Assembly)

Project Manager: Duncan Mitchell, Environment Agency, England

### 4.2 Project team (who will take part: name, organisation and country)

The current project team, which we hope to build upon for this project, is:

Austria: Thomas Spörker, Federal Ministry of Science, Research and Economy

Denmark: Jean-Pierre Posselt, Energy Agency

England: Duncan Mitchell, Environment Agency

France: Youssoupha Diop, Ministry of Ecology, Sustainable Development and Energy

Germany: Kurt Machetanz, Landesamt für Bergbau, Energie und Geologie, Niedersachsen, Schleswig-Holstein, Hamburg and Bremen

Hungary: Tamas Hamor, Office for Mining and Geology

Netherlands: Ivan Abdoellakhan, State Supervision of Mines, Ministry of Economic Affairs

Northern Ireland: Neil McAllister, Northern Ireland Environment Agency

Poland: Paweł Dadasiewicz, Chief Inspectorate of Environmental Protection

Romania: Matei Liviu, National Environmental Guard

Scotland: Emma Taylor, Scottish Environment Protection Agency

Turkey: Hasan Ayaz, Ministry of Environment and Urbanisation

### 4.3 Other IMPEL participants (name, organisation and country)

#### 4.4. Other non-IMPEL participants (name, organisation and country)

Florence Limet, European Commission (as an observer)

### 5. High level budget projection of the proposal. In case this is a multi-year project, identify future requirements as much as possible

	Year 1 (exact)	Year 2	Year 3	Year 4
How much money do you require from IMPEL?	27150	n/a	n/a	n/a
How much money is to be co-financed	0	n/a	n/a	n/a
<b>Total budget</b>	27150			

### 6. Detailed event costs of the work for year 1

	Travel € (max €360 per return journey)	Hotel € (max €90 per night)	Catering € (max €25 per day)	Total costs €
<b>Event 1</b>	360 x 2 x 5 =	90 x 2 x 5 =	25 x 2 x 5 =	4750
Face-to-face interviews	3600	900	250	
April-September 2016				
Various				
2				
10 days, 10 nights				
<b>Event 2</b>	360 x 15 =	90 x 3 x 15 =	25 x 2 x 15 =	11200
Workshop 1 and site visit	5400	4050	750	
June 2016			Plus venue	
TBC			hire = 1000	
15				
2 days, 3 nights				
<b>Event 4</b>	360 x 15 =	90 x 3 x 15 =	25 x 2 x 15 =	11200
Workshop 2 and site visit	5400	4050	750	
September 2016			Plus venue	
TBC			hire = 1000	
15				
2 days, 3 nights				
<b>Total costs for all events</b>	14400	9000	3750	27150

## 7. Detailed other costs of the work for year 1

<b>7.1 Are you using a consultant?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>7.2 What are the total costs for the consultant?</b>	[n/a]
<b>7.3 Who is paying for the consultant?</b>	n/a
<b>7.4. What will the consultant do?</b>	n/a
<b>7.5 Are there any additional costs?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Namely:
<b>7.6 What are the additional costs for?</b>	n/a
<b>7.7 Who is paying for the additional costs?</b>	n/a
<b>7.8. Are you seeking other funding sources?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Namely:
<b>7.9 Do you need budget for communications around the project? If so, describe what type of activities and the related costs</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Namely:

## 8. Communication and follow-up (checklist)

	What		By when
<b>8.1 Indicate which communication materials will be developed throughout the project and when</b>  <i>(all to be sent to the communications officer at the IMPEL secretariat)</i>	TOR <sup>✓</sup> * Interim report <sup>✓</sup> * Project report <sup>✓</sup> * Progress report(s) <sup>✓</sup> Press releases News items for the website <sup>✓</sup> * News items for the e-newsletter Project abstract <sup>✓</sup> * IMPEL at a Glance <sup>✓</sup> Other, (give details):	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	September 2015 June 2016  December 2016 Spring and Autumn 2016  As appropriate After workshops  March 2016  Anything which would be helpful
<b>8.2 Milestones / Scheduled meetings (for the website diary)</b>	See 3.3 above.		
<b>8.3 Images for the IMPEL image bank</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>8.4 Indicate which materials will be translated and into which languages</b>	All documents to be written in English. No translation required.		
<b>8.5 Indicate if web-based tools will be developed and if hosting by IMPEL is required</b>	n/a		
<b>8.6 Identify which groups/institutions will be targeted and how</b>			
<b>8.7 Identify parallel developments / events by other organisations, where the project can be promoted</b>	n/a		

<sup>✓</sup>) Templates are available and should be used. \*) Obligatory

## 9. Remarks

*Is there anything else you would like to add to the Terms of Reference that has not been covered above?*

*In case of doubts or questions please contact the  
IMPEL Secretariat.*

*Draft and final versions need to be sent to the  
IMPEL Secretariat in word format, not in PDF.*

*Thank you.*