



## **KIMO RESOLUTION 2/11\***

**Presented by KIMO UK/Secretariat**

### **Ageing Oil and Gas Infrastructure**

The offshore oil and gas industry in the North Sea is a mature production area. Much of the offshore infrastructure is at, or has exceeded, its intended design life. During the 1990s low oil prices and initiatives to reduce costs led to a reduction in the offshore workforce. This in turn led to reductions in levels of maintenance and, as a result, an overall decline in the integrity of fabric, structures, plant and systems. The harsh operating environment in the North Sea has exacerbated the rate of degradation.

Platforms are subjected to strong tidal regimes, corrosive salt water and frequent gales. Many have passed their intended operational lifetime and have been owned by many companies or consortia meaning that maintenance records can be unreliable. Experts say that maintenance work has not always been given the attention it deserved in an industry focused on new discoveries rather than old, declining fields.

There are approximately 50,000km of pipeline and 1300 installations operating in the North Sea. According to the OSPAR Quality Status Report, the majority of hydrocarbon releases occur at facilities more than twenty years old, which accounts for roughly fifty percent of the existing platforms in the North Sea.

Oil spills in the North Sea are reported as frequently as once a week and some are of an environmentally significant nature. As the infrastructure ages the frequency and size of the spills is likely to increase placing a growing burden on the marine environment and the users of the sea.

The spill from Shell's Gannet Alpha platform, of 220 tonnes of oil, highlights what can happen if inspection and maintenance regimes are not followed scrupulously. It should act as a warning to regulators that the inspection regime for any offshore infrastructure that has passed its intended operational lifetime should be increased.

**KIMO urges the European Commission and National Governments to:**

- 1) Review the inspection regime for offshore installations that have exceeded their operational lifetimes.**
- 2) Undertake an additional targeted inspection programme based on a risk matrix of age, safety record and previous maintenance regime effectiveness.**
- 3) Implement the lessons learned from the Gannet Alpha Oil spill.**
- 4) Recalling KIMO Resolution 1/10, call for improvements to the regulations governing liability and compensation from oil spills, particularly the Environmental Liability Directive 2004/35/EC**

**KIMO members:**

**Agree to submit this Resolution to all National Governments, the European Commission and other relevant organisations.**

\*This Resolution was agreed unanimously by Delegates at the 21st KIMO International Annual General Meeting in Aberdeen, United Kingdom on October 9th, 2011 and became KIMO policy upon that date.