



**BRIEFING  
PAPER**

## **Oil Spill Preparedness Regional Initiative (Caspian Sea – Black Sea – Central Eurasia)**

# **OSPRI**

**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, will improve the ability of the region to respond effectively in the event of an oil spill and contribute to the region's environmental protection.

## 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 are able to 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 International Petroleum Industry Environmental Conservation Association (IPIECA) 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, 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 should lead to significantly enhanced levels of spill preparedness and response within the region.

## THE REGION'S OIL MOVEMENTS TODAY AND BEYOND

Kazakhstan's oil production is expected to more than double by 2010. Russia's will grow almost 50 percent. Azerbaijan's may increase fivefold. This includes an increased offshore production and exploration activity in the Black Sea and Caspian region. Approximately 160 million metric tons 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) will be utilized, leaving about 134 million metric tons to be transported through the Turkish Straits in 2010, compared to 120 million today (Figure 2).

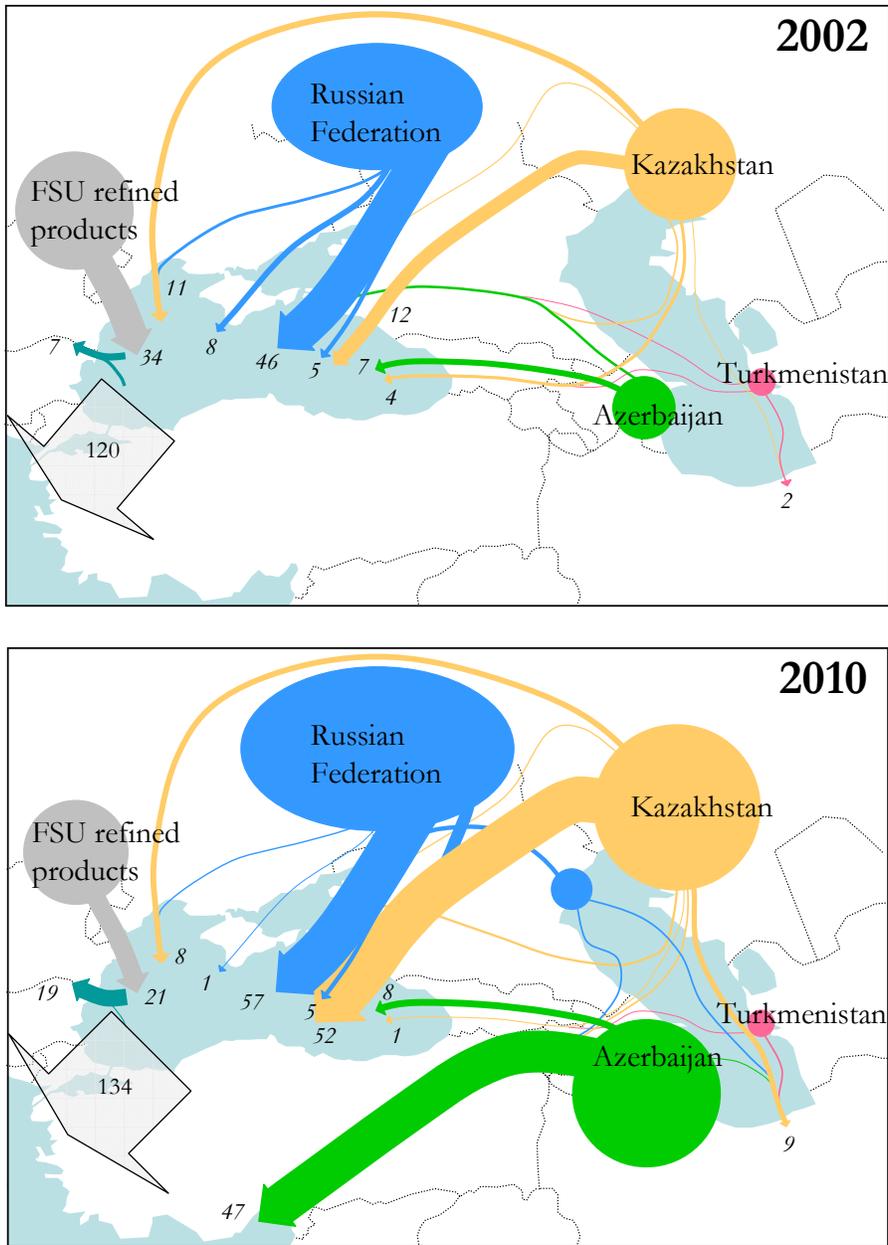


Figure 2 Volumes of oil exports in the region in 2002 and 2010  
 Source: CERA March 2003, figures rounded to nearest million metric tonnes

Against this backdrop, the spill-response capability of the region and its 10 littoral states is mixed. While some locations exhibit good international standards of preparedness, capability in many other locations needs significant improvement. Numerous separate efforts – some funded by institutions such as the European Bank for Reconstruction and Development, The World Bank and the International Maritime Organization (IMO) – have helped develop preparedness in the region. Companies have helped in a variety of ways, such as staging drills at various terminals and activity centres.. In fact effective drills and assessments are key measures of response capability. A number of countries and oil handling facilities have not yet undertaken such measures, so their preparedness remains unproven.

A 2002 World Bank report on Caspian Sea readiness found “capabilities are not sufficient,” especially in light of projected growth. A 1996 Black Sea readiness evaluation by the Global Environmental Facility found national and regional planning and coordination lacking. The study preceding OSPRI also found that countries, companies and resources still are not fully prepared to come together and rapidly execute the steps in the “response chain” essential for response to major spills (i.e. alert, assessment, notification, mobilization, deployment and management).

Most of the 10 countries surrounding the seas have yet to take advantage of key international agreements and standards on spill response, liability and clean-up costs. Only four have ratified the 1990 International Convention on Oil Pollution Preparedness, Response and Cooperation (1990 OPRC). Four have joined the 1992 Protocol to the International Convention on Civil Liability for Oil Pollution Damage (1992 CLC), while just three have ratified the International Fund for Compensation for Oil Pollution Damage (1992 Fund). These agreements - and their associated resources and networks - present a great opportunity to help move the region toward international standards of spill readiness and claims settlement.

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.

## **PARTICIPANTS, FOCUS AND BEST PRACTICE**

Agip KCO, BG Group, BP, ChevronTexaco, ExxonMobil, Shell, Statoil 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:

**Industry and the region’s governments work cooperatively to promote proven, credible, integrated, sustainable oil-spill response capability in the Caspian Sea, Black Sea and Central Eurasia region.**

Guided by international best practices in oil spill preparedness and response, the activities to be undertaken focus on addressing the core elements of effective response 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.

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

OSPRI will be implemented over five years and sustained beyond this timescale, helping governments and industry work together to develop efficient spill preparedness and response. This will reduce the environmental consequences 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 will enable 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 will improve both capacity and capability for spill response, building a stronger community of responders in the process.

The main point of OSPRI’s vision of a **proven, credible, integrated, sustainable response capability in the region** is achievable. This effort can make a significant contribution towards helping governments and operators achieve best practice in their contingency planning. This will benefit the regional economy, business, investors, neighbours and the environment.

## **FURTHER INFORMATION**

More detail concerning the work of OSPRI, including local industry contacts involved in this effort, may be obtained from:

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	Description of best practice	Related OSPRI activity areas
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.	Encourage the ratification and implementation of the OPRC Convention and support national workshops with demonstrable follow-up.
	National plans clearly identify approved response policies, utilizing a net environmental benefit framework.	Ensure industry input to national planning committees where feasible.
	Tiered response is accepted by governments and industry as the most effective approach to oil spill preparedness.	Ensure a proper explanation of the tiered response concept is included in training and workshop events.
	Regional cooperation plans are finalized and implemented.	Encourage and support the finalization and approval of Caspian and Black Sea regional plans by States and support workshops to address their implementation and use.
Equipment & Infrastructure	The level of oil spill combating equipment at each response tier is commensurate to the risk.	Work 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.	Industry’s OSPRI network communicates regularly.
	Industry tier 2 and 3 planning includes the development of mutual aid arrangements and cooperatives.	Refresh mutual aid agreements to incorporate standard principles.
	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.	Ensure 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.	Hold large scale drills in the region in cooperation with all interested parties.

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