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*Members of the European Commission*

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CAB Ares (2011) 593431

Mr Reinhard Bütikofer  
Ms Michèle Rivasi  
Mr José Bové  
Mr Bas Eickhout  
Ms Sandrine Bélier  
Members of the European Parliament  
European Parliament

1047 Brussels

Dear Honourable Members of the European Parliament,

Thank you for your letter of 14 April in which you, together with representatives of citizens' groups, raise issues related to the exploration and exploitation of shale gas resources in Europe.

We take your concerns with regard to shale gas very seriously and can assure you that this is a subject which the Commission monitors closely. Unconventional sources of natural gas could contribute to security of energy supplies and lead to a more prominent presence of gas in the energy mix. Thus, where possible fugitive emissions are duly mitigated and the gas replaces more carbon-intensive energy sources, the use of shale gas could enable greenhouse gas emissions reductions. At the same time, it is clear that exploration and exploitation of any unconventional energy resource in Europe can be contemplated only with very clear guarantees of compliance with the EU's environmental legislation.

First, we agree that it is important to actively engage citizens and NGOs in discussion on any such activities. Citizens should be informed and consulted at an early stage about national energy plans and programmes in the framework of the Strategic Environmental Assessment (SEA) Directive (Directive 2001/42/EC) as well as about planned energy projects, including those in unconventional gas. While it is the Member States who are responsible for deciding about national energy plans and for granting authorisations for concrete projects, the Commission shares your view regarding the need for a European-wide debate. Accordingly, the Commission has put the topics of indigenous fossil fuels, including unconventional gas, on the agenda of its structured stakeholder dialogue. The working groups organized in the context of the Commission's Fossil Fuels Forum ("Berlin Forum") have in their recent meetings included contributions from environmental NGOs, industry and academia. Unconventional gas will further play an important role in the next Berlin Forum plenary, which will take place in October this year. Participation in the plenary is open to all interested stakeholders who only need to respond to the Commission's open invitation, publicised annually in the course of the summer.

Second, while explorations for unconventional gas in the EU are overall at an early stage of development, and it remains to be seen to which extent the identified geological potential in the EU will actually allow for economically viable production of shale gas, the Commission services are currently gathering relevant information, taking into account also the experience and ongoing work in the United States, in order to obtain a comprehensive picture of the environmental and climate impacts of this kind of activities. The Commission will monitor closely any specificities of unconventional gas to make sure that the EU legislative framework remains appropriate.

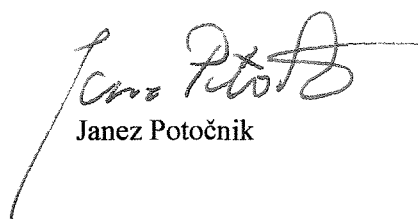
In this context and with these efforts under way, we consider that an EU-wide moratorium on exploration of unconventional gas resources in the EU would currently be disproportionate. This is also in line with Article 194(2) of the Treaty on the Functioning of the European Union (TFEU), according to which Member States have, in principle, the right to determine the conditions for exploiting their energy resources with due regard to the need to preserve and improve the environment (Article 194(1) TFEU). At the same time, without prejudice to the requirements arising under the existing EU environmental legislation, Member States have the right to set more stringent environmental protection measures (Art. 193 TFEU).

As regards specifically the use of chemicals in unconventional gas exploration and production, we would like to emphasise that according to the EU Regulation on the registration, evaluation and authorisation of chemicals (REACH), companies using chemical substances in activities such as hydraulic fracturing are required to notify the European Chemicals Agency (ECHA), if chemical substances they intend to use are not covered by the registration dossier as regards this specific use. In this case, they are also obliged to take appropriate measures as stipulated by REACH (for instance, make their use known to their supplier, change the conditions of use of the substance, etc.). It is the responsibility of Member States to enforce provisions and impose penalties in case of non-compliance. As regards disclosure of information, ECHA is required to provide public access to certain information in electronic form and must comply with the provisions on access to information.

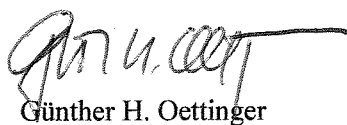
At the request of the EU Commission, ECHA is currently reviewing registration dossiers submitted for a series of chemicals which, according to information from the USA, are generally used in hydraulic fracturing in order to identify whether these dossiers mention their use in hydraulic fracturing and to assess the risk management recommendations proposed by the registrant(s) for such uses. Based on this first exercise, it will be decided to which extent further action is needed. Member States are in any case required to ensure, via adequate permitting and licensing regimes, that hydrocarbon exploration and production activities, including hydraulic fracturing, are in line with the EU environmental legislation, which includes the objective to protect water, in particular surface and groundwater, as stipulated in the Water Framework Directive.

Finally, as regards assessing the impact of planned individual shale gas projects, this is the responsibility of Member States, ahead of their decision about granting development consent, in line with the Environmental Impact Assessment (EIA) Directive<sup>1</sup>. Although the EIA does not specifically address greenhouse gas emissions, it should be noted that direct impacts such as fugitive methane emissions, should be identified, assessed and appropriate mitigation measures should be taken. The Commission services are currently assessing climate impacts of shale gas with respect to possible changes in the energy mix (fuel switching). Given the ongoing scientific debate on possible specific life cycle emissions related to shale gas, your accent on ensuring appropriate assessment of both the direct and indirect greenhouse gas impact of shale gas is well noted, and the Commission will certainly further study this issue.

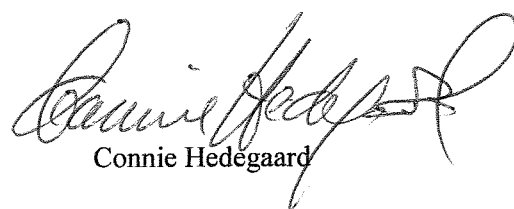
Yours sincerely,



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<sup>1</sup> Directive 85/337/EEC as amended by Directive 97/11/EC) Informal Consolidation of Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment as amended by Council Directive 97/11/EC – adopted by Council 3 March