

Brussels, November 14, 2013

Dear Minister,

Considerable controversy has accompanied the arrival of the shale gas industry in Europe. Wherever seismic tests or drilling for unconventional fossil fuels are planned, protests by local communities quickly spread. Anti-fracking groups have sprung up all over Europe: Zurawlow in Poland, Pungesti in Romania and Balcombe in the UK. Under pressure from constituents, the French and Bulgarian parliaments even banned fracking, while several regions in Spain and the Netherlands have declared themselves fracking-free.

Why? First of all, European citizens fear that the same negative environmental impacts that accompanied the unconventional drilling boom in the United States will be repeated in Europe. In addition, local communities have often felt excluded from the decision-making process that allows an intensive, industrial activity in their rural areas. These two elements lead us – Food & Water Europe, Friends of the Earth and **X** – to the belief that a mandatory Environmental Impact Assessment (EIA) for all unconventional oil and gas activities is absolutely crucial.

EIAs can increase the transparency of unconventional operations

The European Parliament already endorsed such proposals in two resolutions in 2012^{1 2}. The Committee of the Regions also expressed its support³. In its vote on the report of MEP Andrea Zanoni in October 2013, the European Parliament included a concrete proposal on how to include the exploration and extraction of unconventional fossil fuels

1 In its first resolution on shale gas, voted in November 2012, the Parliament had already called on the European Commission to include “projects including hydraulic fracturing in Annex I of the Environmental Impact Assessment Directive” European Parliament” *EP resolution of 21 November 2012 on the environmental impacts of shale gas and shale oil extraction activities* ([2011/2308\(INI\)](#)).

2 In a resolution on the implementation of EU water legislation, MEPS identified “the significant risks to both surface and groundwater posed by shale gas exploration and extraction”, calling on the European Commission to ensure that “such activities are covered by the Environmental Impact Assessment Directive” *EP resolution of 6 June 2012 on the implementation of EU water legislation* ([\(2011/2297\(INI\)\)](#)).

3 Committee of the Regions (2013) *Opinion: Local and regional authorities perspective on shale/tight gas and oil (unconventional hydrocarbons)* (103rd plenary session, 7-9 October 2013). Retrieved from: <https://toad.cor.europa.eu/corwipdetail.aspx?folderpath=ENVE-V/034&id=21976>

in Annex I of the EIA Directive. We copy the text of the approved amendment below:

14a. Exploration, limited to the phase involving the application of hydraulic fracturing, and extraction of crude oil and/or natural gas trapped in gas-bearing strata of shale or in other sedimentary rock formations of equal or lesser permeability and porosity, regardless of the amount extracted.

14b. Exploration, limited to the phase involving the application of hydraulic fracturing, and extraction of natural gas from coal beds, regardless of the amount extracted.

We very much welcomed this stance of the European Parliament for the following reasons: A mandatory EIA will provide local people and authorities with the necessary baseline data in areas with drilling, increase the preparedness among environmental agencies and local authorities and offer local communities an opportunity to be consulted early on in the process^{4 5}.

EIAs need to occur early on in the process

The European Parliament added the words "limited to the phase involving the application of hydraulic fracturing" to the original amendment proposed by the rapporteur Andrea Zaroni. Needless to say that we do not call for a mandatory EIA for early desktop studies or the analysis of old core samples. However, we do hold the view that an EIA should take place before unconventional drilling activities start. The direction of the drilling – vertical or horizontal – is irrelevant.

In other words, the addition of the words "limited to the phase involving the application of hydraulic fracturing" cannot mean that an EIA would only become mandatory from the moment hydraulic fracturing starts. And this for reasons of both efficiency and effectiveness:

- Efficiency: Once an operator has done seismic tests and moved all the pumping equipment, the chemicals, the sand, condensate tanks, etc. onto the well pad, it

⁴ Joint position paper by Food & Water Europe and Friends of the Earth Europe on the EIA Directive and the necessity to include shale gas operations in the Annex 1.
https://www.foeeurope.org/sites/default/files/eia_shale_gas_position_paper_foee-fww.pdf

⁵ Annexes to the joint position paper by Food & Water Europe and Friends of the Earth Europe
https://www.foeeurope.org/sites/default/files/eia_shale_gas_position_paper_foee-fww_annexes.pdf

would be rather impractical and costly to halt activities, until an EIA would be finalised.

- Effectiveness: It is crucial that the baseline data for the area, where the drilling/fracking is taking place, are established early on in the process. Only at an early stage can an EIA generate meaningful results and can baseline data help to indicate the negative impacts on local water availability, water quality, air quality, soil, etc.

Cost of an EIA is negligible, compared to the overall investment cost

To conclude, the cost of an EIA will not undermine the commercial viability of this industry. Across the EU, EIA costs typically account for less than 1% of the overall investments. This will also be the case for e.g. shale gas drilling, where total costs for a shale gas well will be between EURO 9,8 and 18.7 million⁶, while the costs of an EIA are typically around EURO 62.000⁷. Or between 0,3 to 0,7% of the overall investment cost.

A mandatory EIA will not be a miracle cure to bring about the ‘social license to operate’ for the shale gas industry. However, EU regulators as well as the fossil fuel industry should be aware that *not* including unconventional exploration and extraction in Annex I of the EIA Directive will further galvanize local opposition to these activities. The review of the EIA Directive is a litmus test for the resolve of elected officials to prioritize environmental and health concerns of thousands of citizens over the interests of a handful powerful corporations.

We call on the European Commission, the Lithuanian presidency of the EU and all Member States in the Council of Ministers to offer their active support for these proposals during the Trialogue sessions that are taking place.

We welcome any comments that you might have and would appreciate an opportunity to discuss these comments in greater detail.

⁶ European Commission – JRC (2012) *Unconventional Gas: Potential Energy Market impacts in the European Union (JRC Scientific and Policy Reports)* pp. 87-97. Retrieved from http://ec.europa.eu/dgs/jrc/index.cfm?id=1410&obj_id=15260&dt_code=NWS&lang=en&ori=MOR

⁷ GHK (2010) *A study for DG Environment: Collection of information and data to support the Impact Assessment study of the review of the EIA Directive*. Retrieved from http://ec.europa.eu/environment/eia/pdf/collection_data.pdf

Yours sincerely,

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