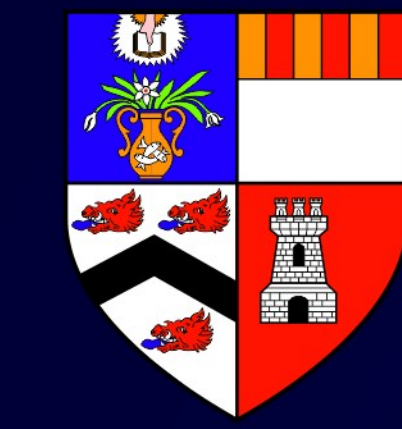


# An Analysis of Offshore Risk Safety Regulations in Ghana: Some Lessons from Experiences of Other Countries

Name: Ama Nyarko Acheampong

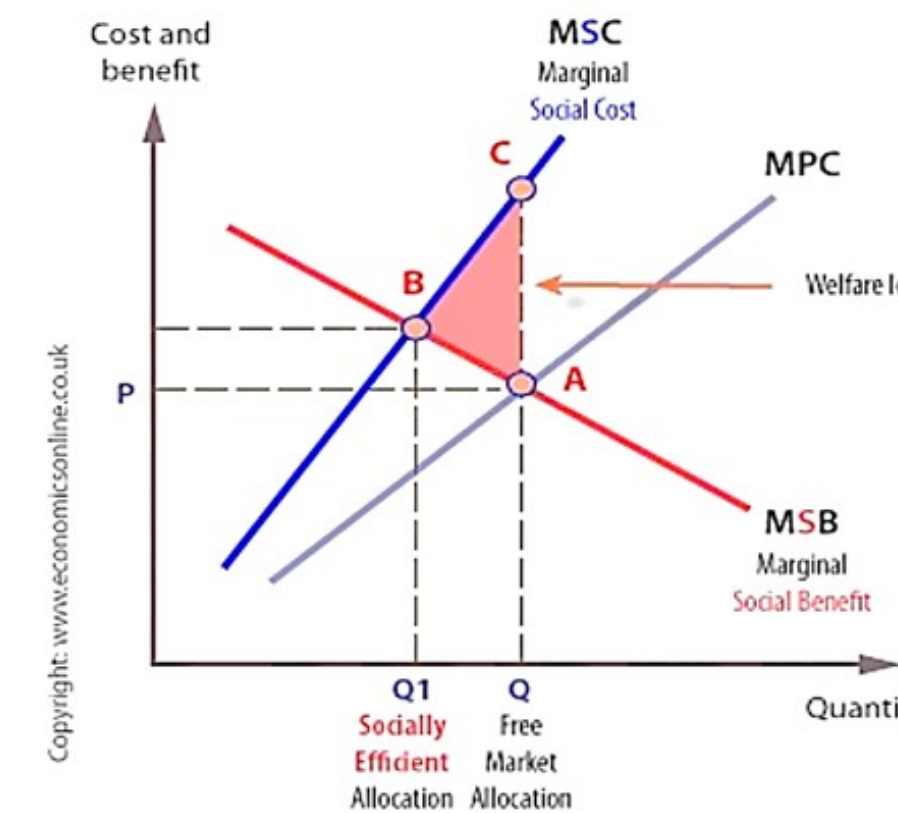
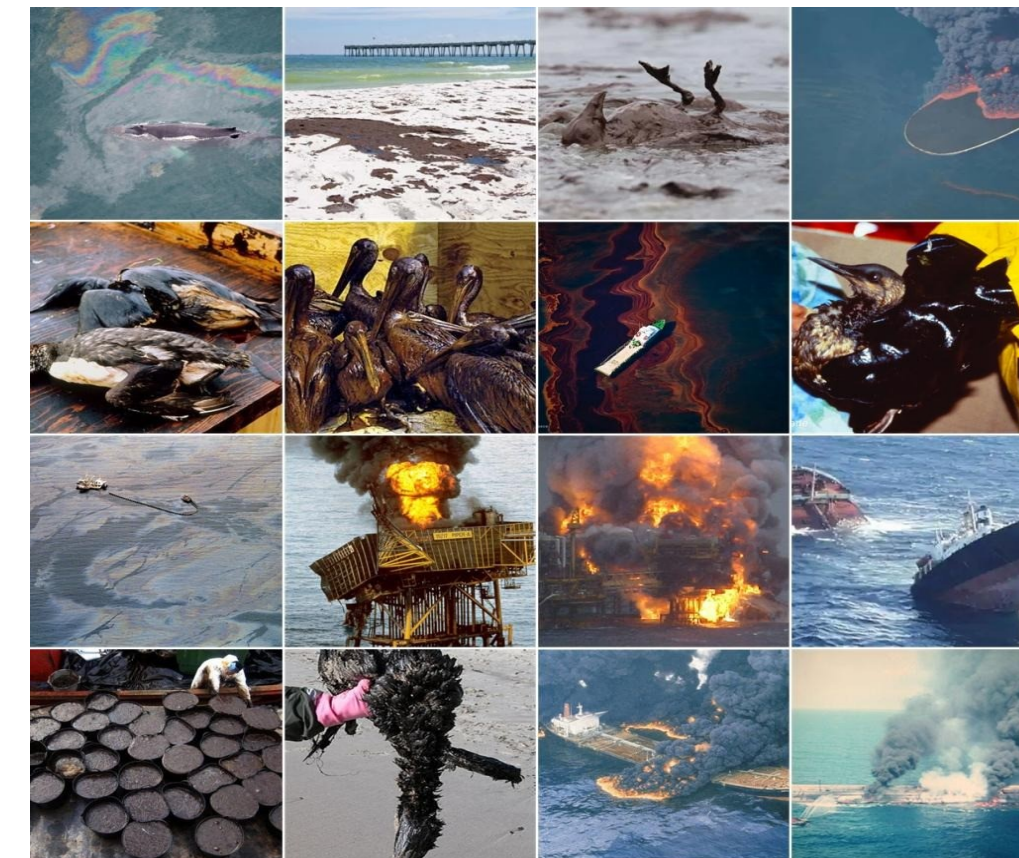
1 4 9 5



UNIVERSITY OF ABERDEEN

## INTRODUCTION

- The Jubilee field of Ghana produced its first oil in December 2010.
- Due to the extensive nature of the activities involved in offshore operations, significant accidents with disastrous effects are bound to happen.
- The discovery of oil in Ghana in commercial quantities raises questions regarding policies, regulatory and environmental measures in place for effective disaster response.
- The purpose of this paper was to identify some gaps in the offshore risk regulations of Ghana and make recommendations to improve their effectiveness in promoting safe upstream operations.
- The study reviewed practices for environmental management currently in place in Ghana.
- It also suggests policies and management frameworks that could be used to prevent accidents and mitigate harm to the ecosystem.

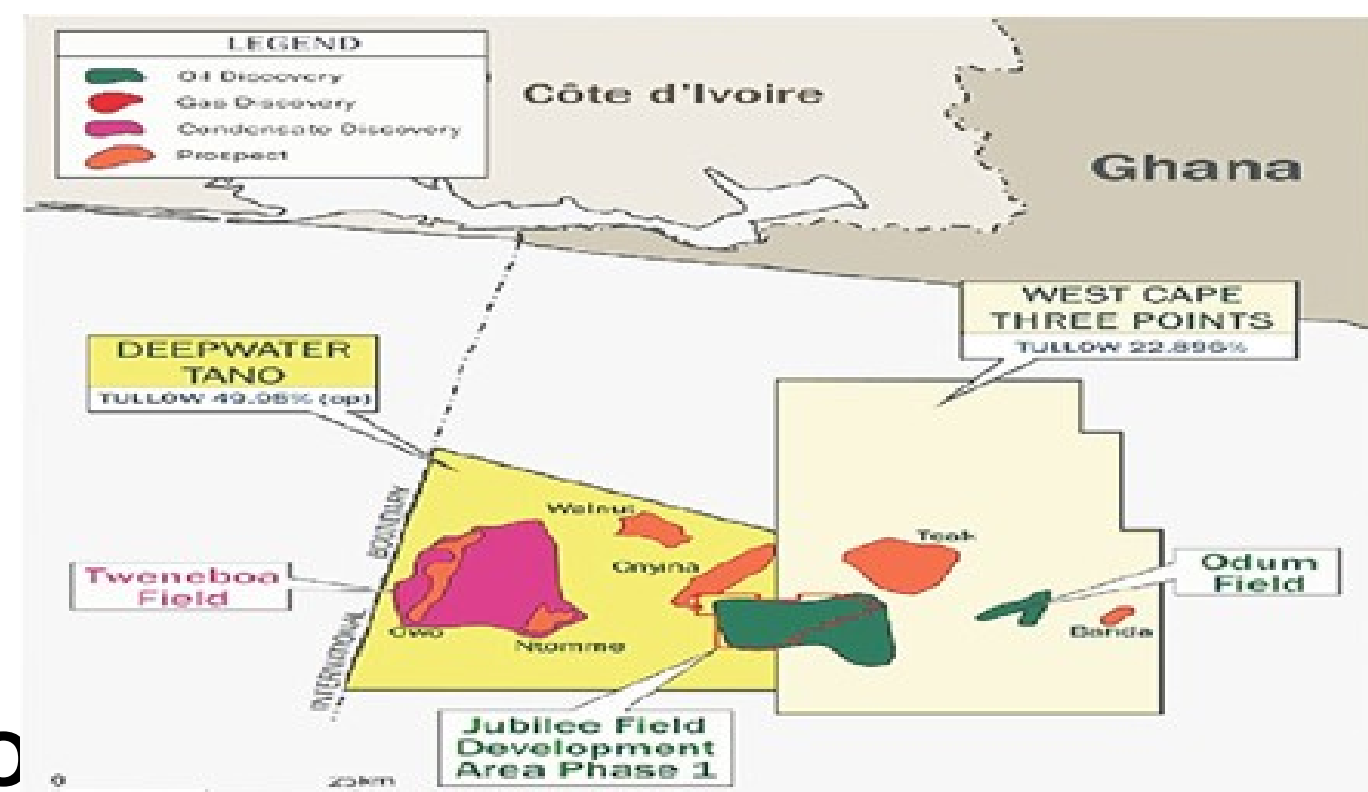


## PRECAUTIONARY MEASURES

- Preventative measures
  - Creating the safety culture
  - Safety auditing
  - Blow Out Preventers (BOP)
  - Containment devices
- Remedial measures
  - Minimisation of risks from risers



risers containment



SC

- The collapse of the Sea Gem jack-up oil rig off the coast of Lincolnshire
- The BP Deepwater Horizon oil spill in the Gulf of Mexico
- The explosion and collapse of the Piper Alpha platform in the North Sea
- The Exxon Valdez oil spill in the Prince William Sound of Alaska
- The Atlantic Empress disaster off the islands of Trinidad and Tobago
- The Prestige Oil Spill off the coast of Galicia in Spain

## EFFECTS OF OIL SPILL

- Loss of lives and biodiversity
- Loss of petroleum resources
- Loss of revenue and livelihood
- Environmental and ecological damages
- Long term health effects
- Decline in the tourist and hospitality sectors

## CAUSES OF PAST OFFSHORE DISASTERS

- Failure to learn from past mistakes
- Inadequate management of change procedures for identifying and mitigating risks
- Negligence of duty and management procedures
- Lack of sufficient explicit provisions and instructions on traffic regulation for navigation

## ISSUES IN THE PETROLEUM INDUSTRY OF GHANA

- Lack of a centralized regulatory agency
- Training programs do not provide exposure to practical experience about oil spill response and planning
- Inappropriate checks to ensure financial competence of contractors
- Failure to learn from past incidents in other countries
- Lack of effective contingency plan
- Offshore regulations lack clarity in relation to the liability of external costs
- Internalization of social costs not mandatory for oil companies
- Lack of a unified health, safety and environment regulatory body

## LESSONS FOR POLICYMAKING IN GHANA

- Adoption of the safety case regime
- Necessity of having a temporary refuge
- Create a specialised offshore safety division to offer expert assistance
- Need for appropriate training and provide site-specific information about what to do in emergencies
- Clarity on liability and ability to pay for an incident
- Necessity of well control insurance coverage

## RECOMMENDATIONS

- Mandatory insurance
- Develop and implement an extensive oil spill response strategy
- Funding the education and training of qualified disaster response personnel
- Internalization of the costs of pollution
- Adopt environmental regulation regime which prioritizes social benefits maximization
- Establish a unified regulatory body