



# **BRIEF REMARKS**

**BY**

**THE HONOURABLE**

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**MINISTER OF THE ENVIRONMENT**

**MINISTRY OF THE ENVIRONMENT AND  
HOUSING**

# **ENVIRONMENTAL LAW AND POLICY CONFERENCE**

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13<sup>TH</sup> JUNE, 2014

TUCKER ROAD  
NASSAU, BAHAMAS

COLLEGE OF THE BAHAMAS

**SALUTATIONS**

- Senator, the Honourable Allyson Maynard Gibson;
- Mr. Ian Winder – Acting Justice, Bahamas Supreme Court
- Dr. Pandora Johnson – Vice President, Academic Affairs, College of The Bahamas;
- Mr. Peter Maynard - Head of Department, LL.B Programme, College of the Bahamas;
- Members of the Bahamas Bar Association;
- Representatives of the Eugene Dupuch Law School;
- Representatives of PACE University Law School;
- Representative of the University of the West Indies;
- Ladies & Gentleman

Good Morning!

It is certainly a pleasure to be with you this morning, and to participate in this inaugural activity in your first law and policy conference and clinic in celebration of your 40<sup>th</sup> Anniversary of The College of The Bahamas. With the theme Oil Exploration, Oil Spills and Environmental Degradation, it is important that we appreciate that our economy runs on oil. Our cars, trucks, airplanes, boats and machines depend on this fossil fuel. The electricity we consume at home and work cannot be made without petroleum. Governments who possess oil borrow money to pre-spend the economic growth that can be derived from it. Countries have experienced conflicts, and have even gone to war to obtain or defend their oil resources.

With the increasing prices of oil, countries are forced to consider their dependency on oil and to weigh their options. Regardless of the decision a country makes, one thing is certain – the production, distribution and use of oil will have damaging effects on the environment.

The complex process of oil drilling can lead to opportunities for error and accidents –

- Metal pipes can become corroded while carrying water underground. They can rupture and contaminate surrounding land and waters;
- Dust particles left from drilling can coat the surrounding areas;

- Flames from burning natural gas found in oil fields can lead to air pollution; and
- Oil spills can also occur.

Oil spills either via oil drilling or other means pose serious threats to the marine environment. Oil spills can cause serious environmental degradation -

- Wildlife such as birds and mammals and their habitats can be completely destroyed;
- Marine organisms such as fish, turtles, dolphins and seals can become covered in slicks of oil that need personalized cleaning;
- Sea grasses and kelp beds that are used for food, shelter and nesting could disappear;
- Coral reefs which are nurseries for fish, shrimp, sharks and recreational site for divers would be at risk;
- Sandy beaches can become unattractively lodged with oil;
- Tidal flats that have rich plant, animal and bird communities would suffer; and
- Mangrove forests the ecological services they provide would be doomed.

Environmental sustainability and economic development has always required careful oversight to achieve a meaningful balance. Any activity that involves oil can tip the scales to substantial economic growth or massive environmental degradation. Therefore, responsible Governments look for ways to combat these effects through training, use of proper equipment and policy and legislation.

Already we have seen the importance of having policy and legislation in place with regard to oil exploration. Everett DeGolyer once said that **“Prospecting for oil is a dynamic art... The greatest single element in all prospecting, past, present and future, is the man willing to take a chance.”** From the 1940’s The Bahamas Government decided that it would take “a chance” to explore for oil in our archipelagic waters. During this period some five wells were drilled at about 10 -18,000 feet in various locations. Unfortunately, no commercial quantities were found. However, it was believed that the wells may have been too shallow since the geology of the area would indicate that oil may present itself at deeper levels of some 20 – 24,000 feet or more.

By the year 2006, BPC applied and acquired 5 licences to explore for oil – 4 in South Andros and 1 in North Andros. However, the licences granted South of Andros were near perceived boundaries of The Bahamas and Cuba. Since BPC

had American interests, The Bahamas had to ensure that clear legal boundary lines were established. Therefore, exploration was placed on hold, and The Bahamas entered talks and negotiations with Cuba to discuss their border delimitation issues. This process spanned for over two (2) years. During the last year of these talks, the Macondo Oil Spill, which is the largest accidental marine oil spill in the history of petroleum, occurred in the Gulf of Mexico. The Government then realized that its environmental regulations did not adequately address oil spills and they needed to be improved to protect the present environment. This realization caused the Government to place another hold on the process to produce regulations. However, my Ministry initiated the process that produced some four (4) proposed Bills and regulations that will be presented to Cabinet soon for review. They are –

- An amended Petroleum Act;
- An Environment and Safety Act and Regulations;
- Petroleum and Exploration Bill and Regulations;
- Petroleum Exploration (Environmental Protection and Pollution Control Regulations; and
- Petroleum Exploration (Health & Safety) Regulations.

Recently BPC applied and received a renewal of their 5 licences. They have also applied for three other licences near the Cay Sal Bank. Additionally, three (3) other companies have also applied for a license to explore for oil in The Bahamas. They are as follows: -

- Columbus Pillow – 1 licence near onshore Long Island;
- NPT Oil – 1 licence near Grand Bahama; and
- Discovery Petroleum Ltd. - 1 licence near South Andros.

The Government has been informed that BPC will commence drilling its first well in 2015.

I wish to advise that The Bahamas is a party to the Convention on the Prevention of Marine Pollution from Ships (Marpol) 1973 ,1978, the United Nations Convention on the Law of the Sea (UNCLOS) 10<sup>th</sup> December, 1982 and the International Convention for the Prevention of Pollution from Ships. This has proven to be a very useful arrangement. Not only do they assist the Bahamas to address oil spills, but they also provides The Bahamas with recourse when coral reefs are damaged by oil spills from ship groundings. It is important to note that The Bahamas has the third largest barrier reef in the world near Andros. Appreciating this fact, my Ministry recently forwarded draft legislation to protect these environmental treasures. Yes, we concur with

Mr. Doug Rader, Chief Ocean Scientist for the United States Environmental Defense Fund: **“You simply cannot make more (reefs), unless you have a few thousand years to wait.”**

Further, in 2013, The Bahamas experienced a spate of industrial and accidental oil spills. They mostly involved –

- The Bahamas Oil Refining Company;
- A Haitian sloop;
- Oil tankers and
- The Bahamas Electricity Corporation’s fuel facility.

When such incidents occur, The Ministry of Transport and Aviation has the overall responsibility for oil pollution response in waters for The Bahamas under the Merchant Shipping (Oil Pollution) Act. However, the clean-up of polluted shores using industry-owned equipment and labour is the responsibility of the Department of Environmental Health Services which falls under the purview of my Ministry. Hence there is a coordinated and shared approach to executing the National Oil Spill Contingency Plan for The Bahamas by the Ministry of Transport and Aviation and the Ministry of the Environment and Housing.



Oil spills are a top priority for the Government. With consultations among the Ministries of the Environment and Housing and Transport and Aviation, the Port Department, the Bahamas Science and Technology Commission, the Department of Marine Resources and the Bahamas National Trust, more attention has been given to industrial businesses to confirm that they have the following in place:

- Environmental Impact Assessment;
- Environmental Management Plans;
- Environmental Monitoring Plans and
- Pollution Management Plans.

After the Macondo Oil Spill, the Bahamas employed better planning mechanisms. Several joint meetings and a regional task force has been established with the United States, Cuba, Mexico, and Jamaica. Discussions involved shared information and lessons learnt on methods of oil spill prevention response and technical cooperation.

A Multilateral Regional Oil Spill Agreement was drafted by this body to foster cooperation on prevention and response capabilities and training. The National Oil Spill Advisory Committee has been heavily involved in oil pollution risks from oil exploration and oil spills. Since our neighbours such

as Cuba has already been engaging in oil exploration and drilling, The Bahamas needs to be in a state of readiness should an accident occur from these neighbouring activities.

Training is most important when dealing with oil spills. I am pleased to report that 8 public officers who originate from the Port Department, the Department of Environmental Health Services and the BEST Commission just completed yesterday the Shoreline Spill Response and SCAT course offered by the Oil Spill Response Limited in Fort Lauderdale 10<sup>th</sup> to 12<sup>th</sup> June, 2014. They are returning home today -

- Knowing the dynamics of coastal zones;
- How oil behaves on different shores;
- How to estimate oil persistence;
- the types of information needed by shoreline response decision makers;
- Know how to plan and manage a Shoreline Clean-up Assessment Technique survey programme;
- Understand the implications of different treatment and clean-up options and end points in terms of practicability, and waste generation.

Just yesterday, Mr. Brotmann, Adjunct Professor of Pace University Law School, Mrs. Alicia Eias-Roberts, Lecturer at the University of the West Indies,

Trinidad and Tobago and Ms. Lisa Benjamin, the coordinator of this event visited my office. I was pleased to hear of some of the programmes and courses being offered by both institutions. We look forward to fostering closer ties, building human capacity in the area of oil spills, looking at energy alternatives and benefitting from the lessons learnt from our brothers and sisters in Trinidad and Tobago on the production and refinement of crude oil.

Since tourism as our chief economic driver, The Bahamas has to safeguard this industry to ensure that income, employment and funds available to balance the national budget are maintained. If we wish to maintain this stream of revenue, protecting the environment is paramount to ensure tourists continue to come and explore our shores. So My Ministry sees the protection of the marine environment as everybody's business. Therefore, I applaud your efforts for making the protection of the marine environment your business by utilizing environmental law and policy.