

EDITORIAL COMMENTS

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Guest Editor of the Special Issue

I am pleased to present this Special Issue of the Journal of Sustainable Development Law and Policy. This edition focuses on decommissioning. The oil and gas industry plays a relevant role in providing energy security, economic development and social justice throughout the world.¹ However, it also affects climate change with the amount of CO₂ it produces throughout its stages, from upstream to downstream activities.² Therefore, sustainable development is a fundamental goal for the oil and gas industry to address climate goals and challenges. Reducing flaring, capturing and storing CO₂, and investing in new technologies are among the industry's key priorities moving towards a cleaner economy.³ Unfortunately, a key element of the oil and gas industry it is not well analyzed in terms of sustainable development and climate targets.

Decommissioning is often "forgotten" in early discussions of oil and gas developments, as it might happen several decades in the future, and it was referred to in the past as "abandonment".⁴ It was not the priority of governments or oil and gas companies to discuss such issues in the past. The main goal was to find and produce oil and gas. What would happen with the infrastructure in place would be dealt with in the future and probably by different governments and companies.⁵ However, the said future is coming, so both host governments and oil and gas companies have spent far more time and effort addressing decommissioning concerns.⁶

Over the past years, the main concern has been cost and liabilities. Who would pay the cost to clean up and remove the relevant infrastructure? The host government was keen to introduce contractual provisions and pass legislation to ensure that the taxpayer would not bear such cost, at least not entirely, as some tax relief and/or cost recovery might be offered to cover part of such expenses.⁷ Those concerns are valid and should be addressed well before the activities mentioned.⁸

¹ Paul Stevens, The role of oil and gas in the development of the global economy (December 2016), <https://www.wider.unu.edu/publication/role-oil-and-gas-development-global-economy> accessed on the 29th of May 2023.

² World Energy Outlook Special Report, The Oil and Gas Industry in Energy Transitions (January 2020), <https://www.iea.org/reports/the-oil-and-gas-industry-in-energy-transitions> accessed on the 29th of May 2023.

³ Ibid.

⁴ Eduardo G. Pereira, Alexandra Wawryk, Catherine Banet, Heike Trischmann, Keith Hall (eds.), Regulation of Decommissioning, Abandonment and Re-Use Initiatives in the Oil and Gas Industry: From Obligation to Opportunities (Kluwer International Law 2020).

⁵ Ibid.

⁶ Ibid.

⁷ Eduardo G. Pereira, Tolulope O. Taiwo, Ngozi Chinwa Ole, "Addressing Residual Liability and Insolvency in Disused Oil and Gas Infrastructure Left in Place: The Cases of Brazil, Nigeria, and Trinidad and Tobago" (2020) The Journal of Sustainable Development and Policy, Vol 11, Issue 2, Pages 326-361.

⁸ Ibid.

But what is yet to be discussed appropriately is how decommissioning activities might align more with sustainable development. There is little doubt that something should be done with the stranded infrastructure, which will no longer be used for oil and gas development, at least at that given location. Could it be used elsewhere? Could it be re-used, re-cycled or re-purposed? Is it the most efficient solution to remove entirely the relevant infrastructure elsewhere? How much time, money and CO₂ might be involved in such operation? Should rig-to-reef be considered a viable option? What kind of synergies could exist to deal with the said infrastructure? What kind of disputes could occur?

This special issue addresses the said issues in selected oil and gas jurisdictions. The first article is dedicated to the rig-to-reef programs, and it analyses the cost-benefits involved. The second article addresses the African Integrated Maritime Strategy. The third article focuses on the dispute side of decommissioning activities. The fourth, fifth and sixth articles analyze, respectively, the current trends and practices in Ghana, Brazil and Nigeria.

Finally, this special issue presents valuable information for the relevant stakeholders in oil and gas provinces as the applicable legal framework could be reviewed in line with sustainable development practices.