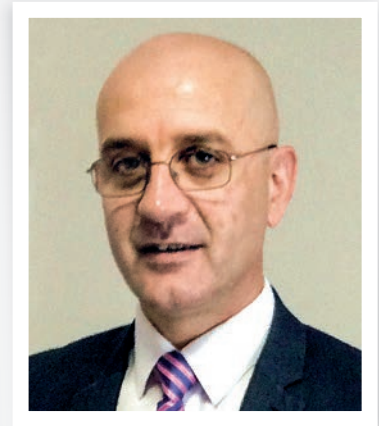


Hallo ASKARI

Environmental concern

The Ministry of Natural Resources' **Department of Health, Safety and Environment** will implement a new policy in 2013. As the environmental advisor for the Ministry of Natural Resources, Hallo Askari will head the department, helping ensure that oilfield operations are both successful and result in minimal environmental impact.



Our goal at the Ministry of Natural Resources is to develop the Kurdistan Region of Iraq's hydrocarbons resources in a socially and environmentally responsible manner to meet the growing demands of the local population. The ministry is developing its health, safety and environment policy in line with this mission. There are two parts to this effort: upgrading existing laws and enacting new legislation that continues to encourage foreign investment in the oil and gas industry in the region, while simultaneously protecting the environment from the impact of these enterprises. We will continue our efforts for the sustainable development in the region, and the Ministry of Natural Resources will help us in this endeavour.

BUILDING FROM A STRONG FOUNDATION: There are a few mechanisms that cover a wide range of environmental issues in the Kurdistan Region: the Law of Environmental Protection and Improvement of the Kurdistan Region of Iraq, the Kurdistan Region's Oil and Gas Law and the production-sharing contracts. These documents state that any company wishing to undertake a project in the region must first carry out an environmental impact assessment to determine how it will affect the environment and to limit potential harm. Under the current laws, the firm is liable for any damages or environmental impact incurred during operations. All oil companies are required to submit a complete environmental impact assessment for each stage of development, including a base line study, exploration, drilling, production and decommissioning. There are also management committees with members nominated from the ministry and each oil company. These committees work to facilitate individual firms' operations and provide us with a good platform to transmit information to each stakeholder. The development of specialised subcommittees to handle specific concerns such as gas flaring, waste management and other environmental issues would help operators to preserve resources while reducing costs.

THE WAY FORWARD: The Ministry of Natural Resources has fostered rapid development of the region's resources and we are being proactive rather than reactive in implementing policy. While many of the international oil companies and new entrants in the region's services sector are aware that their operations are held to international standards, these firms are

not familiar with local laws and inspections policies. The Ministry of Natural Resources and our environmental department will have a role in communicating both existing and new policies to stakeholders in the region. As we continue updating our policy, our advice for international firms is to comply with local laws and to continue to follow international guidelines.

HSE AND TECHNOLOGY: The Kurdistan Regional Government and the ministry have been careful to ensure that health, safety and preserving the environment are primary goals. We will implement new mechanisms to help monitor and inspect operations and ensure that procedures are handled properly, that environmental impact is minimal and that local communities are safe. Technology will play a large role in ensuring that companies are environmentally conscious in their operations and that exploration can continue with the level of success

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that our region has enjoyed thus far. The oil companies here today are bringing the latest technologies available and have operated successful exploration and production campaigns worldwide. Operators are already monitoring hydrogen sulphide emissions, separating chemicals and drilling fluids from wastewater and mud. So far, our region has not had any major incidents. Key to the department and our environmental law will be a focus on monitoring, inspection and regulations, including the implementation of emergency response plans in case of accidents. As more operators transition from exploration into the production phase, we will

continue to ensure that environmental impact is minimal.

A GREEN FUTURE: Our people share a deep respect for our natural heritage and it is very encouraging that we have managed to initiate environmental campaigns very early in our history as a government. This creates a good precedent for what is to come. The Kurdistan Region is applying global lessons that more mature oil and gas markets learned as they developed resources. We have the unique opportunity to avoid making the same errors as other hydrocarbons regions. We have the resources; we are building a workforce and the knowledge to develop those resources for the benefit of all. We cannot develop our country at the price of damaging our environment. We cannot protect the environment at the cost of not developing our country. We need to create a balance. ■