

## NEWSLETTER

### ⚡ ENERGY

17 January 2011

#### >Hydrocarbons management becomes official<

In early December 2010 Tina Mbirbili, the minister of environment, energy and climate change, presented a plan to the Council of Ministers for the creation of a body that will oversee research into the presence of hydrocarbons in Greece. This body will take the form of a *societe anonyme* and will bear the corporate name Hellenic Management Company for Hydrocarbons SA (or EDEY SA, as per its Greek initials). Its goal will be to explore research and exploit Greek hydrocarbon reserves on behalf of the exclusive rights that the Greek state maintains in this field. In addition, it will be responsible for managing, controlling and following the relevant agreements that the Greek state has entered into in the past, as well as those it enters into now or in the future

#### Responsibilities of the new body

EDEY SA will be given a wide range of responsibilities, including:

- exploring and evaluating Greece's hydrocarbon potential
- providing the Greek state with opinions and proposals for management of the exclusive rights that it holds for hydrocarbon exploration, research and exploitation; and
- managing all relevant data and information which has previously been gathered or will be gathered in the future.

All matters related to the assignment of rights for a specific activity or area will also be the

responsibility of EDEY. It will be specifically responsible for:

- Providing recommendations to the minister of environment, energy and climate change on special areas for assignment;
- offering proposals on the type of agreement which is best suited to each case;
- preparing and conducting relevant tenders; and
- examining bids for the available rights for the abovementioned areas.

It will also review applications seeking exploration rights, and draft, negotiate and submit recommendations on the draft versions (and sign

the final versions) of the relevant agreements, and presidential and ministerial decrees. EDEY will also be tasked with broader objectives, such as:

- performing economic and technical evaluations;
- analysing business risks
- drafting economic and technical plans to develop any hydrocarbon reserves and
- following and analysing the international energy market, especially on matters covering the research and exploitation of hydrocarbons

Finally, EDEY will work in immediate consultation and cooperation with the Ministry of Environment, Energy and Climate Change, other relevant offices

of the European Union, organisations and educational institutions.

### **Further EU legislation**

Following a joint initiative between Mbirbili and Italy's minister of environment, Stefania Prestigiacomo, the Council of Energy Ministers of the European Union has adopted the view that legislation on offshore drilling within Europe must be expanded. The council aims to do this in a way that will encompass high safety standards, with a view to permitting only safe and sustainable business operations. The Greek state considers that cooperation on hydrocarbon safety between the European countries of the Mediterranean will contribute to better coordination and therefore help to prevent possible accidents.

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