

9-19-2011

Is the U.S. Likely to Engage with Cuba on Offshore Drilling?

Inter-American Dialogue's Latin American Energy Advisor

Follow this and additional works at: https://digitalrepository.unm.edu/la_energy_dialog

Recommended Citation

Inter-American Dialogue's Latin American Energy Advisor. "Is the U.S. Likely to Engage with Cuba on Offshore Drilling?." (2011). https://digitalrepository.unm.edu/la_energy_dialog/73

This Article is brought to you for free and open access by the Latin American Energy Policy, Regulation and Dialogue at UNM Digital Repository. It has been accepted for inclusion in Latin American Energy Dialogue, White Papers and Reports by an authorized administrator of UNM Digital Repository. For more information, please contact disc@unm.edu.

Q and A: Is the U.S. Likely to Engage with Cuba on Offshore Drilling?

Citation: Inter-American Dialogue's Latin American Energy Advisor, September 19-23, 2011; pp. 1, 3, 6. Also online at www.thedialogue.org.

Copyright © 2011, Inter-American Dialogue, used with permission from the publishers.

A delegation from the United States organized by the Environmental Defense Fund and the International Association of Drilling Contractors traveled to Cuba earlier this month to evaluate the Caribbean nation's long-term drilling plans. Cuba is expected to begin exploring its offshore reserves in November, leading some U.S. lawmakers and industry experts, in the wake of the BP gulf oil spill, to raise safety and environmental concerns. Will Cuba be able to safely regulate its oil industry? Is the United States likely to engage with the Castro government to establish contingency plans and safety precautions? What special steps should be taken to prevent spills offshore Cuba, or to mitigate their effects, in light of the historical animosity between the neighboring countries?

A: Daniel Whittle, attorney with the Environmental Defense Fund and co-leader of the delegation to Cuba:

"Our independent delegation went to Cuba to share lessons learned from last year's BP disaster, to gauge Cuba's readiness to develop offshore oil reserves and to make initial recommendations on what each government should do to prevent, contain and respond to future oil spills. Among us were the co-chair and the chief scientist of President Obama's oil spill commission, environmentalists and safety experts. Cuba has long been motivated to develop offshore fossil fuels and may finally be on the brink of doing so. The BP spill was a timely and costly reminder that lucrative deepwater oil production carries with it tremendous risks to marine life, shorelines and livelihoods. These lessons are laid out in the commission's report and we were glad to see many dog-eared copies in Havana. Cuban officials said the report prompted them to update safety and environmental standards. They have also sent engineers to Brazil and Canada for training, which is a fundamental first step towards building technical expertise needed to effectively monitor operations and enforce regulations. When revenues start flowing, independent oversight will be critical. Everyone at the Havana meetings agreed that Florida and much of the East Coast will be at risk unless the U.S. government authorizes American experts to respond to spills in Cuban waters. This should be followed by earnest and constructive dialogue on how our two countries can cooperate to significantly reduce the likelihood of oil spills altogether. A foundation of good will and exchange has been laid. Now the hard work needs to begin."

A: Jorge Piñon, former president of Amoco Oil Latin America and research fellow at Florida International University:

"The Deepwater Horizon incident and the resulting catastrophic oil spill demonstrate the urgency in developing a policy on energy and environmental cooperation between the United States and Cuba. As international oil companies develop Cuba's deepwater oil and natural gas potential, the consequences to the United States and Cuba from an oil spill demands proactive planning by both countries in order to minimize or avoid such a disaster. To respond effectively to an oil-related marine accident, any company operating in Cuba would require immediate access to U.S. oil services and equipment companies that can provide the near-instant technology and knowhow that will be needed to limit and halt damage to our shared marine environment. What is also urgently needed is for the United States to develop appropriate regulatory and procedural frameworks for the free movement of equipment, personnel and expertise between the two countries as part of an oil spill response cooperation agreement. The 1980 Agreement of Cooperation Between the United States and Mexico Regarding Pollution of the Marine Environment and the 1986 Canada-United States Joint Marine Pollution Contingency Plan provide the foundation for a similar protocol with Cuba, which includes the establishment of joint response team, coordinating roles, rapid incident notification mechanisms, joint operations centers, communication procedures along with regular exercises and meetings. Obviously, the establishment of working relations between the United States and Cuba in marine environmental protection would assist enormously in the contingency planning and cooperation necessary to an early and truly effective response to an accidental oil spill."

A: Jonathan Benjamin-Alvarado, professor of political science at the University of Nebraska at Omaha:

"From a purely technical perspective, the Cubans have consistently demonstrated the knowledge and wherewithal to tackle complex matters while adhering to international safety standards. This was evident from their experience with nuclear energy development, but without a doubt this cannot be done in a vacuum. The Cubans worked closely with the International Atomic Energy Agency and as such there needs to be a set of formal regional agreements and protocols that oversee the safe operation of offshore oil production in the Gulf of Mexico and across the Caribbean. It would make sense for the United States to take the lead in the establishment of such protocols, and the thoughtful commentaries of expert analysts like Fareed Zakaria and Jorge Piñon begs the question. But there hasn't been sufficient political will in Washington to step away from the antiquated and obsolete basis of our Cuba policy. Even with the relaxation of some of the travel regulations, we essentially continue to fight the Cold War in Cuba, albeit trimmed around the edges. There are four critical steps that are recommended by the most knowledgeable observers of the question. First, we must directly engage the Cubans on the development of a joint protocol or emergency response agreement in case of an oil spill. Second, the United States will have to exempt oil equipment and supply companies from the embargo and export control regulations in the case of an accident. Third, we need to identify and license rapid response oil spill service providers so that they can act immediately if the need arises. Finally, the United States must allow Cuba's national oil company Cupet, to join the International Association of Drilling Contractors so that they can gain experience and share in best practices on deep water drilling. Additionally, I would strongly encourage that the United

States, along with Mexico, the Bahamas, Jamaica and Cuba develop a regional environmental safety regime on deep water drilling so that the transfer of technology, safety and environmental practices can be standardized. So long as we continue to rely on fossil fuels we must forge agreements and protocols that address all elements of oil production and its uses.

A: Kirby Jones, president of Alamar Associates in Bethesda, Md.:

"Of course safety is an important issue concerning the plans for Cuba to initiate drilling just a few miles off the coast of Florida. And it is furthermore a legitimate concern, but no less and no more than concern about any oil rig in any waters around the world. From the visits to Cuba by environmentalists and energy experts from the United States and the meetings they have held with their Cuban counterparts, it is clear that the Cubans are equally concerned and are doing all that can be done to prevent any such accident. But the real point for discussion is that the attitude of just a few Florida politicians is the major contributing factor preventing the United States from preparing to combat any possible accident. It is their blindness caused by an irrational adherence to a 50-year-old policy that one day may be the cause of damage to the United States if there is an accident. The administration seems paralyzed from doing what is in the interest of the United States and in the interest in Florida, because this policy prevents any bilateral contact or any involvement with Cuba on this issue. Citizens and tourist officials of Florida should demand that their elected officials put the interests of Florida and American citizens ahead of any personal vendettas against Cuba. Our national strategic need for oil and our national desire for safety should be first."

The Energy Advisor welcomes responses to this Q&A. Readers can write editor Gene Kuleta at gkuleta@thedialogue.org with comments.