

Committee for the Economy

Report on the Onshore Fracking (Prohibition) Bill

Ordered by the Committee for the Economy to be published on 18th March 2022 Report: NIA 193/17-22 Committee for the Economy

Contents

Powers and Membership	3
List of Abbreviations and Acronyms used in this Report	5
Executive Summary	6
Introduction	7
Consideration of the Bill	9
Other issues raised in the consideration of the Bill1	1
Clause by Clause Scrutiny of the Bill 1	2
Links to Appendices1	3
Appendix 1 – Minutes of Proceedings1	3
Appendix 2 - Minutes of Evidence1	4
Appendix 3 - Other Memoranda and papers from others	5
Appendix 4 – Research Papers1	6
Appendix 5 – List of Witnesses1	7

Powers and Membership

Powers

The Committee for the Economy is a Statutory Departmental Committee established in accordance with paragraphs 8 and 9 of Strand One, of the Belfast Agreement, and under Assembly Standing Order No 48. The Committee has a scrutiny, policy development and consultation role with respect to the Department for the Economy, and has a role in the initiation of legislation. The Committee has nine members, including a Chairperson and Deputy Chairperson, and a quorum of five.

The Committee has power to:

- consider and advise on Departmental budgets and Annual Plans in the context of the overall budget allocation;
- approve relevant secondary legislation and take the Committee Stage of relevant primary legislation;
- call for persons and papers;
- initiate inquiries and make reports; and
- consider and advise on matters brought to the Committee by the Minister for the Economy.

Membership

The Committee has 9 members, including a Chairperson and Deputy Chairperson, and a quorum of five members. The membership of the Committee is as follows

- Dr Caoímhe Archibald MLA (Chairperson)
- Mr Matthew O'Toole (Deputy Chairperson)
- Mr Keith Buchanan MLA
- Mr Stewart Dickson MLA
- Mr Stephen Dunne MLA
- Mr Michael Nesbitt MLA
- Mr John O'Dowd MLA
- Ms Claire Sugden MLA
- Mr Peter Weir MLA

¹ With effect from 10 February 2020 Mr John Stewart replaced Mr Alan Chambers
² With effect from 8 February 2021 Mr Paul Givan replaced Mr Gary Middleton
³ With effect from 19 March 2021 Mr Gary Middleton replaced Mr Paul Givan
⁴ With effect from 12 April 2021 Mr Mervyn Storey replaced Mr Gordon Dunne
⁵ With effect from 1 June 2021 Mr Mike Nesbitt replaced Mr John Stewart
⁶With effect from 21 June 2021 Mr Peter Weir replaced Mr Christopher Stalford
⁷With effect from 21 June 2021 Mr Keith Buchanan replaced Mr Mervyn Storey
⁸ With effect from 5th July 2021 Mr Stephen Dunne replaced Mr Gary Middleton
⁹ With effect from 18th October 2021 Mr Matthew O'Toole replaced Ms Sinead McLaughlin

List of Abbreviations and Acronyms used in this Report

Abbreviation/Acronym	Full explanation of Abbreviation/Acronym
DfE	Department for the Economy
GS(NI)	Geological Survey (Northern Ireland)

Executive Summary

- This report sets out the Committee for the Economy's consideration of the Onshore Fracking (Prohibition) Bill. The Bill consists of 3 clauses which insert a number of provisions into the Petroleum (Production) Act 1964.
- 2. The Bill has one main part and aims to secure a ban on the issuing of licenses for the onshore exploration, extraction and production of fossil fuels by means of fracking in NI.
- 3. The Bill was referred to the Committee following the completion of Second Stage on 9th February 2022. Due to the limited time left in the mandate, and the Committee's legislative workload, the Committee was unable to give this Bill the appropriate attention and scrutiny that it both deserves and requires. Due to the lack of time remaining, there was no possibility of seeking a motion to extend the Committee stage of the Bill.
- 4. The Committee agreed to forego issuing a survey and Call for Evidence on the Bill, as there was no possibility that the Bill would complete its passage through the Assembly. The Call for Evidence and survey would have only been for a period of two weeks which would be completely inadequate and would create a false impression.
- 5. The Committee agreed at an early stage to forego the clause by clause scrutiny and agreed to reserve it's position on the Bill.
- 6. The Committee held oral evidence sessions with Geological Survey NI and from the Assembly's Research and Information Service (RalSe)
- The Committee considered and deliberated on the provisions of the Bill at 6 meetings, concluding with the agreement of this report on 16th March 2022.

Introduction

Background to the Bill

- 8. The Onshore Fracking (Prohibition) Bill was introduced to the NI Assembly by Áine Murphy MLA on 29 November 2021 and was referred to the Committee for the Economy for consideration in accordance with Standing Order 33 (1) on completion of the Second Stage of the Bill on 8 February 2022.
- At introduction, the Proposer made the following statement under section 9 of the Northern Ireland Act 1998: 'In my view the Onshore Fracking (Prohibition) Bill would be within the legislative competence of the NI Assembly'.
- 10. The Bill as introduced aims to secure a ban on the issuing of licenses for the onshore exploration, extraction and production of fossil fuels by means of fracking in NI.
- 11. The Bill contains 3 clauses. The Bill has one main part as follows:
 - Prohibition of onshore hydraulic fracturing (fracking) the Department will have no longer have the power to frack, the Department will no longer have the power to grant a fracking license and any existing license for onshore fracking is declared void.

Committee approach

- 12. At the Committee meetings of the 9th & 16th February 2022, the Committee agreed that due to the limited time left in the mandate, and the Committee's legislative workload, the Committee would be unable to give this Bill the appropriate attention and scrutiny that it both deserves and requires. Due to the lack of time there would be no possibility of seeking a motion to extend the Committee stage of the Bill.
- 13. The Committee agreed to forego issuing a survey and Call for Evidence on the Bill, as there was no possibility that the Bill would complete its passage through

the Assembly. The Call for Evidence and survey would have only been for a period of two weeks which would be completely inadequate and would create a false impression.

- During the period covered by this report the Committee considered the Bill and related issues at 6 meetings. The Minutes of Proceedings are included at Appendix 1.
- 15. The Committee had before it the Onshore Fracking (Prohibition) Bill (NIA 48/17-22) and the Explanatory and Financial Memorandum that accompanied the Bill.
- 16. The Committee held oral evidence sessions with Geological Survey NI. The Committee received testimony from an expert detailing a description of fracking and what it entails. The Minutes of Evidence are included at **Appendix 2.**
- The Geological Survey NI provided a presentation on an introduction to hydraulic fracking. A copy of this documentation is included at **Appendix 3**.
- 18. To assist consideration of specific issues highlighted in the evidence, the Committee commissioned a research paper from the NI Assembly Research and Information Service on the provisions of the Bill and international comparisons. A copy of this paper is at **Appendix 4**.
- 19. The Committee agreed at the meeting of 16th February 2022 to forego the clause by clause scrutiny and agreed to reserve it's position on the Bill.
- 20. At its meeting on 16th March 2022 the Committee agreed the report on the Onshore Fracking (Prohibition) Bill and ordered that it should be published.

Consideration of the Bill

- 21. The Onshore Fracking (Prohibition) Bill is a Private Member's Bill sponsored by Áine Murphy MLA. The Bill seeks to secure a ban on the issuing of licenses for the onshore exploration, extraction and production of fossil fuels by means of fracking in Northern Ireland.
- 22. The Bill contains three clauses and has one main objective which are as follows;
 - Prohibition of onshore hydraulic fracturing (fracking) the Department will have no power to frack, the Department will have no power to grant a fracking license and any existing license for onshore fracking is declared void.
- 23. Due to the lack of time remaining on this Assembly mandate, the Committee agreed to reserve and give no position on the Bill. The Committee therefore agreed not to issue a survey or call for evidence for this Bill. The Committee agreed that issuing a survey and a call for evidence for a period of two weeks would be completely inadequate and create a false impression. Subsequently, the Committee received no written submissions on the Bill.
- 24. The Department did not make a written submission on the Bill. However, it should be noted that The Minister for the Economy stated the following during the 2nd stage debate on the bill;

"On the 31st of January I circulated a paper to Executive colleagues outlining the position, not just on fracking, but on all onshore petroleum licensing activity. My paper recommended the Executive agree a preferred policy option of a moratorium on all forms of exploration and extraction of oil and gas to be followed by the introduction of a legislative ban. This would not only bring Northern Ireland in line with the rest of the United Kingdom on the issue of fracking but go further by legislating for all other types of petroleum exploration or extraction."

Clauses of the Bill

- 25. **Clause 1** forms the main element of the Bill and makes onshore fracking unlawful. The Department will no longer have the power to frack. The Department will no longer have the power to grant a fracking license. Any existing licenses for onshore fracking are declared void.
- 26. The remaining clauses of the Bill are as follows;
 - **Clause 2** provides for the commencement of the Bill, which will be after the end of the period of three months beginning with the date on which the Bill receives Royal Assent
 - **Clause 3** refers to the Short Title of the Bill and is a standard clause.

Other issues raised in the consideration of the Bill

27. Due to the lack of time available to fully scrutinise this Bill, the Committee was unable to give this issue and Bill the time required. It should therefore be noted that there may be other issues with the Bill that the Committee would be unaware of due to the lack of scrutiny.

Clause by Clause Scrutiny of the Bill

28. As the Committee decided to reserve its position on the Bill it did not undertake a clause by clause scrutiny and agreed to present the evidence it received as part of this Committee Report for consideration.

Links to Appendices

Appendix 1 – Minutes of Proceedings

- <u>9th February 2022</u>
- <u>16th February 2022</u>
- <u>23rd February 2022</u>
- <u>2nd March 2022</u>
- <u>9th March 2022</u>
- <u>16th March 2022</u>

Appendix 2 - Minutes of Evidence

- Wednesday 2nd March 2022 <u>Briefing from Geological Survey Northern</u> <u>Ireland (GS (NI))</u>
- Wednesday 9th March 2022 <u>Briefing from the Assembly's Research</u>
 <u>and Information Service</u>

Appendix 3 - Other Memoranda and papers from others

 2nd March 2022 – <u>Geological Survey Northern Ireland (GS (NI))</u> – <u>Introduction to Hydraulic Fracking</u>

Appendix 4 – Research Papers

List of Links to RalSe papers considered

9th March 2022 - <u>Research and Information Service Briefing Paper - Onshore</u> <u>Fracking (Prohibition) Bill</u>

Appendix 5 – List of Witnesses

Geological Survey (Northern Ireland)

Dr Robert Raine