

## Oil & Gas

### Big changes introduced by the Unlock Italy Law Decree in the oil & gas sector

16 September 2014

*On 13 September 2014, the "Unlock Italy" (Sblocca Italia) Law Decree came into force (Law Decree of 12 September 2014, no. 133, Official Journal of 12 September). The Decree contains some relevant changes with regard to the upstream part of the oil & gas chain.*

*Amongst other things, the Decree:*

*(i) acknowledges the strategic, urgent and non-deferrable nature of hydrocarbon prospection, exploration and production activities and underground natural gas storage, as well as the public benefits that would derive therefrom. As a result, mining titles may amend town/urban plans, where the latter are inconsistent with former, thus resulting in the establishment of expropriation constraints;*

*(ii) provides for the introduction of a "Sole Concession" (Titolo Concessorio Unico) which includes both explora-*

*tion and production activities, thus removing the foregoing distinction between "exploration permit" and "production concession". The procedure for the award of the Sole Concession must be completed within the 180 days. Within 90 days from publication of the Decree, those who have applied for exploration permits/production concessions under the current legislation are allowed to switch from the relevant procedure to the one for the award of the Sole Concession and the holders of exploration permits may submit an application to turn the latter into a Sole Concession;*

*(iii) transfers the jurisdiction over the environmental assessment procedures from the Regions to the Ministry of the Environment also in relation to onshore exploration, prospecting and production projects (Art. 38, para. 3 and 4). Any environmental procedures currently on-going be-*

*fore the Regions shall have to be completed no later than 31 December 2014. Such procedures shall continue before the Ministry of the Environment only in case the Regions fail to complete them within the above deadline;*

*(iv) introduces certain measures by which the Italian Regions may benefit from royalties taken from the "Stability Pact" between 2014 and 2018 and releases 50 million euros arising from royalties taken from the Stability Pact for the year 2014;*

*(v) provides for the issue of temporary experimental concessions designed to last 5 years in the Gulf of Venice, in order to preserve the solidity of the hydrocarbon deposits falling within mining concessions issued by Slovenia and Croatia.*

*The Decree needs to be ratified by the Parliament within*

## Highlights

*the next 60 days. It may be amended throughout the conversion procedure or in theory not even be converted, in which case its effects would cease retroactively.*

*Moreover, within 180 days the*

*Ministry of Economic Development will issue certain implementation rules providing more details for the Sole Concession.*

*This notwithstanding, some of the provisions of the Decree*

*are already enforceable.*

*Amongst other things, an application to switch to the Sole Concession may be filed even before and regardless of the adoption of the above mentioned implementation rules.*

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