



**RISK**

# UNITED STATES : Oil spill, regulations breached

The Deepwater Horizon petroleum platform located 80 km of the coast of Louisiana was destroyed in an explosion, followed by a fire and the collapse of the structure. 11 people were killed and 17 injured in the incident out of a total of 115 employees on the rig, making it one of the most protracted, devastating ecological disasters in the history of the United States. Built in 2001 by Korean constructor Hyundai, the platform was owned by Transocean, which leased it for operations to British major, BP. The lease was expected to run until 2013. Deepwater was the deepest drilling platform in the world (5500 m including 1500 m under the ocean bed), capable of resisting hurricanes off the Gulf of Mexico. Despite several security alerts over the last

few years, there were no specific measures in place at the rig, highlighting obvious gaps in American legislation and regulatory compliance.

### Negligence and class action

Families of victims and maritime professionals have filed a class action accusing BP of negligence and violation of Federal regulations. Transocean, BP, Cameron International Corporation and Halliburton Energy Services Inc are among the accused. US President Obama, who environmental activists accuse of authorising more drilling in the Gulf of Mexico, has denounced the ambiguous relationship between BP and the National Oceanic and Atmospheric Administration (NOAA), the federal agency that oversees offshore drilling. Another

federal agency is also in the spotlight, the Minerals Management Service (MMS), in charge of inspecting petroleum platforms. According to an inquiry by Associated Press (AP), the platform was operating without the security documentation demanded by the MMS. AP also notes that the MMS only conducted three quarters of the inspections planned and that regulations were insufficient. In Europe, experts are examining the security of oil platforms. It is national legislators that draft applicable regulations, with the European Union stipulating minimum standards based on its three directives. But as the Energy Commissioner stated, « no regulations can guarantee 100 % security ». The important point is how regulations are implemented.

### EDITORIAL BY JÉRÔME MUNDEN HSE MANAGER

HSE regulations were first introduced by the United States and then by Europe. They have evolved continually since the ISGOTT regulations of 1978, on safety standards for offshore platforms and deep sea drilling. The international SOLAS (Safety Of Life at Sea) regulation established a basic security framework. Each company also has its in-house procedures to improve on these standards. Unfortunately, regulations are often disregarded by operators. It is frequently the case that regulations are only taken into account or amended after a disaster. In 1988, following the explosion of the Piper Alpha oil rig in the North Sea (177 dead), living quarters for employees were gradually separated from operating and production infrastructure (apart from the FPSO facilities). The Deepwater catastrophe will lead to a reinforcement of security measures for deep water platforms. The petroleum majors have already begun studies to avoid a similar type of accident.

#### **PARTNERSHIP MOCI (INTERNATIONAL COMMERCE MONITOR)**

The GEOS Group will chair a panel on the «Protection of strategic assets » at the « Market Intelligence» forum to be held at the French Economic, Social and Environmental

Council on June 28. The event will also see the launch of the MOCI 2010 Country Risk Atlas. The GEOS Country Risk Tracking Centre was involved in compiling the Atlas. For a free invitation to this event, please write to: [communication@groupegeos.com](mailto:communication@groupegeos.com)

#### **EVENT GEOS AT 11<sup>TH</sup> EUROSATORY TRADE FAIR**

June 14 - 18, GEOS presents a stand at EUROSATORY, the international terrestrial and Homeland Defense trade fair at Parc des expositions in Villepinte (93) - Hall 6 Stand F521.

#### **DEVELOPMENT EDEN DEFENSE & SECURITY CLUSTER**

The GEOS Group has joined Eden, the first Defense and Security cluster dedicated to the international development of companies working in the industry. For more information: [www.eden-defense-cluster.com](http://www.eden-defense-cluster.com)

#### **RECRUITMENT GEOS AT 6<sup>TH</sup> DEFENSE EMPLOYMENT FAIR**

On June 8, the GEOS Group took part in the 6<sup>th</sup> « Carrefour emploi défense mobilité » Recruitment Forum at the Ecole Militaire in Paris.

**EGYPT  
EMERGENCY  
LAW EXTENDED  
BY PARLIAMENT**

▶ The Egyptian Prime Minister has called on Parliament to vote for a two year extension of the state of emergency. The objective of the bill is to extend counterterrorism measures. The proposal was rejected by all the opposition parties, from the Islamic to the liberal wings, including Mohamed ElBaradei, former head of the IAEA.

**INDIA  
VIOLENT  
ANTI-POSCO  
PROTESTS**

▶ In an attempt to end the road blockade at the mining site at Orissa, Indian police clashed with angry protesters who threw molotov cocktails and other projectiles. The clashes resulted in hundreds of injuries. The protest against the Posco project to operate a steel plant in the region began last January. South Korean firm Posco,



the fourth largest steel producer in the world, acquired land four years ago where they hoped to mine 12 million tonnes of iron ore. The provincial authorities, given the scale of the protests, asked Posco to reduce the size of the mining complex by 300 acres.

**MEXICO  
FORMER  
SENATOR CEVALLOS  
MISSING**

▶ Diego Fernandez de Cevallos was abducted from his car near his home in Queretaro State. He was a former presidential candidate at the elections of 1994 for the National Action Party, currently in power. The kidnappers have contacted his family without stipulating a ransom figure.

**RUSSIA  
RUSSIAN NAVY  
OBLIGED TO RELEASE  
PIRATES**

▶ The Russian Navy succeeded in releasing a Russian-owned oil tanker attacked off the coast of Yemen, and arrested the pirates on board. According to a spokesperson for the Ministry of Defense, the Somali pirates were released « because of dysfunctions in international law » (see Alertes n°96 for more on this subject).

**IRAQ  
PLOTS  
AGAINST PRIME  
MINISTER**

▶ In an interview with London-based Arab language newspaper Al Hayat, Nouri Al-Maliki claims that he has escaped several assassination attempts on his life. One of the plots to kill him occurred last year as his plane left Mosul on the way to Baghdad. A ground-air missile was fired at the plane, but was countered by decoys fitted on the aircraft.

**PHILIPPINES  
ELECTIONS MARRIED  
BY POLITICAL  
VIOLENCE**

▶ Three people were killed and ten others injured during a raid by the police against the campaign headquarters of a candidate in the elections in the province of Zamboanga Sibugay to the south of the archipelago. Two other people were killed in the suburbs of the capital, during gun battles between a deputy's militia and the police.

**SOMALI  
MORTARS  
FIRED AT  
PARLIAMENT**

▶ The Somali Parliament, holding its first session since last December, was fired upon by mortars. Sixteen people were killed and thirty-four others injured. Troops of the African Union that ensure the security of the building fired mortar rounds against Islamic rebel positions.

**SECURITY**

# South Africa on alert for World Cup 2010

## From terrorism to social unrest, government on alert

**T**he Deputy Police Commissioner in charge of coordinating security for the event, Lieutenant General André Prius, presented all the latest measures implemented to guarantee maximum security for the 2010 FIFA World Cup to the parliamentary Commission in charge of the dossier. He stated that all the country's security forces, both civilian and military, are fully mobilised for the operation, including the recently created Intelligence Coordinating Committee and are ready to deal with the full range of threats, including terrorism (see *Alertes* n°95). There also has been a surge in tensions between white supremacists and the black population following the murder of a far-right leader by two of his black employees. The police arrested several militants of the far-right party who were caught in possession of explosives.

The authorities consider that the ultra-right are few in number involved and do not represent a significant threat. Another important point for the smooth running of the tournament is the social climate. At the beginning of May, the rail and maritime transport unions began a strike lasting seventeen days, that would have disrupted logistics for the World Cup. Negotiations between the World Cup Local Organising Committee and the Congress of South African Trade Unions (COSATU) led to an agreement for a truce applicable for the duration of the event. The national electricity company Eskom was also deprived of striking action. ***All the latent conflicts in South Africa have been fuelled by an event which will make the country the centre of the world's attention for one critical month.***

# Seperatism grows in Southern Yemen

**A**s Yemen celebrates the twentieth anniversary of the country's unification, the month of May was marked by a series of incidents perpetrated by seperatists who seek to refound the former Popular Republic of South Yemen. At the beginning of May, there was an attack on a street market, an ambush against a military convoy, the kidnapping of three Chinese nationals working in the petroleum industry and, more audaciously still, the attempted assassination of Deputy Prime Minister in charge of Internal Affairs, Sadik Amin Abou Ras. His car was targeted in the province of Shabwa as he was making his way to a ceremony to commemorate the twentieth anniversary of national unity. Yemen's President, Ali Abdallah Saleh, has refused to

engage in gamesmanship, recalling the severe tensions the country experienced in 1994. On the contrary, he has seized the occasion of the Unity celebrations to decree a general amnesty. He ordered the release of 200 Shia rebels and 98 southern seperatists. President Saleh, having successfully negotiated peace with the Shia only four weeks ago, is already thinking ahead to the elections in 2011 and 2013. ***Yemen, for the last several months, has been the subject of violent destabilisation, the origins of which are located outside the country. With the surge in seperatist violence, it is clear that al-Qaeda has a stake in destabilising the country, the first stage of its plan to carve up the Arabian Peninsula.***

## GERMANY FRESH FIGURES FOR INDUSTRIAL ESPIONAGE

▶ At the last Security Forum in Bonn, Burkhar Even, a senior officer of the BfV declared that industrial espionage costs the German economy some fifty billion euro a year, mentioning China and Russia as the main culprits. The BfV believes that out of the 500 Russian diplomats stationed in Germany, 150 work for the secret services.

## TECHNOLOGY RISKY PHOTOCOPIERS AND PRINTERS

▶ The risk posed by photocopiers and printers manufactured after the year 2000 are fitted with hard drives or memory chips. Many companies unwittingly throw out thousands of documents contained in the machines, sold off at low cost to emerging economies. According to a report by Sharp, 60 % of users ignore the risk incurred.



## ITALY COUNTERFEIT NETWORK DISMANTLED

▶ The Italian police have arrested sixty-seven people in Naples. The security forces also seized 800 tonnes of merchandise, 11 million euros in cash and 12 million articles of counterfeit clothing.

## ISRAEL NANA 10 AND WALLA SETTLE DISPUTE

▶ The courts have accepted the amicable settlement made between Nana 10 and Walla Communication Ltd. The two internet companies had been in conflict since Nana 10 accused its competitor of hiring one of its employees to obtain commercial secrets. According to the agreement, the employee in question will not make contact with wall for a period of six weeks.

## CHINA US ENGINEER RELEASED BY POLICE

▶ Hu Zhi Cheng, a Chinese-American engineer was held for 17 months in the port city of Tianjin. The authorities accused him of unlawful use of trade secrets. The wife of Mr. Zhi Cheng was also targeted by the police in what appears to be an operation to force Zhi Cheng to give up his patents.

# World Expo 2010 launched in Shanghai

## China host to 200 national pavillions

Shanghai was selected to host the World Expo this year and is set to receive some 70 million visitors. It is the first time that the World Expo has been held in an emerging economy. The Universal Exposition is an opportunity for each nation to present its industrial and technological flagships and its state-of-the-art know-how. The fair is also a place where company directors and engineers from all over the world come together. The fair is thus an excellent place for intelligence services and unscrupulous companies active in the area of economic espionage to their work. If the pavillions are relatively easy to control, the human factor is a major vulnerability for exhibitors. These gatherings are good opportunities for such companies to initiate contact with potential recruits. As with

the Olympic Games in Beijing in 2008, the counterintelligence services are on the alert to warn companies of meetings that appear too good to be true. In 2008, the Americans gathered the security directors of the 30 largest national companies to warn them of the security risks in hotel rooms and the ease with which cellular phones and laptop computers can be hacked. The stark instruction for the Universal Exposition that appears in the « Foreign Economic Collection and Industrial Espionage » report submitted to the US Congress is to simply leave your computer back home in the United States. **Companies must provide risk awareness training to their employees prior to this type of event, given the threat from infiltration operations.**

## Boeing lobbyists accuse EADS

The battle between Boeing and EADS over a contract worth 35 billion dollars to supply the US Air Force with refuelling aircraft has intensified. Lobbyists for Boeing have drafted a report and submitted it to congressmen and senators, where they accuse the European consortium of attempting to sell helicopters to Iran in 2005. This is a an aggressive manoeuvre given the current situation. The dossier also maintains that EADS does not comply with US legislation, in particular « corporate integrity » regulations and that their rival presents a threat to national security if the contract between the US Air Force and EADS is signed. The objective of Boeing is to have an amendment to the « Defense Authorization » Law passed and their rival removed from the tender process. A mis-

information campaign to which EADS North America President, Ralph D. Crosby Jr, responded in an open letter to the Speaker of the House, democrat Nancy Pelosi, warning her that such an amendment would be contrary to the WTO regulations. Crosby denies any EADS involvement in contracts with Iran and confirms that the Group fully complies with the various laws and regulations, including American anti-corruption legislation. The head of EADS also quoted the US Department of Defense indicating that the department would not have accepted the proposal of EADS is the offer was not honourable. **Lobbyists are major players in economic warfare, and with Brussels increasingly similar to Washington, European companies are going to have study the subject.**

## SOUTH KOREA SPYING ON SEOUL METRO

▶ A citizen of North Korea has been arrested by the NIS for espionage. The Pyongyang agent suborned a former head of the Seoul metro and collected intelligence on the network lines. It is still not clear at this stage of the inquiry whether the information was to be used for economic purposes or for a future attack.

## ISRAEL FACEBOOK, SPYLAND FOR ALL

▶ In an original intelligence operation, the Hezbollah were uncovered to be using a fake Facebook profile called Reut Zuckerman, apparently an attractive Israeli woman. In the space of a few weeks, « Reut », purporting to be a female Israeli soldier, became friends with and the confident of some 200 soldiers of Tsahal, including members of elite army units. Such elite officers are usually more discreet. It was the high number of soldiers from these units on the avatar's page that attracted the attention of one of the soldiers. During conversations, the Hezbollah collected codes, passwords, names and ranks of officers and details on the location of bases and movements of army units.



## Health Safety Environment

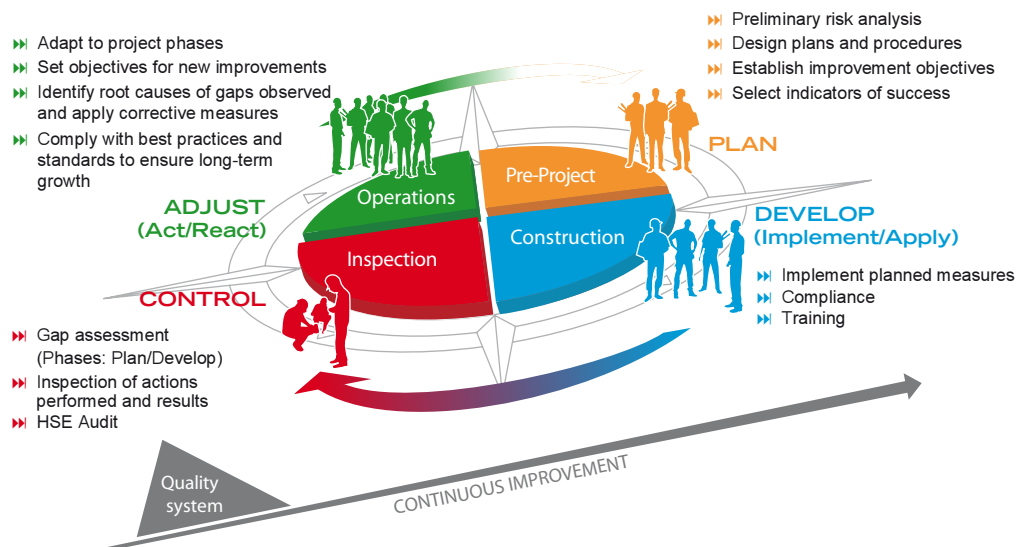
### Context

HSE measures ensure safe working conditions and effective risk management based on advance planning and a corporate risk management policy.

### Your requirements

- » **Integrate safety and environmental protection**
- » Better manage risk and grow your company
- » **Reassure and convince** project stakeholders (banks, insurance companies, local authorities, associations, etc.)
- » **Compliance with technical specifications and applicable standards and regulations**, track and plan for changes in the regulatory landscape
- » **Train your personnel**

### GEOS Solutions



### GEOS Leading the Industry

- » **ISO 9001:2008\* compliant quality management system**
- » **A global network of correspondents and partners**
- » **12 years risk management experience**

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