

# News release

GREENPEACE

## Documents indicate Shell's Arctic permits may be expired, but still blocking marine conservation

**30 March 2016 (Toronto)** – Internal government documents obtained by Greenpeace Canada via access to information legislation suggest that 30 oil exploration permits held by Shell in the eastern Canadian Arctic since 1971 — which overlap with a proposed marine conservation area — may have expired decades ago.

[Copies of Shell's permits](#) indicate they were last renewed in 1978, for one year only. The documents obtained by Greenpeace Canada show the government has no record of Shell communicating with them to renew the permits after 1978, suggesting the permits in fact expired in 1979. [Legal research](#) by University of Calgary law professor Nigel Bankes into the status of the permits, commissioned by Oceans North Canada and released by Nunatsiaq News, supports this view. [Emails released](#) between NGO Parvati and a director from Indigenous and Northern Affairs, the body responsible for the permits, also suggest the government has no record of Shell renewing the permits, and is aware of it.

“If Shell is holding on to Arctic drilling rights which expired decades ago, that is completely unacceptable,” said Greenpeace Canada Arctic Campaigner Alex Speers-Roesch. “But making matters even worse is the fact that these permits are effectively blocking the creation of an important marine conservation area that both Inuit and environmental organizations have been calling for.”

Shell's questionable permits are in the eastern mouth of Lancaster Sound, a biologically and culturally important area of great significance to local Inuit. A National Marine Conservation Area (NMCA) has been proposed for the region, but has been stalled by disagreements over its boundaries. The Qikiqtani Inuit Association (QIA) has proposed a larger NMCA that includes some of the area covered by Shell's permits, while the federal government has pushed for a smaller area that excludes the Shell permits and other areas with significant hydrocarbon potential. All oil and gas activity would be banned in the proposed conservation area.

[Meeting minutes obtained by Greenpeace](#) from the government of Nunavut via access to information legislation show the federal government was engaged in discussions with Shell to trade other assets in exchange for Shell relinquishing the apparently expired permits, in order to facilitate the creation of the Lancaster Sound NMCA. The minutes also show Shell using the permits as a bargaining chip to get the government to allow seismic testing in the area, a controversial practice that poses a significant threat to Arctic wildlife and food security.

“Shell shouldn't get to trade dead permits for living ecosystems. The government must not allow Shell to leverage efforts to protect the Arctic in order to acquire valid permits in exchange for expired ones,” said Jessica Wilson, head of Greenpeace Canada's Arctic campaign. “If Prime Minister Trudeau is serious about the commitments he and President Obama made this month to protect the Arctic, then he must learn from Shell's failed \$7 billion Alaskan drilling program and ensure this controversial company does not set up shop in the Canadian Arctic.”

Erin Ryder of the organization Parvati, which made public a copy of one of the permits last year and questioned its validity, has been emailing Michel Chénier, Director of the Petroleum and Mineral Resources Directorate at Indigenous and Northern Affairs Canada, to inquire about the validity of the permits. In [an email dated March 16](#), Chénier told Ryder that:

“Therefore, if the 30 Shell permits were not renewed and had expired, there should have been a written record from the Chief giving Shell 30 written notices of the pending expiry of each Permit as required by subsection 38(3) of the COGLR [*Canada Oil and Gas Land Regulations*]. In fact, there are no such written notices in government records. More importantly, both industry and government have continuously treated the 30 Shell Permits as being valid and subsisting from the original date of issue to the present and will continue to do so in the future.” [1]

Speers-Roesch concluded: “If the government misunderstood or failed to follow the law then, that is no excuse for not following it now. If the government cannot produce more compelling evidence the permits were properly renewed, then they must acknowledge the permits are no longer valid and remove them as a barrier to Arctic protection.”

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#### For more information:

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#### Note to Editors

The documents obtained via freedom of information requests and the emails released by Parvati are available here:

- **A-2015-00916 - Shell-AANDC Correspondence.pdf** - <https://www.scribd.com/doc/305753663/A-2015-00916-Shell-AANDC-Correspondence>
- **A201500403.pdf** - <https://www.scribd.com/doc/305754231/A201500403>
- **INAC-PARVATI\_emails.pdf** <https://www.scribd.com/doc/305780560/INAC-PARVATI-Emails-highlighted>
- **NCR-#7919793-v1-OILGAS - RIGHTS - REGISTRAR - FORMER PERMITS A6326 TO A6408 - THE EXPLORATORY PERMITS.PDF** - <https://www.scribd.com/doc/305755312/NCR-7919793-v1-OILGAS-RIGHTS-REGISTRAR-FORMER-PERMITS-A6326-TO-A6408-THE-EXPLORATORY-PERMITS>
- **SHELL Meeting Agenda & Minutes, May 13 2014 Calgary AB 2.pdf** <https://www.scribd.com/doc/305755391/SHELL-Meeting-Agenda-Minutes-May-13-2014-Calgary-AB-2>

Requests were submitted to the Ministry of Indigenous and Northern Affairs and Library and Archives Canada (where older documents are sometimes transferred) asking for copies of all communications between Shell and the ministry regarding the permits in question. The documents returned show the government has no record of Shell asking to renew the permits in 1979, when they would have expired if they weren't renewed. A request to the government of Nunavut returned the meeting minutes where Shell discusses asset swapping and seismic testing with the government.

1. Subsection 38(3): Where a permittee does not make application for renewal of a permit in accordance with subsection (1), ***the Chief shall give written notice to the permittee*** informing him that if within 90 days of the date of the notice the permittee makes an application for renewal of his permit, accompanied by the deposit required by section 40, his permit may be renewed." (emphasis added)