

committee@greenparty.im

## Honourable Tim Crookall MHK Department of Infrastructure Sea Terminal Douglas

IM1 2RF

06 February 2024

By Email Only

### **Dear Minister for Infrastructure**

# <u>Seaward Production Innovate Licence Between the Department of Infrastructure ("the Department") and Crogga Limited ("Crogga") ("the Licence")</u>

- 1. Thank you for your letter dated 8 January 2024.
- 2. We note that your letter states that:
  - 2.1. "The Council of Ministers supported the award of a Seaward Production Innovate licence by the Department to Crogga in October 2018 based on established Tynwald policy"
- 3. We refer you to the resolution of Tynwald at its sitting of 20 July 2022. The resolution was overwhelmingly agreed (after an amendment from the Chief Minister, Mr Cannan MHK) in terms that:
  - 3.1. "Government policy should be that no new licences are issued for the extraction of hydrocarbon in Manx territorial waters"
- 4. As has already been comprehensively set out to you in our letter of 10 November 2023, the request by Crogga to vary the Licence so that drilling can take place before Crogga has undertaken a 3D seismic survey, is contrary to industry best practice and represents a material and significant variation on the terms of the Licence as granted.
- 5. It is our view that such a material and significant variation, goes to the very root of the original terms and would represent the issuing of a new licence contrary to the resolved will of Tynwald.
- 6. To this end, we refer you to the England & Wales Court of Appeal judgment in *Malcolm Ginns v Charles Tabor* (1995) WL 1082518, wherein it was stated that:
  - 6.1. "Whether a subsequent agreement amounts to a rescission or a variation of an earlier one depends on the intention of the parties indicated by the terms of subsequent agreement and from all the surrounding circumstances. See United Dominions Trust (Jamaica) Ltd v. Shoucair

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[1969] 1 AC 340, PC. However, rescission will be presumed when the parties enter into a new agreement so inconsistent with the earlier one that it goes to its very root. See British & Benningtons Ltd. v. N.W. Cachar Tea Co. Ltd. [1923] AC 48, HL, per Lord Atkinson at 62"

- 7. In circumstances where the proposed variation would materially and significantly deviate from the extant licence in an affront to the avowed and resolved will of Tynwald, we refer you to the unanimous resolution of the Tynwald Court of 19 February 2004:
  - 7.1. "Tynwald declares that a resolution of the Court on any matter related to Isle of Man Government policy supersedes or supplements any previous resolution on the same matter and Government must respond positively to such resolutions"
- 8. We note the duty to respect the will of a Tynwald resolution on a matter of Isle of Man Government policy. We invite you by return to confirm that in the stated circumstances, the requested variation to the Licence will be declined.
- 9. On this matter of fundamental public import, going to the heart of the Climate Emergency Declaration, we indicate that we will publish this letter and any response received on our website, <u>www.greenparty.im</u>.

Yours sincerely

Isle of Man Green Party

### **ISLE OF MAN GREEN PARTY**

Please reply to: committee@greenparty.im

#### cc. (by email only)

- Chief Minister
- Minister for Treasury
- Minister for Environment, Food and Agriculture
- Chair of Manx Utilities
- Chair of the Climate Change Transformation Board