

## **Misleading sensational journalism on online newspaper**

Based on a so called § 37 question raised in the Greenlandic Parliament, the online newspaper sermitsiaq.ag choose to publish an article under a headline that is best translated as “Greenland Oil Spill Response at the verge of bankruptcy”.

Bankruptcy is a legal status of a person or other entity that cannot repay the debts it owes to creditors. In most jurisdictions, bankruptcy is imposed by a court order, often initiated by a creditor.

Greenland Oil Spill Response has a healthy cash flow and has no trouble paying its creditors and is furthermore without any debts.

The § 37 question wanted to know about the company's debt, cash flow and future prospects. The reality is that oil companies are not particularly willing to invest at the time being and that a number of exclusive licenses off the west coast of Greenland has announced their relinquishment. Therefore, the management of Greenland Oil Spill Response has been in close dialogue with the owners; the Government of Greenland since the beginning of 2016, in regards to the company's future.

It is true that if there is no change in the company; cash will eventually run out at the beginning of 2018. That said; the company has an equity of almost DKK 20 million in the form of oil spill response equipment and is debt free. So to claim that Greenland Oil Spill Response balances on the verge of bankruptcy is incorrect.

Greenland Oil Spill Response is currently in close dialogue with the Government of Greenland in regards to the future of the company and has great expectations to find a way forward that will benefit both the company and Greenland. Greenland Oil Spill Response possesses a considerable amount of oil spill response equipment and several semi-volunteer oil spill responders which will be of great importance to the Greenlandic environment in case of a major oil spill.

At the same time it has to mentioned that the stakeholders believes in the future of Greenland Oil Spill Response; the company is part of an EU-funded environmental project which will run for the next two years and the oil industry has chosen to sponsor new equipment and the training of oil spill responders in 2016.

For the 2015 Annual Report, please see: <http://www.gosr.gl/rsrapporter111>

For “§ 37 questions” and answers, see: <http://www.inatsisartut.gl/inatsisartuthome/paragraf36.aspx>

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