

## **Earning our ‘Licence to Regulate’**

By Stuart Pinks, Canada-Nova Scotia Offshore Petroleum Board (CNSOPB)

Governments, regulators, and of course industry all have a role to play in achieving a shared objective of responsible oil and gas development.

**Government** - Governments have to communicate the public policy they have established to achieve this objective. This includes being able to explain and defend the balance that is being struck between the potential impacts of oil and gas activities and the needs of society as a whole.

**Industry** - Industry needs to make its commitment to responsible oil and gas development evident through continuously improving safety and environmental performance. In doing so, industry earns and maintains its ‘social licence’.

**Regulator** - The regulator’s role is to protect the public interest by holding industry accountable to undertake its activities in accordance with legislative and regulatory requirements that governments have enacted into law.

In today’s world, however, the regulator needs to do much more than this. Regulators must build public confidence and trust by clearly demonstrating that industry is being held accountable to develop oil and gas resources responsibly. Regulators need to disseminate trusted information, they need to actively listen to and respond to public concerns, and they need to measure and report on their own performance. And in doing so, regulators can then earn and maintain their ‘licence to regulate’.

To earn a ‘licence to regulate’, regulators must be:

**Credible** - they must prove that they are a trusted source of information. They must be seen as acting independently, and as having the necessary authority along with the expertise and capability to ensure responsible development. They must demonstrate that they function in accordance with carefully defined rules of procedure in which procedural fairness is of central importance.

**Protective** – they must demonstrate how they are effectively providing oversight to ensure the health and safety of workers and the public, along with the protection of the environment.

**Accountable** – they must transparently demonstrate how they are holding industry accountable, and that they will take necessary actions to correct noncompliant behaviour.

**Effective** – they must demonstrate the rigorous processes they have in place to continuously mitigate risk.

### ***Communication Is Key***

To earn trust and build public confidence, regulators need to be open and transparent in communicating information. Regulators must provide factual and timely information to stakeholders so they can stay informed about what is being done to protect the health and safety of workers and the public, as well as the environment. Given the complexity of the information

regulators possess, summaries and analyses need to be published in an unbiased, defensible and understandable format.

### ***Voices Need to be Heard***

But it's about more than just providing information; it's also about ensuring the full range of voices are being heard through meaningful engagement throughout decision making processes. People want to be engaged more than ever before. If regulators want to build greater trust, they need to have more discussions and engagement with fishers, tourism operators, environmental groups, local communities, business organizations, oil and gas operators, etc. This can be achieved through several means including surveys, social media, public forums, focus groups, community meetings and by establishing stakeholder advisory committees.

### ***Decisions Matter***

While listening to opinions and concerns from stakeholders and providing information is key, it is only part of the process. Regulators also need to demonstrate how those concerns are being factored into their decision making processes.

Reporting back could be done in a number of ways including publishing of stakeholder engagement reports, decision reports, annual reports and through follow up meetings and conversations.

### ***Be Adaptable***

There is no "one size fits all" approach to earning a 'licence to regulate'. As regulators, we need to continuously adapt to emerging trends, and we need to willingly embrace new engagement and communication tools to ensure we are meeting the needs and expectations of the public we serve.

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