



**International Regulators' Offshore Safety Conference – *Preventing the Next Black Swan***

25 October 2013

The 5th International Regulators' Offshore Safety Conference was held in Perth, Western Australia, on 22 and 23 October. The conference was organised by the International Regulators' Forum (IRF) and hosted by Australia's National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA). More than 170 delegates from 19 countries attended the conference, which was held two years after the IRF Summit Conference in Stavanger, Norway. The 2011 Summit focused on creating the opportunity between regulators and other industry stakeholders for open and frank dialogue about offshore safety issues in the wake of the Montara blowout in the Timor Sea in 2009 and the Macondo blowout in the Gulf of Mexico in 2010.

The 2013 Conference built on the Summit outcomes, by examining the implementation of the range of international response measures to both major accident events and assessing whether enough has been done to prevent the next major offshore disaster. NOPSEMA CEO, Jane Cutler, referred to the theory contained in *'The Black Swan: The Impact of the Highly Improbable'* by Nassim. N. Taleb, to illustrate the conference theme depicting major offshore disasters as 'Black Swan' events.

"These are events that lie outside the realm of regular expectations, carry an extreme impact, and for which human nature makes us concoct explanations for their occurrence after the fact, making them explainable and predictable! Preventing the next Black Swan event in the international offshore industry must now be the challenge for regulators and industry", Ms Cutler told delegates in her opening address.

The conference objectives were to:

- highlight significant changes made since the Montara and Macondo well blowouts, the adequacy of these changes and priorities for further action
- encourage focus on the global offshore challenge of asset integrity, in particular hydrocarbon releases and ageing facilities, and
- explore ways of developing better safety culture and competence, and encourage meaningful workforce engagement.

Delegates heard presentations from regulatory, industry and workforce representatives including:

**Brian Salerno:** Director, Bureau of Safety and Environmental Enforcement, USA, who outlined regulatory developments in the USA and described the challenge for regulators in maintaining vigilance and avoiding complacency.

**Jake Molloy:** Regional Organiser, National Union of Rail, Maritime and Transport Workers, UK, who emphasised how workforce involvement should be counted a safety critical element in any mature safety culture model.

**Ken Fitzpatrick:** CEO, PTTEP Australasia Pty Ltd, who described the improvement programs and shared new tools employed by the company developed as a direct result of the Montara incident.

**Stephen Colville:** President and CEO, International Association of Drilling Contractors, who challenged drilling contractors to reclaim leadership in safety.

**Solange Guedes:** Executive Manager, Petrobras E&P, Brazil who described the rapid growth of the industry in Brazil and the approach taken by Petrobras to asset integrity and process safety.

The views of delegates were an important element in the conference program and will inform how IRF members collaborate and share expertise and resources to drive improvements in global offshore safety. In two roundtable sessions, delegates were asked to identify:

- two areas where the post-Macondo/Montara work has been really successful
- two areas where the work needs improving or re-invigorating - and suggestions on how to do that
- the top three 'good practices' identified in conference presentations, which could most easily be adopted globally
- two further examples of good practice, drawn from delegates' experiences around the table
- one key area where safety culture can have a strong impact on process safety and integrity management.

The concluding panel discussion issued a range of challenges to those who share responsibility for offshore safety. Panellist Jake Molloy implored industry and regulators to rise above jurisdictional differences to engage meaningfully with the workforce in order to save lives. Sociologist, Professor Andrew Hopkins from the Australian National University, called on regulators to examine organisational structure of petroleum companies and how this might contribute to the level of risk for petroleum activities. Stephen Colville promoted good safety practice as an imperative for any organisation that should not be compromised by financial or legal considerations. Andries Otter, Chair, Technical Committee 67, International Standards Organisation, detailed the progress in setting standards that help form the building blocks for effective processes and procedures. Michael Engell-Jensen, Executive Director, International Association of Oil and Gas Producers, applauded the increasing recognition of how process safety, rather than personal safety, contributes to the prevention of 'Black Swan' events offshore.

Drawing from the panel discussion, at its subsequent annual general meeting, the IRF agreed to continue to push industry to tackle persistent challenges highlighted during the conference:

- overcoming barriers to sharing data and lessons learned from offshore incidents
- further understanding, explaining and promoting of a 'process safety culture'
- addressing the challenge of ensuring the competence of those working in, and leading, the industry
- achieving meaningful engagement of all those working offshore
- developing common international standards.

Conference presentations can be downloaded from:

2013 Offshore Safety Conference website <http://irfconference2013.com.au/presentations/>  
International Regulators Forum website [www.irfoffshoresafety.com/conferences/](http://www.irfoffshoresafety.com/conferences/)

**Contact:**

**Jane Cutler**

Conference Chair

Chief Executive Officer, National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)

Email: [communications@nopsema.gov.au](mailto:communications@nopsema.gov.au)