

International Regulators Offshore Safety Forum Day 3

Session Summary Notes

Day 3 Summary

When:	Friday 1. April 2005
Chair: Morning Session	Mr. Stuart Pinks, Manager, Health, Safety & Operations, Canada-Nova Scotia Offshore Petroleum Board, Canada. Mr. Taf Powell, Director of Offshore Division, Health & Safety Executive, UK.
Afternoon Sessions	Mr. Magne Ognedal, Director General, Petroleum Safety Authority, Norway. Mr. Bud Danenberger, Chief of Offshore Engineering and Operations, Minerals Management Service, USA.

Introduction to morning session:	<p>Mr. Pinks brought the Day 3 session to order and introduced Mr Justin McCracken, Deputy Director General, HSE, UK to welcome the delegates to the final day of the Conference.</p> <p>Dr. Tony Hayward gave the keynote address.</p> <p><i>Dr. Tony Hayward, Chief Executive Exploration & Production, BP:</i> Dr. Hayward opened his keynote address by focusing on the previous week’s tragic safety accident at a BP-operated refinery in Texas, where 15 people died in a major explosion. Mr. Hayward emphasized that when things go wrong, leaders have to take ownership of the situation and lead by example in making sure the right lessons are learned.</p> <p>He then described BP’s exploration and production safety record over the last five years, which has improved significantly. BP has identified four main areas that have lead to this – leadership, process, capability and measurement.</p> <p>Dr. Hayward made clear that BP does not see safety as an issue for competition, but advocated that good and bad experience should be shared with anyone in this or any other industries.</p> <p>Finally, Dr. Hayward called the audience for a minute’s silence in memory of the victims of the Texas tragedy.</p> <p>Mr. Pinks thanked Mr. Hayward for his address, and highlighted the focus of the day’s session: “Knowing and understanding other stakeholders’ main HSE issues and concerns”. He then introduced Dr. Lee Hunt.</p>
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Dr Lee Hunt, President of The International Association of Drilling Contractors (IADC), USA:

Dr. Hunt described how counterproductive fragmented management systems could be. He went on to express concerns that governments also suffer as a result of fragmentary approaches and as a result fail to match the pace of change, particularly in an industry such as this, where the pace of change continues to be rapid.

IADC is looking for a much more cohesive approach by Governments to facilitate sustainable and consistent directions on key issues, and challenged the conference to commit to the pursuit of an integrated set of guiding health, safety and environment principles for global application. He was also looking for a collaborative regulatory effort with the industry - with an open dialogue.

He questioned whether global HSE guiding principles are at all achievable – and, whether global standards are acceptable to all. Dr. Hunt concluded by appealing to the authorities to surrender their national interests – “Don’t ask: ‘Who’s the best?’ – just ask ‘What’s right for the rig?’”

Mr. Volkert Zijlker, Chairman of the Safety Committee, The International Association of Oil & Gas Producers (OGP), The

Netherland: Mr. Zijlker described how the OGP is looking to develop new recommended practices that exceed regulatory requirements throughout the world. OGP urged regulators to recognise the existence of an effective industry process that develops efficient industry guidelines linked to key risk areas, recognise industry practices and guidelines, differentiate safety incidents more clearly, and provide risk-based engagement/responses.

The safety performance indicators of the industry show good results worldwide. However, accident statistics tell us little about major accident risks. There is a need to continue to improve methods on how to assess and manage these types of risks.

Mr Zijlker also underlined that it is important to continue to maintain good HSE practise. International standards should be used wherever possible.

Mr. Lars Anders Myhre, President, The International Federation of Chemical, Energy, Mine and General Workers’ Unions,

Norway: Mr. Myhre gave a short introduction to the International Federation of Chemical, Energy, Mine and General Workers’ Unions (ICEM). The federation represents 20 million workers, 6.5 millions of which are employed in the energy sector, and organises 150 different trade unions in 108 countries.

He put emphasis on the understanding of how accidents are linked together and why minor incidents play a significant role, on the importance of procedures and communication, the organising of HSE-work, the involvement and competence of company management, the right to report incidents at the workplace without risking reprisals, the recognition of the right of employees to elect representatives and the importance of organising education and training in HSE-matters.

	<p>Mr. Myhre referred to the capsizing of the “Alexander L. Kielland” – a drilling rig that provided living quarters at Ekofisk in the North Sea in 1980 - where 123 oil workers perished and 89 survived. He used this accident as an example of how minor and some major components simultaneously worked in the same direction and lead to the disaster.</p> <p>Finally, Mr. Myhre stated that all efforts to improve HSE matters in the offshore oil industry should be anchored in a United Nation environment. He welcomed the delegates to get on his coach together with everybody who wants to encourage better HSE-conditions around the world, against the three worst enemies of progress: Poverty, unemployment and corruption.</p> <p>Chairmen’s summary</p> <p>IADC: The key concerns are “What is the best for the rig?”. And, the industry needs consistency – both from regulators in a country and between countries.</p> <p>OGP: Are the regulators using what is already available? A good example is the North West European HSE Case Guidelines for Mobile Offshore Drilling Units.</p> <p>ICEM: Accidents are a result of many factors. It is necessary to improve the procedures for communication and assess accident reports without having the risk of reprisals.</p>
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<p>Round Table Discussion 4:</p>	<p>Round table discussion 4 – The Way Forward</p> <p>Mr. Taf Powell, Mr. Bud Danenberger and Mr. Magne Ognedal chaired this roundtable session and presented some ideas and hints with regard to highlights of the presentations that could be debated by the various tables.</p> <p>In this round table discussion, all tables were asked to:</p> <ul style="list-style-type: none"> ▪ List the top three issues/concerns of those identified, particularly during round table discussion 2, but also taking account of this day’s presentations, on which everybody should now focus, ▪ Consider how these issues/concerns should be addressed; and ▪ Identify any potential difficulties in tackling these (and how these might be overcome). <p>Tables should then consider</p> <ul style="list-style-type: none"> ▪ What has been the real value of this conference? ▪ Where should IRF go from here? <hr/>
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The top issues and concerns listed during the RTD feedback session included the following

- Create a catalogue of existing standards and guidance that can be readily accessed and applied globally; and identify gaps
- Develop a common set of performance measures, leading and lagging indicators; this would assist with identifying mutual problems and facilitate the sharing of good/best practice information
- Develop a regulatory/guidance/standards framework that could be applied by an emerging regulatory body
- Complete on going work on lifting and crane operations
- Approach the issue of aging installations and infrastructure (including design life extension), and work force
- Transport safety

Suggestions of ways in which these issues/concerns could be addressed, included

- IRF should facilitate a communications and support network (email list; website, etc) with regional networks in support
- IRF needed to continue to show leadership
- IRF should make an inventory of where we are and develop a prioritised action plan

Potential barriers/ difficulties included

- Resources
- Cultural differences
- Ownership – need for ‘champions’ to drive the agenda
- The need to let go of current paradigms

Value of the conference

- Networking is the key. Establishing a commonality of understanding and purpose through sharing ideas
- Seeing familiar things from another perspective
- Industry stakeholders were well represented
- Global thinking

Where should IRF go from here?

- Establish a global communications network
- Identify and deliver on some real practical projects within a year.
- Set longer term goals

<p>Chairmen's summary</p>	<p>What are the common issues and concerns, how should we move forward, how can we network in practice, should we arrange another conference, when?</p> <p>There are a lot of different regulatory approaches, but only one agenda/goal: To prevent accidents and achieve good HSE performances.</p> <p>One key issue is sharing information between regulators and between regulators and the industry.</p> <p>The challenges are basically similar worldwide, despite differences in environmental conditions, phases, cultures, etc.</p> <p>Important to establish an international network of regulators – but one challenge is how this can be achieved (Regular international conferences? Web site? E-mail system?)</p> <p>This IRF conference has created commitments – but who should carry the can from now on?</p> <p>The reported proposals and comments from the round table discussions will be addressed and discussed at the next IRF meeting in Scotland, 20 – 22 September 2005.</p>
<p>Closing remarks</p>	<p>By Justin McCracken, Deputy Director, HSE, UK</p> <p>The conference has been working to identify practical steps that can be made to achieve improvements in offshore safety, and to address international safety and regulatory issues.</p> <p>The International Regulator's Forum has committed:</p> <ul style="list-style-type: none"> • To build a global network of regulators and industry bodies dedicated to the common cause of raising health, safety and environmental standards offshore; • To deliver, within a year, some real examples of common, global standards in areas of practical value to the industry worldwide, such as, lifting and performance measurement; and • To build on these achievements on a longer term by identifying – and delivering – other products essential to delivering this global partnership. <p>Work has now begun to address joint approaches to safety problems, align safety and business drivers, understand the differences in regulatory regimes and standards and the impact this has on global businesses.</p> <p>Most of all, the conference has demonstrated that best sustainable economic performance of the upstream oil and gas industry is inseparable from first class safety performance.</p> <p>The conference focussed specifically on: The benefits of a strong safety culture; how collaboration between regulators can work in practice and achieve improvements in offshore safety and operational efficiency, the identification of common safety issues, the sharing of performance information and the building of a community of global regulators that can work together and support each other on common issues.</p>

