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HEALTH AND SAFETY COMMISSION

International Offshore Safety Regulators Conference

A Paper by TAF Powell

Advisor(s):

Cleared by Chris Willby on 18th February 2005

Issue

1. An international safety regulator's conference for the offshore industry will take place in London between 30 March and 1 April 2005 bringing together regulators from around the world. The conference will be the first step to creating global consistency for safety in the offshore oil and gas industry and raising standards on an international basis. This is important because while offshore oil and gas businesses are global, standards vary significantly from region to region. The International Regulators Forum (IRF) comprising nine offshore regulators, including HSE, conceived the idea, and we offered to organise the event.

2. HSE has involved the Foreign and Commonwealth Office and DTI to help strengthen the link between safety and sustainability. UK Trade and Investment (UKTI), an agency of FCO and DTI, appreciate the potential of showcasing the UK safety regime to further boost export of the UK's safety expertise. However, UK plc is not the primary aim and there is considerable international support for the conference. Dagfinn Hoybraten, Norwegian Minister of Labour and Social Affairs and Gale Norton, a member of President Bush's Cabinet and Secretary of the US Department of the Interior, will open it. Malcolm Brinded, CEO and Deputy Chairman of the Shell Group and Dr Tony Haywood, CEO and Group Managing Director for Exploration and Production in BP will give keynote speeches. Delegates from all continents will attend the conference. Timothy Walker and Justin McCracken will formally address the event. Regulatory counterparts from IRF will manage proceedings. DWP Ministers are unavailable for the main proceedings.

Timing

3. Routine.

Recommendation

4. For information.

Background

5. The IRF comprises nine members – USA, Norway, Netherlands, Brazil, Australia, New Zealand, Nova Scotia, Newfoundland and the UK. The IRF was established in 1994 to promote a common understanding of issues related to offshore safety. IRF members exchange ideas and opinions to promote a common understanding of, for example, the relationship between regulators and industry. This is important because the development of consistency in approach by regulators raises standards. This is particularly relevant now because in the mature basins of the world (like the North Sea: most oil and gas comes from these) declining installation integrity, and production shut downs and drilling interruptions caused by accidents and equipment malfunction are having an adverse effect on national economies.

6. The conference was initiated at a time when IRF, at HSE's lead, began to take concerted action in support of global safety priorities and to widen its membership and encourage more nations (there are 78 states with an offshore oil and gas industry) to raise standards, protect workers and create a sustainable base for their energy industry. The conference is designed to encourage wider sign up to the IRF's principles and collaboration with the group. The conference will focus specifically on: the benefits of a strong health and safety culture; how collaboration can work in practice; and identifying common safety issues that need to be addressed.

7. Around 160 people will attend the conference. There will be senior officials of regulatory bodies from around the globe such as Angola, Iran, Iraq, Russia, Nigeria India, China, East Timor, Malaysia and Venezuela. All NW European regulators (Denmark, Faroes, Ireland etc) will attend. While the conference is primarily for regulators, the involvement of the industry is a key strand for delivering sustainable outcomes. Therefore there will be industry representatives from the world's largest oil and gas operators, drilling contractors and major suppliers and global trade associations, a number of whom have pledged financial sponsorship. ILO, and Lars Anders Mhyre, President of the International Federation of Chemical Energy Mine Transport and General workers Unions will represent offshore workers.

8. The conference is being organised using a steering committee headed by Taf Powell and a programme committee headed by Magne Ognedal, Director General, Petroleum Safety Authority Norway.

Argument

9. This is a unique event for the worldwide oil and gas industry, and a significant event for the UK industry and HSE. It will allow delegates a chance to confront the issue that global companies perform differently in the different countries in which they operate. It will provide an opportunity to emphasise the UK industry's attitude, *viz* that business efficiency, sustainability and safety go hand in hand, and it will showcase HSE's leadership of safety.

10. In addition to the support received from international partners, the Duke of York has offered to support the event by hosting a conference reception at Buckingham Palace. Alan Johnson, Secretary of State, DWP will attend. There will be a further reception at the

Marquee Terrace in the Palace of Westminster, hosted by Lord Hogg, at which three awards for outstanding international safety leadership will be given – one to a US Drilling contractor, one to a Norwegian group and one to the UK's Step Change in Safety group. Information about both the evening events is currently restricted and this paper will remain closed until 16th March.

Consultation

11. Policy Group and International Branch have assisted in various aspects of this paper. A prior briefing has been given to Danny Carrigan and Margaret Burns because of their special interest in the sector; both have indicated they will attend part of the event. Chris Willby and Bill Callaghan have been briefed, and have given advice.

Presentation

12. The Minister and Secretary of State have been briefed on the event and were asked to attend to give keynote speeches. Both have prior engagements but the Secretary of State will attend the conference reception. Timothy Walker and Justin McCracken are intending to speak on days two and three. On balance there is enough official UK representation at an event designed, after all, to reach the global offshore regulators; indeed additional British input may be of concern to some IRF members. Press office are aiming for coverage of the event in the main international offshore oil and gas trade papers and UK broadsheets. Upstream have already had a preview interview with Taf Powell.

Costs and Benefits

13. Strictly speaking this is not a UK conference, it is a product of IRF and staff costs have been shared to some extent. However HSE stands to benefit from this event being in the UK. The strong support given to it by very senior public officers from the UK and from abroad enhance HSE's standing and safety leadership. The UK offshore regime is the most copied in the world and it is hoped HSE will extend its overseas influence, and hence its impact on the performance of the global industry.

Financial/Resource Implications for HSE

14. The physical arrangements for the conference are being organised by a specialist firm on a risk/reward basis and there are no costs or significant resource implications for HSE.

Environmental Implications

15. None.

Other Implications

16. None.

Action

17. None.