

# International regulatory trends

## Presentation to WA Petroleum Day 2018

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14 September 2018

- National regulator for health and safety, well integrity and environmental management for offshore oil and gas operations
- Independent statutory authority/decision maker on relevant regulatory matters
- Responsible for Commonwealth waters and coastal waters where powers are conferred
- Staffed by experts, including extensive industry experience
- Fully cost recovered via fees and levies



- NOPSEMA administers an objective-based regulatory framework modelled on the UK HSE:
  - Comprehensive risk management plans submitted for acceptance
  - Risk creator owns the risk
  - Obligation on industry for continuous improvement
  - Regulator focusses on prevention via compliance monitoring
  - Regulator also investigates potential breaches and uses enforcement powers

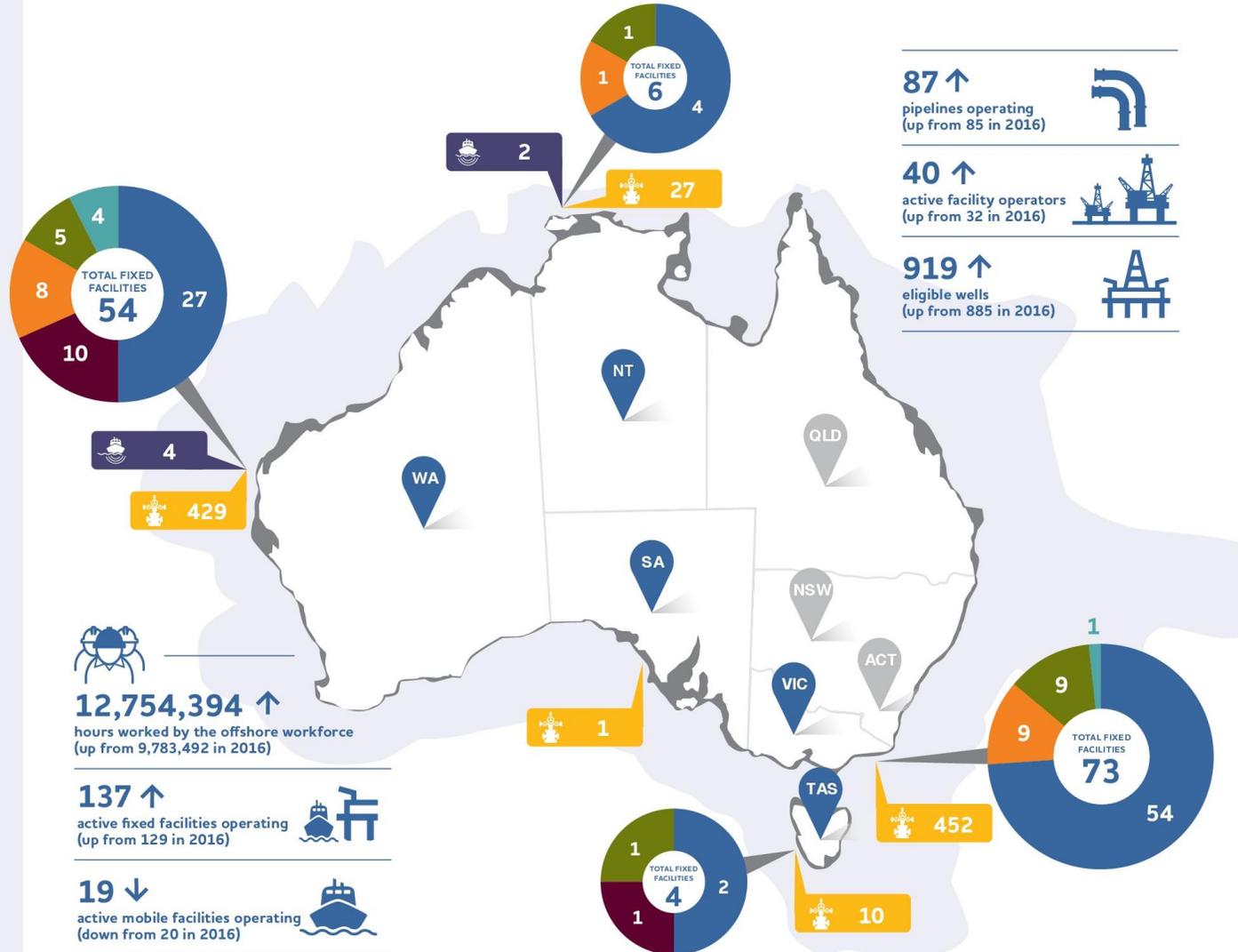
## Facility types

### Fixed facilities

-  Pipeline
-  FPSO
-  Platform NNA (not normally attended)
-  Platform NA (normally attended)
-  Other

 Seismic activity

 Eligible wells



Note: This map does not include mobile facilities such as MODUs and vessels undertaking petroleum activity.  
Note: there was no greenhouse gas activity in NOPSEMA's jurisdiction in 2017.

- Performed particularly well in 2016 and into 2017 despite continued low prices
- Industry risk profile has been changing:
  - Transition from exploration to production phase
  - Changing industry profile
  - Capability being stretched
- Warning signs appeared in 2017
  - Serious incidents
  - Near misses
  - Hydrocarbon releases
- NOPSEMA actions

- NOPSEMA implements an engagement strategy targeted at shaping international regulatory trends and learning from the experience of others for application in Australia
- The strategy includes participation in the leading regulatory forums such as:
  - The International Regulators Forum (and Management Committee)
  - The International Offshore Petroleum Environmental Regulators Group
  - The International Upstream Forum

- The strategy also encompasses NOPSEMA:
  - presenting at international forums that will support regulatory outcomes in Australia
  - sharing information with fellow regulatory bodies
  - undertaking exchanges/secondments with other regulators globally
  - cooperating with other regulators on international actions where appropriate.
- Intelligence gathered from international interaction is shared with industry and others in Australia, including the identification of similarities and differences with our experience

## Int'l regulatory trends – similarities with Australia

- Substantial falls in industry employment from late 2014
- Similar legislative arrangements for workforce engagement (but application differs)
- Concerns regarding the quality of industry incident investigations and reports
- Pressure on regulators to take more punitive enforcement actions
- Opportunity for step change in safety performance through data sharing across industry

## More int'l regulatory trends – similarities with Australia

- Important role for international standards in facilitating safety outcomes
- Changing risks with the sale of late life assets by super majors to smaller operators
- Much excitement around decommissioning but less enthusiasm from safety regulators
- Little improvement in industry performance on hydrocarbon releases over last five years
- Pressure on the industry social licence to operate
- Rising community expectations for transparency and consultation

## Int'l regulatory trends – differences with Australia

- Little improvement internationally on fatalities over last five years
- Under-investment in maintenance in some jurisdictions, with potential impacts on safety
- Strong recovery in Australian offshore employment during part year
- Major addition to offshore productive capacity in Australia
- Decommissioning liabilities cannot be transferred