

Sharing EUOAG Members' Experiences and Practices in Implementing their Competent Authorities' Arrangements

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EUR 29639 EN

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EU Science Hub

<https://ec.europa.eu/jrc>

JRC115373

EUR 29639 EN

PDF	ISBN 972-92-79-99320-6	ISSN 1831-9424	doi:10.2760/795750
Print	ISBN 978-92-79-99319-0	ISSN 1018-5593	doi:10.2760/18685

Luxembourg: Publications Office of the European Union, 2019

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How to cite this report: Walker, S., Contini, S., Tarantola, S., *Sharing EUOAG Members' Experiences and Practices in Implementing their Competent Authorities' Arrangements – JRC Technical Workshop for EUOAG members (JRC Ispra, 26th-28th November 2018)*, EUR 29639 EN, Publications Office of the European Union, Luxembourg, 2019, ISBN 972-92-79-99320-6, doi:10.2760/795750, JRC115373.

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Abstract

Directive 2013/30/EU on safety of offshore oil and gas operations (also known as Offshore Safety Directive - OSD) was published in 2013 with the aim of establishing minimum requirements for major accident prevention in offshore oil and gas operations and for limiting the consequences should such events occur.

In accordance with the provisions of Article 41, Member States (MS) were obliged to complete the process of transposition of the Directive at national level by July 2015, and their appointed Competent Authorities (CA) for offshore safety were required to start applying in practice the provisions in their daily operations.

Particularly in relation to existing installations – all laws, regulations and administrative provisions necessary to comply with the Offshore Safety Directive had to be implemented by July 19th, 2018 at the latest, as specified in the transitional provisions of Article 42.

On 26th -28th November 2018, the technical workshop entitled "*Sharing EUOAG members' experiences and practices in implementing their Competent Authorities' arrangements*" was organised by the Joint Research Centre (JRC) – with the support of the Directorate-General for Energy (DG ENER) - in Ispra, Italy.

The main purpose of the event was to provide opportunities to Member States for sharing and reviewing their experiences and practices in the development of their Competent Authority's arrangements for complying with the requirements of Directive 2013/30/EU.

The present report summarises the main conclusions from that event, and identifies potential issues for further consideration by individual EU MS Competent Authorities, the European Union Offshore Oil and Gas Authorities Group (EUOAG) and the European Commission's Directorate-General for Energy (DG ENER).

Acknowledgements

We would like to express profound appreciation to all speakers for their invaluable contributions to the high-level content of the event.

We would also like to thank all participants for their active collaboration and contribution to the stimulating discussions and group exercises.

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1 Introduction

Directive 2013/30/EU (also known as Offshore Safety Directive - OSD) was published in 2013 with the aim of establishing minimum requirements for major accident prevention in offshore oil and gas operations and for limiting the consequences should such events occur. Member States were obliged to complete the process of transposition of the Directive at national level by July 2015, and their appointed Competent Authorities for offshore safety were required to start applying the provisions in their daily operations. However, in relation to existing installations, all laws, regulations and administrative provisions necessary to comply with the OSD had to be implemented by July 19th, 2018 at the latest.

This workshop – supported by the European Commission’s Directorate General for Energy (DG ENER) and organized by the European Commission’s Joint Research Centre (JRC) - was the first workshop to be held following the deadline of July 19th 2018. It aimed at providing an opportunity for Member States to share and review their experiences and practices in the development of their Competent Authority's arrangements. The workshop also aimed at stimulating interactions and discussions between participants about any major difficulties encountered and the main challenges to be faced in the future in relation to the requirements of Directive 2013/30/EU.

The event had the following objectives:

- To gather knowledge of the current practices and processes followed by Competent Authorities for carrying out their main regulatory functions, and to review experiences in implementing the Competent Authority requirements of the Offshore Safety Directive;
- To explore the current arrangements followed by the Member States concerning well operations and combined operations, and to identify good Competent Authority practices;
- To highlight and discuss the main challenges that Competent Authorities will face as the European offshore industry changes in the future;
- To share information on the arrangements in place for the preparation of Competent Authority's documentation.

The detailed topics for this workshop were selected from suggestions from EUOAG members, and the event was a mixture of presentations, small group exercises, and plenary discussions in five sessions:

- **Session I** – Overall experiences of Competent Authority arrangements;
- **Session II** – Well operations, Workovers and Interventions;
- **Session III** – How can Competent Authorities respond to future changes in the offshore industry?
- **Session IV** – Combined Operations;
- **Session V** – Competent Authority documentation.

The complete workshop material, i.e. agenda, presentations and group exercises, is publicly available on the *Workshops and Training Courses* section of the Virtual Centre of Offshore Safety Expertise (ViCOS) website: <https://euoag.jrc.ec.europa.eu/vicos/>.

Participation to the workshop was open to the EUOAG Members and to the Representatives of Third Countries, the Industrial Associations and the Unions at the EUOAG, and to all Member States' authorities involved in the implementation of the requirements of the Directive at the national level.

A total of forty (40) participants attended. The event saw the participation of delegates from numerous EU Competent Authorities (CY, DE, DK, EL, ES, HR, IE, IT, NL, PT, RO, UK) and Norway, Third Countries (LEB, ME), Industrial Associations (IOGP, IMCA, ECSA) and companies (Edison E&P, INA Jadran), certification societies (RINA Services), and academia (Polytechnic of Turin).

The purpose of this report is to summarise the discussions and main conclusions from the event, and to identify potential issues for further consideration by individual EU Competent Authorities, EUOAG and the European Commission (particularly via the current process of review of Directive 2013/30/EU).

2 Session I: Overall experiences of Competent Authorities' arrangements

Session I involved presentations from the Croatian Hydrocarbon Agency (CHA) and the Committee for Safety of Offshore Operations of Italy to describe their experiences in setting up their respective Competent Authorities, a presentation from the International Association of Oil and Gas Producers (IOGP) about the industry view of how the OSD Competent Authority arrangements are now working, and the concluding Group Exercise #1 (the full text of the exercise is found in Annex 2). The exercise explored these issues more in depth in a small group environment, in order to identify what was working well and less well, what were the continuing challenges for competent authorities, and to develop ideas for future work in these areas.

It was clear that the significant changes in offshore safety and environmental regulation, brought about by the OSD, had created structures and responsibilities which encouraged improved joint working, both within Member States' authorities (with the new CA structure/responsibilities bringing together safety and environmental authorities and creating opportunities for closer cross-departmental working with other authorities such as those primarily responsible for emergency response) and between Member States' CAs and their industry/stakeholders. For instance, feedback indicated that the formal tripartite consultation arrangements introduced by the OSD appeared to work well, although MSs where offshore Unions were not in place had greater challenges with this. The improved dialogue between the industry and its regulators was recognised by IOGP. The OSD changes had also provided an environment to streamline regulatory processes, albeit sometimes at the initial cost of significant workload to develop appropriate documentation.

Inevitably, there were areas where the introduction of the CA arrangements were working less well. A common issue (mentioned in a number of the workshop sessions) for some MSs concerned the implementation of the OSD requirements over existing legislation and arrangements, with some of the old systems and requirements continuing in place when the OSD CA arrangements had already been introduced. This had the potential for reducing the consistency/impact of the OSD as the EU's major hazard offshore regulatory system, for instance by retaining additional requirements outside the OSD major hazard framework. This implied that there could still be scope in some MSs for further integration of MS competent authority regulatory activities and/or legislation. As pointed out by one delegate, there were advantages of "screening the existing system first".

Differing models of CA structures have been chosen, and it was clear that there is no "one size to fit all". A CA for a MS with very few installations and intermittent activity will, of necessity, be very different from those CAs with sizeable numbers of installations and constant offshore activity. Some of the smaller or less mature CAs also faced particular issues of training/competence, and having to juggle the initial use of consultants with developing/recruiting their own internal resources. Most CAs involved a matrix of (often existing) organisations operating under the umbrella of the CA, and this provided challenges of coordination, balancing different points of view and competence, and ensuring that the CA activities were as efficient as possible.

Issues of "interpretation" of the OSD itself were also still apparent, with a recurring issue being uncertainties about the scope and role of the independent verification requirements (further discussed in Session II). Other interpretation/definition issues, such as what is

considered a well operation and a combined operation, were explored further in Sessions II & IV respectively.

Although the CA arrangements for each MS should now be fully implemented, the value of continuing mutual help between CAs was emphasised regularly during the workshop. The examples often quoted concerned interchange or joint activities between CA staff, but this was not as common as some would wish, and there was scope for making this mutual sharing of expertise and practices more frequent. This was felt to be particularly important for those CAs who are less experienced.

The role of EUOAG was also valued, particularly within workshop settings like this event. Some felt, though, that the agendas for the formal EUOAG meetings could be more relevant to their needs. The role of EUOAG in providing clarification on some of the OSD definitions, and verifying the consistency of implementation amongst MSs was also mentioned, although there is an overlap with DG ENER's responsibilities. With respect to the OSD review carried out by the European Commission's DG ENER, the workshop provided strong and consistent views from CAs that the OSD arrangements were still developing as CAs gained experience in working, and there was a wish for more guidance and work to ensure consistency and efficiency of implementation of the existing approach rather than further legislative changes at this early stage.

3 Session II: Well Operations, Workovers and Interventions

Session II started with two technical presentations from the industry. The first provided the views of the Croatian offshore company, INA Jadran, about the different types of well workovers and well interventions¹ they undertake, the equipment used, the major hazard well controls, and some implications of the well operation requirements of the OSD from their perspective. The second industry presentation, from Edison Exploration & Production, highlighted the causes of well control failures and the range of risk mitigation strategies.

Presentations from the industry were followed by the contribution from the Danish Working Environment Authority (DWEA), who explained why well workovers/interventions were a focus for the industry in Denmark, introduced the recently published DWEA guidelines on offshore well operations, and explained the Danish approach (which sometimes went beyond the OSD requirements) to well operation notifications, approvals and reports.

The Session concluded with two Group Exercises:

- Group Exercise #2 was aimed at sharing CA experiences in responding to well operation notifications, to identify good and best practices, and to consider the OSD well design/control verification requirements;
- Group Exercise #3 undertook a similar task with respect to how CAs respond to the weekly reports of well operations required by the OSD.

The full texts of both group exercises are available in Annex 2.

There was general consensus over what operations were included in the OSD definition of a “well operation”. This included all coil tubing interventions, work via wireline and slickline, and snubbing operations, which all had the propensity to lead to loss of well control and hence to a major accident.

There was recognition, though, that not all “well operations” presented the same levels of risks, so some CAs had differing requirements for high risk well operations compared to more routine well intervention work – for instance, allowing generic notifications for standard intervention operations on an installation or shorter notification timescales.

There was wide variation between the approaches adopted by CAs upon the receipt of a well operation notification. These ranged from a formal and lengthy CA approval process before well operations could start, to one where CAs simply noted that they had no objections to the notification. Similarly, the range of notification deadlines was wide, with one CA needing notification six months before the planned operation, whereas others only requiring ten days.

There was recognition, though, that factors such as the CA maturity/experience, the numbers of anticipated notifications, and the political climate could all affect the systems and timescales which CAs operated for well operation notifications.

Some competent authorities were uncertain about the types of well operation notifications they should expect following urgent changes in a drilling programme. They suggested pragmatic approaches, for instance well kill operations being allowed to proceed without any additional notification, whereas non-emergency changes to the well programme

¹ “Well workovers” refer to well operations which entail the removal of the Xmas tree, and are most often performed with a separate MODU over the wellbore.

“Well interventions” refer to well operations which can be undertaken through an existing Xmas tree, usually by equipment such as wireline or slickline from the installation itself.

requiring re-notification. Interestingly, during this debate no one referenced the requirements of OSD Article 15(3), whereby well operators should *“immediately inform the competent authority of any material change to the submitted notification of well operations. The competent authority shall consider those changes and, if deemed necessary, take appropriate action.”* It therefore seems that this uncertainty can be easily resolved, as the Directive is clear.

Group Exercise #2 provided an opportunity to CAs to discuss issues of independent verification of well design and well control. It was clear that there is uncertainty about the scope of this well verification compared to the verification work of the SECEs of the installation(s). There was also an inconsistency of approaches towards Independent Verification Bodies (IVBs), with some CAs formally approving IVBs whereas others relying on the generic requirements in the OSD for operators/owners to only select appropriately independent and competent bodies/individuals.

Group Exercise #2 introduced a set of assessment guidelines for well operation notifications which had been developed by the JRC. There were no objections to these, with comments that they were broadly similar to the standards used by some CAs. Those CAs who do not have comprehensive assessment procedures for well operation notifications may therefore find those guidelines helpful. In particular, the importance of the notification including both the independent well design/control verification report and the well operator’s response (to make sure the verification report had been treated seriously) was stressed.

With respect to the OSD requirements for CAs to receive specific information in weekly reports of well operations, Group Exercise #3 identified a wide range of practices by CAs, often significantly in excess of the requirements of Directive 2013/30/EU in terms of information required, format, and frequency. Those CAs who required daily reports – which were common – used the information to undertake a “real time” assessment of the progress of the well operation so they could react straight away, whereas those CA who relied on the OSD weekly reports accepted that the information was more historical but still provided an opportunity for the CA to monitor progress and detect deviations in the well programme.

The point was made that for those MS with only limited drilling activity in their waters, individual drilling programmes can have a particularly high “political” profile. Hence, the desire from those CAs to be able to monitor progress on a day-by-day basis via weekly reports. Conversely, in MS where offshore drilling activity was more common, well operations tend to have a lower profile, so for those CAs the OSD weekly information requirements may be adequate for their oversight purposes.

The need to involve wells specialist expertise to scrutinise this technical information was also raised, with the UK highlighting that if they went to daily well operation reports it would require the technical scrutiny of around 25,000 such reports every year.

4 Session III: How can Competent Authorities respond to future changes in the offshore industry?

Session III provided an opportunity for delegates to look at their CA arrangements in relation to future challenges, with initial presentations from IOGP and DG ENER providing a platform for the discussions.

IOGP provided a positive view of the future changes which are likely to take place in the European offshore industry, with significant finds still being discovered in the North Sea and the Mediterranean. Over the next 25 years, it was estimated that around 50% of the European Union's gas requirements would be provided from EU/Norway reserves, and a lower but still significant level of 25% of EU's oil supplies being similarly met over the next 20 years.

Although there was a gradual reduction in investment in the North Sea, accompanied by a significant change in the offshore operators, private equity specialist companies were replacing the oil majors. The advantages of these company changes included an initial increase in investment and concentration on enhancing recovery, but with a tight focus on cost control and a concern to reduce obstacles to increasing production (such as easing access to existing infrastructure and flexible licences). However, the new companies have a shorter time horizon than the majors they are replacing, so are likely to leave quickly should profitability be threatened.

The IOGP presentation also highlighted the continuing use of innovative technology such as robotics, and also the growing de-carbonisation pressures which could encourage the development of carbon capture offshore.

DG ENER gave a brief review of the implementation of the OSD, which they considered had gone well compared to some other major directives. They would be following up some implementation issues, though, with MS in due course. In the meantime, work was in progress to undertake the review of Article 40 of Directive 2013/30/EU, with a public consultation exercise closing at the end of December 2018. DG ENER provided delegates with details of the process which would lead up to the review report for the European Parliament/Council by July 2019. It was emphasised that there were no firm proposals for amending the OSD, although issues raised so far included decommissioning, cyber security, independent verification, and mutual recognition of MODUs.

With the general background established, the workshop then heard two presentations relating to the challenges from the maturing nature of Europe's offshore industry.

RINA services, a company experienced in providing engineering consultancy and certification services for offshore platforms in the Mediterranean and elsewhere, described their approach toward ageing platforms. Their reassessment process provided an example of the types of technology and engineering tools which are available to operators to manage their ageing offshore platforms and their possible life extension, taking into account continuing safety and environmental protection as well as commercial cost-benefit issues.

This presentation was followed by a contribution from the UK Offshore Safety Directive Regulator (OSDR), which described the range of oversight programmes they had run over many years to assess how the UK offshore industry was managing their ageing asset challenges.

These two presentations on ageing assets provided a clear lesson for CAs - the management of ageing offshore installations by the industry and the monitoring of the effectiveness of those measures by CAs are complex long-term issues and cannot be instigated or resolved quickly or easily.

With ageing assets and their life extension being a fact of life in EU waters, CAs will need to be able to assess a wide range of indicators to build up a picture of whether their operators are able to professionally manage ageing assets, and the tools within the OSD for RoMH periodic reviews, CA directed reviews and material change revisions can all play a part. The experience from UK's OSDR was that CA oversight of ageing assets could not adopt a simple "find and fix" approach, but rather one of assessing their operators' abilities to managing such issues themselves.

The range of indicators which CAs can use as part of their oversight strategies could usefully include company Operational Risk Assessment (ORA) systems, their performance in managing their maintenance backlog, the quality of safety leadership, and the use of verification to manage potentially deteriorating plant and equipment. The quality of CAs' continuing dialogue with top management (not just when there are problems) was identified as a key influencing factor.

All ageing installations will inevitably finally cease operation and production, so the Dutch CA, i.e. State Supervision of Mines (SSM), then presented their experiences on decommissioning of offshore platforms. Since 1997, 22 Dutch installations have been decommissioned and removed, and delegates were reminded that decisions on offshore installation decommissioning would involve not just the OSD CAs, but often other Ministries involved in licensing, economic affairs, and longer term maritime environmental issues.

SSM's experience has been positive, with no major incidents during decommissioning activities, and they have been able to maintain a low profile of regulatory activity during this phase of the installation life cycle. Well Plugging & Abandonment (P&A) is covered by the normal OSD well operation notification, where NL reference the NOGEPa Standard 45, although it was mentioned that the NSOAF were interested in better harmonisation between MS on standards for well abandonment.

Looking into the future, the rate of installation decommissioning will increase in the next ten years, with around 50% of NL's 155 offshore installations to be decommissioned between 2017 and 2026. Although SSM regulatory experience has been a "light touch", they identified the continuity financial liability for P&A wells, and decisions about when to remove installations and connecting infrastructure after the cessation of production, as issues which may be outside the OSD.

The last presentation in this session took forward a key issue from IOGP's presentation, namely how can CAs respond to changes in installation ownership. The presentation from the Norwegian Petroleum Safety Authority (PSA) described a picture of significant selling of assets and amalgamation of companies working in their waters, which brought a variety of benefits such as commitment for investment, enthusiasm for new technology and ideas, and leaner management cultures with less bureaucracy. However, there were also significant challenges related to the loss of competence in the smaller companies (with the loss of the centralised technical expertise in the old "majors"), lack of experience in working in the region, a narrower risk awareness, building up new safety cultures and merging old/new management systems. There was a similar picture with MODUs, with a more challenging

commercial environment leading to acquisitions and mergers, reduced crew, lower rates with less maintenance time in the contract, centralisation of some functions outside of Norway's part of the business, and a cycle of cold stacking and reactivation of MODUs.

PSA's experience was of increasing major hazard risks within the MODU fleet, echoing a point made by Edison's presentation in Session II that worldwide well control incidents were increasing.

Via case studies, the presentation went on to describe the CA approach to such organisational and company changes. Although Norway does not implement the OSD, the CA milestones of its involvement during the life cycle of an installation were broadly similar to those required by the OSD. Their key approach was to undertake "business transfer audits" for the new company at an early stage, reviewing its risk assessment and scrutinising the proposed change management processes, competency and workforce involvement capabilities. More focused installation-based audits would follow later.

The presentation also echoed some of the points raised in the earlier presentation from the UK, in so far as their approach was a combination of "watchdog" and "guidedog", with the objective of making sure Norwegian companies can manage their own risk rather than relying on CA actions.

5 Session IV: Combined Operations

Session IV provided delegates with the opportunity, via Group Exercise #4, to develop consensus about what activities came within the definition of a “combined operation” (CO), and to share different approaches on how CAs respond to CO notifications.

The full text of Group Exercise #4 is available in Annex 2.

It quickly became clear that there is divergence over what activities different CAs consider as “combined operations”. Some CAs make the link directly with the OSD, which requires operations between **two or more installations**, whereas others take a wider view and consider any simultaneous operations (**SIMOPS**) between an installation and other vessels such as diving support vessel, pipeline laying vessel, or construction barge (which are not “installations” as defined in the OSD²) as also being covered by the term CO. There was also uncertainty for some operations, such as whether a MODU working over a subsea template controlled by a remote installation was also a CO within the OSD definition.

Differing approaches were adopted when a CA receives a CO notification. The timetable for the notification submission varied considerably, from 21 days to 6 months prior to the start of the CO, depending on the CA. At least one CA went through a formal “approval” process when they received a CO notification, and another would inspect both installations prior to the CO taking place. Others adopted a lighter approach, assessing the notification against defined guidelines and returning the notification to the operator if there were concerns.

Issues relating to the bridging documentation and joint emergency response arrangements were highlighted as key issues for the assessment of such a notification. The guidelines for CO notification assessment contained in the JRC publication *“Guidelines for the Assessment of Reports on Major Hazards based on the requirements of Directive 2013/30/EU”* [1] were felt to be a minimum, but a number of the groups felt that it could be expanded.

Delegates recognised that as some CAs had little experience in using the OSD for COs, it was difficult to establish good practice. It was felt that EUOAG could have a role in providing more consistency of approach towards COs, and one suggestion was that EUOAG could provide a CO case study to enable competent authorities to test their own procedures.

² Article 2(19)

6 Session V: Competent Authority documentation

In session V, a summary of the rather confusing and at times overlapping documentation requirements in Articles 8 & 9 and Annex III the OSD was provided.

A paper named ***“How transparent are EU Offshore Competent Authorities?”*** prepared by the chair of the workshop was presented, which reminded delegates of the post Deepwater Horizon drive for greater openness by CAs and the specific requirements in the OSD for making certain types of information more freely available. The paper described how a “secret shopper” survey had been undertaken to assess the transparency, quality and scope of information which ten EU offshore CAs had on their website in compliance with OSD requirements.

The results of that informal assessment were mixed – the anonymised table of results showed that only three of the CA websites were clear and easy to understand and substantially provided all the necessary transparency information. Of the remaining seven websites, three needed improvement to make their information comprehensive, but four had significant omissions, with key information either missing, out-of-date or inadequately presented.

The subsequent Group Exercise #5 took the discussion on these issues further (see Annex 2 for the full text of the exercise). The anonymised results of the “secret shopper” survey of CA websites attracted a lot of interest. One of the key reasons for some of the poorer showing appeared to be lack of priority given to transparency and communication issues, and this was particularly a problem when website management was outside the direct control of the CA. The commitment of resources to continually update CA websites, for example to respond to re-organisations, new processes or recent incidents, was also mentioned. A challenge for CAs which comprised a number of different organisations was to ensure that the CA website had clear and effective links to information on the activities of the constituent organisations.

Group Exercise #5 then explored how CAs delivered their OSD obligation to make “annual plans for effective oversight”. All those CAs with an active offshore industry had annual plans, but their purpose and complexity varied. Some of the plans were for internal purposes only, used to set “business” objectives and for monitoring subsequent operational performance. Some were more detailed, even down to individual installation annual oversight plans, and one CA published a time-bound strategy for how it undertakes the oversight of its offshore industry with appropriate targets for different types of intervention activity. Some CAs had difficulty in deciding how to reflect the non-planned nature of its reactive work (for example, investigations) in an annual plan, but others were able to reflect this by allocating time/resources to such inevitable work. The practices of sharing annual CA plans with the industry also varied – some communicated only generic plans (informally or formally), whereas others were more willing to share more detailed plans with installations' operators/owners.

The last task of this Group Exercise was for delegates to consider the purpose of the OSD requirement for all CAs to prepare a “policy statement”, and then to identify any good/best practice. Time for this task was limited, though, so discussion only highlighted that several CAs either hadn't prepared such statements or did not publish them externally. One CA explained the difficulty in preparing a CA policy statement when other national authorities duplicated its CA tasks.

One interesting example of good practice was provided by PSA Norway, who have a video on its website to provide an easily accessible explanation of its policy in providing its offshore regulatory activities.

7 Conclusions and potential further actions

The overall feedback from delegates after this event was very positive, and this report of the discussions and conclusions provides a legacy document from the workshop. However, in order to provide a mechanism for taking some of the conclusions further, this section identifies a range of potential actions which could be appropriate, split into those appropriate for Member State CAs to consider, those better addressed by EUOAG and, finally, those which may be more appropriate for the European Commission to consider, mainly (although not exclusively) via the review of Directive 2013/30/EU.

Potential further actions for consideration by individual CAs

- i. Where MSs have implemented the OSD CA requirements over existing legislation and arrangements, a review of the value of the old systems and requirements which remain in place now that the OSD CA arrangements have been fully introduced may be appropriate;
- ii. The value of continuing mutual help between CAs was emphasised regularly during the workshop, especially interchange or joint activities between CA staff. This was not as common as some would wish, so the more experienced/mature EUOAG CAs may like to consider whether they could increase the frequency of such mutual sharing of expertise;
- iii. Some CAs were uncertain about the types of well operation notifications they should expect following urgent changes in a drilling programme. CAs are reminded of the requirements of Article 15(3) of the OSD, whereby well operators should *“immediately inform the competent authority of any material change to the submitted notification of well operations. The competent authority shall consider those changes and, if deemed necessary, take appropriate action.”* It therefore seems that this uncertainty can be easily resolved, as the OSD is clear;
- iv. Group Exercise #2 introduced a set of assessment guidelines for well operation notifications which had been developed by the JRC, and there were no objections to these. Those CAs who do not have comprehensive assessment procedures for well operation notifications may therefore find those guidelines helpful;
- v. A clear conclusion from the workshop was that CA monitoring of the effectiveness of the management of ageing offshore installations by the industry was a complex long-term issue which could not be instigated or resolved quickly or easily. CAs may like to consider the need to look at a wide range of indicators to judge whether their operators are able to professionally manage ageing assets, and the tools within the OSD (i.e. RoMH periodic reviews, CA directed reviews and material change revisions) can all play a part. The range of indicators which CAs can use as part of their oversight strategies could usefully include company Operational Risk Assessment (ORA) systems, their performance in managing their maintenance backlog, the quality of safety leadership, and the use of verification to manage potentially deteriorating plant and equipment;
- vi. In relation to how CAs can respond to changes in installation ownership, the Norwegian CA’s approach may be of relevance to other EUOAG CAs. Their key mechanism was to undertake “business transfer audits” for the new company at an early stage, reviewing its risk assessment and scrutinising the proposed change

management processes, competency and workforce involvement capabilities. More focused installation-based audits could follow later;

- vii. CAs may like to re-assess what activities they consider requiring notification as a “combined operation”, in the interests of consistency of approaches across EUOAG members. Although some CAs link directly with the formal definition in the OSD, which requires operations between **two or more installations** to be notified, others go beyond the OSD by considering that any simultaneous operations (**SIMOPS**) between an installation and other vessels should also be covered by the term “combined operation” and hence trigger the notification requirements;
- viii. The guidelines for combined operation notification assessment contained in the JRC publication *“Guidelines for the Assessment of Reports on Major Hazards based on the requirements of Directive 2013/30/EU”* [1] were felt to be a minimum, with the assessment of the bridging documentation and joint emergency response arrangements particularly identified as key issues;
- ix. CAs may like to reassess the adequacy of their transparency arrangements, in the light of the informal findings of the “secret shopper” survey of their websites. The paper presented at the workshop gave some indications of the range of effective website indicators. Key reasons for some of the poorer showings appeared to be lack of priority given to transparency and communication issues (particularly when website management was outside the direct control of the CA) and the availability of resources needed to continually update CA websites to respond to re-organisations, new processes or recent incidents.

Potential further actions for consideration by EUOAG

- i. The value of continuing mutual help between CAs was emphasised regularly during the workshop, but this was not as common as some would wish. EUOAG may like to explore what action can be taken to better encourage/facilitate the mutual sharing of expertise and practices via interchanges between the more experienced and less experienced EUOAG members;
- ii. EUOAG should note the CAs’ view of the value of workshops in any future EUOAG work plans;
- iii. There were suggestions that EUOAG could assist in providing clarification on some of the OSD definitions and verifying the consistency of implementation amongst MS. For instance, there was continuing uncertainty about the scope of well verification compared to the verification work of the SECEs of the installation(s), and inconsistency of approaches towards IVBs by CAs;
- iv. It was felt that EUOAG could have a role in helping CAs to improve their consistency of approach towards combined operations. One suggestion was that EUOAG could provide a CO case study to enable CAs to test their own procedures;
- v. The “secret shopper” survey of CA websites attracted a lot of interest and identified inconsistencies in the CA transparency requirements of the OSD. This could be another topic of continuing interest by EUOAG;
- vi. Discussions arising from the group exercise on the OSD obligation for CAs to make “annual plans for effective oversight” showed that their purpose and complexity

varied and there was a general lack of a consistent approach. Again, this could be another topic of continuing interest by EUOAG.

Potential further action by the European Commission

With respect to the review of Directive 2013/30/EU currently under discussion by the European Commission, the workshop provided strong and consistent views from CAs that the OSD arrangements were still developing as CAs gained experience in working, and there was a wish for more guidance and work to ensure consistence and efficiency of implementation of the existing approach rather than further legislative changes at this early stage.

However, the wide-ranging discussions between EUOAG members, reported in Sections 2-6 on their experiences and practices of implementing the CA requirements of the OSD, may be relevant for consideration by the OSD review. In particular:

- i. A common issue was that some MS had implemented the OSD CA requirements over existing legislation and arrangements, with some of the old systems and requirements continuing in place when the OSD CA arrangements are introduced. This had the potential for reducing the consistency/impact of the OSD as the EU's major hazard offshore regulatory system, for instance by retaining additional requirements outside the OSD major hazard framework. This implied that there could still be scope in some MS for further integration of MS competent authority regulatory activities and/or legislation;
- ii. There was a desire from some CAs for assistance in clarifying some of the OSD definitions;
- iii. Some inconsistencies in OSD implementation amongst MS were also identified;
- iv. There was wide variation between the approaches adopted by CAs upon the receipt of a well operation notification;
- v. There was some uncertainty about the scope of well verification compared to the verification work of the SECEs of the installation(s). There was also an inconsistency of approaches towards IVBs;
- vi. With respect to the OSD requirement for weekly well operation reports, discussions identified a wide range of practices by CAs, some significantly in excess of the OSD requirements in terms of the information required, the format, and the frequency;
- vii. There is divergence over what activities CAs consider as "combined operations". Some make the link directly with the OSD definition, whereas others take a wider view and apply the combined operation notification requirements to any simultaneous operations between an installation and other vessels such as diving support vessels, pipeline laying vessels, or construction barges;
- viii. The "secret shopper" survey of CA websites attracted a lot of interest and identified significant inconsistencies in the delivery of the CA transparency/communication requirements of the OSD.

References

[1] Walker, S., Konstantinidou, M., Contini, S., Zhovtyak, E., Tarantola, S., *Guidelines for the Assessment of Reports on Major Hazards based on the requirements of Directive 2013/30/EU - Summary and highlights of the JRC training course under the Virtual Centre of Offshore Safety Expertise*, EUR 28693 EN, Publications Office of the European Union, Luxembourg, 2017, ISBN 978-92-79-70670-7, doi:10.2760/608404, JRC107405

List of abbreviations and definitions

CA	Competent Authority
CO	Combined Operations
DG ENER	European Commission's Directorate-General for Energy
EU	European Union
EUOAG	European Union Offshore oil and gas Authorities Group
IVB	Independent Verification Body
JRC	European Commission's Joint Research Centre
MODU	Mobile Offshore Drilling Unit
MS	Member State
NSOAF	North Sea Offshore Authorities Forum
ORA	Operational Risk Assessment
OSD	Offshore Safety Directive (Directive 2013/30/EU)
P&A	Plugging & Abandonment
RoMH	Report on Major Hazards
SECE	Safety and Environmental Critical Element
SIMOPS	Simultaneous Operations
ViCOS	Virtual Centre of Offshore Safety expertise

Annexes

Annex 1. Agenda of the technical workshop

26th November 2018

Morning: Transfer of participants from the airports to the JRC Visitors' Centre

13:00-14:00 **Light Lunch & Registration**

14.00-14:20 **Welcome and Opening of the Workshop**

14:00 - Welcome by the JRC and EUOAG co-chair and domestic arrangements (S. Tarantola – JRC, W. Kennedy – UK BEIS)

14:05 - Objectives and structure of the workshop (S. Walker)

14:10 - Brief delegates' introduction

14:20-16:50 **Session I – Overall experiences of Competent Authority arrangements**

14:20 – Experience of setting up a Competent Authority from scratch (V. Vaniček, D. Dobrinić – Croatian Hydrocarbon Agency)

14:35 – Experience of adapting an existing offshore regulator body to the OSD Competent Authority model (R. Cianella – Italian Ministry of Economic Development, R. Gerboni – Polytechnic of Turin)

14:50 – The Industry view on how the EU Competent Authorities are working (C. Schwarck - International Association of Oil and Gas Producers)

15:05 – Group Exercise (split into four groups): *Reviewing Competent Authority's arrangements*. To review the creation and introduction of their own CA arrangements, and to identify priorities for improvement in the future.

16:05 – Coffee/Tea break

16:20 – Feedback from working groups and plenary discussion.

16:50-18:30 **Session II – Well Operations, Workovers and Interventions**

16:50 – Introductory presentation (S. Walker)

16:55 – How the Industry faces these issues (H. Goreta – INAgip d.o.o., P. Cavanna – Edison)

17:35 – Issues of concern to Competent Authorities (M. El Halimi – Danish Working Environment Authority)

18:00 – Plenary discussion.

18:30 **End of Day One / Transfer to the Hotels**

20:00 **Workshop Dinner for Delegates**

27th November 2018

08:00: *Transfer of participants from the hotels to the JRC Visitors' Centre*

08:30: *Tour of JRC Visitors' Centre*

09:00-09:15 **Recap from the previous day**

09:15-12:15 **Session II (cont'd) – Well Operations, Workovers and Interventions**

09:15 – Introduction to the Group Exercise (S. Walker)

09:25 – Group Exercise (split into four groups): *Well Operations Notifications*. To share experiences of how CAs respond to well operation notifications, to identify best/good practice, and to consider the verification requirements for well design and well control.

10:25 – Feedback from working groups and plenary discussion.

11:00 – Coffee/Tea break

11:15 – Group Exercise (split into four groups): *Well Operation Weekly Reports*. To provide an opportunity to share Competent Authorities' experiences and practices of handling weekly reports and to identify best/good practices.

11:45 – Feedback from working groups and plenary discussion.

12:15-13:00 **Session III – How can Competent Authorities respond to future changes in the offshore industry?**

12:15 – Experiences with the Offshore Safety Directive and the way forward (J. Köhli – European Commission's DG ENER)

12:35 – Overview of anticipated changes/challenges in Europe's offshore hydrocarbons industry (C. Schwarck - International Association of Oil and Gas Producers)

13:00-14:00 **Lunch break (buffet)**

14:00-18:00 **Session III (cont'd) – How can Competent Authorities respond to future changes in the offshore industry?**

14:00 – Ensuring continuing safety and asset integrity of ageing assets. The industry's approach to life extension (S. Copello – RINA) and the Competent Authority response to ageing assets (D. Walker - UK HSE).

15:30 – Competent authority response to decommissioning and well abandonment. Session covering the Competent Authority's role in responding to decommissioning (A. van Gulik, H. Weenink – SSM The Netherlands)

16:30 – Coffee/Tea break

16:45 – Competent Authority response to changes in installation ownership – Session covering how Competent Authorities can respond to the “traditional” major oil companies disinvesting in offshore Europe and being replaced by smaller, newer companies (B. T. Bache – PSA Norway)

18:00 **End of Day Two / Transfer to the Hotels**

20:00 **Workshop Dinner for Delegates**

28th November 2018

08:30: Transfer of participants from the hotels to the JRC Visitors' Centre

09:00-10:45 Session IV – Combined Operations

09:00 – Recap from previous day and introduction to the group exercise (S. Walker)

09:10 – Group Exercise (split into four groups): *Competent Authority Notifications*. To develop consensus about activities which are "combined operations", to share different CA approaches to such notifications, and to identify any priorities for action.

10:00 – Feedback from working groups and plenary discussion.

10:30 – Coffee/Tea break

10:45-12:15 Session V – Competent Authority documentation

10:45 – Summary of OSD documentary requirements and introduction to the Group Exercise (S. Walker)

10:55 – Group Exercise (split into four groups): *Documentary requirements*. To consider how CAs can better meet the openness/transparency requirements of the OSD, and to develop good practice for a range of formal OSD documentation, including CA Annual Plans and Policy Statements.

11:40 – Feedback from working groups and plenary discussion.

12:15-12:30 Conclusions

12:15 – Wrap up session and workshop conclusions

12:30 End of the Workshop

12:30-13:30 Light Lunch

14:00 Transfers to the Airport(s)

Annex 2. Group Exercises

Group Exercise 1. Reviewing Competent Authority Arrangements

Objectives: With the ending of the transitional provisions of Directive 2013/30/EU on 19 July 2018, this Group Exercise provides an opportunity for delegates to review how well the creation and introduction of their own Competent Authority arrangements has gone, and to identify priorities for improvements in the future.

Competent Authority arrangements can include the whole range of CA activities:

- *Assessment/acceptance of RoMHs and other notifications;*
- *Undertaking inspection, investigation and enforcement activities;*
- *Developing policies, processes and procedures;*
- *Working with other bodies , including advising licensing authorities;*
- *Ensuring independence and transparency of CA activities;*
- *Developing tripartite consultation and confidential reporting mechanisms;*
- *Provision of adequate resources, including training staff and using 3rd party consultants;*
- *Securing adequate funding for Government and/or industry.*

First, elect a rapporteur to record the group's discussions.

Task 1 (15 minutes)

Delegates from each Member State in the group briefly describe what changes were needed to set up their OSD Competent Authority, and how it was done.

Task 2 (15 minutes)

A group discussion to identify:

- a) Areas in which CA arrangements are working well;
- b) Areas in which CA arrangements are working less well;
- c) Areas which have represented the biggest challenge for Competent Authorities.

Task 3 (15 minutes)

In the light of the group discussion, identify (and prioritise!) ideas which could be taken forward to further improve the work of OSD Competent Authorities, including:-

- a) Via EUOAG;
- b) Via mutual help between CAs;
- c) Via the Review of Directive 2013/30/EU.

Report back to plenary on Tasks 2 and 3 (5 minutes per group)

Group Exercise 2. Well Operations Notifications

Objectives: this Group Exercise provides an opportunity for delegates to share experiences of how they respond to the well operation notifications which are now required by Directive 2013/30/EU, to identify good and best practises, and to consider the related well design/control verification requirements.

A “well operation” means any operation concerning a well that could result in the accidental release of materials that has the potential to lead to a major accident, including the drilling of a well, the repair or modification of a well, the suspension of well operations and the permanent abandonment of a well. [Directive 2013/30/EU, Article 2(23)]

“Major accident” includes an “incident involving an explosion, fire, loss of well control or release of oil [...] involving, or with a significant potential to cause, fatalities or serious personal injury [...] or any major environmental incident [...]”. [Directive 2013/30/EU, Article 2(1)]

First, elect a (different) rapporteur to record the group’s discussions.

Task 1 (10 minutes)

Identify any uncertainties about what is a “well operation”. In particular, reach consensus about whether the following are well operations:-

- a) Coil tubing interventions;
- b) Installing/setting/retrieving devices by wireline (e.g. SSSVs);
- c) Using wireline operations to establish communication (e.g. open/close sliding sleeves between tubing and annulus);
- d) Information gathering via wireline e.g. temperature/pressure surveys;
- e) Repair work by wireline, such as scraping wax from inside tubing.

Task 2 (20 minutes)

Delegates from each Member State in the group briefly describe the process they adopt when they receive a well operation notification. By discussion, identify suggestions for good/best practise and any areas where further improvements could be facilitated by the EUOAG or the OSD Review.

Task 3 (30 minutes)

As a group, come to a consensus about the adequacy of the suggested minimum information for each of the OSD Annex 1(4) well operation notification requirements in the attached table. (Discussion on the independent verification of the well should be the priority).

Identify any areas where MS require different or additional information.

Report back to plenary on all tasks (5 minutes per group)

<p><u>Annex : Group Exercise 2</u></p> <p>Well Operations Notifications</p>	
Requirements (as per Annex I.4 of Directive 2013/30/EU)	Possible Issues to be covered
<p>(a) the name and address of the operator of the well;</p> <p>(b) the name of the installation to be used and the name and address of the owner or, in the case of a production installation, the contractor undertaking drilling activities;</p> <p>(c) details that identify the well and any association with installations and connected infrastructure;</p>	Clarity and sufficiency of the information provided.
<p>(d) information on the well work programme, including the period of its operation, details and verification of barriers against loss of well control (equipment, drilling fluids and cement etc.), directional control of the well path, and limitations on safe operations in keeping with the risk management;</p>	<p>Does the information about the well work programme include:</p> <ul style="list-style-type: none"> ➤ a clear sequence of operations, with details of the safety-related steps related to well control (e.g. tests for formation integrity, casing and tubing pressure, cementing programme, BOP function and pressure tests, other barrier testing, etc.); ➤ the identification of any pressure, temperature and metallurgical limitations, and how they have been incorporated into the programme; ➤ confirmation that the programme will be undertaken to good industry practice, and the specification of what guidelines and standards will be used?
<p>(e) in the case of an existing well, information regarding its history and condition;</p>	Clarity and sufficiency of the information provided.

<p>(f) any details concerning safety equipment to be deployed that are not described in the current report on major hazards for the installation;</p>	<p>Clarity and sufficiency of the information provided, cross-referenced to the details contained in the relevant non-production RoMH. Such equipment could include that associated with well tests, workover pressure control, hydraulic fracturing and coiled tubing/wireline.</p>
<p>(g) a risk assessment incorporating a description of:</p> <ul style="list-style-type: none"> i. the particular hazards associated with the well operation including any environmental, meteorological and seabed limitations on safe operations; ii. the subsurface hazards; iii. any surface or sub-sea operations which introduce simultaneous major hazard potential; and iv. suitable control measures; 	<ul style="list-style-type: none"> ➤ Is the risk assessment methodology comprehensive, and undertaken by appropriate personnel? ➤ Are the identified hazards appropriate for the range of anticipated activities within the given well programme? ➤ Does the risk assessment identify those specific activities with a potential to cause a major accident during the well operation, including loss of well control? ➤ From an understanding of the well work programme, are any significant potential risks omitted? ➤ Is the risk assessment based on sufficient details about the geological strata and formations, including estimated formation pressures, locations of critical strata, types of fluids expected, temperatures, presence of toxic gas, areas of particular uncertainty, shallow gas potential, etc.?
<p>(h) a description of the well configuration at the end of operations - i.e. permanently or temporarily abandoned; and whether production equipment has been placed into the well for future use;</p>	<p>Clarity and sufficiency of the information provided.</p> <p>It is expected that the details should include the configuration and design of the wellhead and casing, along with any completions and temporary plugging arrangements,</p>
<p>(i) in the case of a modification to a previously submitted notification of well operations, sufficient details to fully update the notification;</p>	<p>Where applicable, clarity and sufficiency of the information provided.</p>
<p>(j) where a well is to be constructed, modified or maintained by means of a non-production installation, additional information as follows:</p> <ul style="list-style-type: none"> i. a description of any environmental, meteorological and seabed limitations on 	<p>Clarity and sufficiency of the information provided, which should include:</p> <ul style="list-style-type: none"> ➤ Explanation/confirmation that the environmental, meteorological and seabed conditions are within the MODU limitations. ➤ There should be clear evidence that appropriate site survey work has been performed (including

<p>safe operations, and arrangements for identifying risks from seabed and marine hazards such as pipelines and the moorings of adjacent installations;</p> <p>a description of environmental conditions that have been taken into account within the internal emergency response plan for the installation;</p> <p>a description of emergency response arrangements including arrangements for responding in cases of environmental incidents that are not described in the report on major hazards; and</p> <p>a description of how the management systems of the operator of the well and the owner are to be coordinated to ensure effective control of major hazards at all times;</p>	<p>shallow seismic, if necessary) to identify issues such as seabed obstructions, anchoring considerations, punch-through potential for jack-ups, etc.</p> <ul style="list-style-type: none"> ➤ In relation to the internal emergency response requirements, the information should be clear and sufficient when cross-referenced to the details contained in the relevant non-production RoMH. As the RoMH may only have generic information concerning emergency response provisions and equipment, the well notification should provide additional arrangements if those generic provisions are insufficient in the light of the specific environmental conditions described in the notification. ➤ A summary of the Well Operator's SEMS and its CMAPP will need to be included and will need to be assessed against the scope of the well operations and the well operator's responsibilities (those for the MODU owner will be considered as part of the RoMH assessment). ➤ In relation to the coordination of management systems between the owner and the well operator, there should be comprehensive bridging documentation, which should include: <ul style="list-style-type: none"> ✓ The allocation of responsibilities for the range of activities with the well operation, including design decisions and well control/testing; ✓ The specification of which codes, standards, guidelines and procedures will be followed, highlighting areas where there could be conflict with the existing MODU SEMS and processes; ✓ Agreed communication routes between well operator and MODU, with details of the management structures for the well operator and the MODU owner which are relevant to this particular well operation.
<p>(k) a report with findings of the independent well examination, including a statement by the operator of the well that, after considering the report and findings of independent well examination by the independent verifier, the risk management relating to well design and its barriers to loss of control are suitable for all anticipated conditions and circumstances</p>	<ul style="list-style-type: none"> ➤ The independent verification report is enclosed with the notification, and demonstrates that professional and independent assurance has been undertaken on the proposed well design and well control measures ➤ It is crucial that the Well Operator includes such a formal statement in the notification; ➤ If any of the findings/recommendations from the independent well verification have not been accepted by the Well Operator, clear, convincing reasons should be given.

<p>(l) the information relevant to these regulations obtained pursuant to the major accident prevention requirements of Directive 92/91/EEC;</p>	<p>Directive 92/91/EEC has a wider application than Directive 2013/30/EU but is broadly complementary, so that details in the RoMH will often cover the same major hazard prevention details. The onus is on the well operator to identify any areas where that is not the case.</p>
<p>(m) in respect of the well operations to be conducted, any information relevant to other requirements under these regulations obtained pursuant to Directive 2011/92/EU relating to the prevention of major accidents resulting in significant or serious damage to the environment.</p>	<p>Information provided in this part of the notification could relate to the potential environmental effects arising from a major accident during the well operation, and the technical and non-technical measures planned to prevent, reduce or offset them, including monitoring.</p>

Group Exercise 3. Weekly Reports of Well Operations

Objectives: this Group Exercise provides an opportunity for delegates to share their experiences of how they respond to receiving the weekly reports of well operations, to compare any differing approaches to highlight good practice, and to identify any priorities for action by the EUOAG or the OSD Review in the future.

Directive 2013/30/EU Annex II

Weekly reports of well operations should include:

- a) the name and address of the operator of the well;
- b) the name of the installation and the name and address of the operator or owner;
- c) details that identify the well and any association with installations or connected infrastructure
- d) a summary of the operations undertaken since the commencement of operations or since the previous report;
- e) the diameter and true vertical and measured depths of:
 - i. any hole drilled; and
 - ii. any casing installed;
- f) the drilling fluid density at the time of making the report; and
- g) in the case of operations relating to an existing well, its current operational state.

First, elect a (different) rapporteur to record the group's discussions.

Task 1 (15 minutes)

Delegates from each Member State in the group briefly describe the process they adopt on receiving a weekly well operation report, including how the report is considered /assessed, what issues are looked at and in what depth, how quickly this is done, and what actions are taken after this scrutiny.

Task 2 (15 minutes)

As a group, identify:

- a) The value and relevance of the information contained in these reports;
- b) Good practice for responding to weekly well operation reports;
- c) Any areas which could be taken forward by the EUOAG or the OSD Review to further improve how Competent Authorities use these reports of well operation progress.

Report back to plenary (5 minutes per group)

Group Exercise 4. Notifications of Combined Operations

Objectives: this Group Exercise provides an opportunity for delegates to develop consensus about activities which come within the definition of “combined operations”, to share different Competent Authority approaches to such notifications, and to identify any priorities for action by the EUOAG or the OSD Review in the future.

A “combined operation” means an operation carried out from an installation with another installation or installations for purposes related to the other installation(s) which thereby materially affect the risks to the safety of persons or the protection of the environment on any or all of the installations. [Directive 2013/30/EU, Article 2(25)].

First, elect a (different) rapporteur to record the group’s discussions.

Task 1 (15 minutes)

List examples of activities which the Group considers are combined operations, and also those activities which are outside the definition. Highlight any situations where there is uncertainty or differing interpretations.

Task 2 (15 minutes)

Delegates from each Member State in the group briefly describe the process they adopt on receiving combined operation notifications, including how the notification is considered /assessed, what issues are looked at and in what depth, and what actions are taken after this scrutiny.

Task 3 (15 minutes)

As a group, consider each aspect of the JRC guidelines on combined operations (see Annex). What additional issues should be included in the CA assessment?

Task 4 (10 minutes)

As a group, identify:

- a) Good practice for responding to combined operations notifications;
- b) Any issues which could be taken forward by the EUOAG or the OSD Review to further improve how Competent Authorities consider combined operations notifications.

Report back to plenary (5 minutes per group)

Combined Operations Notifications – some practical issues³

Initial scrutiny

1. From an initial quick scrutiny, ensure that the original combined operations notification provides all the information required by the Directive, including:

- A clear agreement that all the parties in the combined operation agree with the contents of the notification
- A clear description of the actual operation, and the programme for this work
- Description of any equipment which is to be used in the combined operation and which is not described in the current RoMHs for either installation
- A bridging document, authorised by all the parties, which sets out how the management systems of the two installations will be coordinated
- A summary of the risk assessment, including specifically:-
 - i. A description of any operation during the combined operations programme which has the potential to cause a major accident
 - ii. A description of any risk control measures which are introduced as a result of the risk assessment

If the notification does not cover all these specific issues (and any other issues specifically required by your own legislation), return the notification and “re-set” the deadline for your CA response.

General issues

2. Remember that the combined operations notification is in addition to the normal RoMH arrangements for the two installations involved. Therefore the scrutiny of the combined operations notification should focus on the interactions between the two installations, issues over and above the individual RoMHs. However, the RoMHs for the two installations involved (which will have already been accepted by your CA) will be essential reference documents during this work. The notification supplements the generic combined operation arrangements of the RoMH.

3. A large percentage of combined operations will also involve a well operations notification. Ensure your scrutiny system of the two linked notifications is well coordinated, with good communication between the two teams to ensure each is aware of emerging issues and progress of the others' scrutiny. In particular, some of the technical detail about the well operation will be essential background for the scrutiny of the combined operation notification (e.g. whether the well is HPHT, likely presence of H₂S, the identification of any meteorological or seabed limitations, the extent of the well programme itself etc.).

4. Key areas for assessment of the combined operations notification include:-

Risk assessment

- a) What is the quality and thoroughness of the risk assessment work done for the combined operation programme? Has a systematic approach been adopted to assess the risk impact of the joint operation? Does the risk assessment cover the whole life cycle of the combined operations? This is not just a re-run of the risk assessments undertaken within the

³ Walker, S., Konstantinidou, M., Contini, S., Zhovtyak, E., Tarantola, S., *Guidelines for the Assessment of Reports on Major Hazards based on the requirements of Directive 2013/30/EU - Summary and highlights of the JRC training course under the Virtual Centre of Offshore Safety Expertise* [EUR 28693 EN, Publications Office of the European Union, Luxembourg, 2017, ISBN 978-92-79-70670-7, doi:10.2760/608404, JRC107405]

respective RoMHs, but will include the identification of the additional risks (or increases to existing risks) that the combined operation will cause to either installation.

- b) Have site specific issues been taken into account during the risk assessment and the selection of controls? Examples could include structural loadings (such as loading from additional temporary equipment or the interaction of MODU spud cans on installation piles or subsea furniture), any restrictions during the combined operation (such as vulnerable topside structures or sea state limits), and increase in marine activity (e.g. anchor handling operations)

Management arrangements

- a) Are the anticipated management arrangements for combined operations, as laid down in the respective RoMHs, being followed? If not why not and what are the consequences?
- b) How was the bridging document arrived at? Was it the result of a formal GAP analysis of the SEMS and procedures between the two installations, or does it just follow a “standard” format? Is it comprehensive?
- c) When the combined operations concerns well operations, is it absolutely clear whose well control manual take precedence? Is this liable to cause competency problems on either installation?
- d) Are the overall decision, command and control arrangements described, and appropriate?
- e) Have the interface arrangements been tested before the combined operation commences? For instance, a Drilling the Well on Paper exercise (DWOP) is a common practise to test interface arrangements prior to a combined operations starting.
- f) How are third party contractors included in the interfacing arrangements?
- g) What is the induction process for staff/contractors working on the other’s installation?

Emergency response

- a) Has the need for any changes in the emergency response arrangements been considered? Is the layout, availability and capacity of emergency evacuation and escape still appropriate for the two installations working in combination? Are any of the existing escape routes or equipment compromised? Has any increase in the numbers on board been taken into account?
- b) Has the internal emergency response plans of both installations been assessed and amended to take into account the combined operation? Has that of the non-production installation been submitted with the combined operations notification? Have the oil spill response/effectiveness of both installations been updated to take into account the specific nature of the combined operations?

Group Exercise 5. Competent Authority transparency and documentation

Objectives: this Group Exercise provides an opportunity for delegates to consider how to better meet the openness/transparency requirements of the OSD, and to develop consensus about the scope of formal OSD documentation such as Competent Authority annual plans, guidance and policy statements. Identify any priorities for action by the EUOAG or the OSD Review in the future.

First, elect a (different) rapporteur to record the group's discussions.

Task 1 (20 minutes)

As a group, consider the table of anonymised results of how EUOAG Competent Authorities have delivered the Directive 2013/30/EU transparency requirements in the attached paper. What could be the reasons for such differing standards? Choosing a number of the categories, establish the minimum website content which you think would be sufficient to meet the intentions of the Directive for Competent Authority openness

Task 2 (15 minutes)

Competent Authorities are responsible for making “annual plans for effective oversight, including inspections, of major hazards based on risk management and with particular regard to compliance with the RoMHs and other document [...]” [Directive 2013/30/EU, Article 21(3)].

As a group, consider the requirement for Competent Authorities to prepare annual plans of their “effective oversight”:

- What should be included in the plans?
- How detailed should the annual plans be?
- Should they be shared with the industry?
- What should annual plans be used for?
- Delegates from each Member State in the group briefly describe their own annual plans – do they match with the group's views of content/style?

Task 3 (15 minutes)

Competent Authorities “prepare a policy statement describing the aims of oversight and enforcement, and the obligations [...] to achieve transparency, consistency, proportionality and objectivity in its regulation of offshore oil & gas operations”. [Directive 2013/30/EU, Annex III (1)(1)(b)]

- As a group, consider the purpose of the Directive's requirement to have such a “policy statement”. Is it important? What does it achieve?
- Delegates briefly explain how their country has implemented this requirement. In group discussion, identify good/best practises.
- To help group discussion, consider the following Competent Authority “policy statement”:
“Competent Authority X will ensure that the offshore oil & gas industry meets the requirements of the Offshore Safety Law by undertaking scrutiny of submissions and by inspection. Enforcement action

will be taken when appropriate, and X's authority activities will always be transparent, consistent, proportionate and objective."

- Does this policy statement meets the Directive's requirements?
- What could be done to make it a more useful statement?

Report back to plenary (5 minutes per group)

Paper for Group Exercise 5: How transparent are EU Offshore Competent Authorities?

Background

1. In the aftermath of the Deepwater Horizon disaster in the Gulf of Mexico in April 2010, there was considerable concern from European politicians, NGOs and the public about the adequacy of controls over the offshore oil and gas in European waters. Initial responses showed a general mistrust in existing MS offshore regulators, often through lack of knowledge and understanding about how existing offshore regulators operated. This concern even culminated in demands from some quarters of the creation of an EU “controller of controllers” over Member States’ offshore safety and environmental regulators.

2. Although that rhetoric died down somewhat, within 6 months the Commission published a formal Communication⁴ to the European Parliament and Council entitled “Facing the challenge of the safety of offshore oil and gas activities” to start a dialogue about the improvements which could be required. The majority of the suggested changes were focused on the offshore industry itself, but the Communication expressed concern about the fragmented and insular nature of EU offshore regulators, with one of the five key issues identified being the need for improved controls by public authorities. It stated that:

“....the regime must provide for a high level of transparency, enabling public authorities to demonstrate to any interested party that activities that carry risks to life, environment or property are appropriately ... controlled.”

Transparency requirements in Directive 2013/30/EU

3. The new model for public oversight which the Communication put forward stressed the importance of public authority transparency and the active engagement with the general public and other stakeholders. This drive for better transparency and openness of public authority affairs following Deepwater Horizon was eventually translated into parts of Directive 2013/30/EU, such as requirements to take into account views expressed during public participation into planned offshore exploration operations. In relation to Competent Authorities, the Directive had a number of Articles to promote openness and transparency:-

- a) OSD Art. 8(4). A description of how the CA is organised, and why it has been established in the way it is, to be made available to the public. That description should include how the CA undertakes its main functions and how it complies with the requirement to be independent and objective.
- b) OSD Art. 9(d). Summaries of the CA policy, process and procedures for assessing reports and notifications and for overseeing compliance by way of inspections, investigations and enforcement, should be made available to the public (and the policy/process/procedures themselves made available to operators and owners).
- c) OSD Art. 24 and Commission Regulation 1112/2014. Establishing a common data format for publishing details of offshore installations, numbers of CA inspections/investigations/enforcement actions, and incident data.
- d) OSD Art. 26 (2). Non-confidential versions of major accident investigations to be publically available.
- e) OSD Art. 29(3). External emergency response plans should be made available to the public.

4. How have EU Competent Authorities responded to this drive for greater openness about their operation, now that the various transitional arrangements for Directive 2013/30/EU have past? To

⁴ COM(2010)560

provide background information for the JRC Workshop for Offshore Competent Authorities in Ispra 26-28 November 2018, this paper reports on the findings of an informal survey which was undertaken to look at the information which all EU Competent Authorities are now required to make available to the public.

The survey

5. It was expected that Competent Authorities would choose to make maximum use of their websites to provide information to the public. Therefore, the author of this paper acted as a “secret shopper” by visiting the websites of 10 EU offshore Competent Authorities to assess the quality and scope of the information which was presented there. The survey looked for

- a) **User-friendliness** of the information. Was it easy to navigate? Was the language and style suitable for non-informed members of the public or offshore workers? Was the information current?
- b) Information about **how the Competent Authority was organised**. Was it clear? If the CA was a partnership, did the website link to the partners? Were management charts available? Was contact information clear?
- c) An explanation about **why the Competent Authority has been established in the way it is**.
- d) An explanation of how the Competent Authority manages its **obligations to be independent and objective**
- e) The **“summary” of the Competent Authority’s policies, process and procedures**. Was one available? Was it clear and suitable for its audience? Did the summary cover the full range of the Competent Authority’s functions and activities?
- f) A system for **confidential reporting of concerns**. Was this easy to locate on the website? Was the process of reporting concerns easy? Was there sufficient information to reassure complainants that they would remain anonymous? Was there a commitment to feed back any results of investigation?
- g) **Common data format information**. How was this presented?
- h) **Major accident investigations**. Was there a system for making non-confidential versions of major accident investigations available?
- i) **External emergency response plans**. How could the public see them? Were the arrangements easy? If other national authorities were responsible for this, were there links to those other websites/documentation?
- j) Any **information beyond the minimum requirements of the Directive** Did the website provide public information about the Competent Authority activities beyond the minimum specified in the OSD?

6. The anonymised results are summarised in the table below, using the common **R-O-G** rating system⁵. This (albeit crude) analysis shows that there was significant variation in the quality of transparency/openness which EU Competent Authorities demonstrated from their websites, and indicates that some MS may still have further work to implement arrangements to meet these requirements of the OSD.

⁵ **RED = significant omissions, with key information missing, out-of-date or inadequately presented.**
ORANGE = some information provided, but not comprehensive. Presentation could be improved.
GREEN = clear and easy to understand, substantially covering all the necessary information.

HOW TRANSPARENT ARE EU OFFSHORE COMPETENT AUTHORITIES?										
Competent Authority	Website User Friendliness	How CA is organised	Reason for CA organisation?	Independence and Objectivity	Summary of policies, process, procedures	Confidential reporting mechanism	Common data information	Major accident investigations	External Emergency Response Plans	Overall Transparency Rating
A										
B										
C										
D										
E										
F										
G										
H										
I										
J										

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Publications Office

doi:10.2760/795750

ISBN 978-92-79-99320-6