

# HSE Department Revenue Analysis Oil and Gas Free Zone Authority (OFGZA)

This report provides a concise review of the revenue performance of the Health, Safety, and Environment (HSE) Department of the Oil and Gas Free Zone Authority (OFGZA) between 2020 and 2023. The purpose of this analysis is to highlight revenue gaps, identify causes of underperformance, and recommend solutions for improved revenue collection and compliance tracking.

## Revenue Streams Reviewed

1. HSE Audit and Compliance Inspections: Companies are billed \$50 quarterly, amounting to \$200 annually. The projected revenue for 2020–2023 was \$320,000, but actual revenue totaled only \$1,700 less than 10 percent of the estimate. The absence of structured data tracking led to severe underperformance.
2. Follow-up CME Inspections: No record of follow-up inspections was found, indicating potential losses of about \$9,600 annually due to lack of a functional database and follow-up process.
3. Assurance Certifications: The strongest data source reviewed, with an annual projection of \$52,000. Actual average revenue stood at \$15,000 per year (38 percent performance). While 2022 showed improvement, 2023 recorded a significant decline, revealing inconsistent compliance and revenue instability.
4. EIA Review and Auditing: Incomplete documentation limited analysis, but estimated revenue stood at roughly \$8,000. The lack of consistent post-audit data indicates untracked income potential.

## Key Findings

- Only about 10 percent of projected inspection revenue was achieved between 2020 and 2023.
- Estimated loss of \$128,700 due to incomplete or missing records.
- Compliance performance peaked in 2022 but dropped sharply in 2023.
- Several enterprises maintained full compliance, while others consistently underperformed.

## Recommendations

1. Establish a centralized revenue database with complete enterprise records.
2. Introduce automated payment reminders and compliance alerts.
3. Conduct monthly performance reviews to evaluate revenue progress.
4. Collaborate more closely with HSE field officers to validate company compliance data.

## Conclusion

The analysis reveals that the HSE Department has not reached a quarter of its revenue potential, primarily due to poor data management and inconsistent monitoring. Implementing a structured database and regular revenue analysis will help close compliance gaps, strengthen accountability, and improve overall revenue generation across the department.