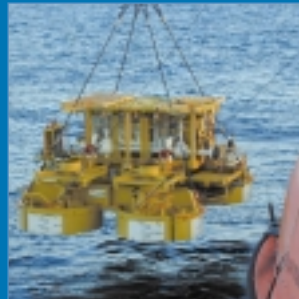


# Annual Report 2001

Report from the Board of Directors



[www.intsok.com](http://www.intsok.com)

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# The Challenge of Globalisation

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The trend of globalisation is resulting in mergers and acquisitions among companies in the oil and gas industry. This has empowered the private sector considerably and the largest multinationals outclass many states regarding economic weight. This is exemplified by the fact that 51 of the 100 largest economies in the world are now multinational corporations.

Corporate Social Responsibility is increasingly becoming a challenge for these companies. Their responsibilities towards host nations and local communities are important aspects of their international business. Governments that open up new frontier markets to international competition expect social returns and compensation for environmental and social impacts.

At the Fifth INTSOK International Conference in 2001 we gathered some of the stakeholders to address this challenge under the topics - "Winners in the Global Oil and Gas Industry" and "Corporate Social Responsibility in the Norwegian Petroleum Sector". The World Petroleum Congress in Rio de Janeiro in 2002 will also examine this issue - "The Petroleum Industry: Excellence and Social Responsibility".

INTSOK partner companies have demanding customers with different criteria for selecting business partners and suppliers. The Norwegian Oil and Gas "World-Class Clusters", have, however, proven to be competitive in several supply chains of the petroleum industry. A strong presence in local markets and emphasis placed on technology for enhanced recovery and cost reduction will, we believe, provide a unique selling proposition that will enable us to achieve the ambitious targets for internationalisation of the industry.

The Norwegian supply industry consists mainly of a large number of small and medium sized companies; approximately 85% have a turnover of less than USD 30 million. As globalisation expands, these companies face an increasing challenge in relation to the international players. INTSOK offers its partners a response to this challenge by combining their forces, promoting Norwegian "World-Class Clusters" to clients and business partners and by fostering creative solutions in supply chain management.

2002 is the year in which INTSOK celebrates its fifth anniversary. Five years of productive operation have established INTSOK as an effective channel for communication and relationship building between the partner companies, their clients and business partners and government authorities. Our focus remains on the offshore markets in West Africa, the Americas, the Middle East, the Caspian Sea and Northern Europe.

INTSOK will continue to work closely with its partners and customers in organising new events. Management practices, new capabilities and experiences with new and proven technology will be addressed. Issues related to health, safety and the environment as well as the support of local industry will also be on our agenda.

I encourage readers of this report to approach the INTSOK secretariat with ideas they may have for future co-operation.

  
 Gulbrand Wangen  
 Managing Director, Dr. Ing.  
 INTSOK

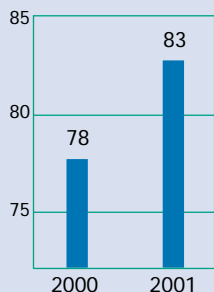
## Introduction

2001 has been an active year in INTSOK. The number of events initiated by the organisation to promote the Norwegian oil and gas industry has increased. A significant number of Norwegian companies have won international contracts and the number of INTSOK partner companies continues to grow.

The number of partner companies increased from 78 to 83 by the end of 2001.

The Strategic Plan for year 2002 and 2003 was approved by the Board setting the strategic direction for the INTSOK initiative. The main elements of the plan were submitted to the Minister of Petroleum and Energy in his capacity as chairman of the "Top Management Forum" of the oil and gas industry of Norway.

Number of Partner Companies



## Market Outlook

World oil demand and production has risen during the last decade by some 12% to the current level of 75 million barrels a day in spite of two severe economic shocks during the period. Demand for gas has risen at double the rate for oil by more than 20% since 1990 to 6.4 billion Sm<sup>3</sup> a day in 2000. The demand for oil is expected to rise by another 20% by 2010 to around 90 million barrels a day, while the consumption of gas is expected to increase by at least 25% in the same period. Today, approximately 65% of the world's energy consumption is based on oil and gas, a share that is expected to increase during the first half of the 21st century to meet the increasing demand - not least from Asia.

National oil companies today control approximately 70% of the oil and gas production in the world, while the remaining 30% are in private hands. A company like BP for instance accounts for 2.5% of the world's oil production and 3% of gas production.

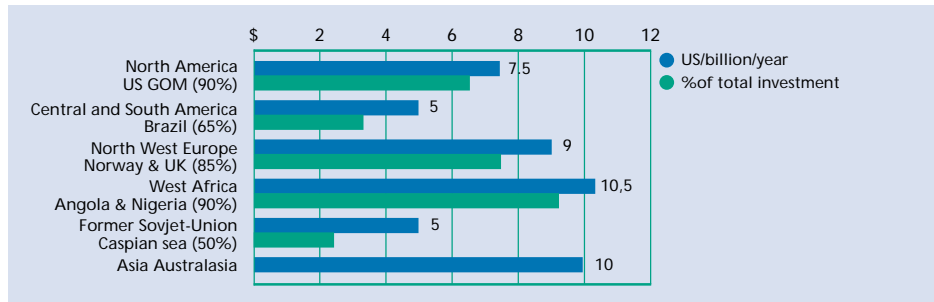
At present, oil production offshore is about 35 million barrels a day. By year 2010 approximately 10 million barrels are expected to be produced from deepwater fields (more than 1,000 metres deep). Today's production from these water

depths is about 1 million barrels. If the prognosis is fulfilled, 11% of the world's oil production will come from deepwater fields by the year 2010.

With an expected oil price within the range of USD 22-28 a barrel during the period (OPEC target for Brent Blend), this will lead to huge investments in new production capacity and in maintenance, modifications and operational expenditures in the different geographical market segments. During the period 2002-2003, the expected total investments offshore are estimated at USD 105-115 billion a year - an increase from approximately USD 90 billion for the year 2001. Half of these costs are related to investments in offshore field developments, while the remaining 50% are related to exploration, maintenance, modifications and operations.

# Geographical Offshore Markets

Offshore Investments by Region 2002-2003



The world offshore market today is dominated by field developments in six regions, each with its own set of characteristics. The regions and the estimated investments in the period 2002-2003 are:

## Strategy for Internationalisation

From its inception in 1997, INTSOK has observed a continuous restructuring of the global oil and gas industry. Multinational global players increasingly dominate the world market together with national oil companies.

New markets have opened up for international players. New investment opportunities exist in markets that until a few years ago were closed to international investors for political reasons. New development opportunities have been established by a step change in technology in the offshore deepwater provinces of the world.

### How do we meet this new reality?

The Norwegian oil and gas companies are faced with the following challenges:

- The market challenge
- The product and services challenge
- The customer challenge

### The market challenge

The international oil and gas markets seen from a Norwegian perspective consist of mature markets,

markets under development and markets under observation.

In the mature markets the industry is well established with local organisations and a solid customer base. For INTSOK, the North Sea and the Gulf of Mexico belong to this category. In these markets we find some of the key players in the international oil and gas business and their purchasing criteria are continuously being explored. The capabilities of the INTSOK partners are presented regularly in workshops and in one-to-one meetings with these clients.

In the next market category, markets under development, joint efforts between industry and the Norwegian government take place. These markets have newly been opened for international E&P, and they represent areas of significant short- and long-term potential. In these markets the complete Norwegian experience in developing a competitive offshore industrial sector is presented. INTSOK provides partners with market information, develops business relations and promotes Norwegian expertise. Angola, Nigeria and Iran belong to this category.

The third market category is markets under observation. These markets represent long-term opportunities for the Norwegian industry and INTSOK provides partners with market overviews and a selection of task-force initiatives when required. Resources from the Norwegian Embassies as well as from pioneering Norwegian companies are drawn upon. The countries listed under this category are: Azerbaijan, Australia, Russia, United Arab Emirates and Venezuela.

During the next two years West Africa is seen as the most important project market for Norwegian suppliers followed by the Gulf of Mexico, Brazil and Canada. UKCS is an important market for satellite tieback developments and MMO activities.

The construction yards in Asia are important market places for suppliers of offshore equipment.

In 2001, INTSOK decided to expand its local presence in priority markets. INTSOK representatives, recruited locally, are now in place in Angola, Nigeria and Iran. Co-operation with the Norwegian Trade Council will continue in markets where it is represented.

### The product and services challenge

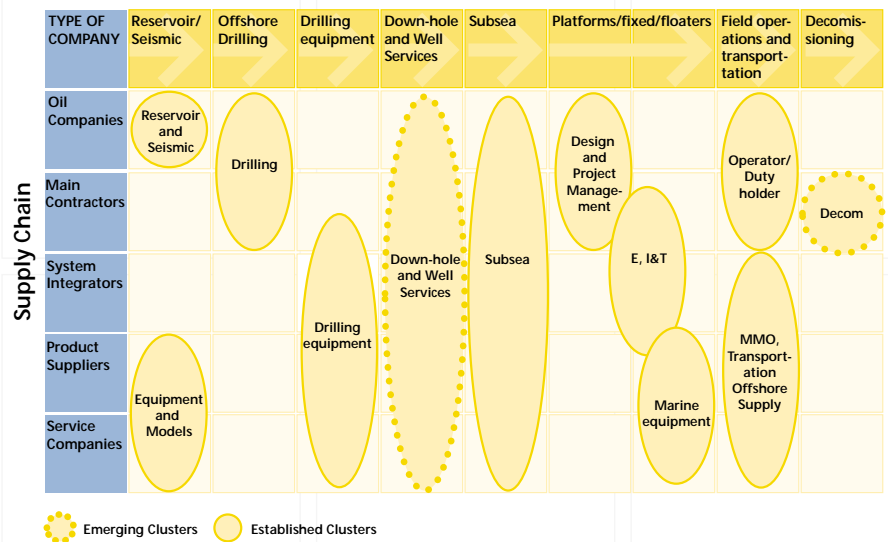
International sales by the Norwegian oil and gas suppliers have demonstrated a positive trend during recent years. Sales in 1999 amounted to an estimated USD 3.1 billion, which was a 23% increase on the 1997 figure.

The Norwegian oil and gas cluster consists of competitive international supply chains within nine areas:

- Seismic Data Acquisition & Reservoir Management
- Offshore Drilling
- Drilling Equipment
- Subsea Technologies & Equipment
- Platform Design & Project Management
- Electrical, Instrumentation & Telecommunication (E, I & T)
- Marine Equipment
- Maintenance, Modifications & Operations (MMO)
- Offshore Supply Services

The Norwegian Oil & Gas "World-Class" Clusters

### Value Chain



A competitive cluster on down-hole technologies and well services is rapidly emerging. These capabilities have significant future potential.

The Norwegian oil and gas industry also has developed world-class expertise in oil and gas transportation, offshore loading, and tanker transportation of crude oil. Multiphase seabed pipelines and an extensive offshore grid of gas pipelines are examples of this know-how.

In step with strict environmental regulations, the industry has fully implemented cutting-edge technologies to reduce emissions to air and discharges to water.

INTSOK provides partner companies with information on technology requirements in international projects. During 2001 INTSOK provided the partners with bi-monthly updates on more than 20 of the most attractive offshore projects.

### The customer challenge

INTSOK partner companies have demanding customers with different criteria for selecting business partners and suppliers.

INTSOK groups these customers in the following categories:

- National oil and gas companies
- Governmental organisations
- Local suppliers
- International oil and gas companies
- International contractors
- Major construction yards

Relationship-building activities with ministries and national oil companies were, during 2001, an integral part of the promotion of Norwegian expertise directed towards Angola, Azerbaijan, Nigeria, Brazil, Iran and Venezuela.

The international oil majors BP, Shell, TotalFinaElf and ExxonMobil number among our priority customers.

ChevronTexaco, ConocoPhillips and ENI (Agip) have interesting international portfolios and demonstrate growth potential in selected markets.

The main customers in the supply industry are Halliburton (Kellogg Brown & Root), TechnipCoflexip, Wood Group/Mustang, and AMEC as well as the drilling and well service contractors and main construction yards in Asia. The partner companies AkerKværner, ABB, FMC Kongsberg Subsea, Prosafe and Stolt Offshore are also important clients for the suppliers of systems and equipment.

# Corporate Social Responsibility in the Norwegian Petroleum Industry

Corporate Social Responsibility (CSR) is becoming an integral part of business practice world-wide. The globalisation process has empowered the private sector considerably. The largest multinationals outclass many states regarding economic weight as exemplified by the fact that 51 of the 100 largest economies in the world are now multinational corporations. The responsibilities of the industry towards host nations and local communities are today important elements in successful international business.

INTSOK gathered some of the key stakeholders to discuss the main challenges at the annual summit meeting held in Oslo in November 2001.

The way forward can be summarised by quoting some of the main contributors in this discussion:

*“Corporate social responsibility is the commitment of business to contribute to sustainable development, working with employees, their families, the local community and society at large to improve their quality of life.”*

*When we speak of sustainable business, we speak of doing business in a manner that supports sustainable development and at the same time ensures a sound financial performance. The concept of sustainable business relates to a broader stakeholder perspective, and entails society as a whole, as well as customers, employees and shareholders.*

*The “triple bottom line” consists of three factors: economic performance, social performance and environmental performance. It can be construed as three ovals entangled in each other and partly overlapping. In the overlaps we find socio-environmental, socio-economic and eco-efficient performance. In the middle of these we find the centre of good business, combining doing*

*well - that is, sound financial performance - and doing good, or corporate social responsibility. This centre represents integrated sustainability-sustainability at the heart of the company.”*

Mr. R. Rasmus Sunde  
President, ABB Offshore Systems  
Chairman of the INTSOK Board of Directors



*“Norsk Hydro takes its CSR challenges seriously. We emphasise strong ethical values among employees and in co-operation with other companies. Without neglecting our social, health and security responsibilities towards employees and their families, we feel that CSR challenges outside “the factory gates” deserve augmented attention.*

*The latter encompasses a wide range of issues, including mitigation of negative impact on the environment and local societies, social and economic development of the host country and local communities, human rights awareness, supply-chain management and the issue of compliance through association. Our relationship towards local communities and host countries is guided by our aspiration to contribute to social development through economic development and allocation of fair share of value to local inhabitants. In short, our operations should improve the quality of life of the local population.”*

Mr. Morten Ruud  
President, E&P International, Norsk Hydro ASA  
Deputy Chairman of the INTSOK Board of Directors



## Major Events

*“Statoil’s primary contribution to society is measured in terms of value creation locally. Such value is based on/ stems from the impact of our investments on employment, procurement of goods and services, transfer of technology and expertise, and tax revenues. These spin-offs help generate local growth and development.*

*Our presence in some developing countries can also have a less tangible effect through the example we set in conducting our business. Sound business practices can contribute to improve standards for the treatment of workers and the protection of the environment, as well as in the fight for greater transparency and accountability.*

*Creating value and conveying values go together, much as financial, environmental, and social performance are inextricably linked. We believe that we are a force for good wherever we operate, in the sense that those directly affected by our investments are better off because of our presence as well as our practices.*

*The cornerstone of Statoil’s Health, Safety and Environment culture is the zero mindset with its objectives of zero harm to people and the environment and zero accidents or losses. Minimising the negative impact of our business on the environment, climate, and society sometimes implies setting and achieving standards beyond that required by law.”*

Mr. Geir Westgaard  
Vice President, Country Analysis & Social Responsibility, Statoil ASA

### Angola

An Angolan delegation visited Norway from June 11-14, to study how the Norwegian national offshore industry was developed. The delegation consisted of representatives from the Petroleum Ministry, Sonangol, the Chamber of Commerce and Industry and the Angolan Industry Association. INTSOK members participated in meetings and evening events both in Oslo and Stavanger.

A second delegation visited Oslo the following week, from June 18-21. The meeting topics were related to the development of local industry and the consequences, but more on the macro-economical level. The Norwegian Petroleum Directorate (NPD) was the host and meetings were undertaken with Norway’s National Bank, politicians and a few major INTSOK members.

The Angolan Minister of Petroleum with a delegation including a Sonangol Senior Executive Officer visited Norway in September 2001. INTSOK, in co-operation with the Ministry of Petroleum and Energy (MPE), Statoil and Norsk Hydro, arranged visits to yards in the Stord area, and meetings with the supply industry.

### Azerbaijan

The INTSOK report on “Revitalisation of the Azerbaijani oil and gas manufacturing and service industry” was officially handed over by the Norwegian Minister of Petroleum & Energy, Mr. Olav Akselsen, to the Prime Minister of Azerbaijan, Mr. Arthur Razisade, in Oslo on February 14.

In May a five-day INTSOK-PETRAD seminar entitled “Management and operations of gas pipeline systems” was conducted in Baku.





On June 4, in Baku, INTSOK organised a seminar on "International Trends in Developing Hydrocarbons in Medium and Deep Water". The seminar, which included a speech by the Norwegian Deputy Minister of Petroleum and Energy, Ms. Bjørg Sandal, was followed by a reception.

BP, Technip and Maersk participated at the International Oil & Gas Business Days in Oslo, from August 28-30, and presented the Shah Deniz development project and the new semi submersible drilling rig for the Caspian Sea. One-to-one meetings with INTSOK partners followed.

#### Brazil

INTSOK visited five shipyards in the vicinity of Rio de Janeiro in the first week of March.

INTSOK visited Brazil Offshore in Macaé from June 6-8, 2001 together with five INTSOK partner companies.

Meetings focusing on Safety Technology were held at the Maua-Jurong and Fels-Setal shipyards from June 11-12. Other meetings were held with engineering companies and different Petrobras Units.

25 papers from INTSOK partner companies were presented at the Deep Offshore Technology (DOT) Conference, held in Rio de Janeiro, from October 16-18, 2001. INTSOK hosted a reception at the Yacht Club in Botafogo on the October 17, which was sponsored by 6 INTSOK partner companies.

#### Canada

INTSOK held workshops in St. John's from September 17-20 with Norsk Hydro, Petro-Canada and the Hibernia organisation. In Halifax, meetings were held between INTSOK partners and the ExxonMobil-led Sable Energy Project and with the Deep Panuke Project team led by Pan Canadian.

#### Iran

The Managing Director of the National Iranian Oil Company (NIOC) with staff visited Norway during February. A meeting was held with the Norwegian supply industry. Mr. Mirmoezi welcomed a stronger presence by Norwegian companies in Iran.

12 companies were represented at the Iran Oil Show 2001 in Tehran, from April 18-21.

150 people attended the opening of the Norwegian exhibition by participating in the joint INTSOK-Offshore Northern Seas (ONS) programme and topical luncheon. Mr. Helge Midttun, President and CEO of Det Norske Veritas (DNV) gave the keynote presentation "Management of National Petroleum Resources - Sharing the Experience".

A group of 10 representatives from the Ministry of Petroleum of Iran and the Energy Committee of the Iranian Parliament visited Norway during May 22-26. Meetings were held with MPE and INTSOK partner companies.

From Left. Mr. Lars Solberg, Managing Director, Aker Stord, Mr. Olav Akselsen, Minister of Petroleum and Energy, Norway, Mr. Magne Rommetveit, Mayor of Stord, Mr. José Maria Botelho de Vasconcelos, Minister of Petroleum, Angola, Mr. Harald Karlsson, Managing Director, Leirvik Module Technology



Mr. Medjid Kerimov, Minister of Fuel and Energy, Azerbaijan, Ms. Bjørg Sandal, Deputy Minister of Petroleum and Energy, Norway

The Majlis, the Islamic Consultative Assembly Energy Commission (Iranian Parliament). Meeting with INTSOK partners in Oslo



The Oil Minister of Iran visited Norway from July 1-2. A meeting with the supply industry was organised by INTSOK and hosted by DNV on their premises. Some of the leading companies active in the Iranian market presented their capabilities and their projects in Iran.

An Iranian Day was arranged as part of the International Oil & Gas Business days at Lysebu, in August 2001. The INTSOK report, "Capabilities of the Iranian Oil and Gas industry", was presented to the partners.

### Nigeria

A meeting of the Memorandum of Understanding (MoU) between the Nigerian and the Norwegian Governments was held in London in February.

INTSOK presented a paper at the NAPIMS conference on "Local Content and Indigenous Participation", in Abuja, on August 2. The presentation addressed the Norwegian experience of close co-operation between the Norwegian oil companies, the authorities and the supply industry in developing a local industry. The paper was well received by the 600-800 participants.

A workshop on: Reservoir Data Management was held in Lagos, August 7-8, by the Department of Petroleum Resources (DPR) with support from the NPD and INTSOK. Representatives from

the Nigerian Government, the Nigerian National Oil Company, Shell Nigeria and indigenous oil companies participated. The communiqué from the workshop describes the event as very useful for Nigeria, which is in the process of establishing a national petroleum databank.

A delegation of 10 Nigerians participated at the Nigerian Day during the International Oil and Gas Business Days at Lysebu in August.

### Norway

The Fifth INTSOK Annual International Oil & Gas Conference was held at Gardermoen, Oslo from November 6-7, 2001. The conference topics were Corporate Social Responsibility (CSR) in the Petroleum Sector and The Winners in the Global Oil and Gas Industry.

The Deputy Minister of Petroleum and Energy, Ms. Brit Skjelbred, told the audience that the Government would like to see Norwegian petroleum companies among the world leaders. The Government would also help increase focus on R&D as a means of further strengthening the national competence base.

Proceedings from day two of the Conference on CSR in the Petroleum Sector have been published with support from Norsk Hydro and Statoil.



From left: Mr. Arve Thorvik, Director, World Business Council for Sustainable Development, Mr. Jermyn Brooks, Executive Director, Transparency International, Mr. Christopher Marsden, Chair of Business Group, Amnesty International



From left: Mr. Egbert U. Imomoh, Deputy Managing Director, Shell Petroleum Development, Nigeria, Mr. Mac A. Ofurhie, Director Department of Petroleum Resources



From left: Mr. Sverre Skogen, CEO, Aker Kvaerner, Mr. Ian Wood, CEO, Wood Group UK- Norway North Sea co-operation work group

## UK

A delegation of 18 INTSOK partner companies visited Aberdeen on May 8-10. Meetings were held with the Wood Group, AMEC, BP and LOGIC in order to strengthen relationships with major UK operators and contractors.

A summary report of the North Sea Beyond 2000 Conference and Workshop held in London in October 2000 was presented. The conference and report were instrumental in establishing the bilateral co-operation programme between the UK and Norway within the KON-KRAFT programme.

## USA

This theme of the INTSOK Houston Week 2001 was "Floating Production & Subsea Systems". The focus was on FPSOs and Semis and their relevance for production in the Gulf of Mexico. Senior representatives of the Mineral Management Services (MMS) and the US Coast Guard gave keynote speeches on the subject. Approximately 30 INTSOK partner companies took part in this event. A total of 300 people attended the meetings and workshops.

At OTC 2001, 30 companies exhibited at the Norwegian Pavilion. The Norwegian Consulate General in Houston in co-operation with INTSOK hosted a reception for clients and INTSOK partners on April 30. Ms. Bjørg Sandal, the Deputy Minister of Petroleum and Energy, headed the MPE delegation to OTC and gave a speech at the reception.

INTSOK partner companies met with rig owners and well service contractors based in Houston from November 12-16. Presentations were held by rig owners and well services companies on current and future projects and discussions took place on how to become a successful vendor to the respective clients. In addition, one-to-one meetings between clients and INTSOK partners were organised.

## Venezuela

A joint mission to Venezuela took place during November. The Norwegian delegation consisted of representatives from the Ministry of Foreign Affairs, MPE, Statoil, Norsk Hydro, the Norwegian School of Management (BI) and INTSOK and gave presentations in a round table on the experience of the Norwegian petroleum model. This event was hosted by the Ministry of Energy and Mines (MEM) and Petroleos de Venezuela S.A. (PDVSA). MEM expressed a strong interest in the lessons learned from the Norwegian experience.

The round table discussion was followed by visits to the main oil provinces in Venezuela to meet with local contractors, suppliers and service companies.



# Key Client Relations

## Oil Companies

### BP

BP and INTSOK partner companies met during the "Houston Week 2001". Presentations on the overall development strategy for deepwater developments in the Gulf of Mexico were provided.

A BP Supply Chain Management Workshop was arranged in Aberdeen on May 8. A group of 36 representatives from INTSOK companies attended. The status and development strategy of the Clair project was presented.

BP Norway's Managing Director, Mrs. Anne Drinkwater, gave a keynote presentation at the Fifth INTSOK Annual International Conference in November.

BP's Director and Contracts Manager of Block 18 in Angola gave a presentation and participated in workshops with INTSOK partners at the International Oil & Gas Business Days in at Lysebu in August.

### TotalFinaElf

A workshop was held with TFE in Pau on November 13. The topics were floating production facilities, risers and pipelines in West Africa.

The TFE Director of the Block 17 in Angola gave a presentation and participated in workshops with INTSOK partners at the International Oil & Gas Business Days in Oslo, from August 28-30.

### ExxonMobil

ExxonMobil and INTSOK partner companies met during the "Houston Week 2001". The topics addressed were; Engineering, Procurement and Construction (EPC), execution of large Semis, design of offshore loading systems for FPSOs, and the use of aluminum in offshore living quarters. 12 INTSOK partner companies attended.

### Shell

Shell and INTSOK partner companies met during the "Houston Week 2001". The meeting was held with Shell Deepwater Development Systems which is responsible for all deepwater activities in the Shell Group.

INTSOK participated in the opening of the Shell Technology Norway office on November 5. The purpose of the office is to develop subsea and deepwater technology through the Norwegian oil and gas industry cluster.

The Managing Director of Norske Shell, Johan Nic Vold, presented a keynote paper at the Fifth INTSOK Annual International Conference in November.

### Main Contractors and Service Companies

A meeting with Halliburton Deepwater Company was held in Houston during the "Houston Week 2001". Halliburton gave a review of the 15 top priority projects world-wide. The Managing Director of the Wood Group Engineering Projects and a number of his staff met with 18 INTSOK partner companies in Aberdeen during May.

INTSOK arranged the "Drilling and Well Service Week" in Houston in November. Workshops were held with Transocean Sedco Forex, Global Marine Drilling/Santa Fe, Diamond Offshore Atwood Oceanics, Baker Hughes and Halliburton Energy Services. The Norwegian Consulate General in Houston hosted a dinner reception for the INTSOK delegation and key client representatives.

At the Fifth INTSOK Annual International Conference in November, Executive Vice President John W. Kennedy of Halliburton Company and Vice President Mark Preece of Coflexip Stena Offshore, presented their views on what characterises a winning company in the future oil and gas industry.



FPSO Girassol, Block 17, Angola

## Financial Result

The financing of INTSOK is based on co-financing by the industry and the government. The income for the year 2001 was kept at the same level as the previous year. The Board is pleased with the significant increase in the 2002 budget, which will allow INTSOK to expand the work programme in the year ahead.

The financial result of year 2001 shows a deficit of NOK 485,129. The Board considers that the INTSOK foundation is financially stable and viable.

## Appointment of Board Members

The Ministry of Petroleum and Energy appointed the following new Board Members as of May 1, 2001:

- Mr. R. Rasmus Sunde, ABB Offshore Systems
- Mr. Jon Erik Reinhardsen, Aker Maritime
- Mr. Nils Tore Føreland, The Norwegian Confederation of Trade Unions
- Mr. Tollak Melberg, Technor AS
- Mr. Gunnar Gjerde, Ministry of Petroleum and Energy

The Ministry of Petroleum and Energy appointed the following new Board members as of September 1, 2001:

- Mr. Arne Walther, Ministry of Foreign Affairs
- Mr. Ole-Kristian Bærvahr, Norwegian Shipowners' Association
- Mr. Steinar Gregersen, Norwegian Federation of Manufacturing Industries
- Mr. Frode Alfheim, The Norwegian Confederation of Trade Unions
- Mr. Odd Sverre Haraldsen, Ministry of Petroleum and Energy

## The INTSOK Secretariat

The INTSOK secretariat had seven full-time employees in year 2001. The organisation is based in Oslo with an office in Stavanger.

The secretariat was strengthened in 2001 by the secondment of Project Director Peter Tronslin from Statoil.

Absences due to illness among INTSOK employees amounted to a total of 34 days. This represents an absence rate of 2.2%.

The activities of the INTSOK secretariat do not directly affect the external environment and no Health, Safety and Environment report will therefore be made.

INTSOK's administration was represented by the Managing Director at the Top Management Forum of KON-KRAFT, the joint Norwegian government and industry driven initiative to increase the competitiveness of the Norwegian oil and gas sector.

## Outlook Ahead

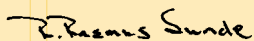
The Board is satisfied with the positive trend of new partners joining INTSOK, and is also pleased to observe that the Norwegian turnover in international markets is increasing. The goal of a USD 5.5 billion (NOK 50 billion) international turnover is achievable with long-term commitment by the industry and continued and increasing support from the government.

Having spent its first four years gathering support and commitment to its work and developing an international network of business and government partners, INTSOK is now increasingly turning its attention towards national oil companies, government authorities and the main international customers and their projects.

INTSOK is increasingly being recognised as the vehicle for providing market information, improving co-operation among partners and communicating the capabilities of the Norwegian supply industry to key clients in overseas markets.

As demonstrated by the Norwegian Oil and Gas "World-Class Clusters", our industry is competitive in most supply chains of the petroleum industry. A strong presence in local markets and emphasis placed on technology for enhanced recovery and cost reduction will, we believe, provide a unique selling proposition that will enable us to achieve the ambitious targets for internationalisation of the industry.

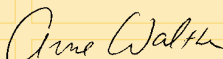
Oslo, 20th March, 2002



R. Rasmus Sunde  
Chairman



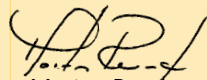
Frode Alfheim



Arne Walther



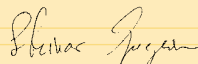
Ole-Kristian Bærvahr



Morten Ruud  
Deputy Chairman



Jon Erik Reinhardsen



Steinar Gregersen



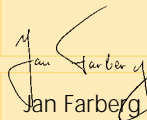
Tollak Melberg



Morten Loktu



Odd Sverre Haraldsen



Jan Farberg



Otto Solberg

# Organisation



## Norwegian Government

Ministry of Trade and Industry

Ministry of Petroleum and Energy

Ministry of Foreign Affairs

## Partner Companies

Oil Companies

Main Contractors

Technology Suppliers  
Service Companies

## Professional Organisations

Norwegian Shipowners' Association

The Norwegian Oil Industry Association

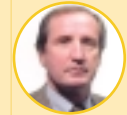
Federation of Norwegian Manufacturing Industries

# The INTSOK Secretariat

Dr. Gulbrand Wangen,  
Managing Director & Regional Director Brazil



Mr. Per Hagen,  
Regional Director, USA & Nigeria



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Project Director Priority Projects & Regional Director Angola



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Mr. Håkon Skretting,  
Regional Director Asia, Australia, Canada, Caspian Sea & Russia



Mr. Peter Tronslin,  
Project Director



Mr. Einar Holmefjord,  
Special Advisor



Ms. Ingvild Litlabø,  
Adm. Secretary



Ms. Mariann Marthinussen,  
Adm. Manager



# INTSOK Partners per December 2001



- ABB, Oil, Gas and Petrochemicals
- Advanced Production and Loading AS (APL)
- Acona
- Air Products AS
- Aker Maritime ASA
- Alliance Technology AS
- AON Grieg Norway AS
- Atlantis Deepwater

- Fred. Olsen Production a.s
- GANN Mekaniske AS
- Glamox International AS
- Global Geo Services ASA
- Grand Basin AS
- Grenland Offshore AS
- GS - Hydro Norge AS
- Hitec Vision AS
- Holta & Haaland AS
- Hydralift Procon

- Norsafe AS
- Norsk Hydro ASA, E&P
- Nortech, Inc.
- Norwegian Environmental Technology AS (NET)
- Novenco AS
- NUTEC a.s
- Ocean Rig ASA
- OCEANOR
- ONS (Offshore

- Simex A/S
- Sintef Petroleumsforskning AS
- SM Steinsvik Maskinindustri AS
- Solco Offshore Services
- Software Innovation ASA
- Statoil
- Steelproducts Offshore AS
- Storvik & Co AS

- Technology Holding AS
- Autronica Fire and Security, Division Oil & Gas
- Blom Maritime
- Bredero Price Norway AS, Dep. Thermotite
- Brøvig Offshore ASA
- ClampOn
- CorrOcean ASA
- Det Norske Veritas

- Engineering AS
- Hydralift Molde Crane AS
- Institutt for Energiteknikk (IFE)
- IKM Testing A.S.
- JM Consult
- Kongsberg Simrad AS
- Kværner Oil & Gas
- Leirvik Module Technology AS

- Northern Seas
- Petec Software & Services AS
- Rapp Bomek AS
- Read Group AS
- Reinertsen Engineering ANS
- RigNet Operation AS
- Plugging Specialists International AS

- Structural Engineering
- Sørco AS
- Technor ASA
- Telenor
- Tranberg AS
- Trelleborg Viking AS
- Triangle Equipment
- Vallant Industrier AS

- Dreggen Crane A.S
- EDM
- Eide Marine Tech AS
- Eksportfinans ASA
- FMC Kongsberg Subsea
- Frank Mohn AS
- Framo Engineering AS

- LMG Marin
- Marintek
- Multiconsult AS
- Navion ASA
- Nexans Norway AS
- Norconsult AS
- NORFASS AS

- Prosafe ASA
- PSL Group
- Scan-Sense AS
- Scandpower
- SeaFlex A/S
- Siemens A/S, Division Oil and Gas

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