

A woman with dark hair, wearing large yellow and black headphones and an orange safety jacket, is smiling slightly. She is standing in front of a blue helicopter. The jacket has a black patch with 'HPL-1 HANSE' and a barcode. A white label is attached to the jacket. The background shows the rotor blades of the helicopter and a body of water.

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PART I. The director general's report

Safe, strong and clear

The main message from the White Paper in 2018 was that the Norwegian regulatory regime for health, safety and the environment is well-functioning and should be maintained. However, both the report from the Auditor General of Norway and the White Paper emphasised the importance of strong and clear supervision. The Auditor General also noted several areas where we could improve our follow-up. That has provided a yardstick for many of the initiatives and activities which characterised our operations in 2019.

While it proved demanding in many ways, 2019 was also a very interesting year. We chose "safe, strong and clear" as our main issue. This aimed to highlight the responsibility which rests on every player to work actively and continuously on improving safety in their own operations. Safe, strong and clear also provided an important guideline for our commitment to the industry and for our own development work.

Optimism, climate and innovation

The growing activity and optimism in the industry which initiated 2018 has continued and characterised operations in 2019 as well. The level of exploration and development activity is high, while great attention is being paid to the opportunities offered by the late-life phase. Climate challenges are playing a stronger role, both nationally and globally, and new expertise and technology are in demand for developing more environment-friendly solutions. We are following up this trend by sharing knowledge, facilitating collaboration, and supervising the development and adoption of new solutions by the players.

Risk level

The RNNP study of trends in risk level in the petroleum activity is an important contributor to a unified understanding of the level of risk in the industry. The information, knowledge and experience we acquire through audits and investigations, and in meetings and dialogue with the parties, also play a key role in our ability to present an up-to-the-minute risk picture.

Over time, the level of risk in the petroleum sector has developed positively and the major accident indicator for 2018 reached its lowest-ever level. This outcome supports the progress we have seen since 2000, and indicates that the industry



Anne Myhrvold, director general, PSA

has got better at managing conditions which affect risk. Although the parties in the industry are working actively to reduce accident risk, we must expect annual variations to occur in the number of incidents and the potential of individual events. The number of incidents with a major accident potential in 2019 – measured by hours worked – was at the same level as the year before. That was the lowest ever recorded. In absolute numbers, such incidents increased compared with 2018. We also investigated more incidents than in the year before.

The RNNP's questionnaire survey has shown a negative trend since 2013 for conditions related to working environment exposure and the safety climate. This decline was linked to restructuring and downsizing processes in the same period. Responses in the 2019 survey reveal more positive assessments than in 2017, and are back to the 2015 level. That is gratifying, but an improvement potential nevertheless remains if we compare with 2013.

The RNNP is also an important tool for promoting coordination between the parties. I hope the willingness and ability to contribute valuable and reliable information and to take a collective and united approach to the RNNP results will continue in the years to come.

Priority areas – how do we contribute?

As a supervisory authority, we have overall responsibility for preparing and further developing the regulations and for supervising that the players comply with these. Our follow-up and supervision is a supplement to rather than a replacement for the responsibility of the companies to follow up their own activities. The companies are responsible for ensuring the robustness and capacity to operate prudently.

We had a high level of activity in 2019. A number of audits were carried out offshore, and we worked actively on knowledge development and experience transfer as well as on regulatory development, fulfilling our duties as a directorate and facilitating inter-party collaboration. Internal development and improvement efforts also received great attention.

The petroleum sector is characterised by restructuring and efficiency improvements, and we are experiencing a trend towards introducing new technology, solutions and modes of operation. Such a development presents both opportunities and challenges. In that connection, we have audited how companies and managements take decisions which ensure robust solutions, make continuous improvements and actively reduce risk. We have followed this up when digital technologies are adopted, when drilling operations are to be automated or when acquisitions, mergers or other large efficiency improvement processes are conducted.

Norway faces a growing risk of suffering deliberate attacks. The development and adoption of advanced new ICT solutions makes the country more vulnerable and exposed to such assaults. We have strengthened our commitment to security against attack and to following up ICT security to prevent errors and ensure that systems are robust.

An example of a more long-term targeted commitment on our part is management of risk and barriers. Over the past decade, we have worked systematically along this regulatory track, through knowledge development, guidance and audits. We are now seeing effects from this work in the specific improvement efforts being made by the companies both offshore and at the land plants.

We have participated in the Norwegian Labour Inspection Authority's coordination project on the government's handling of external whistleblowers, and have launched our own digital whistleblowing channel. In addition, we have collaborated with the Labour Inspection Authority, the National Institute for Occupational Health (Stami) and the Labour and Welfare Administration (NAV) to build up and continue developing the new inclusive workplace (IA) commitment.

Our follow-up of vessels, the early phase and field developments has also been strengthened, we have further developed the RNNP and have reviewed, in dialogue with the Ministry of Labour and Social Affairs, the system for awarding licences and qualifying players.

Further development of the regime and effects on our work

Many factors affect the level of safety. That makes it challenging and complex to assess and report the effects of our commitment. These effects must be assessed in the light of our regulatory regime and key guidelines for our follow-up of the industry. In our work to develop and strengthen the regime, particular attention has been paid to our audit strategy and to our use of instruments and enforcement powers. We have increased our commitment to audits, we are offshore more than before, we dig deeper, we find more, and we follow up to a greater extent that nonconformities are actually corrected.

Over the past two years, we have also conducted a number of independent user surveys to assess the effects of our work. In that context, I find it gratifying to be able to report a positive trend from 2018 to 2019. We are, for example, perceived as clearer in exercising our role and in our use of instruments and enforcement powers, and the players have confidence in us as a government authority. Feedback from our user surveys also shows that our instruments are considered relevant and useful.

From our perspective, we see that exerting purposeful influence over a lengthy period, where instruments are combined and we work at several levels, has the best effect in the long term. Connections between and the effects of instruments, at various levels in the short and long terms, are important for understanding in order to be able to assess the more overall effects of our work.

Worker participation and inter-party collaboration

The report from the tripartite working group in 2017 noted the importance of strengthening and further developing bipartite and tripartite collaboration. As a follow-up to this, eight tripartite work groups were established in 2018 – five in the Safety Forum and three in the Regulatory Forum. Activity in these was high in 2019, and we have worked together on improvements in important areas.

We will continue to give priority to following up worker participation in audits, and to making provision for good inter-party cooperation. Well-functioning bipartite and tripartite collaboration is an important cornerstone in our regulatory regime and a key contribution to securing a high level of HSE in the petroleum sector.

Main issue 2020 – Never another major accident

In 2020, we are marking that 40 years have passed since the very biggest accident in Norway's oil history. On 27 March 1980, the *Alexander L Kielland* rig overturned and 123 people died. That disaster changed the industry, Norway's petroleum regime and safety work.

We have learnt a lot about risk over 50 years, and we know that a good level of safety depends on the industry's ability to reduce risk. We must therefore use this occasion to learn from history. We want to translate the ambition of continuous improvement into specific plans, and want to know what the companies are going to do better in the future and how they are going to do it. The companies are responsible, and they must demonstrate that every day.

I believe we can all agree with “never another major accident”.



Anne Myhrvold
Director general, Petroleum Safety Authority Norway

The text above is the director general's report, signed by director general Anne Myhrvold. It is taken from the PSA's annual report for 2019. The rest of the annual report is only available in the [Norwegian version](#).