



### **SAPC-IADC Work Groups**

The Southern Arabian Peninsula Chapter of the International Association of Drilling Contractors, SAPC–IADC, facilitates the progressive advancement of issues common to the oil and gas drilling community in its region of operation through established SAPC Work Groups.

A SAPC-IADC Work Group coordinates the efforts required to define a specific issue affecting the drilling community across the countries that constitute the SAPC’s region of operation and to help the community find effective and sustainable ways of improving its performance on the issue.

### **SAPC-IADC Work Group – Competency and Local Content**

Across the SAPC region the Local Content (National Labour Quota) element of oil and gas operations is significant. Managing Local Content expectations whilst maintaining effective loss prevention/reduction performance is vitally important for all members of the oil and gas drilling community in the region.

The competency of personnel is inextricably linked to loss prevention and therefore is a critical element in the management of Local Content.

The SAPC membership has identified a gap between the Local Content expectations across the region and the industry’s ability to build sufficient people in a reasonable time scale to ensure the industry can continuously deliver on its commitment to loss prevention and reduction.

In its operations, no harm to people or the environment remains of paramount importance to the drilling community, and therefore the establishment of the SAPC-IADC Work Group for Competency and Local Content is seen as a key across industry step in addressing the regional Competency and Local Content gap and the potential for loss it creates.

### **SAPC Competency and Local Content Work Group**

Under the guidance of a Work Group Leader appointed by the SAPC from its member company representatives the SAPC Competency and Local Content Work Group comprises specialist representatives from across the SAPC member companies and utilizes the

meeting and communication facilities provided by the SAPC to initiate and progress the discussions required to generate the required industry improvements.

The SAPC has appointed Mr. Manoj Raghavan of KCAD as SAPC Competency and Local Content Leader. The kick off meeting for the Work Group was held on the 5<sup>th</sup> December 2013. The resource generated from the kick-off meeting is detailed in Appendix 1.

## Appendix 2

The second meeting of the Subcommittee was held on 6<sup>th</sup> February, at Emirates Golf Club, Dubai. The participants were as follows:

<b>Name</b>	<b>Position</b>	<b>Company</b>
Manoj Raghavan	Snr Vice President,	KCADeutag Drilling GmbH
Bill Hedrick	HR Director	Rowan Companies
David Etherington	Director of Training and Development	Seadrill Management AS
Clint Knight	Human Resource Manager, ME and Africa	Ensco
Alistair Walker	Corporate Training Manager	Shelf Drilling
Mike Merritt		Transocean

### *General*

- A review of the last Sub Committee MOM held on 5<sup>th</sup> December was conducted.
- It was agreed that defining the issue from the last meeting “**a drilling community approach to meeting regional (GCC) Local Content expectations through Competency**” was the beginning and it required now to address some actions in one of the most challenging and important markets in GCC- KSA. The approach taken by the Sub Committee will be collaborative to ensure that an industry wide solution to specific area issues is tabled with the stakeholders and it would have adequate resources and key players within the Chapter and IADC supporting it.
- There has been progress in terms of the operator having signed off on competency programs that have been presented to the Operator by individual drilling contractor. The costs incurred also has been compensated as contractually agreed, only the time required and evidence submission has been very onerous on the drilling contractor. For offshore personal achieving the Category A is not feasible in the timeline that has been by Operators with competency.
- Meeting the Operator jointly could be construed as Drilling Contractors collaborating together and may be viewed negatively. So any potential action to engage the stakeholders is utilizing some international presence through IADC at a higher level and then engage them by either inviting them to a Subcommittee meeting or meet them in their area of operations. It is an absolute requirement for such a meeting to be credible, IADC also supports it with being either leading or being part of the group.
- Prior to such a meeting it was agreed that the important action that need to be taken is, determine the level of participation and inputs from the Operators on the KSA forum in drawing up the standards, which can be also beneficial if they have the participation to get a quicker buy-in as the standard. **Action:** MR to coordinate with Dave Geer and request the information from the team leading the KSA at IADC.
- The team did not have access to the KSA standards and felt this could be shared with the Chapter subcommittee and review it within the organizations in the region to determine, if this has been developed considering the regional factors which influence the way business is conducted in the region. It also need to be determined by conducting a sense check if it could obtain approval from Operators and regulatory authorities in the region. **Action:** Verify if KSA standards in draft form can be shared with the Subcommittee members.
- We agreed that the Subcommittee should be widened to include a 360 deg perspective and hence it was also decided to ensure we have some country specific representation. Action: Current subcommittee

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members to invite if possible, some KSA nationals holding key positions, to provide a 360 deg perspective to the subcommittee meeting.

- It was agreed to ensure that we should invite the service companies such as Schlumberger, Halliburton to the next meeting as they were acknowledged to be ahead of the drilling contractors in meeting Competency and Local content requirements and there could be some lessons which could be learnt by the Drilling Contractors. Action: MR to follow up with David Etherington for SLB participation in the next meeting and Clint Knight to follow up with Halliburton for participation.
- The next meeting of the Sub Committee, it has been agreed should be held on potentially 24<sup>th</sup> April 2014.