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NEWS, DATA AND ANALYSIS FOR THE MIDDLE EAST'S ENERGY PROFESSIONALS

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SAFETY FIRST

MIDDLE EAST OIL & GAS COMPANIES ARE BOOSTING
HSE BUDGETS TO ENSURE STAFF SAFETY

The risks of underinvesting in HSE
could be catastrophic.



Incidents such as the Deep Water Horizon blowout act as a reminder of the potential disaster that lurks around the corner for any oil company who neglects its HSE responsibilities.

On the 20th of April 2010 a massive explosion ripped through the Deep Water Horizon rig claiming 11 lives and discharging a massive 4.9 million barrels of oil into the Gulf of Mexico. It took 87 days for BP to control the situation and plug the well.

In addition to the colossal ecological damage done to the environment, the incident also damaged BP's reputation, which was reflected in the price of its shares which fell by 55% in the three months following the disaster. Four years on, BP's shares are yet to recover to pre Deep Water Horizon levels.

Following the Deep Water Horizon event, the US government hung BP out to dry by conducting a very public enquiry into the event. BP was banned from applying for new business permits in the region for four years.

Deep Water Horizon serves as a stark reminder of the ever present high stakes that oil & gas companies have to play with.

Historically in the Middle East, HSE was seen as an inconvenient hoop through which companies were forced to jump. Now, the region as a whole is looking to balance ambitious rises in production levels with proper HSE management.

Kuwait is looking to double its production by 2020, for example, but Naser Al Buhari, chief security officer & head of the emergency coordination unit at Kuwait Oil Company has recently called on the country to lead by example in terms of HSE responsibility.

"As long as we operate in a risky environment, such as the oil & gas industry, incidents will happen and we will see our share of them. The outcome will depend on how well our emergency responders, employees and contractors respond, manage and learn from them," he said.

According to Enoc's chief EHSQ compliance officer, Waddah Ghanem, HSE governance here in the UAE depends upon three distinct factors; who the regulator is, the jurisdiction that the facility falls under and the industry to which it relates. In Dubai alone, the sheer volume of companies operating gives an insight into the difficulty of adequately regulating HSE management.

"Within the Jebel Ali free zone, for example, there is a lot of industry, about 2,000 different companies all working in a variety of different sectors. They are specifically regulated by a body called Trakhees. In the rest of Dubai, many of the HSE regulations are governed by Dubai Municipality," he says.

With so many different regulations being applied by a range of separate regulatory bodies, HSE governance in the UAE can appear overly intricate at times. Despite the web of bureaucracy, the UAE has made huge strides in recent years to improve its approach to HSE issues.





Middle Eastern firms are starting to demand more in-depth risk management assessment - Daher.

The UAE is working with other GCC countries to improve HSE protocols across the region, according to David Brown, general manager for operations at integrated facilities management service firm, EFS.

“One of the things that I really like about the Middle East is that each of the different countries will take a separate HSE issue, and they will analyse it and iron out all of the teething problems that they encounter. Once they have found a good working solution to the problem, then the other countries will go ahead and roll it out,” he explains.

Part of improving HSE legislation in the region involves ensuring that there are sufficient punitive measures in place for those organisations which break the rules.

“There are a number of legal changes coming in. Middle Eastern governments are becoming stricter in imposing HSE regulations than they were in the past and that in turn is forcing companies to move forward and do the correct thing. This is evident by the number of enquiries we get to provide training services,” adds Brown.

The stringency of these measures is helping to ensure that companies are taking a proactive approach to HSE and disaster management in particular.



HSE training needs a hands on approach, according to Waddah Ghanem, EHSQ officer at Enoc.

Effective disaster management is a huge part of HSE. Whether it's planning how to evacuate staff in the event of a sour gas leak or looking at fire response strategies, HSE managers need to ensure that they have covered every possible scenario.

“There has been a rising demand from the region's key players for refined risk analysis as a step towards fine tuning emergency response plans,” explains Dr Elie Daher, vice president of United Safety.

Disaster management planning is hugely influenced by the specific location of the site. Recent pipeline attacks in Yemen and the spill over from the Syrian civil war into Iraq provide harrowing examples of the kinds of challenges that HSE managers in those areas are being forced to plan for. In the UAE, ultra sour gas fields located close to heavily populated areas pose another kind of challenge with equally deadly ramifications.

Regardless of location, disaster management planning is integral to worker safety and begins with thorough risk assessment, according to Ghanem. This planning should have four distinct elements.

The first element is the overall policy formation. The HSE manager needs to decide upon the approach to disaster management. They need to decide whether they

SPEEDY INTERNATIONALS TOP FIVE TIPS FOR A SUCCESSFUL HSE TRACK RECORD

By Andy Johnson SHEQ director, Speedy International Asset Services .

1) Communication: HSE practitioners will tell you that the key to keeping you, your people and those affected by your activities safe, is communication. It sounds easy, yet working internationally with a multinational workforce, requires communicating a simple message effectively through translation, and through consistent reinforcement of that message.

2) Effective visible Leadership is vital. Our philosophy is to lead by example; and this means that Speedy's senior management team, responsible for the safety of our workforce, has a signed HSE Personal Safety Contract. These are verified and displayed where they can be seen by the whole workforce. Each contract is a personal commitment to participate in health and safety campaigns, such as our 'Don't Walk By' initiative. Our personal safety contract further shows our commitment to communicate organisational goals, to complete safety tours, and, to recognise and reward those who are working effectively and safely.

3) Recognition and Reward may be deemed as a contentious issue, yet managed correctly by senior management and the health and safety team, recognition and rewards can be an effective tool that helps to motivate the workforce and reinforce positive safety behaviours.

4) Protection: Providing the best available personal protective equipment can cost a company less in the long run. Ultimately, the results can differ between a glancing blow and a lost finger. For example; we equip our engineers with armoured gloves to protect their hands while working.

5) Lessons Learnt: Projects can have hundreds of near misses. It's crucial that each near miss is accurately recorded and analysed to determine trends. Our lessons learnt are communicated into our Safety Plan which is a key strategic element for our business and building positive behavioural patterns.



Youth training is a top priority for David Brown.

are merely focused on controlling a potential crisis event or whether they will be involved in processing the entire incident from front to end.

The second element is scenario definition. During this stage, the HSE manager needs to assess not only the worst case scenario, but the credibility of those scenarios. The potential damage a scenario could

cause must be weighed against the likelihood of a situation materialising.

The third element is the identification of required resources that you will need to deal with that 'credible' worst case scenario.

"For example, if you have a tank that is an ignition risk, you identify the size of the tank, you analyse how much foam and water you will need to control a fire and you stock your resources sufficiently to deal with that worst case scenario," he states.

Finally, the fourth element to consider is the recovery plan. HSE managers need to put in place robust policies which outline their readiness to put things back into operation in order to minimise the amount of disruption to the business.

As with all aspects of HSE implementation, disaster management planning is dependent on good levels of knowledge and experience. The oil & gas industry is facing a real problem regarding its ageing workforce. There is a significant risk that HSE knowledge and hands on experience

will be lost as much of the workforce approaches retirement age.

Many companies are taking a proactive approach to replace this knowledge, as David Brown explains.

"We are very conscious of having to replace an ageing workforce. We run a number of mentoring schemes where we are using the more experienced workers to mentor, train and develop youngsters into the business. We are very conscious of the need to spend the money that is required to get them up to speed," he states.

Companies hope that by investing in adequate training for their young employees and improving staff retention rates, that knowledge and experience can be passed on to the next generation.

"We've gone back to a very old fashioned way of doing things, investing in young people and trying to get them to work with the organisation for their entire careers," he says.

Finding people with adequate HSE qualifications as well as relevant



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workplace experience is proving to be a genuine challenge for employers in the oil & gas industry.

The focus on knowledge development and retention is opening up more opportunities for females to take up positions in HSE management, particularly in the Kingdom of Saudi Arabia.

“To attract more women into the industry we provide training and scholarships to high school graduates to pursue technical disciplines related to our core business,” says Huda Al Ghoson, HR manager at Saudi Aramco, in an interview for Total’s in house Afaq magazine.

Ghanem believes there is a danger that some people entering the industry with recently acquired qualifications, may still lack sufficient knowledge to do their job.

“In the construction industry when there was a particularly high boom in workload, anybody, regardless of their background went and did a certificate in HSE. They got qualified in just 10 days and then got a job as a HSE manager for

a construction company. There is big demand for HSE people throughout the Middle East and North Africa region,” he explains.

The environmental aspects of HSE planning have been historically overlooked by the industry, according to David Brown.

“A lot of people still miss the word ‘environment’ off of the term health and safety. There is much more consciousness from the general public regarding environmental issues and we have used a lot of that current thinking to progress different changes in the way that we operate,” he states.

The UAE has been among the leading players in the region in establishing guidelines and procedures for environmental management. Environmental regulations were previously dealt with by the Ministry of Health but the UAE has now developed a specific Ministry of Environment to deal with these matters.

“I think this was done because over the last decade the environment has become

an extremely important aspect for the government and they wanted it to be represented at the highest possible level. This has been achieved by creating a place in the cabinet,” Ghanem explains.

The UAE government’s commitment to environmental issues is evident in the way that it is taking steps to protect its coastline. As Fujairah develops into a regional and global oil storage hub, the UAE government is devising the National Oil Spill Contingency Plan. This is being implemented by the Ministry of Environment and will provide clear guidance on who is responsible for what during the event of an oil spill.

This streamlined approach to environmental legislation shows the importance of clarity and accountability in HSE issues.

Companies are now starting to budget appropriately for HSE as part of their business plans. However, their efforts to raise standards could be further enhanced if a single Ministry or regulatory body to oversee HSE issues within the United Arab Emirates was to be created. **Oil&Gas**

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