



Every year the Offshore Technology Conference in Houston provides the offshore oil and gas industry with an opportunity to 'take its own temperature'; and this year that means having a real sense of how it has fared during what has been a tumultuous time in the world's economy, and to look forward to the future. This year is likely to be one when exhibits, and conversations in the aisles, at this proud and long-standing event focus on

'delivering value' for clients throughout the global industry.

This has become increasingly important over the past 18 months. No-one has money to waste, efficiency is all. There is a universal drive to undertake tasks more efficiently and to squeeze out waste and unnecessary costs

Back in March we took part in the biennial Oceanology International, the London-based exhibition and conference that is very much the centrepiece for the ocean science and

marine technology community. It was a larger show than ever before, with a higher attendance than had been seen throughout its 40+ year history. It was particularly striking to see the increased emphasis on technology – one very definite way of 'delivering value'. There were more ROVs and AUVs on display and, in the case of the AUVs, they are no longer 'in development' or prototypes, but ready to be put to good use immediately.

LOOKING BACK, TO LOOK FORWARD

Hugh Williams, chief executive of the International Marine Contractors Association (IMCA), looks back on a busy three days at the biennial Oceanology International and forward to what lies ahead for the industry



“TAKING THE INTEGRATED ROUTE NEEDS TO START RIGHT AT THE BEGINNING OF ANY PROJECT”

More and more, they are also being used by our industry and not just by the military or university/research institutions.

IMCA held a highly productive workshop on ROV umbilical and handling systems that enabled us to facilitate sessions involving IMCA members from around the world including engineering managers; vessel operators; ROV contractors; ROV suppliers – including manufacturers and designers of handling systems and umbilicals; and the insurance world.

By the end of the session there was undoubtedly more understanding across the industry from the centre (the user) backwards to the designer who needs to understand what the ROV will be used for; and forward to vessel owners who need a greater understanding of such vital elements as allowing space on their vessels for the specialist ROV equipment and its associated control, and the ultimate customer, the oil company, with their particular demands on ROV contractors.

We were struck too by the increasing internationalisation of Oceanology International – nearly half the overall attendance was from overseas, and over 60% of exhibitors came from outside the UK. We had particularly productive conversations on the IMCA booth with Russians who were there both to buy equipment and to sell their expertise for their home market and increasingly internationally. They are finding that when tendering to take on work worldwide they are being asked by clients to ‘do it the IMCA way’. IMCA is all about ‘delivering value’ and also to delivering

integrated solutions – a global approach to safety, to training, to competence and indeed to overall operations.

We note more than ever before the integrated nature of worldwide business, the delivery of marine construction through many disciplines, the importance of the success of all parties in the industry working together to promote the industry, its success, continuity, efficiency, safety – yes, its four vital pillars.

Taking the integrated route needs to start right at the beginning of any project with recognisable tenders and recognisable bids. This then encompasses recognisable contracts and project procedures and ends with a recognisable deliverable once operations have come to a satisfactory end. When I say ‘recognisable’, I am encouraging using standard formats, large pieces of which can be IMCA material. It is important that each of these key steps cover all aspects of every project – the vessel, the equipment, the personnel, the integration of specialist operations (for example diving, ROV/AUV, heavy lift) where relevant. This is not a ‘single layer’ or ‘tier’ methodology, but impacts the complete supply chain – clients, contractors, subcontractors, personnel agencies. It is vital that all deliver value and remove waste and work to common aims with no ‘recreating the wheel’. Standardisation is indeed a straightforward way of removing waste and delivering value.

The whole of IMCA’s work programme, on behalf of its 700 members and the industry at large, is integrated crossing company, supply

chain, discipline and geographic boundaries. The programme includes continuing emphasis on such initiatives as the Common Marine Inspection Document (CMID), competence programmes; and continual improvement (and thus guidelines) on technology for DP, diving, ROVs, AUVs and offshore survey.

Making the standard approach mainstream

It was with delivering value and removing waste in mind that IMCA developed the CMID in 1999. Back then, vessels were subjected to repeat inspections each with a slightly different format because there was no acceptance of other clients’ inspection results, and no common approach available. The consequent standardisation of vessel inspection has had a most beneficial effect on efficiency, vessel quality and operational safety. However, we could not afford to rest on our laurels and, taking on board feedback from users of CMID, the launch of an electronic version – e-CMID – along with a secure online database for the reports was the logical step to take to ensure the document’s continued usefulness.

This launch of e-CMID took place last November enabling clients, vessel operators and inspectors to all register as users at the new dedicated Web site at www.imcacmid.com where registration and use is free to all, both members and non-members of IMCA alike.

In the electronic version the inspector will not be able to leave blanks or provide insufficient information – when the inspector answers ‘no’ to certain questions, a description of what is lacking must follow.

The electronic version has proved easier and quicker to complete for the inspector. He should have certain information pre-populated which improves speed and accuracy, and can then create the report quickly whilst on the vessel. Any time saving at this point is very important to the vessel operator who, in the past, had to spend a lot of time whilst in port escorting inspectors around their vessels. A more accurate report can also improve the likelihood of an existing report being accepted and thus a new report not being commissioned – another saving.

The e-CMID was also the necessary

precursor of the all-important database which will store the reports. IMCA thrives on feedback and a number of users reported that paper-based CMID reports were circulating with inaccuracies in them, which the vessel operator could not correct, and that updates to vessel equipment status could not be included; and there were also indications that several versions of reports could be in circulation at the same time.

The e-CMID allows the inspector to generate a list of findings to discuss with the vessel master before leaving the vessel. It also ensures the vessel operator has the opportunity to provide comments and updates on the inspector’s findings report before, and after, it is lodged on the database. Clearly only one version of the report can exist on the database which addresses the feedback we received. Better quality reports and better access to them, both provided by the combination of Issue 7 of the CMID report format/the e-CMID/the CMID database, will be an improvement for all parties concerned – vessel operators, clients and inspectors.

In the first three months of e-CMID’s existence we saw 652 users register. Drawn from the three user groups, they represent 66 vessel operators, 60 clients, 45 combined operators/clients, and 79 inspection companies. The vessel operators accounted for 208 vessels. This is far beyond our expectations.

We are gratified that e-CMID and the CMID database were completed on time and on budget and are being put to such good use. We feel sure that the industry is benefiting from this service, for which, I emphasise, there is no charge to users anywhere in the world. This is something that surprises people, but safe and efficient operations are of prime importance to IMCA, to its members, and to the industry at large, and we strongly believe that e-CMID is an important step in achieving these goals.

IMCA has always striven not to be in the middle of commercial relationships between vessel operators and their clients. That is not our role. Our role is to facilitate safe and efficient marine operations by helping all of our members through a variety of means, but particular through publications of good practice guidelines and documents like the CMID.

In this way the CMID, which has been in

existence in hard copy form for nearly 10 years, is widely used and has done sterling work. But, we have never known in detail its exact users nor been able to measure its use. Now that we have launched the e-CMID and the CMID report database that situation has changed. We do now have a measure, but it is important to stress that we still avoid being in the middle of this commercial relationship.

Delivering an integrated approach means there should be more joined-up thinking in the spirit of the e-CMID throughout the industry. Let’s put on our thinking caps about what else can be achieved!

Slump adds to costs

The global slump has the capacity to add significantly to costs in the future. This will be because of a lack of personnel, lack of ready equipment, and thus a lack of ability and preparedness to move swiftly from one project to the next following the current slack period.

When the boom comes – which it will do inevitably – there will be costs of retraining new people and re-supplying vessels with the very latest technology (designed with efficiency in mind). How much more satisfactory it would be if everyone ensured that enough work is done to keep as many of the well-oiled wheels running smoothly as possible, then recovering from the bottom of the slump would be easier for all? Two national examples show how this can be done.

Despite the current economic crisis and tough market conditions, Norway is making a significant effort to secure industry growth and technology development. The Norwegian government is funding new, and existing, businesses to continue to develop new technology. Statoil is also pushing service providers and discipline specialists to take new technology forward and has launched a project with ‘Teach First Norway’ to cultivate interest among students to obtain the right competence to get into the energy industries. One of the all-important objectives is to secure enough future MSc and PhD candidates to bolster Norwegian R&D. What’s more, two major shipping companies, Frontline and Golden Ocean, are flagging parts of their tanker fleets back to Norway in order to support the initiative.

At the IMCA annual seminar held last autumn in Rio de Janeiro, we heard how Petrobras was investing at the bottom of the market and this was a topic discussed at the IMCA North America Section joint meeting with Deloitte which dwelt on ‘human capital’. This studied the actions of oil majors and contractors during this strained and straitened period and the likely difficulties ahead when the industry recovers. IMCA played its role as a facilitator for dialogue which focused on the risks: losing key personnel; putting off new recruits; endangering hard-won competence; and threatening the ability of contractors to deliver value and solutions to clients as fast as previously possible. It also focused on the opportunities of working together now for a better, more efficient future.

The Norwegian and Brazilian moves are to be applauded and we hope they will encourage others to follow suit so that our industry comes out of the ‘crunch’ ready for the inevitable upturn in demand. Careers promotion will be needed as never before when we come out of the slump.

IMCA played a key role as sponsor of the Oceanology International Careers Day which saw several hundred UK university students and post-graduates attend the event eager to find out about career opportunities. We must invest in them, their enthusiasm and expectations. We were experiencing a skills shortage before the crunch came. When the industry picks up, that shortage will most definitely manifest itself again.

The industry is still recruiting; the tap has not been turned off completely. We would urge those interested in the industry to make every effort to join now. These are the people who within ten years will be key players. I can foresee the new employment buzz. And what a buzz it is going to be – there are excitement and challenges in plenty ahead as we go into deeper water; more difficult reservoir formations; look forward to exploration and production under the Arctic icecap; and use technology increasingly to ensure safe and efficient delivery of value throughout the supply chain. Here’s to an integrated future!

READ ONLINE ☞ “Safety first” by Hugh Williams in Energy Profile 3 p66

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