



MEMORANDUM OF UNDERSTANDING

BETWEEN

THE HEALTH AND SAFETY EXECUTIVE

AND

THE OIL AND GAS AUTHORITY

CONCERNING

EFFECTIVE CO-OPERATION AND COMMUNICATION
ARRANGEMENTS

INTRODUCTION

The Health and Safety Executive (HSE) is a non-departmental body sponsored by the Department for Work and Pensions, who are responsible for the inspection and regulation of occupational health and safety, and major accident hazard risks associated with work activities (e.g. onshore and offshore oil and gas exploration, production and storage; emerging energy technologies and carbon capture and storage). This includes working in partnership with the Department of Energy and Climate Change as part of the Offshore Safety Directive Regulator (OSDR), and with environment agencies within the COMAH competent authority, to regulate the management and control of relevant onshore and offshore major accident hazards.

The Oil and Gas Authority (OGA) is an Executive Agency of the Department of Energy and Climate Change and an independent regulator. Its aim is to maximise economic recovery of the UK's oil and gas resources using its powers to develop and implement sector strategies to protect the current asset base and help realise the future potential of the UK's oil and gas resources. The OGA works closely with industry and other parts of government to improve collaboration on decommissioning, revitalise exploration, drive investment, and to improve production efficiency and create a competitive cost base. The OGA is also responsible for regulating offshore and onshore oil and gas operations in the UK including oil and gas licensing, oil and gas exploration and production, oil and gas fields and wells, infrastructure and carbon capture and storage licensing.

Independence must be maintained between the core regulatory functions of HSE and OGA. It is recognised that there is the potential for tension between the role OGA has in licensing and HSE's role in promoting the industry with wider safety and environmental protection considerations. This memorandum of understanding (MOU) seeks to avoid conflict by promoting collaborative working through effective cooperation and communication arrangements.

PRINCIPLE OF COLLABORATIVE WORKING

This MOU outlines the principles of cooperation to be adopted between OGA and HSE (including when HSE is working as part of the OSDR or COMAH competent authority).

The MOU seeks to promote effective co-operation and communication (e.g. knowledge sharing), while recognising and respecting the different regulatory and other legal frameworks within which each organisation operates. As such this MOU is a statement of intent; nothing in it shall create any legally binding or enforceable obligations on either HSE or OGA.

The principal purpose of collaborative working is to enhance the effectiveness of HSE's and OGA's operational and policy delivery. This will be achieved through a common understanding of good regulatory practice, regular sharing of knowledge in areas of mutual interest and through close cooperation on activities and projects of strategic or commercial relevance .

INTENDED ACTIVITIES AND ASSOCIATED BENEFITS

We anticipate that the initial activities to be undertaken pursuant to this MOU, and the associated benefits of such collaborative working, will include:

- Evolving a common understanding of OGA's and HSE's regulatory priorities and approaches, including our roles in relation to the approval of licences and operators undertaking offshore oil and gas operations;
- Aligning our mutual objectives: HSE's objective of ensuring that offshore assets are safe to operate effectively and OGA's objective of maximising economic recovery of the UK's oil and gas resources;
- Collective planning and cooperation to ensure that proportionate and effective regimes are in place to support emerging energy technologies (e.g. offshore gas storage);
- Sharing statistical data and analysis relating to trends and performance, initiating research if appropriate; and
- Exploring joint events and communications opportunities to reassure stakeholders that suitable independent regulatory approaches are in place.

It is intended that the activities outlined above will be delivered by initiating meetings and events as appropriate.

FUNDING AND COST RECOVERY

Organisations will generally bear their own costs when contributing to activities directly connected with this MOU, unless alternative arrangements for specific areas/projects are agreed on in advance. When undertaking specific regulatory functions (e.g. approval of operators), or where there are specific requests (e.g. for research, technical assessments or secondments), appropriate cost recovery or funding arrangements will be put in place.

REVIEW OF THE MOU

This MOU will be reviewed in 12 months, and thereafter every three years, unless terminated sooner or extended by collective written agreement.

SIGNED MAY 2015

**Chief Executive
Oil and Gas Authority**

**Chief Executive
Health and Safety Executive**