



**THE NORWEGIAN  
OIL INDUSTRY ASSOCIATION**



**NORWEGIAN  
SHIPOWNERS' ASSOCIATION**

**Agreement relating to principal company responsibility etc.  
on mobile structures in petroleum operations**

The following model agreement relating to principal enterprise responsibility etc. for mobile structures in petroleum operations has been drawn up by the Norwegian Oil Industry Association (OLF) and the Norwegian Shipowners Association under reference to section 2.2 of the Norwegian Act Relating to Working Environment, Working Hours and Employment Protection etc. of June 17 2005 No. 62 (The Working Environment Act), and section 33 of the Regulations Relating to Health, Environment and Safety in the Petroleum Activities of Feb 12,2010 (the Framework Regulation).

Pursuant to the Regulations, the operator and the party responsible for operation of the structure may make an agreement deciding which of them is to be regarded as the principal company. Such an agreement was widely desired among operators and contractors, partly because the organisational machinery on the structure that is most appropriate for handling the principal company obligations normally belongs to the contractor. If no agreement is made, the operator will stand as the principal company.

The agreement can be made as part of a drilling or similar contract, in which case the contracting parties, and the term and scope of the agreement will be the same as in that contract. The agreement can also be made as an amendment to the contract, or as a separate agreement, for example in a contract period. Clause 9 stresses that the parties should consider whether the contract provides an adequate solution for the financial liability the agreement may entail, which will normally be the case. As this is a draft for a model agreement, it is moreover possible for the parties to elaborate parts of the agreement text if desired.

The model agreement is formally approved by the Norwegian Oil Industry Association and the Norwegian Shipowners' Association for use by members in contracts involving mobile structures in the Norwegian continental shelf sector.

Stavanger/Oslo, 15 03 12

**THE NORWEGIAN OIL INDUSTRY  
ASSOCIATION**

  
Håvard Hauan (signed)

**NORWEGIAN SHIPOWNERS'  
ASSOCIATION**

  
Are Gauslaa (signed)

*The following model agreement relating to principal company responsibility etc. on mobile structures in petroleum operations has been drawn up by the Norwegian Oil Industry Association (OLF) and the Norwegian Shipowners Association under reference to section 2-2, nr 2 of the Working Environment Act (Norway), section 33 of Royal Decree 12.02.10.*

**Agreement relating to principal company responsibility etc.  
on mobile structures in petroleum operations**

**1. Contracting parties <sup>x)</sup>**

This agreement is made (*if applicable*: as an amendment to the main contract) between the operator company..... and the main contractor ..... who is responsible for operating the mobile structure.....

The agreement applies for as long as the mobile structure is engaged by the operator pursuant to contract of.....

*x) This clause may be omitted if the agreement is incorporated in the main contract and the contracting parties and the term and scope are the same as in that contract.*

**2. Principal company**

The main contractor is the principal company for the purposes of section 33 of the Regulations of 12.02.10 relating to worker protection and the working environment in petroleum operations, cf. section 2.2 of The Working Environment Act of June 17 2005 No. 62.

**3. Responsibility**

Principal company responsibility follows from the statutory rules mentioned in clause 2 above.

The responsibilities born by the operator and the main contractor in their capacity as employers, operators, contractors etc., also flow from the Working Environment Act and the Petroleum Act (Act No. 29.11.96 nr 72) and the pertinent regulations, and this agreement does not restrict these responsibilities.

This agreement shall apply whenever not otherwise agreed in writing between the parties.

**4. Duty to provide information**

The main contractor shall inform operator of all matters of material significance for the working environment and that are necessary in relation to the internal supervision required of licensees under the working environment legislation.

Operator is responsible for informing his other contractors and their subcontractors on the mobile structure (joint contractors) of the contents of this agreement concerning principal company responsibility.

The main contractor shall co-ordinate contact with the Petroleum Safety Authority (PSA) in all matters that come under the main contractor's area of responsibility in regard to working environment legislation.

In matters of material significance operator shall be kept informed by copies of correspondence and communications to PSA.

#### **5. Employees and equipment etc.**

Operator shall ensure that those of his own employees and the employees of joint contractors engaged by operator, who are sent on board the structure, possess satisfactory qualifications. The main contractor is responsible and shall ensure that everyone who arrives the structure get satisfactory safety and emergency preparedness training on board, either they are employed by the operator or the main contractor. By agreement with the operator, the main contractor may send an employee ashore from the structure if the main contractor finds that the employee does not possess satisfactory qualifications.

The main contractor has similar responsibility for his own employees and the employees of joint contractors engaged by him.

Operator shall ensure that equipment, goods and consumable materials taken aboard the structure that belong to operator or joint contractors engaged by him, satisfy the requirements of the working environment legislation and other authorities. The main contractor may demand modification or replacement of equipment etc. that does not satisfy the said requirements.

Similarly the main contractor is responsible for such equipment, goods and consumable materials belonging to him or joint contractors engaged by him.

#### **6. Working Environment Committee**

The main contractor is responsible for co-ordinating safety and working environment operations on the structure and shall establish a "joint local working environment committee". The working environment committee shall send its action plan and annual report to PSA when so requested, with a copy to the operator.

#### **7. Working hours**

The main contractor shall exercise supervision to ensure that the individual employees on the structure work in accordance with the existing rules regarding working hours. However the main contractor is not responsible for any excess working time on the part of employees of the operator or joint contractors when that is due to incomplete or incorrect reporting of work that is *not* performed on board the structure.

Whenever so requested the main contractor shall send PSA the plan for working hours arrangements on board the structure, with a copy to the operator.

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The main contractor shall ensure that each employer on the structure submits monthly statements of working time arrangements and periods on board for their own employees. These statements shall be prepared in accordance with the legislation and shall be available to operator.

#### **8. Other working environment matters**

The main contractor shall ensure that the following matters are observed on the structure:

- Charting the working environment and promoting measures
- Establishing routes for good co-ordination between employers on the structure
- Ensuring that the safety and health services have the necessary information concerning the working situation
- Ensuring that all employees are given necessary information so that injuries and occupation-related diseases can be prevented
- Ensuring that employees are given information concerning risks and health hazards when handling chemicals

#### **9. Miscellaneous**

*(Any supplementary rules desired or needed by the parties can be inserted here. It is recommended that consideration be given to whether the main contract provides an adequate solution for the financial liability and inter-company accounts the agreement may entail, whether the "knock-for-knock principle" covers the division of responsibility and work under this additional agreement, for example in regard to relations between the principal company and the joint contractors.)*