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Faroe participation in an oil industry - a demand

-Developments leading up to an oil industry in the Faroes has in general terms been a success. Although no oil has been discovered yet, the oil industry is one of the top earners in the Faroes. It is estimated between 1200 and 1400 Faroese work within the oil and gas industry. 20 years ago they could be counted on one hand, said Mr Magne Arge when he addressed the AGM for the Oil Industry Association recently. He also said that Faroe participation in an oil industry ought to be a firm demand. Much activity Oljan.fo has looked at the annual report, where the Chairman, Mr Arge is looking forward to the much drilling activity expected next year and said in this connection: -Although little activity is on the Faroe plateau, Faroe companies are active within the oil industry elsewhere. In the offshore sector new vessels have arrived and more are underway. The company Skansi Offshore has just christened their fifth offshore vessel, Krúnborg Offshore and Thor Offshore have several vessels under construction. Faroe companies are also active in other sectors of the service industry, such as skilled trade, telecommunications and aviation and Faroe companies are doing well. Their labour force has been well received in the industry generally. The decision to target Faroe participation in an oil industry and to improve competence levels are the keys to this successful venture. We hope to see a continuation of this development. Legislation revised The Oil Industry Association believes the various stipulations in the legislation Act, regarding Faroe participation and competence, ought to be revised, as we today have considerable levels of competence and the fact of the matter is that we today are providers of knowledge, competence and labour to the oil industry. Therefore there is no reason to fear that the Faroes cannot deliver a competent service in connection with exploration activities. For all involved parties it would be

clearer to insert that Faroe participation is a demand and that we wish to continue to see a development of Faroe competence in the oil industry. It would be obvious to develop education and research opportunities, which one way or another are linked to a Faroe offshore industry. We know that people with such knowledge have an excellent opportunity to work within the oil industry, and still reside in the Faroes this is a core competence area, which the Faroes should target preferably through cooperation with the international oil industry. This would create a so-called win/win situation. The Oil Industry Association estimates that it is important to recognise certain areas, where we in particular can make our mark and stress for competence at a higher level, which will enable Faroese to command leading posts and functions and not just at the lower- and practical level of the oil industry. Development Committee In his address, Mr Arge also mentioned that the government ought to consider reappointing a new Oil Industry Development Committee: -Should the government decide to appoint an Oil Industry Development Committee, as we advocate, it need not revolutionise a well-functioning legislation Act or the model it is based upon. On the other hand, it could raise the issue of how we can develop further and at the same time debate the issue of how we can harmonise our participation in an international oil industry with our domestic activities. Currently there are several challenges to contend with, for example the current huge demand for electricians and the subsequent glaring disparity between the taxation for those working abroad and those working at home. The challenge is to create a joint common advantage for the oil industry and the Faroe society. Faroes and Arctic Mr Arge pointed out that the Faroes and Arctic were the focus for a theme day at the Nordic House, which the PMs office organised last autumn. In this connection, the Oil Industry Association had drafted a report on the possible opportunities for Faroe industry in the Arctic. As a result of this theme day, the business trip to Greenland was organised last April by the Employers Union. He also mentioned the recent oil conference held by FOIB, where several distinguished foreign guest speakers held very interesting talks and where Mr Arge also held a talk about Faroe participation in the oil industry and future opportunities. Finally, Mr Arge mentioned the cooperation between the Oil Industry Association and the PMs office marketing drive: Promote the Faroe Islands. The PMs office will coordinate Faroe participation at oil conferences abroad and the usual conferences are Offshore Northern Seas in Stavanger, Offshore Europe in Aberdeen. After experiencing a drop in participating companies over the past few years, it now seems that Faroe companies once again have the energy to participate at such conferences. Offshore Europe 2013 will be over the days 3 6 September in Aberdeen and several companies and institutions have already announced their participation.