

Supporting Oman's development

INTERVIEW WITH WALTER SIMPSON

MANAGING DIRECTOR, CC ENERGY DEVELOPMENT



WALTER SIMPSON is a graduate of the University of Oxford and Heriot-Watt University in Petroleum Engineering. He began his career with BP in the North Sea before taking roles at Crescent Petroleum and Baker Hughes and BG Group where he rose to the position of President and Managing Director of BG India. Moving to Australia he worked with QGC and Drillsearch Energy, as Chief Executive Officer, before taking up the position of Managing Director at CC Energy Development in 2018.

Please give an overview of your objectives for CCED.

Oman is a country which we believe is one of the best in which to operate in the Middle East and we want to be here right the way through our licence period to 2040 and beyond. To do that we have to ensure a sustainable business, both from an environmental perspective and a business perspective. That means we have to keep training Omani staff, generating revenue, increasing our production volumes and keeping exploration going. Last year all the work we put in previous years into HSE (Health, Safety and Environment) started to bear fruit and we began the year with a safety recordable incident frequency of 1.4 and finished it at 0.5. That dramatic improvement has been down to the hard work of the organisation in taking accountability for improving safety. While it is important in keeping people safe, I am also a firm believer that those behaviours that allow you improve safety performance, are exactly the same behaviours that allow you improve your business performance. We performed equally as well in our production delivery and year on year our production grew by eight percent and we went to over 45000 barrels a day of crude oil. That juxtaposition between an improving safety performance and an improving production is absolutely crucial to us being a successful business into the future.

We also want to be a business that is nationalised in the sense that we have a very strong Omani national workforce and that we have a portfolio of opportunity that we are developing sequentially in a value based way that will allow us to keep the production levels high for both ourselves and the country. We currently have around 750 employees directly employed and we are presently at 83 per cent of Omanisation, but what is most pleasing about that is that at our senior management level we are at 53 per cent Omanisation.

How does operating in Oman compare to the many other countries in which you have worked?

Very favourably. Oman has a fiscal regime which is very good, has a Ministry of Oil and Gas which is very supportive and which understands our business well and looks for solution to problems when we present them. The education system here which His late Majesty Sultan Qaboos really put at the forefront of his development of the country means that we have a workforce which is extremely well educated.

Would you consider human resource development to have been the greatest legacy of His late Majesty Sultan Qaboos?

Yes, but there is a subtle nuance to it. Education is very important, but education for all, both male and female, has been vitally important. That is something that is special in Oman as we have a number of extremely well educated and very experienced senior females in this organisation who are really driving things forward and that is something that I think is very valuable for the country.

What is your comment on British-Omani relations?

The relationship is very valuable both ways. I found coming to live here that there is a familiarity of the population with the UK, having been there for education or having spent time there. I also think that it works in another way in that it gives that international exposure to the Omani population.

Have you any plans to plans to invest in renewables?

It is clear that the world is changing in terms of global warming and environmental climate change and that requires us as energy businesses, particularly in the oil and gas sector, to reevaluate what is our niche in this market as the world changes. I do not think the hydrocarbon sector is going to disappear. However those who will be successful in the oil and gas industry are the low cost operators who have a footprint which is valued by the community and that is the strategy that we are looking at, and we are working hard to bring our costs down so that we are a low cost operator. We are also looking hard at what our impact on the environment is and that is not just in terms of CO₂ emissions but also in how we manage our water, how we manage the land that we have in acreage, how we deal with our waste and making sure that we minimise that impact. We are also looking at how we are being of value to the community and that is not just in terms of being a CSR star and giving funds to this or that project, it is about the training and development of our national staff and how we fit with the community. This is a country which has been extremely good to CCED and we have been very successful working here, and I want to continue that success and ensure that CCED plays its part in making Oman successful. **F**