

# GLOBAL SUPPLY CHAIN



WILL ROWLEY  
28 NOVEMBER 2017

**ACTEON** *FLS*

# Introduction

## **Acteon FLS**

- Coordinator for decom activities for the global Acteon Group of companies
- Overseeing decom activities in >30 countries worldwide inc. well P&A & asset removal

## **Will Rowley**

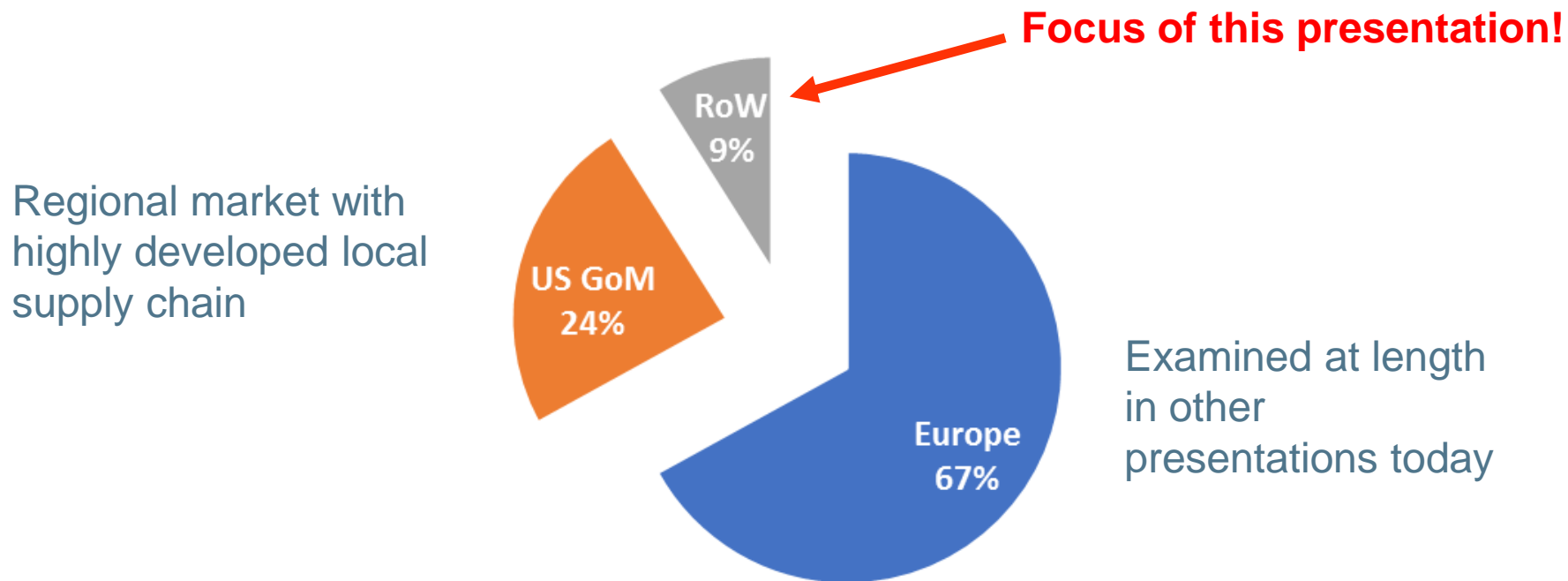
- VP & Group Analyst
- Decom analyst for >20yrs, focused on market reality for OFS companies

## **Global Supply Chain**

- Rationale
  - Opportunities
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# Rationale - global context

2016 Global Decommissioning Expenditure Ratios



How big do you think the RoW is forecast to grow to within 10yrs, as a % of global decom activity?

- a. <10%
  - b. ~10-15%
  - c. ~16-20%
  - d. >20%
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## Rationale - global context



- RoW activity forecast to grow to ~ 19% of global activity
- Comparable to GoM in annual value, within 10yrs
- Faster growth rate than Europe or GoM

Growth countries include;

China, Brunei, India, Australia, New Zealand, Malaysia, Indonesia, Vietnam, Libya, Nigeria, Italy etc.

Operated by NOCs, majors, independents

**But with growth in Europe, why bother?**

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## Opportunities (& challenges)

### Limited &/or undeveloped

- Legislative frameworks
- Practical decom experience
- Dedicated decom contractors
- Specialist tools or equipment
- No specialist disposal facilities

### Most assets/facilities based on European or US designs

- Most countries ~ decade behind Europe timelines....
- >600 facilities, all sizes, types – next 10 yrs
- >1,000 wells to P&A – next 10 yrs

***If this is starting to pique your interest but worried about cost & aggravation then...***

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# Opportunities (& challenges)

## Which means

- Legislative flexibility, safe but not prescriptive
  - Timelines are 'flexible' but activity is underway
  - Open local partners keen to develop new market niches
  - Innovative approaches
  - Higher value for specialist tools & equipment
  - Higher value for specialist knowledge
  - Clients with limited preconceptions – very receptive to innovation
  - Clients with limited organisation structures – short decision lines
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## Which can mean...

Higher values & margins for specialist knowledge & equipment

- but needs to be matched to local cost base for some services

Development opportunities for innovation

- technical innovation
- process innovation

Diversification

- geographic
- collaborative relationships

**Use Europe as a springboard to global opportunities...**

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A black and white photograph of an offshore oil rig deck. Two workers in full protective gear and hard hats are visible. One worker stands in the center, looking out at the sea. Another worker is partially visible on the left. In the foreground, a large metal hook and pulley system is attached to a thick steel cable. The background shows the ocean and a cloudy sky. A diagonal blue overlay is present on the left side of the image.

THANK YOU

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