

# Regulations and Compliance

A few thoughts to provoke...



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# Regulation is...

A formal external constraint that requires a company to conduct its business in a particular way (either by statute or *'persuasion'*)



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# Why do regulators need to regulate?

- To control (and demonstrate control of) exploitation of national natural resources
- To ensure (and demonstrate) protection of other natural resources that might be affected by oil and gas operations



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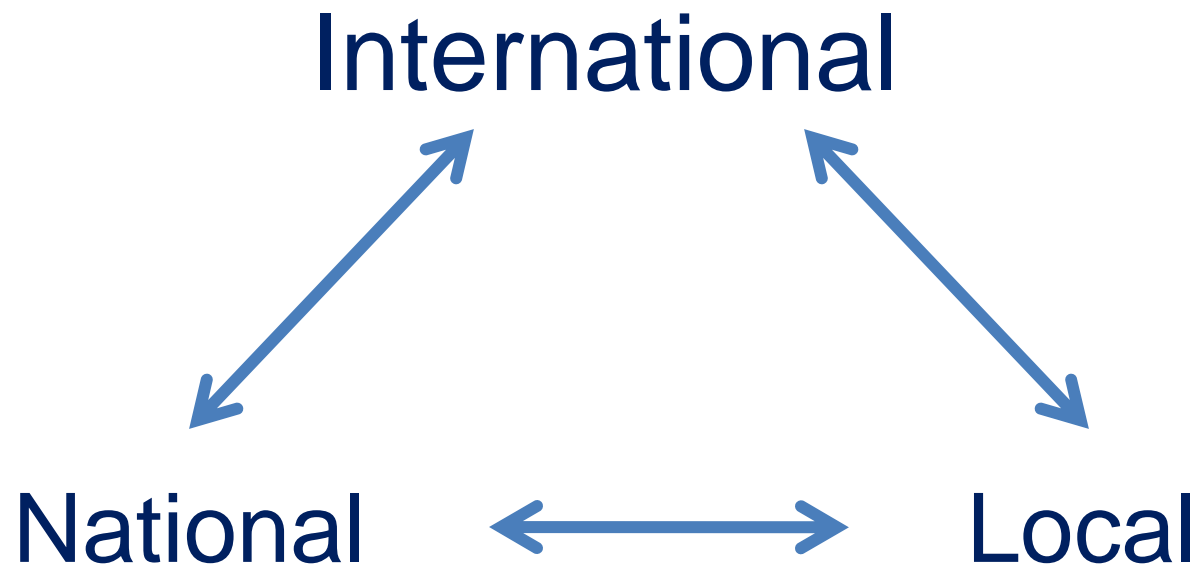
# Do we need regulations?

- Immediate answer:  
“Of course not: we understand the impacts of our operations and can control these ourselves”
- More pragmatic answer:  
“They are helpful in that they define the boundaries within which we can (and are expected to) operate.
- But please could these be expressed in terms of environmental risk rather than environmental hazard? And, please remember that we are stakeholders in the process”



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# Where do regulations come from?



Enter at any vertex



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# Who are the regulators?

- Government agencies
- Inter-governmental agencies (regional and global)
- Non-governmental agencies!

Financial institutions through UN, World Bank/IFC or commercial banks operating through policy arrangements such as the Equator Principles



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