

CURRENT ISSUES SURROUNDING SEISMIC & SURVEY CONSULTANCY

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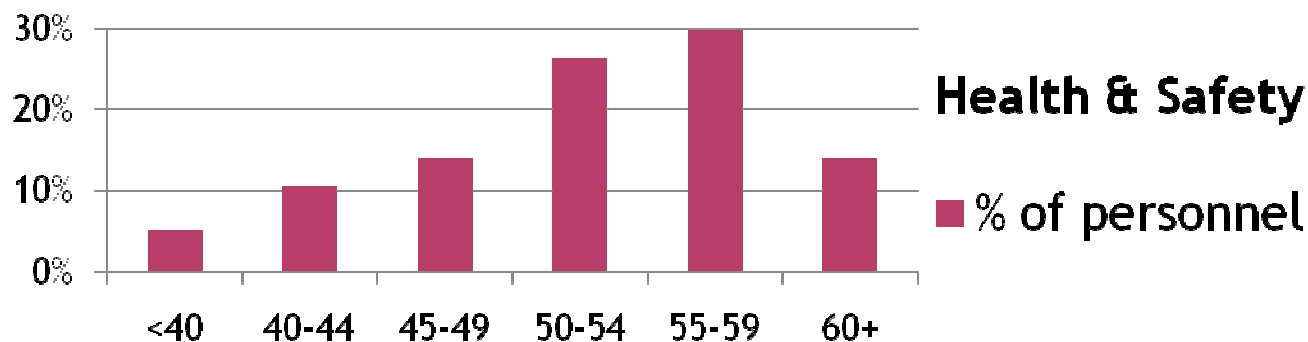
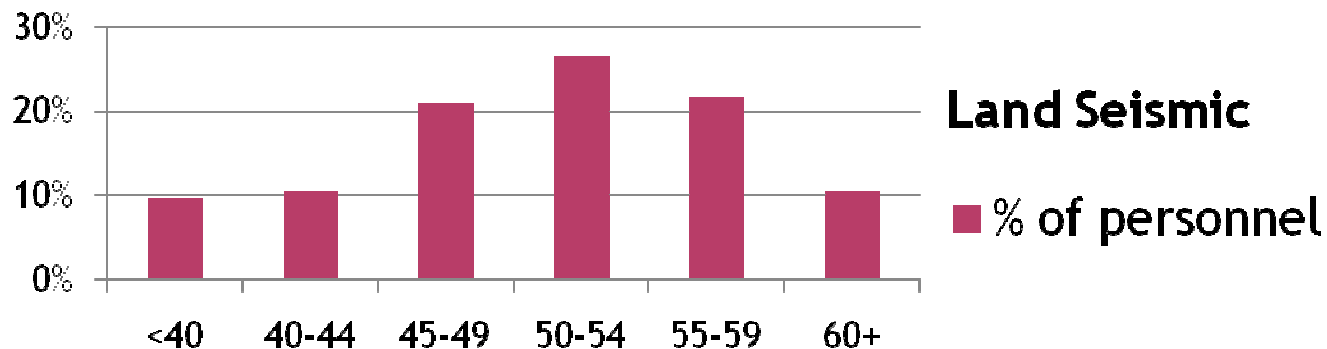
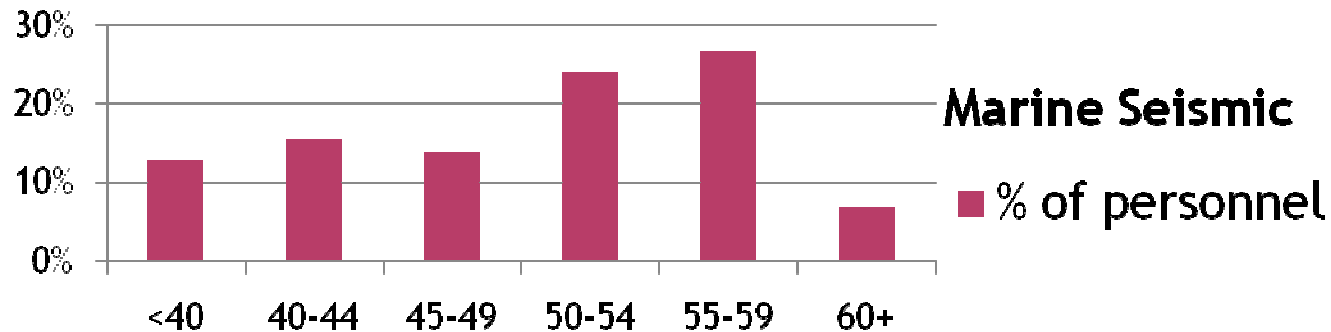
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- Demographics
- New Blood
- Personnel Retention
- HSE Standards
- Tender Bonds & Performance Guarantees
- Paperwork
- International Taxation
- Local Agencies
- Reverse Auctions
- The Value of Consultancies

DEMOGRAPHICS



NEW BLOOD

- Require more 'new blood' to enter our industry

What can we do?

NEW BLOOD

- Compete with other industries
- Consider cross-training personnel
- Provide well defined career path
- Certification system for consultants
- Structured training
- Encourage clients to accept 'new blood'

PERSONNEL RETENTION

- Personnel leaving for other industries
- Looking for more stability

Consultants moving towards:

- Employment by contractors & clients
- Retirement

PERSONNEL RETENTION

Make consultancy more attractive:

- Higher rates/better terms
- Training
- Career development
- Consistency of work

HSE STANDARDS

Travel is a major cause of consultant injury

- Consultant fatigue – consider rest periods after travel and before project start-up
- Collectively ensure the risks of transportation are adequately understood

HSE STANDARDS

- IECO HSE policy statement
- Working together towards Client HSE objectives
- Encourage pre-mobilisation training

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TENDER BONDS & PERFORMANCE GUARANTEES

- Required in certain countries – necessary?
- Time-consuming & expensive to arrange
- Costs disproportionate to size of project
- Erodes project margin

TENDER BONDS & PERFORMANCE GUARANTEES

- Differentiate consultancies from contractors
- Offer client references & job history
- IECO working towards minimisation

PAPERWORK

Delays in paperwork – can you help?

Results in a number of issues including:

- Insurance liability
- Personnel resources
- Invoicing difficulties
- Cash flow

INTERNATIONAL TAXATION

- Can IECO members be familiar with all international taxation requirements?
- Could we share information?
- Tenders to be exclusive of local taxation?

LOCAL AGENCIES

- IECO members work internationally through local agents where necessary
- Client appointed local agents
- Flexibility

REVERSE AUCTIONS

- Not considered good business practice for either consultancies or clients

‘You get what you pay for!’

- IECO members aim at fostering long term client relationships

THE VALUE OF CONSULTANCIES

- Added value over skills of consultant
- Large 'pool' of expertise
- Reduces in-house resources
- Insurance, travel & logistical support
- Training & certification

SUMMARY

- Entice 'new blood'
- Foster better personnel retention
- Encourage continued HSE awareness
- Minimise tender/performance bonds
- Facilitate paperwork delivery
- Share taxation information
- Discourage reverse auctions
- Share knowledge

'Raising standards in the Energy Industry'

QUESTIONS ?