



**C-NLOER**

# **Strengthening Offshore Regulatory Oversight Through Innovation**

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# The Place of Regulators in Innovation



- Regulators know value of innovation, but it can be uncomfortable...
  - Regulators are inherently cautious and conservative
  - What about certainty and stability?
- Performance-Based *Regulations* only enable innovation if we have Performance-Based *Regulating*
- Regulators must adapt to the industry we regulate and the evolving public interest



# AI and the Energy Sector



- AI is a transformative tool for industry and regulators in areas such as:
  - Hazard and risk assessment
  - Condition monitoring and maintenance
  - Approvals and authorizations
  - Compliance verification
  - Decision-making



- Introduces new types of risk, human oversight is still necessary – “automation paradox”
- AI as a decision-support tool, not a replacement for human judgment

# C-NLOER's Regulatory Innovation Agenda

- Digitalization and new regulatory tools
- Modernizing our IT infrastructure
- New incident reporting and data management systems
- Harnessing the potential of AI potential (and managing the risks)
- Learning with international regulatory counterparts
- Collaborating with academia and the private sector



# Digital Solutions for Regulatory Innovation

## Current focus areas:

- ✓ Secure, efficient file sharing between operators and regulator
- ✓ Collaborative digital workspaces for real-time review and approvals
- ✓ Streamlined and automated reporting processes
- ✓ Build on common platforms (Teams, SharePoint, file-sharing tools) to enable practical adoption



Goal:  
reduce friction in regulatory interactions while improving transparency and consistency

# A New Focus on Collaboration

- Pace of innovation demands collaboration
- Working groups create “safe spaces” to explore innovation and risks together
- Industry-Regulator Collaborative Working Groups:
  - Innovation and Digitalization
  - Regulatory Instruments
- Investing in internal capacity (e.g., AI training programs and practical pilot projects)

