

► Technical Meeting on the Future of Work in the Oil and Gas Industry

Report for discussion

Chapter 1

The oil and gas industry

Overview of the oil and gas industry



As some of the world's most valuable commodities, oil and gas significantly contribute to the global economy

▶ **3%**

Oil industry's contribution to global GDP in 2019

▶ **11.9 million**

Number of people employed by global oil and gas supply in 2019

▶ Chapter 2

Megatrends and drivers of change

► Climate change

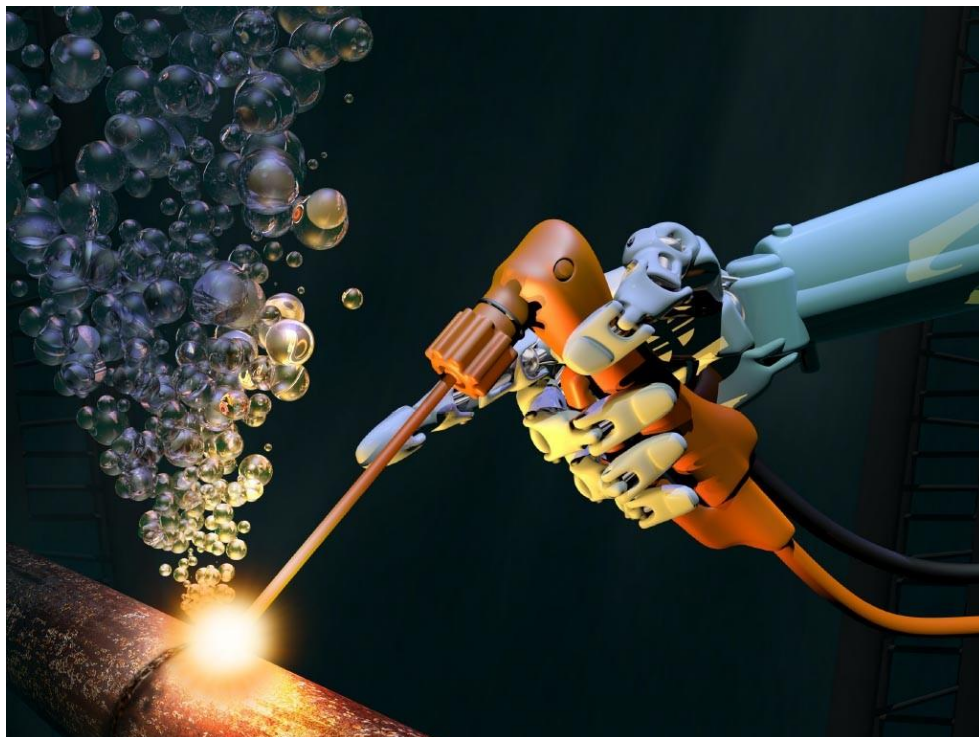
Increasing concerns over its environmental footprint are leading to changes in the oil and gas industry

- Reduction of emissions
- Restructuring of business models
- Transitioning to renewable energy

Growing efforts for a just energy transition to meet the Paris Agreement goals



▶ Technological advances



- **Optimize operations and maintenance**
 - Drive down production costs
 - Reduce GHG emissions

- ▶ Robotics, drones, automation
- ▶ IoT, big data, AI
- ▶ Clean energy technology
- ▶ Climate-neutral energy sources

Demographics

Oil and gas demand and consumption patterns are being affected by demographic shifts

- ▶ Global population growth – 8 billion and counting...
- ▶ Growing middle classes in emerging economies
- ▶ Consumer preferences and technological advances



It is predicted that global energy use will increase by 50% by 2050 compared to 2020 levels

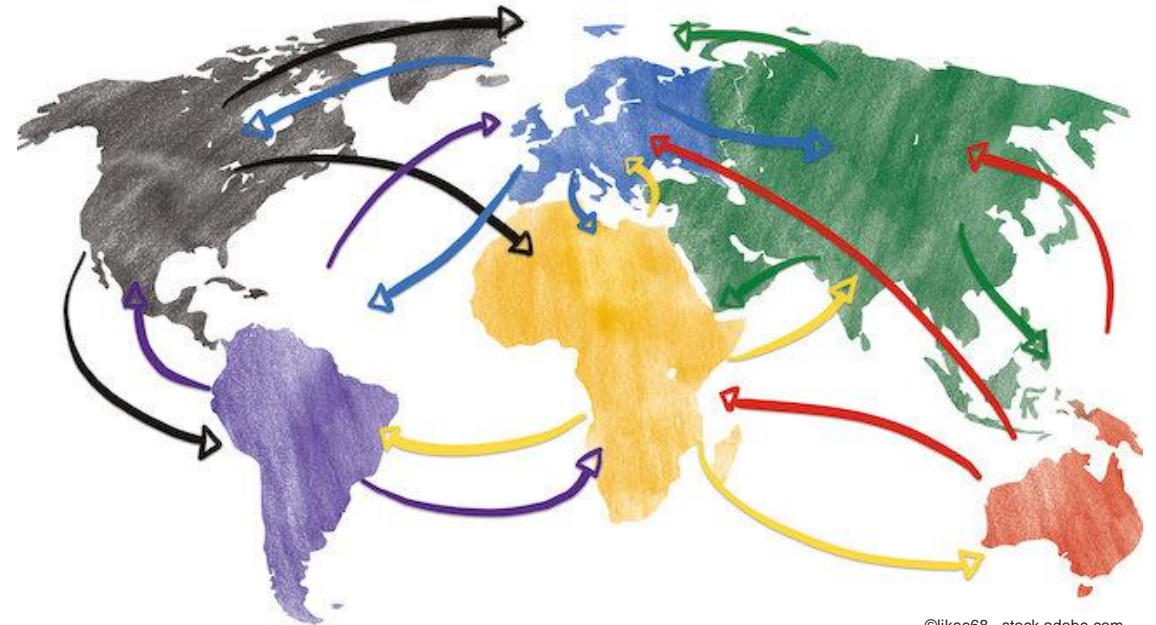


Globalization

The oil and gas industry is at the heart of the global production network...

At the same time...

- ▶ Resource nationalism
- ▶ Develop and protect domestic oil and gas industry
- ▶ Ensure energy independence



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► Chapter 3

Challenges and opportunities for decent and sustainable work

► Employment & skills needs

The energy transition could lead to a strong decline in employment by 2030

- Megatrends can influence job creation, transformation and loss
- Skills challenges with ageing workforce & intense competition for high-skilled workers

Inclusive & sustainable social protection systems
Skills development & lifelong learning

► **-1.6 million**

Job demand decline in petroleum refinery by 2030

► **-1.4 million**

Job demand decline in crude oil extraction by 2030

► **40%**

Estimated oil and gas workers that will need to be reskilled

► Sustainable enterprises

Drivers of growth

Enabling environment is needed for oil and gas companies, particularly SMEs, to harness their potentials for

- Job creation
- Promoting decent work
- Environmental sustainability

8 DECENT WORK AND ECONOMIC GROWTH



Working conditions

Areas for improvement

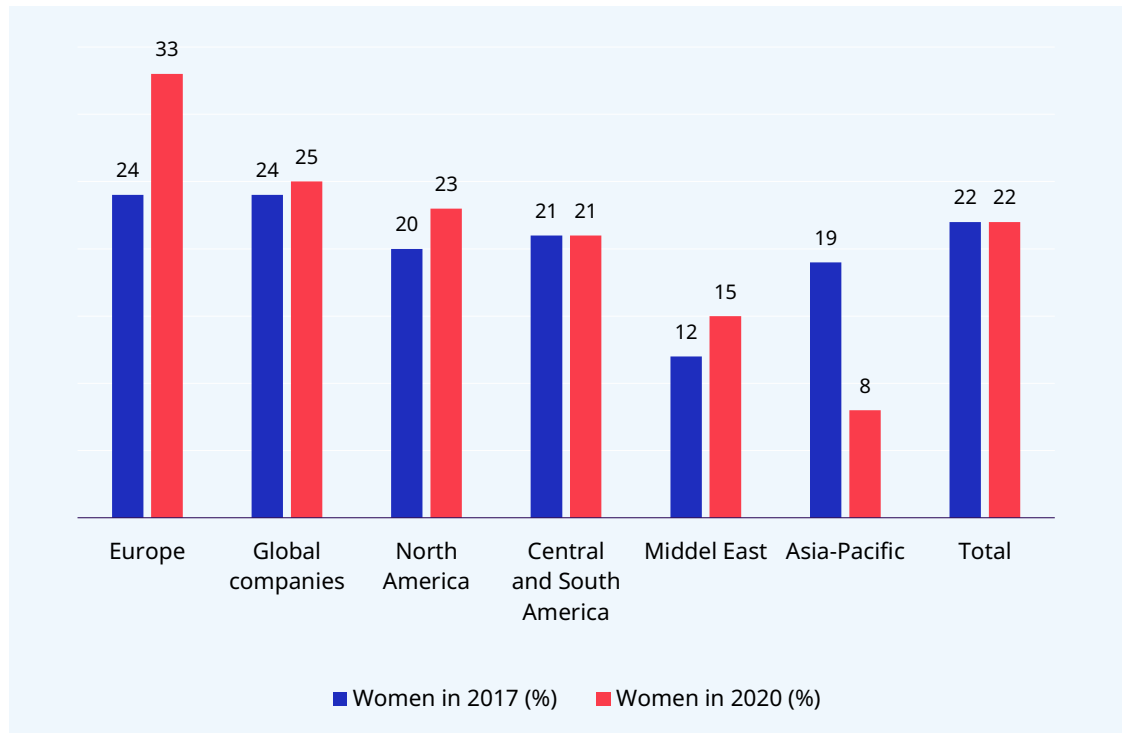
- ▶ Wage gaps
- ▶ Long working hours
- ▶ Fatigue and extreme working environments



Robust and sustainable social protection policies are needed



Gender, equality, diversity and inclusion



Oil and gas industry has one of the lowest rates of diversity in its workforce

- ▶ Equal treatment in recruitment, promotion, training
- ▶ Equal pay for work of equal value
- ▶ Violence and harassment
- ▶ Discrimination



Need for diversity and inclusion policies

Occupational safety and health

Oil and gas production remains a hazardous activity

- ▶ Safety and health performance has improved over the past 10 years
- ▶ Need for robust OSH legislation and policies
- ▶ Strengthening of labour inspection
- ▶ Attention to workers' exposure to the elements and fatigue



▶ A just energy transition for all

Navigating an increasingly uncertain future

- ▶ Sound industrial relations
- ▶ Effective social dialogue
- ▶ Governments, employers and workers jointly engaged in the formulation of policies and actions



► **Thank you!**