

Appendix B

Checklist for the Efficient and Effective
Approval and Regulation of Field
Development Plans (FDPs)



The Commonwealth

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This checklist is a summary of the recommendations in [Chapter 3](#) of the Commonwealth Secretariat's publication *Field Development Plans: A Handbook for Government Officials*.

1. **Treat the FDP as an ongoing process that begins from discovery.**
 - Is there early and ongoing engagement with the operator prior to official FDP submission?
 - Is there a schedule of reviews starting in the Appraise phase?
 - Do all relevant government agencies involved in reviewing the FDP have a clear understanding of the project timeline and critical milestones? E.g. when key studies/evaluations are to be completed and when the FDP will be submitted?
2. **Promote a collaborative approach – with the operator and industry.**
 - Is there shared understanding of government strategy policy for the sector to guide industry efforts?
 - Is there a positive constructive environment between the government and company?
 - Is there a common understanding of the project's risks, opportunities and expected outcomes under various scenarios between the government and the operator?
 - Is there effective information sharing and communication by both the company and the government?
 - Are there mechanisms for industry collaboration, sharing of knowledge etc? i.e. amongst various companies, including suppliers and service providers?
3. **Ensure a robust regulatory framework.**
 - Has an assessment of the regulatory framework for FDPs been conducted to identify any areas which require strengthening? Please refer to FDP Legal Framework Checklist

- Are there clear guidelines to operators on the contents and form of the FDP submission? Please refer to [Appendix A](#) and [Appendix D](#).

4. Focus on optimising value to the country

- Is there a shared understanding between the operator and government on how the project can be leveraged to support broader national development goals?
- Is there an assessment of how the project can be leveraged to support industry development? e.g. optimization of infrastructure, shared costs.
- Is there a requirement for action plans in the Environmental and Social impact assessments to manage the risks?
- Is one of the criteria for FDP approval, demonstration of economic benefits to the State? i.e. government revenues versus a focus solely on the investor's returns
- Is there an independent evaluation of economic benefits from the FDP?
- Is there an economic model and expertise to support FDP analysis?
- Is there an understanding of how the relevant government's revenue streams could be impacted under different scenarios? e.g. pricing, production, costs, carbon pricing/tariffs
- Is there an understanding of the risks to the project value from the energy transition? e.g. economic analysis on carbon pricing/tariffs? Assessment on potential loss of markets?

5. Is there a strategic approach to capacity building and the use of external advisers?

- Is there an understanding of the type and timing of skills/expertise and tools required to effectively engage with the operator in the development of the specific FDP? Or more broadly across multiple FDPs?
- Has a skills-gap analysis been performed to identify and fill gaps in priority areas?
- Is there a strategy and resourcing plan which balances short-term needs with sustainable development of national expertise?
- Have mature hires (seasoned professionals with transferable skills) from other sectors been explored? E.g. mining or construction sectors, accountants from financial services etc.
- Targeted training of such individuals can be an effective way to accelerate the building of national expertise
- When experts are hired, do the contractual terms include specific actions and timeframes for knowledge transfer? E.g. documentation, mentoring/coaching

6. **Ensure there is an internal government process for approving FDPs**
 - Are processes in place to avoid duplication of efforts in reviewing the FDP across various government ministries, agencies etc.?
 - Is there an internal government process for approving FDPs? Please see [Appendix E](#) for detailed checklist
7. **Recognise importance of managing stakeholder expectations, need for transparency and communication**
 - Is there a requirement for stakeholder analysis and engagement plan?
 - Are there mechanisms for effective consultation with stakeholders? And for the provision of information to communities and the public on projects in a timely and effective manner?
8. **Strategy to fund and develop government agencies especially pre-production**
 - Do the existing governing legal instruments (law, regulation, petroleum contract, licence) have provisions for funding third-party reviews and capacity-building efforts? Is the tax treatment of such costs clear?
 - Are there training and development contributions/funds which can be utilised?
 - Are there development agencies or other institutions which can support capacity building efforts?
9. **Adopt a risk-and-resilience approach to reviewing, approving and managing the FDP**
 - Is there a clear understanding of the risks and uncertainties? And the impact on project economics and government revenues if they materialise?
 - How are they being managed? Is there a robust risk management process in place?
10. **Realisation of value to country requires flexibility and vigilance.**
 - Is there ongoing monitoring to ensure all activities are in accordance with an approved FDP? E.g. construction of facilities, drilling programme
 - Is there a central data storage and management system for the project? E.g. FDP documentation, reports, updates provided by operator
 - Is there ongoing engagement with the operator to ensure material changes in the FDP can be dealt with appropriately?
 - Are there communication channels to all relevant arms of government if there are material changes to the FDP? E.g. Ministry of finance for changes in forecasted government revenues.

