

February 6, 2020

*Via Electronic Mail*

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Norway

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Attention: Ase Sand

**Re: Complaint filed by the KTNC Watch and the Samsung Heavy Industries  
Martin Linge Project Crane Accident Workers Support Team  
(Complaint)**

Dear Madam,

We refer to your email of 16 January 2020 requesting TechnipFMC's response to the Complaint and the questions set out in your email. We thank you for this opportunity to respond.

We would like to again convey our sincere condolences to the families of the deceased and to those injured or otherwise affected by the tragic accident that occurred on 1 May 2017 at the Samsung Heavy Industries Co. Ltd (**SHI**) yard. Safety is one of TechnipFMC's foundational beliefs – we will never compromise on health, safety and security, and are committed to fostering an incident-free environment worldwide, based on the principle that all incidents are preventable. Our clients, shareholders, suppliers, contractors, partners and employees have the right to expect excellent Health, Safety, and Environment (**HSE**) performance from us.

We will first provide a brief overall background of the Martin Linge Project (**Martin Linge Project**) and TechnipFMC's role in the Martin Linge Project; and then respond specifically to each of the queries you raised in your email of 16 January 2020.

## **1. Brief background**

### *The Martin Linge field and project*

- 1.1. Martin Linge is an offshore oil and gas field in the Norwegian Continental Shelf in the northern North Sea, where the Martin Linge Project is currently being developed in

waters with a depth of 115 metres. The Martin Linge Project was owned and operated by Total E&P Norge AS (**Total**), until it was taken over by Equinor Energy AS in March 2018 and Norway's state-owned Petoro AS.

- 1.2. TechnipFMC and SHI are contractors engaged by Total to build an offshore oil platform to assist in developing the Martin Linge field. TechnipFMC and SHI had specifically-defined roles with respect to the platform: (i) TechnipFMC was responsible for engineering, procurement, and the development of designs for the platform; and (ii) SHI was responsible for the construction and fabrication works. These roles were carefully demarcated to ensure that parties had ownership and responsibility for works based on the particular sets of skills that each brought to the Martin Linge Project.

*The Geoje shipyard*

- 1.3. The Martin Linge integrated wellhead, production and accommodation platform included utility, process, flare and accommodation modules. The process and utility modules were constructed by SHI at its shipyard in Geoje, Korea, where SHI customarily performs all its construction and fabrication works. The Geoje shipyard was, at the time of the accident and remains to date, one of the largest and most sophisticated shipyards in the world, with three dry docks and five floating docks. SHI is a global industry leader in relation to the construction works undertaken at the Geoje shipyard. At any given time, SHI is known to work on multiple construction projects for different clients simultaneously within the Geoje shipyard. The Geoje shipyard is and was certified in accordance with leading industry and internationally recognised standards, including ISO 9001, ISO14001 and OHSAS, which relate to management quality, environmental management, and occupational health and safety management respectively.
- 1.4. SHI is the owner of the Geoje shipyard and had control of and responsibility for all the activities undertaken within the Geoje shipyard at the time of the accident. SHI had control of and responsibility for the work being undertaken for the Martin Linge Project and was responsible for the safe and efficient coordination of the many cranes it uses at the shipyard, which service multiple projects. None of those responsibilities involved TechnipFMC. It is best industry practice for the owner of construction yards to remain solely responsible for the HSE of facilities, employees and subcontractors, which ensures that the yard owner with the appropriate experience, local knowledge, training and expertise has direct control. SHI is therefore best placed to provide any clarifications and information regarding the accident.

## **2. Responses to queries**

### **2.1. The identity of the party concerned and its interest in the matter.**

TechnipFMC is a multinational enterprise and conforms with the standards prescribed in the OECD's Multinational Enterprise Guidelines, 2011. TechnipFMC's role in relation to the Martin Linge platform was limited to engineering, procurement, and the development of designs for the platform; TechnipFMC did not have control and responsibility for: (i) construction works at the Geoje shipyard; nor (ii) the operation and interaction of the cranes at the Geoje shipyard, both of which were under SHI's control. In addition, we note that the accident appears to be the subject of ongoing court proceedings in Korea (see 2.4 below) and the subject of review by the Korean NCP. Nonetheless, should the Norwegian NCP consider the Complaint a fit case for its Good Offices, then this is best explored between SHI, as owner of the Geoje shipyard and operator of the cranes involved, and the Complainants.

### **2.2. Whether the Complaint is material and substantiated.**

For the reasons given above, we do not believe that it is appropriate for TechnipFMC to be involved in the "Good Offices" process. We do not understand the Complainants' specific allegations against TechnipFMC, the role they consider TechnipFMC to have played in the specific instance, the nature of the Complainant's engagement with the victims or families of victims for the purposes of this Complaint, and the outcome sought in relation to TechnipFMC and the NCP's process.

### **2.3. Whether there is a link between the activities of the company subject to the complaint and the issue raised in the specific instance.**

We reiterate paragraphs 1.2, 1.3, 1.4, and 2.1 above.

### **2.4. The relevance of applicable law and procedures, including court rulings.**

The jurisdiction of the Korean courts and authorities, who are already seized of disputes relating to the accident, must be respected. The Korean courts are part of a sophisticated legal system, are fully equipped to examine and resolve disputes relating to the accident and are therefore the proper fora for the resolution of disputes. There is a real risk that ongoing court and investigative proceedings in Korea — and the civil rights and liberties of individuals — will be prejudiced by the various NCPs' investigations. It is in the interests of all involved that the NCPs suspend their consideration of the Complaint until conclusion of Korean court proceedings. In similar cases in the past, a number of NCPs have (often of their own accord) taken cognizance of parallel domestic proceedings and deferred or suspended complaints so as not to prejudice the rights, interests and liberties of individuals.

2.5. How similar issues have been or are being handled in other domestic or international proceedings.

TechnipFMC is not involved in any court proceedings or investigative proceedings initiated by the Korean authorities nor any other authorities, as party or witness.

2.6. Whether the consideration of the specific instance would contribute to the purposes and effectiveness of the Guidelines.

The goal of the OECD Guidelines is to offer its Good Offices to allow the right parties to engage with one another. Respectfully, this is not an appropriate case for the Norwegian NCP's Good Offices, as the relevant parties are already engaged with one another before the courts and authorities in Korea, and TechnipFMC had no role or responsibility for the operations of the shipyard at which the accident took place.

TechnipFMC has always been and continues to remain deeply committed to industry best practices, and the overarching objectives of the OECD's Guidelines. We have tremendous respect for the NCP's Good Offices and the role it has come to play in promoting important environmental, human rights, and health and safety objectives internationally. We remain at your disposal, should the NCP consider that we are able to offer any further assistance, notwithstanding our limited knowledge and involvement.

Sincerely,  
TECHNIPFMC

David  
Fleszar

Digitally signed by David Fleszar  
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