

# APIQR - Monogram Programs Update

January 25, 2018

- Founded in 1919 as the trade association for the oil and natural gas industry
- Originally headquartered in New York City
- Primary operations moved to DC in 1969
- Formation of Industry Services (now Global Industry Services) in 1997



- 300 employees
- 7000 volunteers
- 32 state offices
- 4,785 cited references in federal, state, and international regulatory regimes



- API's mission is to **promote safety** across the industry globally and to **influence public policy** in support of a strong, viable U.S. oil and natural gas industry
- GIS's mission is to promote the **reliability, interchangeability, quality, and safety of equipment** used within the industry through its standards development and certification programs





**EOLCS**

1947: Passenger vehicle engine oil certification



**COS**

2010's: Audits and best practice sharing for offshore GOM



**Statistics**

1929: Sales of data to financial services



**ICP**

1989: Personnel examinations for inspectors



**Standards**

1924: ANSI accredited standards development

1989: Audit and certify manufacturing facilities (ISO)



**APIQR**



**Monogram**

1924: Audit manufacturing process for compliance to API standards



**PSSAP**

2010's: Assessments and best practice sharing across North America for refineries



- Internationally renowned for value and integrity
- Benchmark for licensing and certification programs
- Fair and equitable policies and processes for all clients
- Always primed and ready for industry changes
- Lead the way with the competent and effective auditors, assessors, and staff





**1924**

- Birth of the API Monogram Program
- Self-certification





**1985**

- API Spec Q1, 1<sup>st</sup> ed. published
- Monogram Program transitioned from self-certification to 3<sup>rd</sup> party verification
- Monogram licensees required to meet Product Spec and API Spec Q1

**1998**

- Registration program created
- Began ISO 9001 Registration

**2003**

- API adopted ISO/TS 29001:2003
- API adds Annex A creating Spec Q1, 7<sup>th</sup> ed.
- API Spec Q1, 7<sup>th</sup> ed., published to align with ISO 9001
- Registration to API Q-Plus launched

**2011**

- API Spec Q2, 1<sup>st</sup> ed., published for service suppliers



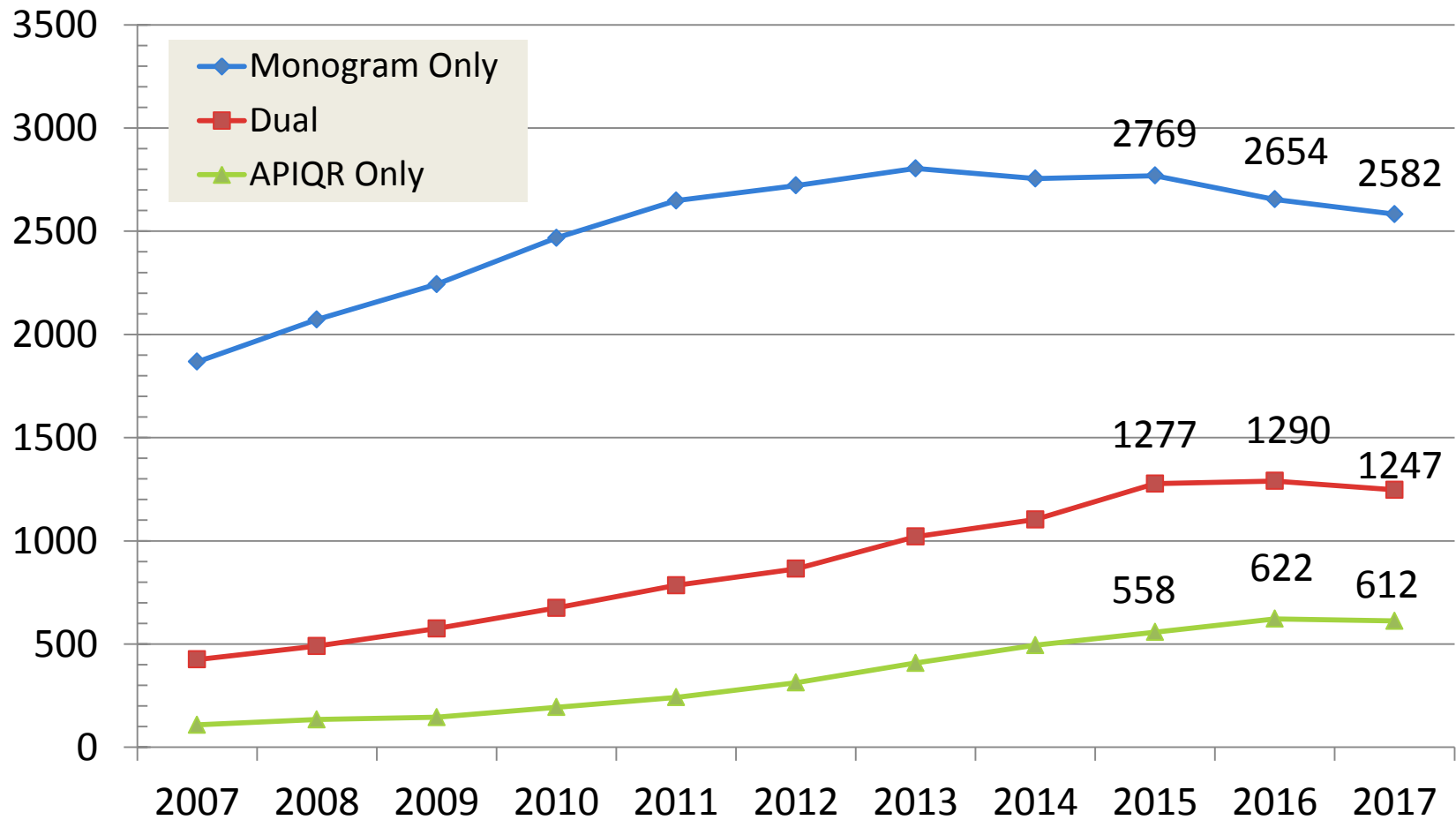
**2013**

- API Spec Q1, 9<sup>th</sup> ed., published
- No longer formatted as an ISO 9001 document
- New requirements such as risk management, contingency planning and management of change (MOC)

**2017**

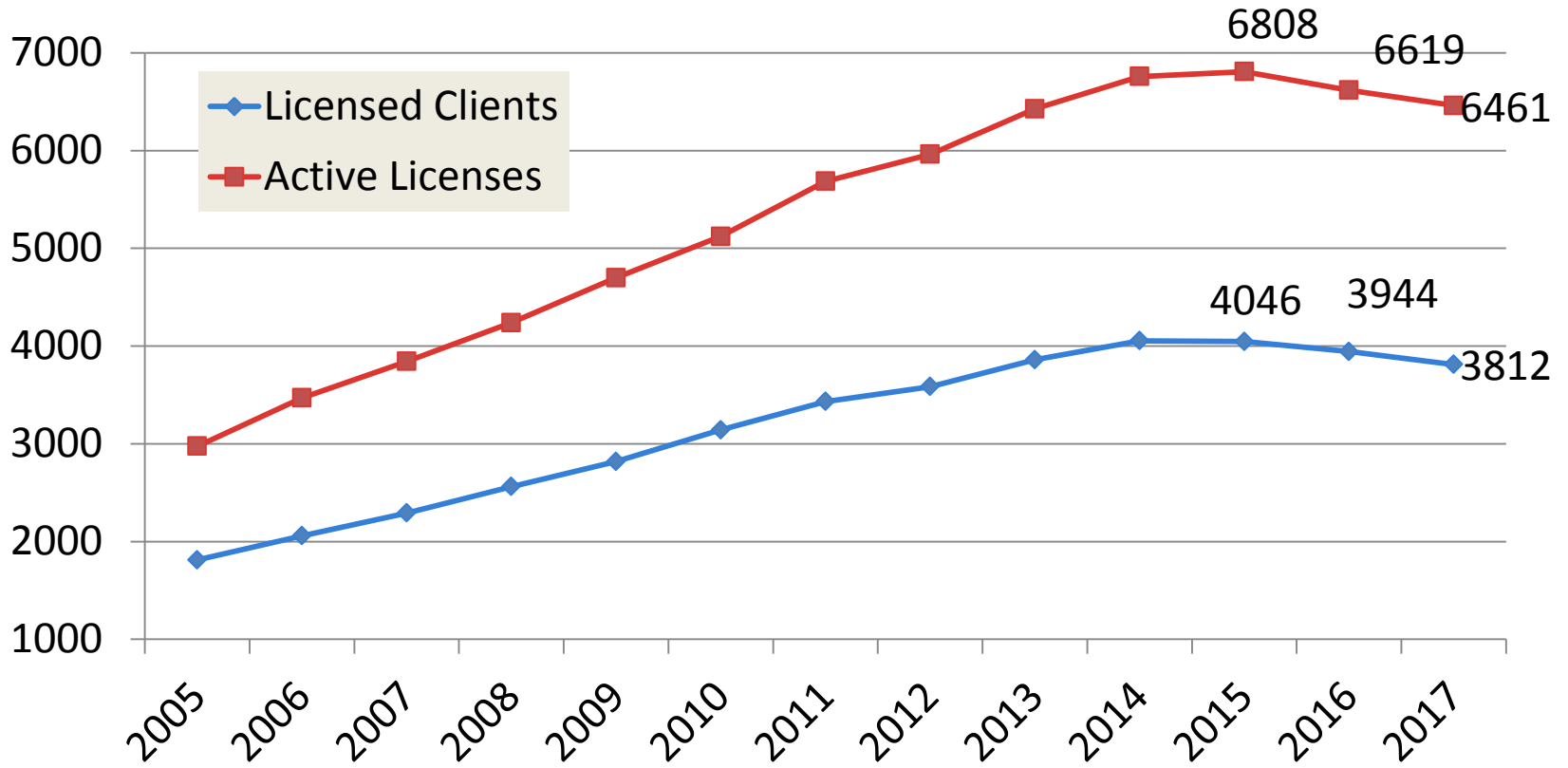
- API Std 18LCM 1<sup>st</sup> ed. Published for Life Cycle Management Service Providers

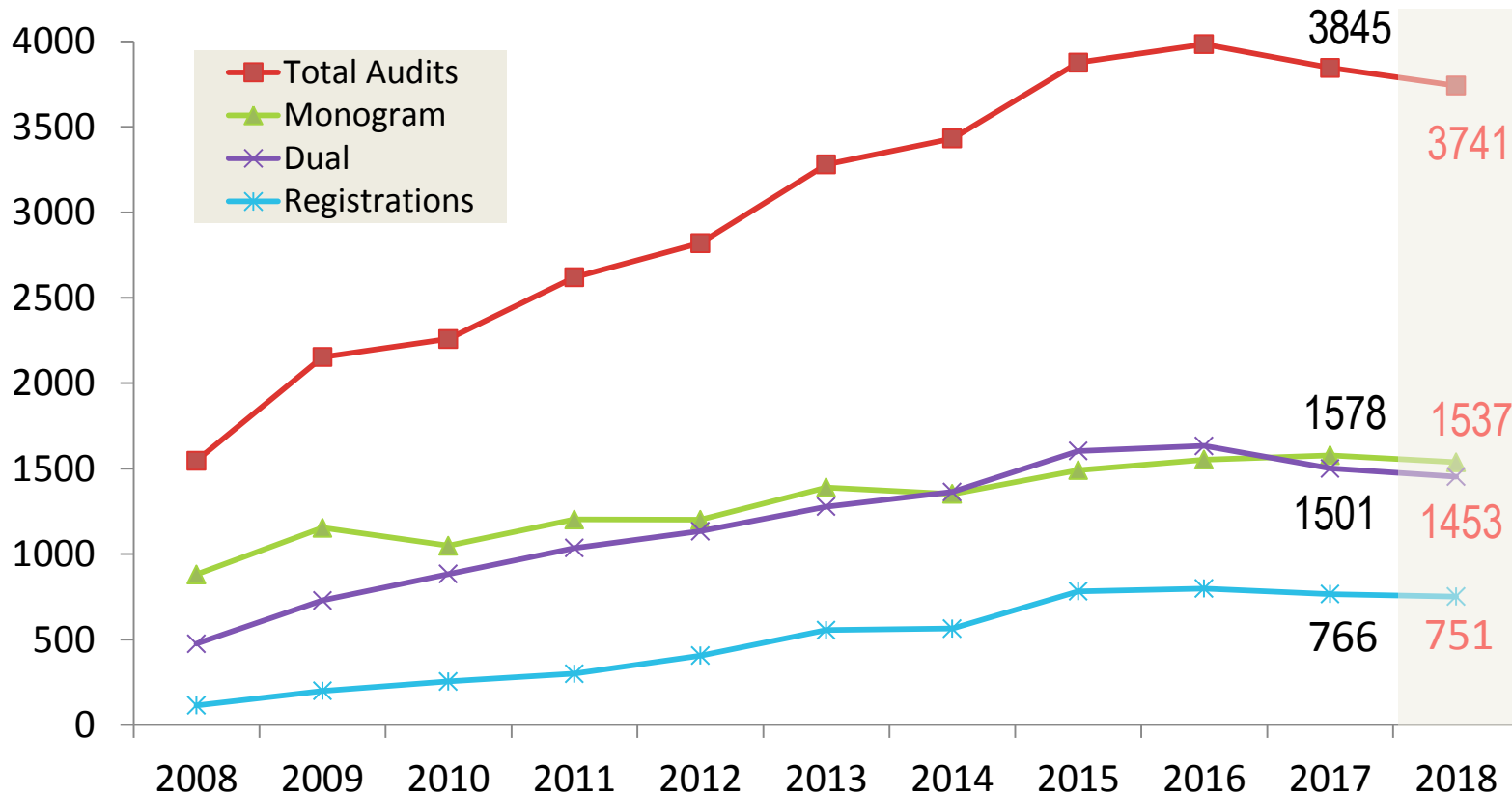






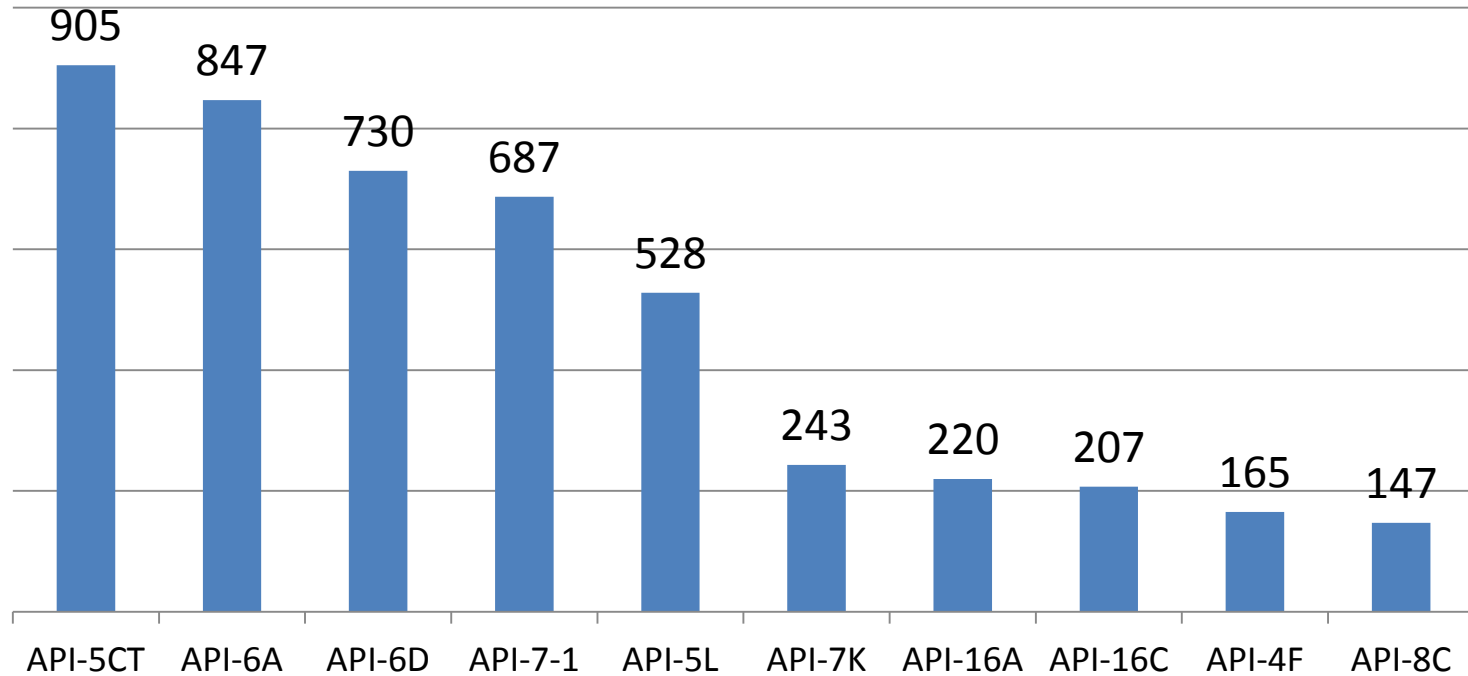
# Monogram Licenses





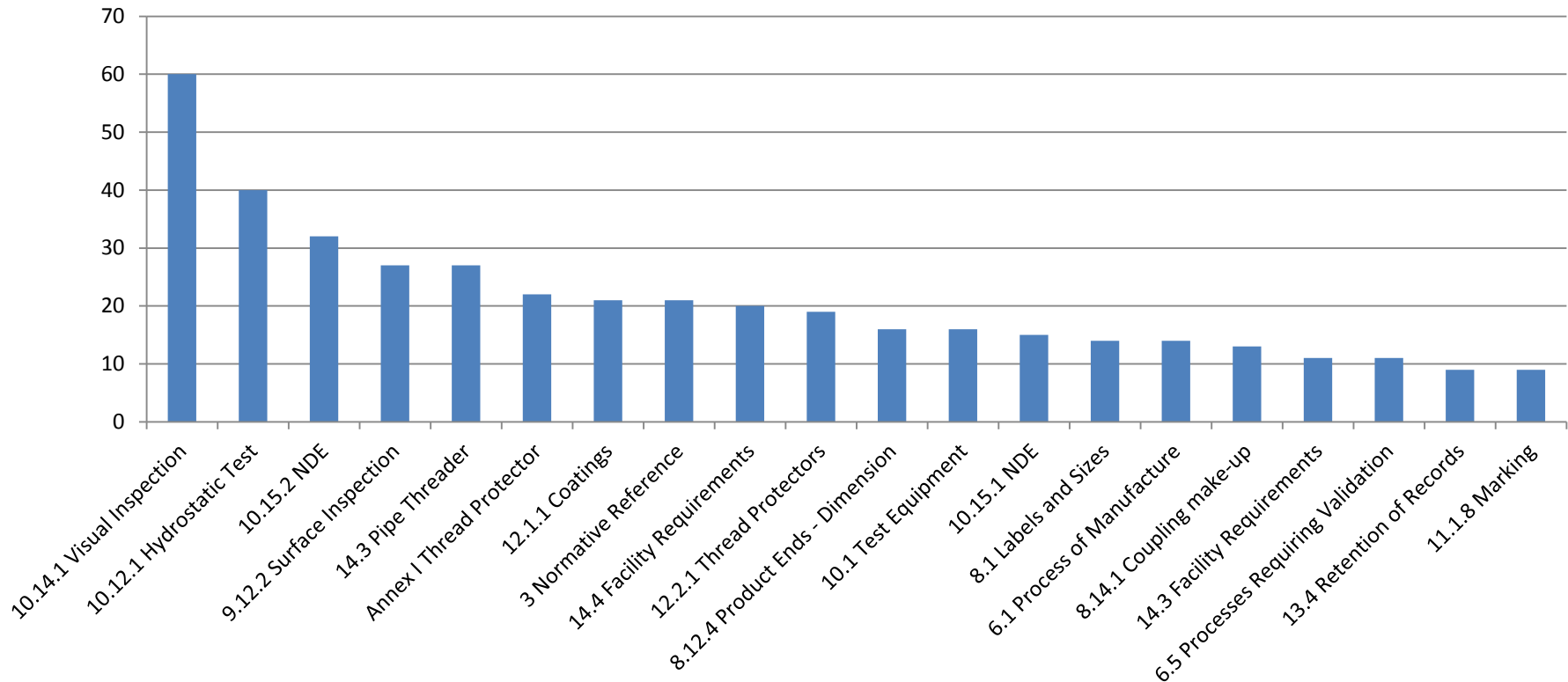
### Audits by Region

- USA & Canada – 786 (21%)
- China – 1347 (36%)
- Rest of the world – 1608 (43%)

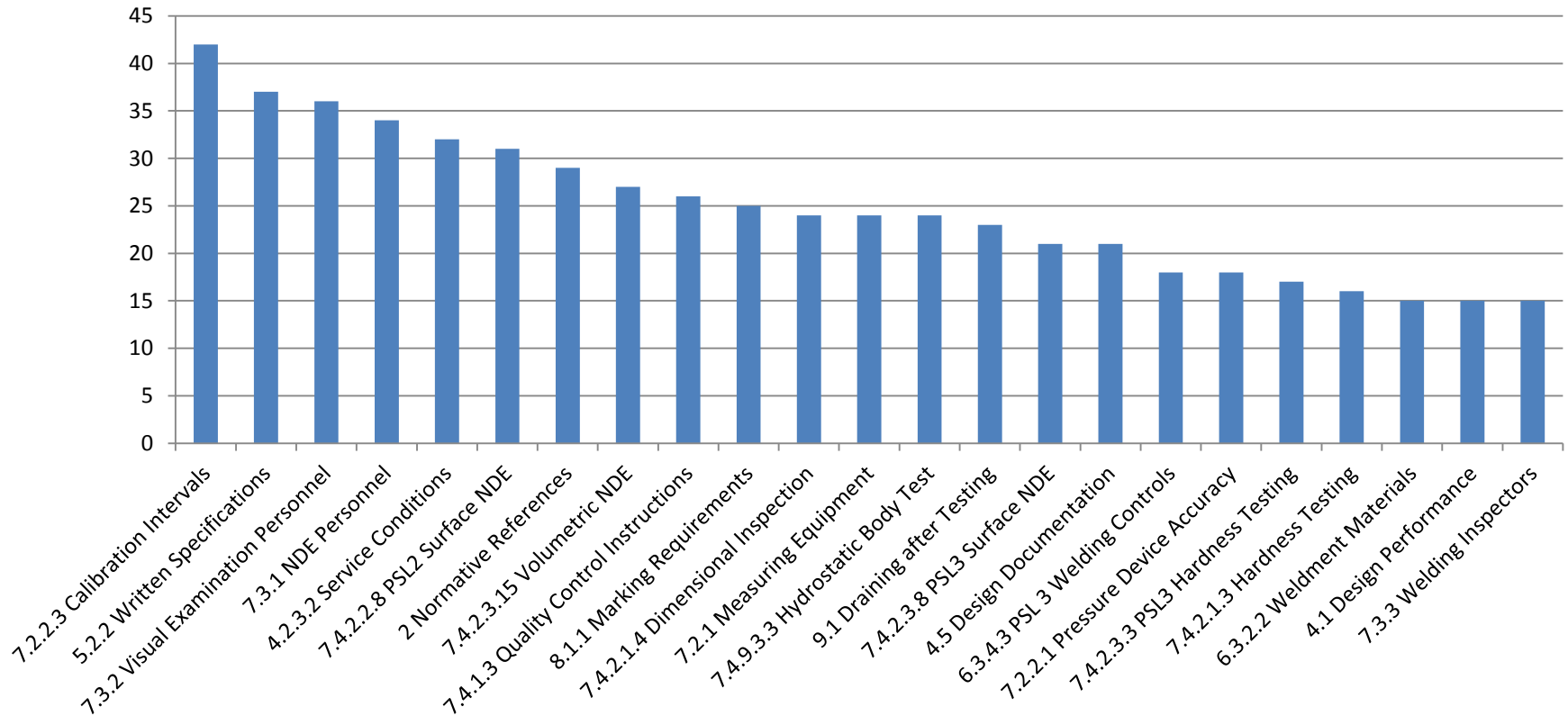


## Licenses in 75 different API specifications

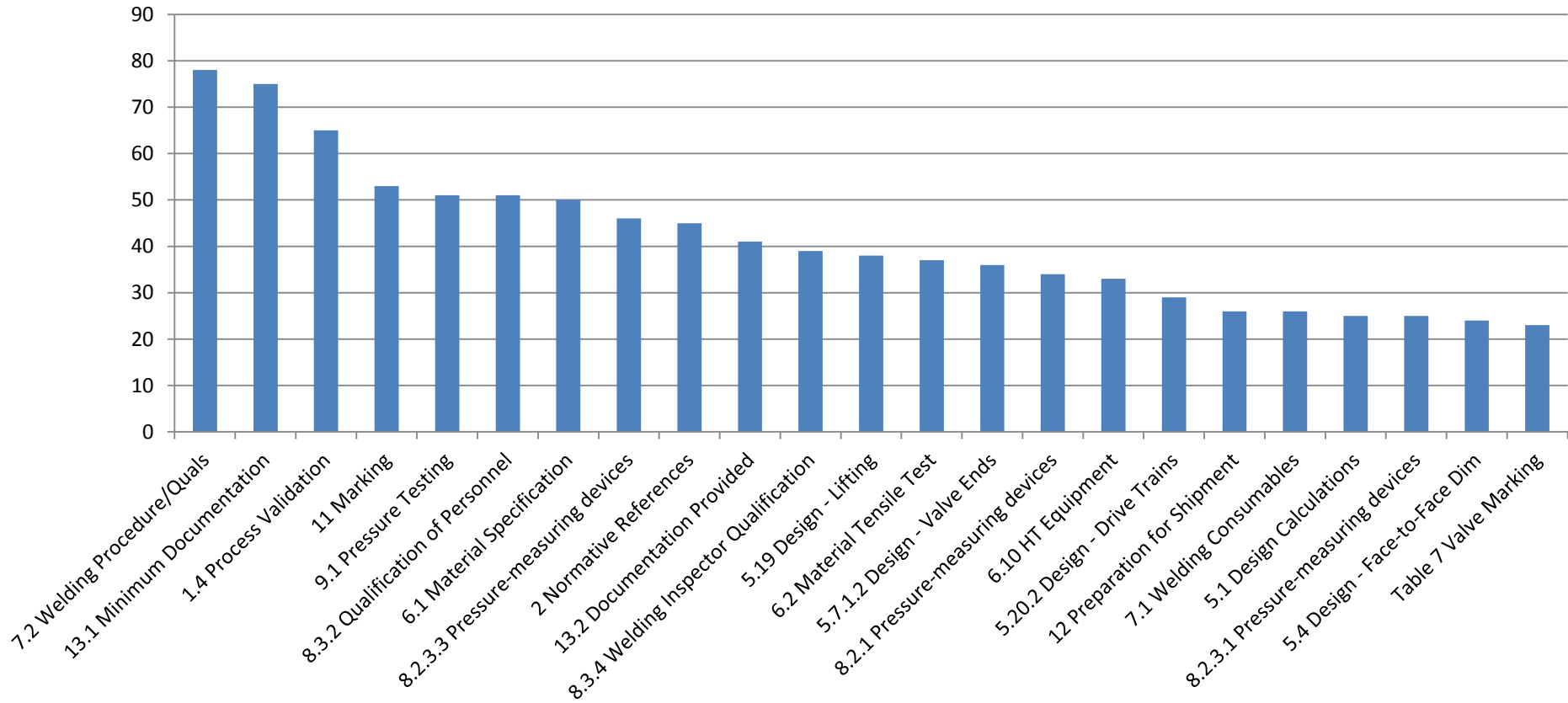
### 5CT Clauses Number Non-conformities (2016-2017)



## 6A Clauses Number Non-conformities (2016-2017)



## 6D Clauses Number Non-conformities (2016-2017)



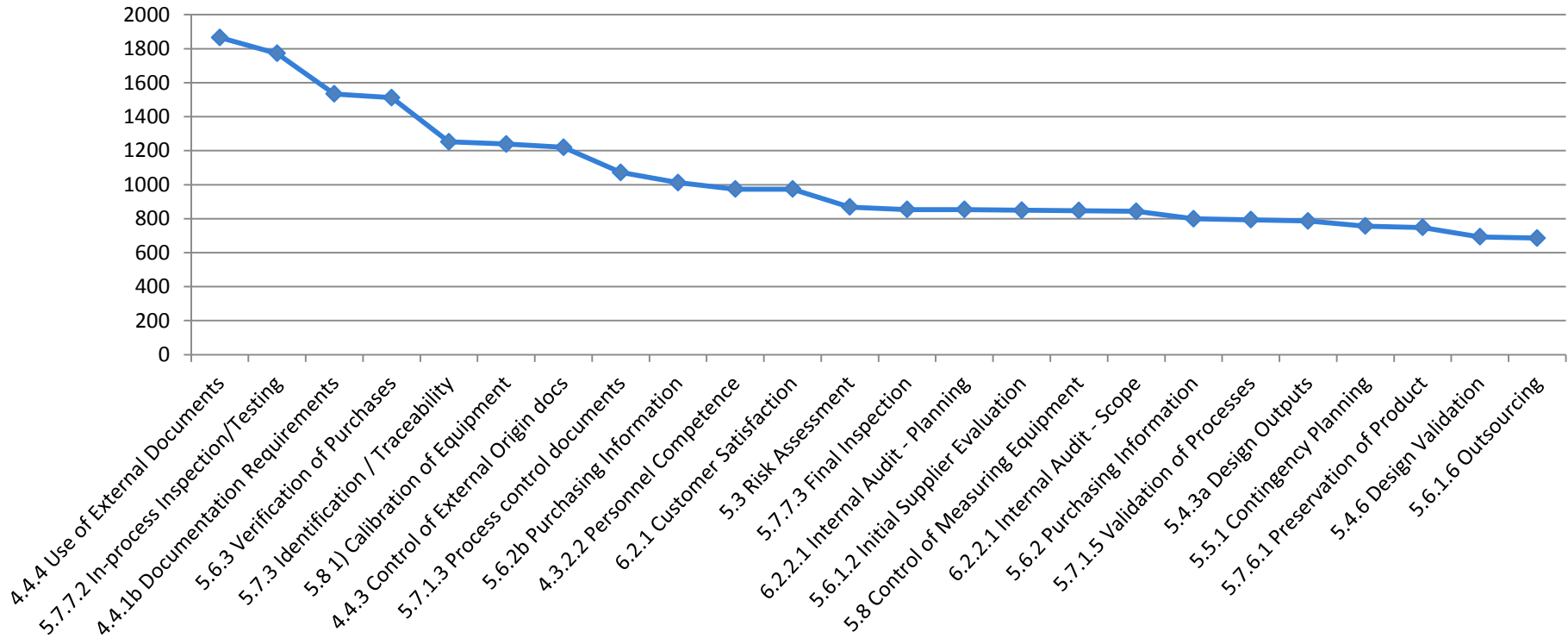


MS Standard	Active Certificates
API Spec Q1	1691
ISO 9001:2008	615
ISO 9001:2015	692
API Spec Q2	103
ISO 14001	16
OHSAS 18001	14

- 1826 Companies
- 3212 Active MS Certificates

## API Q1 Nonconformities

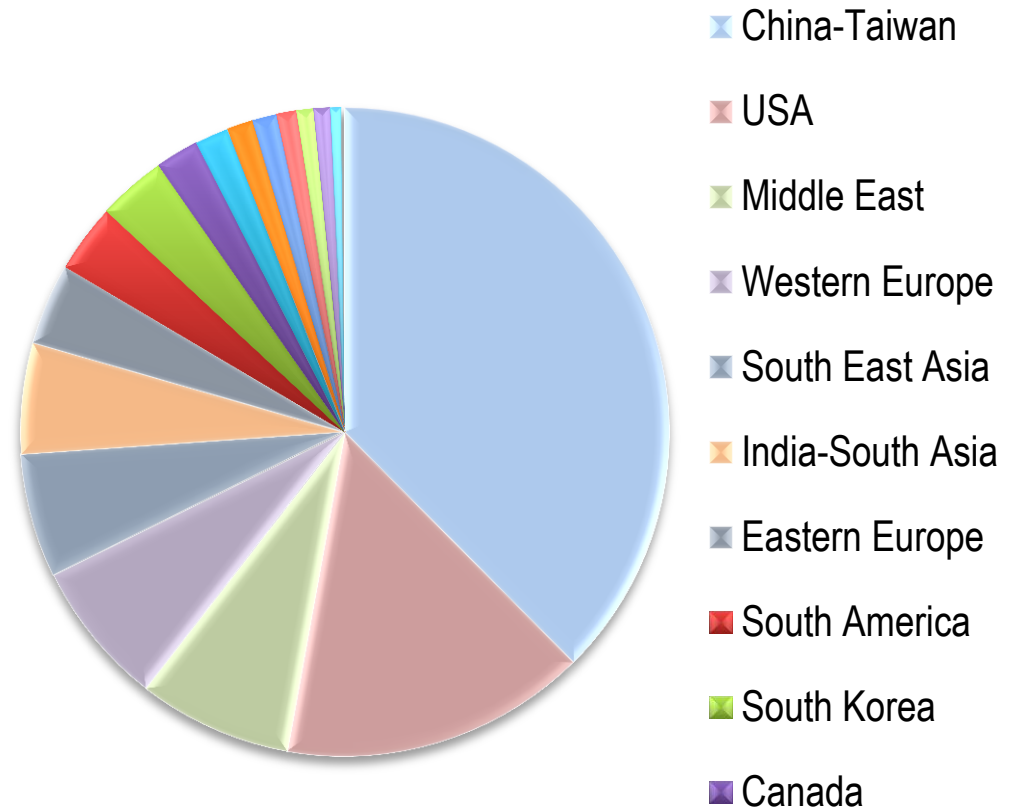
API Audits from Sept 2016 to Dec 2017  
Includes top Q1 clauses based on number of findings



## TOP 10 COUNTRIES

China	1764
United States	845
India	203
South Korea	146
United Arab Emirates	133
Canada	121
Italy	118
Singapore	93
Indonesia	87
United Kingdom	80

NOTE: Includes all facilities with active Monogram licenses

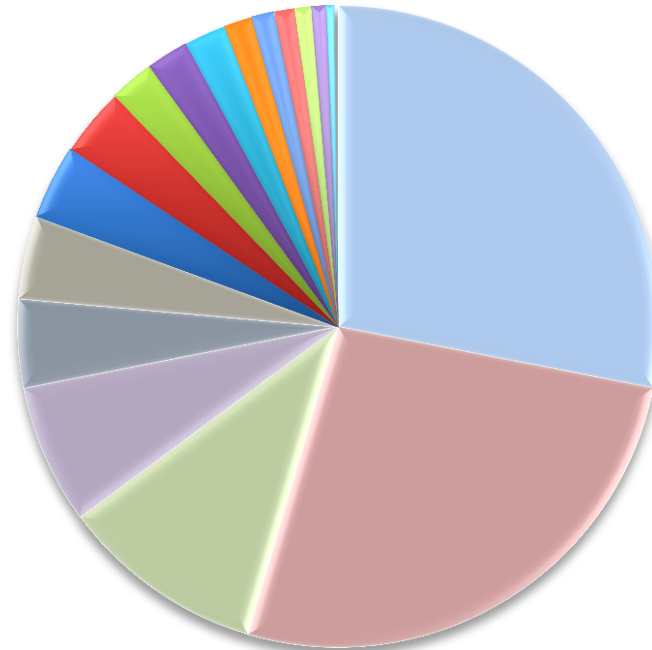


**79 Countries**  
**75 Specs/Standards**

## TOP 10 COUNTRIES

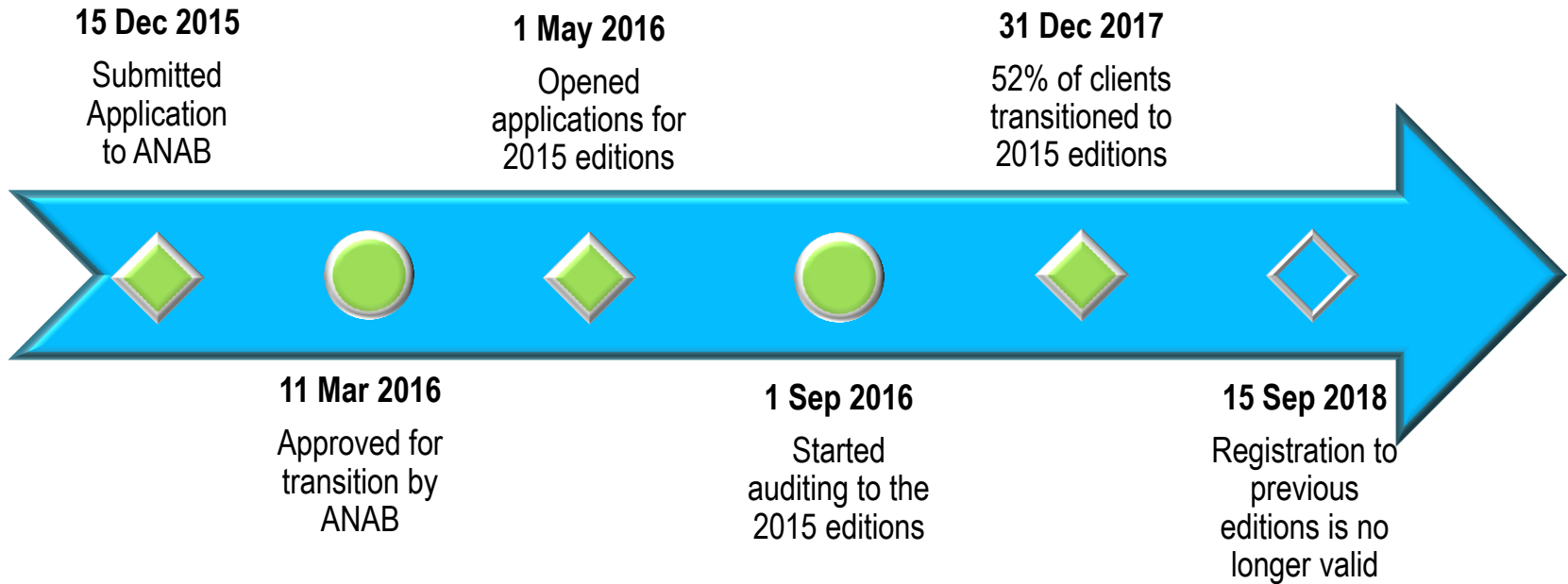
United States	554
China	516
Singapore	88
Canada	81
United Arab Emirates	65
India	54
Indonesia	54
Mexico	39
Russian Federation	38
United Kingdom	36

NOTE: Includes facilities with active MS registrations



- USA
- China-Taiwan
- South East Asia
- Middle East
- Canada
- Eastern Europe
- South America
- India-South Asia
- Western Europe

**69 Countries**



The Nonconformance Reporting website has been modified to allow anonymous feedback. Use of the program drives continuous improvement and strengthens the overall quality and safety within the industry

Applicability: Non-conforming Monogrammed products and/or products manufactured under an APIQR registered Quality Management System.



Search the Directory of  
**API Certified Companies**

Nonconformance Reporting (NCR)

API, through its Monogram Licensing and QMS Certification programs, works diligently to identify qualified suppliers of products and services used in the oil and gas industry. Organizations around the world rely on API's recognition of these suppliers when making purchasing decisions. When purchasers and users find API licensed or certified suppliers not in conformity with the applicable product or management system standards, API wants to know. This website is designed to allow purchasers to report: 1) suppliers of nonconforming product and services; and / or 2) suppliers that are failing to meet quality management system or other program requirements.

2016

NCRs Received: 16

Resolved: 16

2017

NCRs Received: 23

Resolved: 14

<http://ncr.api.org/ncr.aspx>



## Enhance Technical Verification during Audits

- **Pilot of new audit report template for Monogram Audits**
  - Audit process focused on API product specifications
  - Q1 conformity will continue to be verified
  - Aim to eliminate product questions
- **New templates will be tested in North America - First half 2018**



## Process for adding and removing documents within the Monogram Program

The process for adding and removing specs within the Monogram Program has been documented and it includes the minimum criteria for inclusion and continuity. Implementation Q1 2018

### Specs Added to the Monogram Program in 2017

- API 15S – Spoolable Reinforced Plastic Line Pipe
- API 19AC – Completion Accessories

### Specs Removed from the Monogram Program in 2017

- API 599 Metal Plug Valves—Flanged, Threaded and Welding Ends
- API 17E Specification for Subsea Umbilicals
- API 7NRV Specification for Drill String Non-return Valves
- 2MT2 Rolled Shapes with Improved Notch Toughness

## Data Analysis

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API Compass delivers new tools to find and engage standards quickly and accurately.

Access the entire API standards collection or select from specific sections, depending on your industry.

Get the current standards, all supplemental documents, as well as historical versions right here.

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- Petroleum Measurement
- Marketing
- Transportation
- Refining
- Safety and Fire Protection
- Health and Environmental Issues

### MY TOOLS

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- My Bookmarks
- My Groups
- Standards Shared with Me
- Subscription Details

Powered By:

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The newly implemented API Compass will allow the use of analytics to evaluate industry trends by document and region.

## New Certification Programs

- **18LCM – Life Cycle Management**

- Program launched the week of January 16<sup>th</sup> 2018

- **16AR – Repair and Remanufacture of Drill-through Equipment**

- Program estimated to launch by June, 2018

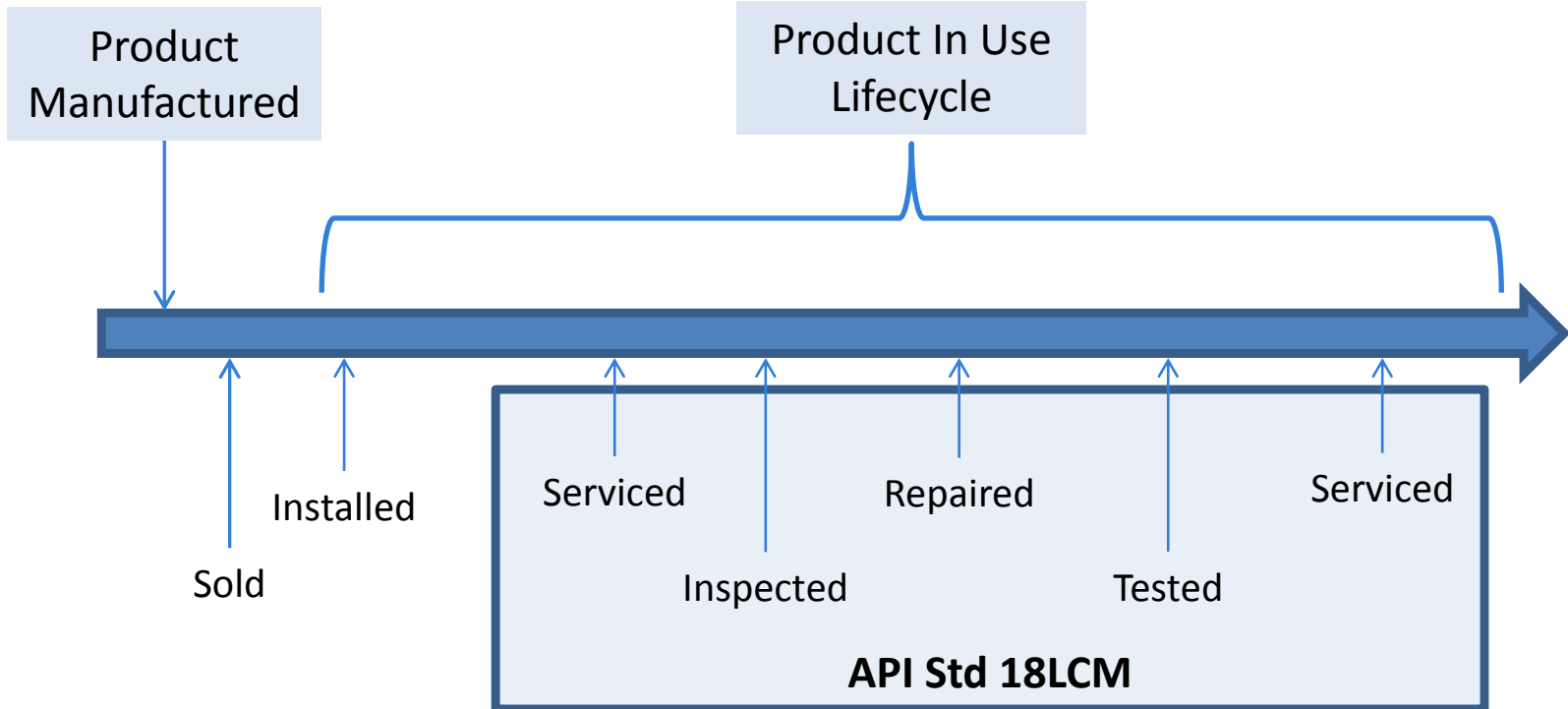


# API Standard 18LCM

Product Life Cycle Management System  
Requirements for the Petroleum and  
Natural Gas Industries

## API Spec Q1 & Monogram Program

## API Spec Q2



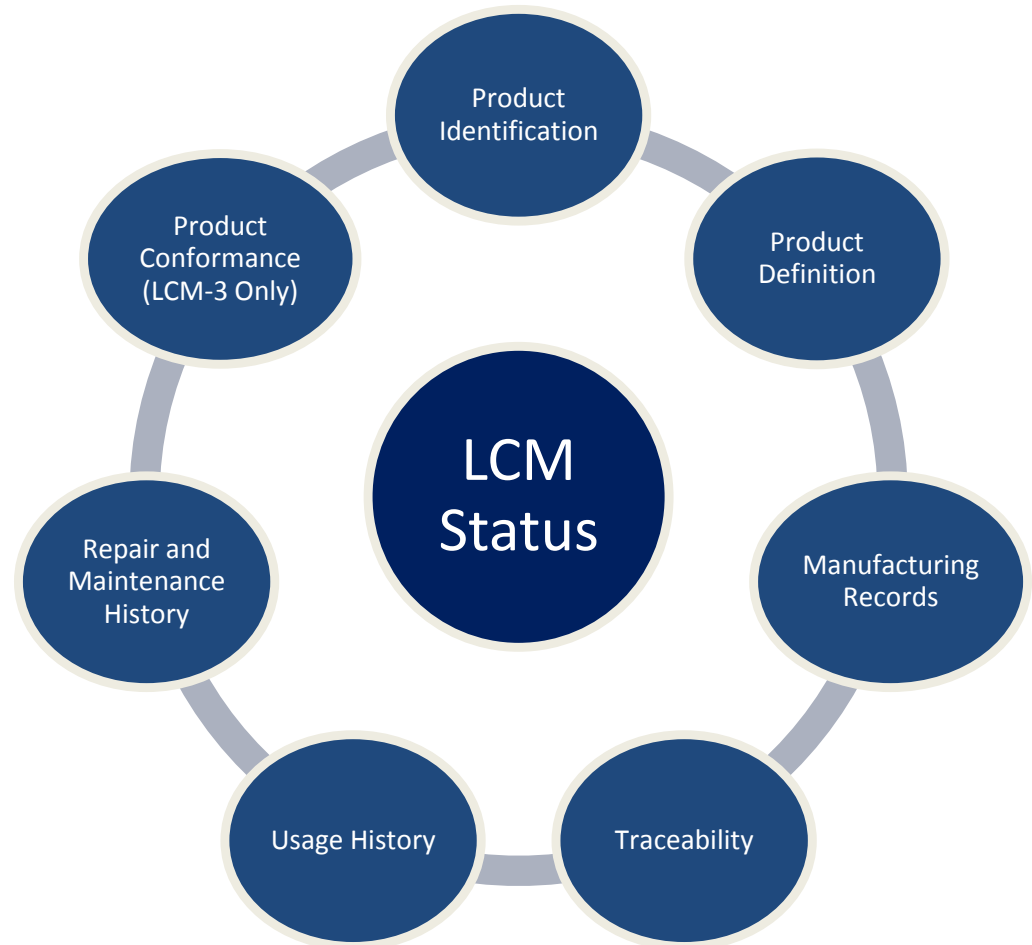


API Standard 18LCM identifies requirements for service providers of life cycle management and the activities required to perform product life cycle management including

- Determination of product life cycle management status
- Actions required to maintain a status
- Development of the life cycle management plan

## Life Cycle Management Status

18LCM defines requirements for three life cycle management statuses: LCM-1, LCM-2, and LCM-3



## Scope of Registration

- Service providers performing product life cycle management activities
- Service providers can be OEMs, service companies, operators, drilling contractors, repair organizations
- Program will be offered in all countries current APIQR programs are offered
- Must conform to API Spec Q2 – without exclusions



## Program Structure

- APIQR Management System Certification
- No product marking
- Processes consistent with current APIQR processes
- Stage 1 & Stage 2 audits are required for applicants
- Annual surveillance audits required
- Managed and governed under existing framework



# API Standard 16AR

## Standard for Repair and Remanufacturing of Drill-through Equipment

APIQR Registration Program  
Plans and Next Steps

## API Std 16AR Registration Program

### API Std 16AR

Management System Specifics  
Technical Requirements

Organizations Performing Repair and  
Remanufacture Activities



### API Spec Q1

Entire Management System

Manufacturers, OEMs, Repair Service  
Providers

## Program Details

- Organizations must implement processes that meet 16AR and system that meets Q1
- APIQR audits will cover full scope of requirements
- Registered Organizations:
  - Certificate is active for 3-years
  - Right to use a registration mark (**NOT** on product or certificates of conformity)
  - Identified on the API Composite List



**Annex F**  
**(normative)**

**Minimum Requirements for Certificate of Conformance**

NOTE This example contains the minimum document content requirements for the COC in order to provide good traceability of the equipment through field life.

Example

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Company Logo

Company Name  
Company Address  
Company Telephone Number

QR Code or  
Bar Code

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Company Certificate No.: ABC-15-0001

**CERTIFICATE OF CONFORMANCE**

Key Next Steps	Considerations	Timeframe
Define and Align Expectations	<ul style="list-style-type: none"> <li>SC / Industry and API GIS Programs</li> <li>APIQR Registration Program</li> <li>Does not include COC database</li> </ul>	Feb 2018
Develop Technical Inputs	<ul style="list-style-type: none"> <li>Input to develop program definition</li> <li>Formal training for API staff and auditors</li> </ul>	TBD
Program Definition 1. Business Plans 2. Define Technical Requirements	<ul style="list-style-type: none"> <li>Clear technical requirements</li> <li>Inputs for API legal and financial review</li> </ul>	TBD

