



# Disaster response

In times of crisis, the company's priorities are clear: people first; environment second; property third; business fourth. But, when tragedy strikes, BP people have shown they don't need to check the list to remember where to begin. **Shelley Moore** reports

At BP's Kuala Lumpur Regional Crisis Centre, the November training exercise addressed an unusual crisis scenario: What if an incident in the Asia region affected several countries at once? On 26 December, the region's leadership put the lessons to a world-class test, spearheading BP's response to the historic Indian Ocean earthquake and tsunami that killed more than 200,000 people and stripped countless survivors of their homes, families and livelihoods. The Regional Crisis Centre was in session within four hours of the earthquake.

BP has nearly 4,000 employees and a full range of petroleum business activities in four tsunami-affected countries: India, Indonesia, Malaysia and Thailand. On day one of the crisis, BP launched a massive tracking exercise to account for local employees, contractors, partners and visitors as well as non-local employees who'd come to the region on holiday. BP ultimately confirmed that everyone had escaped direct harm. BP's businesses were unharmed, too.

But clearly the region as a whole was not. From local operating sites on up to group headquarters, BP swiftly responded to an unprecedented humanitarian plight.

As the regional crisis centre convened in Kuala Lumpur, the Group Crisis Centre came together, too. The team arranged for an immediate donation of \$1 million to the International Red Cross. "Even though we had no sense of the scale of things yet, we wanted to respond fast and generously," says Mark Ware, group vice president of Communications and External Affairs.

The following day BP gave another \$1 million each to Oxfam and Unicef. Since then, the company has also been matching contributions to the Red Cross from BP employees around the world which, at the time of writing, total some \$1.6 million.

"As part of BP's wider responsibilities to society, we make a clear separation between our support for humanitarian aid and our ongoing contribution to charities," explains Ware. "It was important that BP should respond quickly and directly to the tsunami relief effort, but our donation did not mean we held back on our ongoing charitable giving via our employee matched giving scheme."

"When the tsunami struck, we said to the relief agencies, 'look, we have this plane we can lease . . .'" says Roy Lambden, director of the Kuala Lumpur Crisis Centre. BP quickly committed \$250,000 to charter the Hercules transport plane normally reserved for the region's oil spill response consortium to relay heavy-duty items like off-road vehicles and water purification systems from Singapore to Aceh province in Indonesia.

As the relief agencies focused their initial humanitarian efforts on the most accessible population centres, BP endeavoured to help small, remote locations in their sales territories in affected countries. "Our local people know local needs," says Kumar Ashwin, community and external affairs manager for BP Malaysia. Lubes representatives in Kuala Lumpur, for example, loaded flatbed trucks with food and personally transported it to several fishing villages.

"The local response in Malaysia was fantastic and typical of the BP response seen globally; more like the kind of effort you'd associate with a small, family business rather than a huge company of a hundred thousand people."

**Ken Paul**

Ken Paul, director of Group Crisis Management explains: "We work hard to ensure we have world-class emergency response systems in place to cope with often unforeseen situations.

"The local response in Malaysia was fantastic and typical of the BP response seen globally; more like the kind of effort you'd associate with a small, family business rather than a huge company of a hundred thousand people," he adds.

Air BP has been waiving credit requirements to provide round-the-clock refueling services, often at remote airstrips, for relief planes and helicopters serving affected areas. In

Indonesia, BP also set aside \$250,000 for fuel vouchers for relief agencies to redeem with state oil company Pertamina. BP Solar offered 100 solar lanterns for use by the relief agencies. And BP Thailand is donating products and easing credit to help at least two tsunami-damaged customers put their businesses back in service to their communities.

Some BP employees weren't content to contribute only money to the tsunami cause. "People from all over the company were calling to offer their services to the region," says Paul. "They were ready to jump on planes." Some of them did just that, of their own accord: A nurse from the UK's Sunbury office is in Sri Lanka, volunteering with a medical relief agency. A Kuala Lumpur employee who witnessed the tsunami first-hand while vacationing in Sri Lanka later returned to the country to work with the Save the Children Foundation.

BP's businesses in the tsunami belt have now developed a three-to-five-year strategy for sustaining support to a region that will take a very long time to recover in full. The initiatives, which have a budget of \$2 million, will likely focus on the advancement of education and livelihoods.

In total, the value of BP's contribution to the disaster-affected region is currently some \$8 million.

Ware considers BP's tsunami response to be a good model of crisis management. "The fact that we were able to act so quickly and efficiently, especially during a holiday period, shows that BP people really wanted to make a difference and help where they could." ☺



Unprecedented plight: Immediately following the tsunami in South-East Asia, BP donated \$3 million to the International Red Cross, Oxfam and Unicef. The company also matched employee contributions to the disaster, which totalled some \$1.6 million at the time of writing.





Scenes of devastation: Left to right, a flooded street in Alabama, US following Hurricane Ivan; dismay in the aftermath of the Niigata earthquake in Japan; a theatre group was one of a number of psychological programmes set up to help youngsters affected by the Beslan siege; digging for survivors after the Bam earthquake in Iran.



**Fuels for Florida**

In its worst hurricane season in four decades, the US “sunshine state” of Florida suffered nearly 50 deaths and tens of billions of dollars in property damage last August and September at the hands of Hurricanes Charley, Frances, Ivan and Jeanne.

BP is one of Florida’s leading fuels suppliers. And while business is BP’s fourth priority in times of crisis, some times the best thing a petroleum company can do for the first priority – people – is to keep its businesses running. “During each hurricane, we worked hard to ensure the availability of fuels to emergency responders and made sure their vehicles had priority access to all our key locations,” says Howard Miller, general manager, Public Affairs, for the eastern US.

BP looked after the average driver, too. In the days just prior to the arrival of Hurricane Frances, 47 Florida counties ordered residents to evacuate. As the weather stymied the arrival of fuel barges into port, BP went into overdrive to keep its service stations supplied.

BP donated \$25,000 to support the Florida Hurricane relief fund, a clearinghouse of service delivery carried out by several humanitarian agencies. The company also matched more than

\$15,000 in donations to the Fund and Red Cross made by BP employees. According to Miller, BP was the first major corporation to make a significant contribution to the humanitarian aid effort. “BP’s leadership and our fast response induced other companies to contribute as well.”

**Island to island**

Hurricane Ivan arrived in early September, between Frances and Jeanne. Veering south of the Atlantic Ocean’s main hurricane highway, Ivan first made landfall in the eastern Caribbean. BP is the leading oil and gas producer in the Caribbean nation of Trinidad & Tobago.

Ivan largely spared Trinidad as well as BP’s 17 offshore platforms, which lie to the south and southeast of the island. To the north, however, Trinidad’s little sister island of Tobago sustained heavy property damage, floods and power outages.

The most pressing need was transportation. For four days, BP donated its fastest supply boat the *MV Guardian* to ply the Trinidad-to-Tobago route until other vessels could fulfill the job.

By then, word had reached Trinidad about even greater devastation on the neighbouring island of Grenada. BP thus

donated the supply boat to the Trinidad-to-Grenada relief effort for a full week. “Many of our employees have families on Grenada,” says Nandini Narine, external affairs manager. “We allowed them space on the boat so they could take hardware and building materials to their family members in need.”

On behalf of Ivan’s victims, BP sponsored a fund-raising telethon and pledged the first donation. The company also helped raise \$13,000 to aid the reconstruction of a school in Grenada and donated \$100,000 to the National Emergency Fund for the restoration of six damaged schools on Tobago.

**School tragedy**

It was the first day of school in September 2004. The people of Moscow were ready to revel in the annual festivities marking the anniversary of the Russian capital, the end of the summer holiday and the start of the school year. Yet the celebration would end before it started, as Muscovites turned their hearts and minds south to the city of Beslan. On that morning of 3 September, hundreds of hostages, half of them children, were losing their lives in a school under rebel siege.

“The whole country stayed glued to their televisions, in tears, including our employees,” recalls Anton Mifsud-Bonnici, BP Russia’s director of communications and corporate responsibility. In Russia, BP’s presence covers the full petroleum value chain, from oil and gas exploration to supply operations and product marketing. “Even though we have no commercial activities in the Beslan area, we knew we could not ignore such a disaster.” And they didn’t. BP donations, exceeding \$250,000, helped the Red Cross and also helped the Charities Aid Foundation establish several long-term psychological and social aid programmes, principally for Beslan’s youth.

**Homes for Bam**

Even in a land as accustomed to severe earthquakes as Iran, the event of 26 December 2003 was extraordinary. The 6.8-magnitude quake in the historic city of Bam turned 70% to 80% of the buildings to rubble, killed more than 26,000 people, left roughly 100,000 residents homeless – at the onset of winter – and triggered a worldwide outpouring of aid.

“I was shocked and in sorrow,” recalls Farzin Aram, BP Iran external affairs manager, “and then I thought about how we could aid the victims.” He obviously thought fast: although the earthquake happened on a Friday morning, during Iran’s weekend, BP was able to arrange a shipment of hundreds of blankets from Tehran to the Iranian Red Crescent in Bam on that very day. Despite BP’s limited presence in the country, BP and its employees around the world donated \$120,000 to Relief International toward the reconstruction of Bam homes.

**Remembering the service stations**

Like Iran, Japan is no stranger to earthquakes. But only once in every five to six years does Japan experience the likes of the 6.8-magnitude quake that shook the state of Niigata on the evening of 23 October. The tragedy took the lives of 35 people, injured at least 4,000 and destroyed transportation routes and other infrastructure. A series of major aftershocks forced more than 90,000 people to stay out of their homes.

Japan is one of BP’s largest markets for liquefied natural gas. In the Niigata area, BP markets automotive and industrial lubes. Before selling its retail network to Japan Energy in 2002, BP owned two popular service stations and hyper-markets there.

After the quake, it took BP Japan nearly 16 hours to confirm the whereabouts and safety of lubes representatives, contractors and customers in the Niigata area. BP checked on the condition of its former service stations, too. “Even though the logos and colours on the canopies changed after the divestiture, people still remember the stations as BP,” says Kuniaki Tohmatsu, manager, BP Japan. Thanks to BP’s rigid construction standards and design features such as solar panels, the stations weathered the quake.

“After the first 72 hours, support to accelerate the construction of temporary housing was essential,” says Tohmatsu. With \$30,000 from BP plus employee donations, BP supported the building of 2,000 temporary homes by the Red Cross. **BPM**

● *Shelley Moore is a US-based writer specializing in international business operations and issues. She has nearly 20 years of corporate communications experience in the oil and gas industry.*

**Foundation funding**

The majority of BP’s charitable donations for disaster relief and humanitarian aid are administered by The BP Foundation, which provides financial support worldwide to schools, educational institutions and a wide range of non-profit organizations primarily located in communities where BP operates its businesses.

Funding from the Foundation aligns with BP Group’s social investment framework in support of education, enterprise development, access to energy and environmental programmes.

In 2004, the Foundation contributed nearly \$29 million worldwide made up of grants (\$18.6 million), employee engagement through the Employee Matching Fund (\$6.6 million), and disaster relief/humanitarian aid (\$3.6 million).

**Hurricane response offshore Gulf of Mexico**

Tracking and preparing for hurricanes is an essential part of BP operations in the US Gulf of Mexico (GoM) region, where it has about 2,100 workers on onshore drilling installations and dozens of production platforms situated across more than 2,000 square kilometres (800 square miles) of open sea.

BP’s Incident Command Team (ICT) in Houston keeps a close watch on reports from the National Weather Service and the National Hurricane Tracking Center in Miami.

As Hurricane Ivan bore down on the GoM on 13 September, the ICT gave the “go” to evacuate, mobilizing a fleet of 20 helicopters based along the Gulf coast. Non-essential personnel were taken out first. Essential personnel remained for a couple of extra days to complete equipment and shut-in sequences.

The full brunt of Ivan, with sustained winds exceeding 225 kilometres (140 miles) per hour, swept through the

central Gulf on 15 September. While some companies’ facilities sustained severe damage, the toll on BP’s surface installations was superficial.

The real damage, it would be quickly learned, was to about one-third of the 53,108-kilometre (33,000-mile) pipeline array lying on the ocean floor that feeds into the Gulf coast’s terminals and refineries.

The damaged pipelines brought down about one-fourth of the GoM’s total oil production of 1.7 million barrels per day for two months and drove up oil prices that were already above \$50 per barrel.

“The production losses were substantial, but they could have been worse if we hadn’t been fully prepared and had well-trained people,” says Kenny Lang, vice president of deepwater GoM production. “The site-specific tactical response plans allowed us to mobilize resources rapid, and effectively.”

