



bp and partners give go-ahead for Tangguh UCC project in Papua Barat, Indonesia

21 November 2024

- Investment is expected to unlock around 3 trillion cubic feet of additional gas resources
- Project features Indonesia's first at-scale enhanced gas recovery through carbon capture, utilization, and storage (CCUS), aiming to sequester around 15 million tonnes of CO₂ in its initial phase and potentially more considering the large CO₂ storage capacity of area
- Another example of bp's near-term priorities in action: to deliver growth as a simpler, more focused, higher value company

bp, on behalf of the Tangguh production sharing contract partners, today announced a final investment decision on the \$7 billion Tangguh Ubadari, CCUS, Compression project (UCC), which has the potential to unlock around 3 trillion cubic feet of additional gas resources in Indonesia to help meet growing energy demand in Asia.

The announcement was made by Murray Auchincloss, bp's chief executive officer, during a meeting with Indonesian President H.E. Prabowo Subianto in London today. This major investment highlights bp and partners' strong confidence in Indonesia's investment climate and strengthening their business activities in the country.

The UCC project, which comprises the Ubadari gas field development, enhanced gas recovery through carbon capture, utilization and storage (CCUS) and onshore compression, expands and utilizes existing infrastructure at the Tangguh LNG facility in Papua Barat, Indonesia. Production at the Ubadari field is expected to start in 2028.

Murray Auchincloss, CEO of bp, said: "This project not only unlocks a fantastic gas resource, it also represents an Indonesian first through the use of CCUS to maximise gas recovery. bp has operated in Indonesia for more than fifty-five years, and the strength of our relationships enables us to bring deep technical experience in helping to deliver this innovative development. We deeply appreciate the continued support of the Government of Indonesia and partners and look forward to helping the region meet its growing energy needs."

Tangguh CCUS aims to be the first CCUS project developed at scale in Indonesia, with potential for sequestering around 15 million tonnes of CO₂ from Tangguh's emissions in its initial phase.

The UCC project has been designated as a national strategic project by the Government of Indonesia and represents the continued development of Tangguh, following the addition of the third LNG train

which began operation in 2023 and brought total plant liquefaction capacity to 11.4 million tonnes per year.

The investment meets bp's returns hurdle rates and is fully accommodated within bp's disciplined financial framework, reflecting bp's drive to focus on value and returns. Tangguh is in a strategic location to access high value regional markets, and the investment reflects bp's commitment to continue to meet energy demand for Indonesia and the region.

Notes to editors

- The UCC project includes the extension of the gas feed to Tangguh LNG through the development of the Ubadari field with the potential to reduce Tangguh LNG's operational emissions via CO2 sequestration. Once completed, Tangguh EGR/CCUS itself will have three injection wells, one offshore injection platform, one offshore CO2 pipeline, and onshore facilities for CO2 removal, processing, and compression.
- Tangguh continues to support local workforce development, with 99% of its operations workforce being Indonesians, including 70% Papuans, and is on track to achieve 85% Papuan workforce in Tangguh by 2029,
- bp is the operator of Tangguh LNG, acting on behalf of Tangguh Production Sharing Contract Partners. bp operates Tangguh with 40.22% participating interest, with partners MI Berau B.V. (16.30%) CNOOC Muturi Limited (13.90%), Nippon Oil Exploration (Berau), Ltd. (12.23%), KG Berau Petroleum Ltd (8.56%), KG Wiriagar Petroleum Ltd (1.44%), Indonesia Natural Gas Resources Muturi Inc. (7.35%).
- The plan of development (POD) for Tangguh UCC Project was approved by the Government of Indonesia in August 2021.
- More information on Tangguh EGR/CCUS is available [here](#).

Further information

Contact

- bp press office, London: bppress@bp.com, +44 7831 095541, +44 7919 217511

Cautionary statement

In order to utilize the 'safe harbor' provisions of the United States Private Securities Litigation Reform Act of 1995 (the 'PSLRA'), bp is providing the following cautionary statement. This press release contains certain forward-looking statements – that is, statements related to future, not past events and circumstances – which may relate to one or more of the financial condition, results of operations and businesses of bp and certain of the plans and objectives of bp with respect to these items. These statements are generally, but not always, identified by the use of words such as 'will', 'expects', 'is expected to', 'aims', 'should', 'may', 'objective', 'is likely to', 'intends', 'believes', 'anticipates', 'plans', 'we

see' or similar expressions. Actual results may differ from those expressed in such statements, depending on a variety of factors including the risk factors set forth in our most recent Annual Report and Form 20-F under "Risk factors" and in any of our more recent public reports.

Our most recent Annual Report and Form 20-F and other period filings are available on our website at www.bp.com, or can be obtained from the SEC by calling 1-800-SEC-0330 or on its website at www.sec.gov.