



TANGGUH COORDINATION WITH POLICE DURING YEAR 2011

The Integrated Community Based Security (ICBS) program was designed with the goal of providing those who live and work around Tangguh LNG with a safe and secure environment. It was formulated in collaboration with the Indonesian authorities to address the security and human rights concerns of all stakeholders based on partnerships between Tangguh, the communities, and the government's security providers. As such, on April 16, 2004, a Security "Field" Guidelines Agreement was executed between the Papua Police and BP, as operator of Tangguh LNG¹. The Field Guidelines set forth the measures to implement the broader Memorandum of Understanding dated August 22, 2003 between BPMIGAS (Indonesia's upstream oil & gas regulatory body) and the Indonesian Police concerning security of oil and gas projects throughout the Republic of Indonesia. This field Security Guidelines Agreement is applicable for 5 (five) years and has been renewed on August 6, 2009.

The Field Guidelines are aimed at ensuring that the working conditions at Tangguh LNG remain secure, in order, and without violation of the law. They cover the provision of security at the project and at associated project facilities. The Field Guidelines make clear that BP is responsible for primary security provided by unarmed private security guards. The Guidelines also specify the procedures to be followed whereby BP can request assistance from the police, and the procedures to be followed by the police in deploying such assistance.

The Field Guidelines describe specific commitments of both BP and Police with respect to bearing the costs of security for Tangguh. In this regard:

- Each respective organization will bear its own cost for the conduct of its activities or the discharge of its basic obligations under the Guidelines.
- All costs, payments, and provisions of materials or supplies will be open and transparent and either side has the discretion to publicly disclose this information.
- If BP requests security assistance from the police:
 - With BP approval and request for payment, BPMIGAS (the Indonesia upstream oil & gas regulatory body) will make payment for transportation, lodging, meals, and daily allowances.
 - The amount and procedure for payment will be based on standards and procedures issued by BPMIGAS.
 - BP will not be obligated to pay for any support unless previously approved and accepted by BPMIGAS as 'cost recoverable' based on the applicable production sharing contracts and approved by BP Management and its investment partners in the Tangguh project. BP will not be allowed and will not provide any weapon, weaponry, ammunition or any funding to support the procurement of these items.

¹ "Field Guidelines for Joint Security Measures within the Work Area of the Tangguh LNG Project", Joint Decree of Chief of Regional Police of Papua and BP Berau, Ltd., April 16, 2004. See <http://www.bp.com/tangguh>



Further information on the ICBS program as well as a copy of the Field Guidelines is available on this website, www.bp.com/tanggung.

Payments in 2011 in Direct Support of Tangguh Security

In 2011, several activities in regard to ICBS and Security operations were conducted. Most of the activities were milestones to the ICBS program, such as (1) Voluntary Principles on Security and Human Rights (VPSHR) In House Training (IHT) for both Public Security Forces and BP Security; (2) Police assistance to handle blockades by the community; (3) Police involvement in the Directorate General of Oil and Gas (MIGAS)'s explosives storage inspection; (4) Coordination meeting with Papua Police and Papua Military to discuss security situation in Timika regarding with BP's new project; (5) Police assistance during the Papua Barat Governor election (PILKADA).

Background of Activities

Voluntary Principles of Security and Human Rights (VPSHR) in-house training (IHT) : To follow up on the VPSHR Training of Trainers program, trained participants of the program conducted in-house training to their fellow security personnel within and surrounding Tangguh LNG. The trainings were held in several places, such as Army Platoon in Bintuni, Polres Bintuni, Polres Fakfak, Polsek Babo, Brimob Manokwari.

Police assistance to handle blockades by the community: BP Security requested police assistance to prevent disruption of business operations and release BP's assets during blockades by the community at Babo and Biak airports. The blockade in Babo involved the detention of chartered boats at Babo Jetty and a blockade of the Babo airstrip due to labor disputes. In Biak, the community demonstrated at the airport.

Police involvement in the MIGAS's explosives storage inspection: Bintuni Police was part of the team from MIGAS in the annual inspection of explosives storage for drilling activities, which is a requirement for storage permit renewal.

Coordination meeting with Papua Police and Papua Military to discuss security situation at Timika regarding with BP's new project: Coordination meeting involving Polres Timika and TNI's Strategic Intelligence Body (BAIS) at Komando Distrik Militer to discuss about BP's seismic plans in Timika.

Police assistance during the Papua Barat Governor election (PILKADA): Police support was required during the PILKADA at Tangguh LNG on 9 Nov, 2011, to ensure the security and safety of all employees scheduled to vote (approx. 900 employees). Also, police support was necessary to safeguard the 2 election boxes and 6 voting cubicles.



A summary breakdown of payments is listed in the table below:

No	Date of Event	Amount (USD)	Description
1.	17 – 18 May	299.40	Bintuni Police with MIGAS conducted explosives storage inspection for annual storage permit renewal (every 5 years). Storage is used for explosives in BP's drilling campaign.
2.	11 – 15 Jul	3,215.79	Voluntary Principles of Security and Human Rights (VPSHR) in-house training (IHT) for Bintuni Police (Polres Bintuni). 60 police officers attended the training.
3.	18 – 23 Jul	3,199.16	Voluntary Principles of Security and Human Rights (VPSHR) in-house training (IHT) for Kompi Senapan E/752 Bintuni. 62 military officers attended the training.
4.	12 – 16 Sept	3,104.90	Voluntary Principles of Security and Human Rights (VPSHR) in-house training (IHT) for Kompi 3 Det. C Brimob Manokwari. 61 police officers attended the training.
5.	19 – 23 Sept	3,182.52	Voluntary Principles of Security and Human Rights (VPSHR) in-house training (IHT) for Fakfak Police (Polres Fakfak). 63 police officers attended the training.
6.	3 – 7 Oct	2,106.90	Voluntary Principles of Security and Human Rights (VPSHR) in-house training (IHT) for Babo Police (Polsek Babo). 38 police officers attended the training.
7.	10 May	802.33	Emergency police support to release the detained BP chartered boats at Babo jetty, the blockades of the Babo jetty and airport, as well as manage mass demonstrations and anarchist movements caused by labor disputes with community.
8.	12 – 23 Sept	3,488.37	Papua police given and observed In-house Training (IHT) Voluntary Principles on Security and Human Rights (VPSHR) for personnel of the Security Tangguh LNG. 16 Papua police officers attended this program
9.	20 – 21 Jun	834.35	Coordination meeting with 4 Papua police officers regarding with seismic plans in Timika.
10.	22 – 24 Jun	111.25	Coordination meeting with Military officer from BAIS TNI at Komando Distrik Militer (Kodam) office to discuss about security issues in Timika
11.	19 – 20 Aug	333.74	Coordination meeting with BAIS Military and Timika Police at Rimba Hotel Papua to discuss



			about security issues in Timika
12.	21 – 22 Oct	189.35	Police assistance required to secure any possible violence during the demonstration by local community at Biak airport.
13.	8 – 9 Nov	236.69	Police support during the Papua Barat Government election (PILKADA) at Tangguh LNG Site.
	TOTAL	21,104.75	

Note : The above cost spending summary is reflected all payments in cash in the form of daily allowance, exclude logistical support which provided in-kind by BP.