



BP's impact on the  
economy in

# Netherlands

A report by Oxford Economics  
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€1.3 billion

Gross value added contribution supported by BP in the Netherlands

BP supported

12,400 jobs

One in every 700 in the Netherlands

BP's activity supported

0.19%

of Dutch GDP

€1.2bn

spent with Dutch businesses

1,900

Dutch suppliers of goods and services

BP is a partner of the social investment program

Nationale Boomfeestdag

BP Bos in het Bentwoud

is made available for education

BP supports Veilig op Weg to boost road safety

# Executive summary

This section of the report highlights BP's impact on the Netherlands' economy in the 2016 calendar year. The company's impact arises from the operations of BP itself and its subsidiaries.<sup>1</sup> The impact is measured in terms of BP's direct contribution to GDP and jobs, as well as those supported by buying goods and services from local businesses.

For the purposes of this report, the EU27 is defined as the 28 European Union countries less the United Kingdom.

## 2016 economic impact highlights

- Considering BP's impact across all EU27 countries, BP's total impact on Dutch GDP ranks 2nd for gross value added and 4th for employment. Some **12.6% of all gross value added** and **7.1% of all jobs** BP supported in 2016 in EU27 countries was in the Netherlands.
- Counting direct and supply chain impacts, BP supported an estimated **€1.3 billion gross value added** contribution to Dutch GDP and **12,400 jobs** in 2016.<sup>2</sup>
- BP's direct activities and its expenditure with Dutch suppliers are estimated to have supported **one in every 700 jobs in the Netherlands** in 2016, **0.14%** of all employment in the country.
- An estimated **0.19%** of Dutch GDP in 2016 was in some way reliant on BP's activities – whether directly or through BP's purchases from suppliers. That is **€1 in every €520** of GDP created in the Netherlands during the year.
- Of the total, BP's direct operations created a **€330 million gross value added** contribution to the Dutch economy and employed **1,992 people**. That is **25%** of all gross value added that BP supported in the Netherlands in 2016 and **16%** of all employment the company supported.
- BP spent **€1.2 billion** with about **1,900 Dutch suppliers**<sup>3</sup>:
  - **€840 million** on non-capital goods and services, which, combined with BP's worldwide spending, supported an estimated **€730 million gross value added** contribution to Dutch GDP and nearly **7,600 jobs**.
  - **€320 million** on capital goods, which, combined with BP's worldwide spending, supported an estimated **€280 million gross value added** contribution to Dutch GDP and nearly **2,900 jobs**.

<sup>1</sup>Unless otherwise stated, all references to BP include BP itself and the company's subsidiaries.

<sup>2</sup>Totals in this report may not always be equal to the sum of component parts due to rounding.

<sup>3</sup>This is the number of unique supplier names in BP's procurement database, with an adjustment for duplicates based on a visual examination of a sample of 200 suppliers (e.g., 'ABC Inc' and 'ABC Incorporated' would be considered one firm).

## BP's direct impact

In the Netherlands, BP operates under the brands BP and Castrol. It operates one of the largest refineries in Europe, supplies marine and aviation fuels, and operates approximately 350 retail sites. By doing so, the company directly created a €330 million gross value added contribution to Dutch GDP in 2016 and employed nearly 2,000 people including retail and contractor personnel.

## BP's support for local suppliers

BP supported businesses in every region in the Netherlands in 2016. The company spent nearly €1.2 billion on capital and non-capital goods and services from about 1,900 Dutch suppliers that year. This spending bolstered a wide range of businesses in the country.

BP spent 62% of the total with suppliers in South Holland, another 19% with suppliers in North Holland, 11% with suppliers in North Brabant, and 3% with those in Utrecht (Fig. 1).<sup>4</sup> These four regions accounted for 95% of BP's spending with suppliers.

As it rippled through the Dutch economy, this spending, as well as BP's worldwide spending, is estimated to have supported a €1 billion gross value added contribution to the country's economy and 10,400 jobs.<sup>5</sup>

The biggest impact was felt in the business services sector, where BP supported a €245 million gross value added contribution (24% of the total supply chain impact, Fig. 2). BP supported another €155 million gross value added contribution in the wholesale and retail trade sector (15% of the total), and €147 million in the mining and quarrying sector (14% of the total).

<sup>4</sup>The map and percentages refer to the expenditure in BP's procurement data that is associated with postcodes.

<sup>5</sup>This jobs estimate includes people who may work on-site at BP but who are ultimately employed by one of the companies BP buys services from.

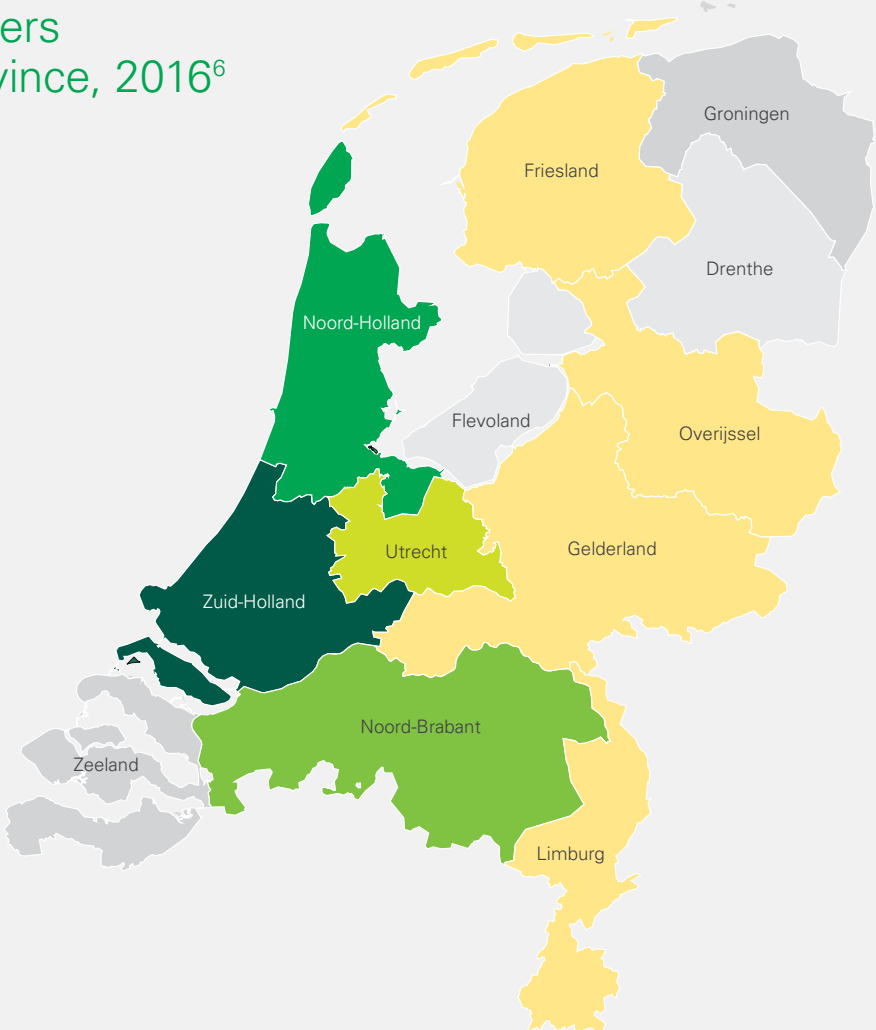
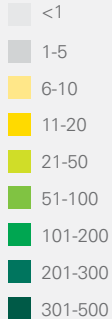
<sup>6</sup>We have used BP's procurement database to map the company's spending across the country. The map includes over 80% of BP's total spending in the country; the procurement database does not include postcode or location data for all spending, and that spending cannot be mapped.



# BP's spending with suppliers in the Netherlands by province, 2016<sup>6</sup>

Fig. 1

BP Spending (€ Million)



Source: BP



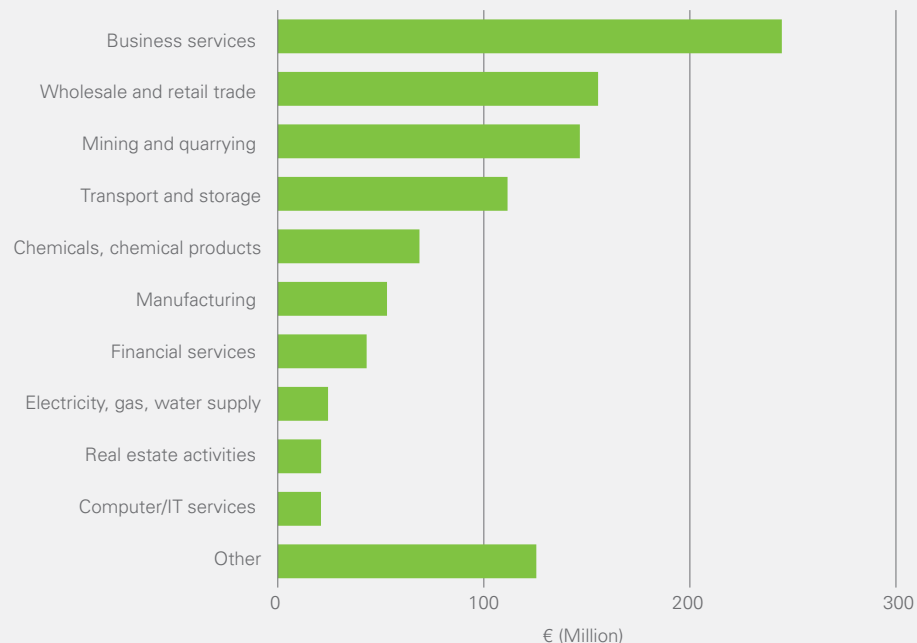
## Summary

Including BP's direct impact and supply chain impact, the company supported an estimated €1.3 billion gross value added contribution to Dutch GDP and 12,400 jobs (Fig. 3). Some 12.6% of all gross value added and 7.1% of all jobs BP supported in 2016 in EU27 countries was in the Netherlands. That makes the Netherlands the country where BP made the second biggest impact in the EU27, after Germany.

For context, the total contribution to GDP supported by BP in the Netherlands in 2016 was equivalent to 0.9% of all GDP created in Zuid-Holland that year, and the employment BP supported was equivalent to 7% of all jobs supported by Rotterdam Port.<sup>7</sup>

## Gross value added by industry stimulated by BP's supply chain spending, 2016

Fig. 2



Source: Oxford Economics

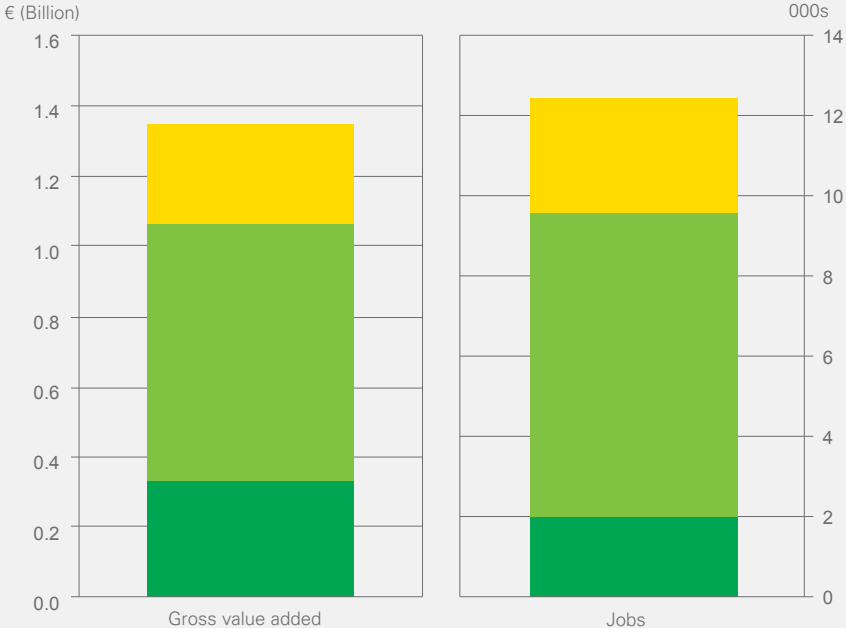
<sup>7</sup>Port of Rotterdam, "Facts and Figures," 2017

For every €100,000 gross value added contribution to GDP that BP generated in the Netherlands at its own operational sites, the company supported another €300,000 gross value added elsewhere in the Netherlands through its supply chain spending. And for every person BP itself employed, the company supported another 6 jobs elsewhere in the Netherlands by spending money with local businesses.

# BP's total impact in the Netherlands, 2016

Fig. 3

- Supply chain capital expenditure
- Supply chain operational expenditure
- Direct



Source: Oxford Economics

## Contacts, links and further information

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