

BP – Alex Chisholm
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Cast list: Alex Chisholm, Dev Sanyal, Peter Mather, xxxxxxxx, Dan Dorner, xxxxx

AC: We were looking forward to discussing Net Zero plans and links to COP26. Those were the items we did have, but strange in current circumstances not to reflect on Covid-19, impact on the economy, fall in the oil price... and should probably talk about operations in the North Sea.

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DS: Yes, [redacted] where we spoke about COP26 but events have overtaken that. So wanted to speak about how we were dealing with that but also wider efforts from HMG in dealing with that. Within BP, I'm leading the response on Covid -- reviewing where things are operationally, and looking at other dimensions. Fourfold element to that: 1, safety of our people. 2, business and operational continuity. Various aspects including demand which has fallen off a cliff - look at aviation. 3, financial health of BP. Last Monday we had a number of interviews with CFO in the media - \$30bn of cash going into this, incredibly important as liquidity will be key feature going forward. And customers are connected, also supply chain. 4, [redacted] humanitarian aid. Have helped with blood transportation... delivery to vulnerable people... manufacturing. Trying to reduce numbers on platforms to have more manageable population... happy to provide [resources] to the NHS. That's the frame we're using. In terms of business itself, it's continuing. Biggest issue is in terms of availability - demand side is a real challenge. Let me just pause there.

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AC: Thank you very much for sharing that and for your response on this which has been very responsible as ever and appreciated in particular the emergency services element. And good to hear about potential availability of workforce. Would be great to be able to land on that. I had a couple of questions about the sustainability of first the oil price at its current levels - what's your expectation over 3/6/9 months? And my understanding is no concern about continuing operation of North sea plants? And then I could offer 2-3 mins on the govt's own response.

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DS: [redacted]

AC: Wow. Ok. And you see that – [redacted]

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DS: [redacted]

DD: Interested in BP's take on geopolitics. We've seen Saudi and US admin giving views to each other [redacted] Also dynamic between refineries mothballing for a while versus closing and never coming back.

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DS: [missed first part of quick response] - in terms of refineries, you see in US they are reducing capacity... it's really hard at this stage it's hard to give a prognosis. [redacted]

[redacted] What we are seeing is big.

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PM: [redacted]
[redacted]

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AC: Thanks. Helpful and in a way reassuring in a scary world. Our need to move quickly has been our priority [provides a list of business measures in recent weeks].

DS: It's been decisive and much appreciated. Please keep us in the loop. [Missed precise ask!]

AC: Colleagues on the call certainly will.

DS: How can we help govt?

AC: Main stresses and strains likely to be around healthcare and social care. With your workforce I wonder if you could mobilise people to help with those stresses and strains. It's great to have that offer, I know BP is a hugely capable and responsible company, and we will come back to you if we have any requests.

DS: Great.

AC: Turning to Net Zero. I wanted to signal that we were really welcoming of the announcement, which is really bold and imaginative. We would like to engage with you as you work out how to deliver on those plans ... on specific points, we're particularly welcoming of what you've been doing on CCUS, and your work there on Teeside. But for distractions on Covid-19 we would be busy really focusing on cracking of with CCUS work. CCUS as you know is so fundamental to every industrial nation's plans on how to achieve Net Zero, we're really keen to make progress on that this year. Your thoughts?

DS: You've summarised it well. We're keen to move Net Zero Teeside...

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PM: I should say the team have been great... and Treasury have been good too. Really appreciative of all you're doing in BEIS.

AC: So about COP and on timing... that is not determined and it isn't just down to us, but we think very likely that a postponement will be needed. As you know there's a terrific set-up time needed... for such a high ambition COP. Normally we would be confident of being able to deliver that but the constraints on travel but also mind space and focus make it very unrealistic that we will be able to deliver. I'd be surprised if it did not lead to a postponement. And the question becomes how long? Six months or twelve... and if it's reasonable to have a gap year with the UK still as Presidency plus Italy. That's what we would like to happen but it requires agreement and negotiation. The more interesting thing in a way is not just about the timing but how to reposition this in light of the new virus impact. In a way, we think that the true impact of that is not really yet known... and it depends on us as govts and as industry leaders and citizens. Looking back at the financial crisis, that was quite negative for the willingness to commit investment to green technologies and you can see that in the figures... but being optimistic, we don't think that's inevitable this time.

DS: Thanks. We want to be constructive with the UK govt as COP26 occurs. I appreciate that what you've said about the timing is confidential but I'm not surprised.

PM: First of all, we have been and are gearing ourselves up to be as helpful as possible.

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As far as BP's concerned, even though it's a brutal environment, our strategy is unchanged. Our commitment to Net Zero in BP at least by 2050 is unchanged. And commitment to those aims remains as was.

AC: Think that's a natural point to end.

DS: Yes - very comprehensive. Thank you very much. Anything you need help with, let us know.