

**Issues Management Working Group
29 February 2016**

Pre-read

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Agenda Item 1: Context, Agenda, Minutes

Members of the Issues Management Working Group

IMWG agenda and pre-read for 29 February 2016

At the December meeting, we finalised the position on energy efficiency. This is available on Messagebank. We also agreed an outline agenda for 2016.

At this meeting, we will:

- Agree the revised positions on:
 - Air quality
 - Water management
- Receive an update on Brexit for information.
- Discuss and agree a new IMWG position on marine spatial planning.
- Review proposals for improving IMWG internal communications.
- Review the process for AGM preparation, including IMWG input.
- Review the IMWG forward agenda.

I look forward to our discussions on 29 February.

Dev Sanyal

11 February 2016

BP p.l.c.
ISSUES MANAGEMENT WORKING GROUP MEETING
Monday 29 February 2016
SJS G-09 Crisis room 2.00-5.00pm, St James's Square London

AGENDA

14.00	1	Context	Dev Sanyal
		<ul style="list-style-type: none"> • To confirm minutes from the December 2015 meeting and review actions* • To confirm objectives for today's meeting • To highlight key activities in current context 	
14.20	2	Air quality*	Eamonn Naughton
		<ul style="list-style-type: none"> • To approve the draft final position 	
14.45	3	Water management*	Eamonn Naughton
		<ul style="list-style-type: none"> • To approve the draft final position 	
15.10	4	Brexit* (information note)	Peter Mather
		<ul style="list-style-type: none"> • To update on Brexit 	
15.30	5	Marine spatial planning (MSP)*	Eamonn Naughton
		<ul style="list-style-type: none"> • To note trends in MSP and their impacts on BP • To discuss and agree a position 	
16.15	6	IMWG process*	Kathrina Mannion
		<ul style="list-style-type: none"> • To discuss internal communication proposals for IMWG products • To review process for AGM preparation, including IMWG input • To note the proposed forward agenda for 2016 	<p style="text-align: right;">Lou Tyson</p>
			Kathrina Mannion
16.55	7	AOB and date of next meeting	Dev Sanyal

* Papers attached

Dial in details are as follows:

Issues Management Working Group

IMWG Meeting Notes – 17 December 2015

Caspian 4.53

14.00 – 17.00

Attendees: Dev Sanyal (chair), Richard Bridge, Spencer Dale, Dominic Emery (DEm), David Eyton (DEy), Peter Henshaw, Paul Jefferiss, Kathrina Mannion, Eamonn Naughton, Jonathan Neal, Jon Platt. By phone: Felipe Bayon, Peter Mather, Bob Stout

Apologies: Emily Carey, Jonathan Evans, Andy Hopwood, Shiva McMahon

Context

- The Paris conference led to a new global agreement on climate, including a goal of limiting temperature to well below 2C and urging efforts to limit below 1.5C. Over 180 climate pledges (INDCs) have been submitted by countries. These will be regularly reviewed with the intention to increase in ambition over time. Provisions to enable emissions trading are included.
- A successful SRI meeting was held on 13 November.
- OGCI is developing their 2016 work programme. Membership is now 11 companies. No plans to extend this membership in the near future.
- Energy Outlook due in February.

Action: Consider a note on the Paris agreement for internal use with wider staff – by Jan 2016 (DSS)

Action: Circulate the Paris key messages developed for press enquires to IMWG members with the minutes – by Dec 2015 (KM)

Action: Review the IMWG climate positions and make any tweaks necessary – by Feb 2016 (PJ)

Air Quality

IMWG members made the following points:

- Delete the first two bullets – not necessary.
- In the fourth bullet change 'constraints' to 'considerations' and put this towards the end ahead of the bullet on OEMs.

- Add a bullet at the start that sets the context: Air quality is predominantly a local/regional issue impacted by a range of different factors, in addition to fuels themselves:
 - In urban areas there are a range of different sources of air pollution.
 - How products are consumed also has an impact (e.g. engine design and use with regard to diesel emissions).
- The sixth and seventh bullet can be combined – i.e. We work with vehicle manufacturers to optimize fuel-engine performance.
- Consider including a bullet outlining that there are solutions – regulations can be effective and engine design can improve.
- Shorten final bullet as follows: BP supports efforts to improve vehicle test cycles and testing procedures allowing customers to obtain accurate tailpipe emissions data.
- Under BP Activity, include reference to participating and providing input into the design of regulations.
- Note Refinery Sector rule not Refining.

Action: Update air quality position and bring back to February IMWG (EN/JP) – by February 2016.

Energy efficiency

IMWG suggested final changes to the revised position:

- Rephrase the second bullet to align with wording in Technology Outlook.
- In third bullet, check that IEA definition of energy efficiency is consistent with definition in bullet 2, and not energy intensity.
- Restructure the 4th and 5th bullets to outline that:
 - Many cost effective improvements are not being implemented.
 - Businesses could be encouraged to reduce emissions through a carbon pricing framework.
 - But in the absence of that, targeted standards are needed to drive consumer behaviour and financial incentives might be needed.
- In the additional information Energy efficient operations section, stress that where economic incentives exist in the Upstream to improve energy efficiency we take them. Add our joining of the CCAC oil and gas methane partnership and endorsing the World Bank zero routine flaring by 2030 goal to this bullet.

Action: Make final changes to energy efficiency position and place on Messagebank (PJ/EN/KM) – by Jan 2016.

Water Management

IMWG members made the following points:

- Overall, consider how to distil the key messages into a short number of key bullets easily understood by non experts.
- Provide more context and a clearer narrative:
 - Globally, water is not an issue for us and we're a small user.
 - Locally and regionally it can be an issue, and can relate to discharge quality (e.g. Whiting) or water quantity (e.g. Kwinana), or timing (e.g. hydrofracking).
 - Because it is a local issue, we don't set global targets but do often use local performance measures.
 - Where it is an issue, we comply with regulation and take appropriate steps to manage risk.
 - We disclose relevant data in a transparent manner in line with our peers.
- Bring out up front that O&G sector only uses 1% of water globally, compared with 70% for agriculture, but underline that it's a local issue.
- Cut the 'we understand's.
- Delete third bullet.
- The fourth bullet is complex – what is meant by an integrated approach? Simplify.
- On fifth bullet, clarify that requirements are internal requirements.
- Combine bullets 6, 8 and 9 relating to industry associations, peers and disclosure and move to the end of the messages.
- Delete references to India and the Middle East with regard to petchems and combine reference to China with ZLD sentence.
- Doublecheck that figures in the section on Industry context align with Technology Outlook, including clarifying what is meant by oil and gas sector and does 'industrial sector' include power?

Action: Update water management position and bring back to February IMWG (EN) – by Feb 2016.

IMWG forward agenda

IMWG members made the following suggestions:

- Tax transparency taken forward through MBAC (now concluded).
- Move Brexit up into February meeting.
- Move Innovation Policy to June and Biodiversity to September.
- Change 'Electric vehicles' to 'Electrification of transport'.
- Keep agenda under review pending other priorities or need to move items.

Action: Check whether update of US crude oil export position is needed (BS/KM) – by Feb 2016

Action: Update 2016 agenda following IMWG feedback (KM) – by Dec 2016

Reflection on IMWG progress to date

On what's worked well, IMWG members made the following comments:

- Process has been significantly streamlined and works well.
- Products useful for providing basis for briefing, speeches, corporate reporting.
- Positions align messaging across the company.
- The new information notes are helpful.

IMWG members made the following suggestions for future improvement or consideration:

- Check Messagebank figures to give one indication of usage (though note not all use it).
- Consider means to improve communication of most material/relevant positions – e.g. short videos, targeted communications, more active communication by IMWG members.
- Try and limit the number of IMWG reviews of each position (e.g. no more than 2).
- Consider 'pre-meetings' ahead of IMWG with key IMWG members to discuss issues.
- Simplify consultation cycles (e.g. only 1 SME review rather than 2)
- Work to make the key messages more user friendly – is a subset of really clear communication friendly messages needed?
- Look for ways to ensure BP staff get input – are there any messages we are missing?
- Continue to look for opportunities for the businesses to feel fully represented at IMWG.

Action: Develop proposals for improved communications (KM) – by Feb 2016.

AOB

There was no AOB. The next IMWG meeting is 29 February.

IMWG Action Log: Updated 11 February 2016							
	Action	Lead	Issue	Complete by	Status	Notes	IMWG Meeting
145	Consider a note on the Paris agreement for internal use with wider staff	DSS	Climate	Jan 2016	Complete	Position on Paris agreement circulated to key staff	17/12/2015
146	Circulate the Paris key messages developed for press enquires to IMWG members with the minutes	KM	Climate	Dec 2015	Complete	Circulated	17/12/2015
147	Review the IMWG climate positions and make any tweaks necessary	PJ	Climate	Feb 2016	Complete	Small tweaks made. Updated versions on Messagebank. Paris Agreement position also on Messagebank. International climate position has been retired as a result.	17/12/2015
148	Update air quality position and bring back to February IMWG	EN / JP	Air Quality	Feb 2016	Complete	On February agenda	17/12/2015
149	Make final changes to energy efficiency position and place on Messagebank	PJ / EN /KM	Energy efficiency	Jan 2016	Complete	On Messagebank	17/12/2015
150	Update water management position and bring back to February IMWG	EN	Water	Feb 2016	Complete	On February agenda	17/12/2015
151	Check whether update of US crude oil export position is needed	BS / KM	US crude exports	Feb 2016	Complete	Small updates required - taken forward by DC team.	17/12/2015
152	Update 2016 agenda following IMWG feedback	KM	IMWG Processes	Dec 2015	Complete	On February agenda	17/12/2015
153	Develop proposals for improved communications	KM	IMWG Processes	Feb 2016	Complete	On February agenda	17/12/2015

Agenda Item 2: Air quality

Members of the Issues Management Working Group

Air quality

The air quality position has been revised to reflect the discussion at the December 2015 IMWG meeting and to incorporate the comments provided.

The purpose of this IMWG review is to approve this revised air quality position.

Eamonn Naughton

11 February 2016



Air quality

Key messages

- Air quality is **predominantly a local or regional issue** and is impacted by a **range of factors including**:
 - Industrial and non-industrial sources can impact air quality and effects are influenced by local weather and geography.
 - In transportation, consumer choices in fuel selection, engine design and driving behaviour impact air emissions.
 - Equipment selection, facility design and operation optimisation also help decrease air emissions.
- As a **responsible operator**, BP requires major projects and operating businesses to **identify, assess and manage air quality risks from our activities** as part of our overall assessment of environmental and health risks and impacts.
- BP has a growing natural gas business. Replacing coal with **natural gas in power generation brings substantial air quality benefits** including reduced emissions of sulphur oxides, nitrogen oxides and particulates, as well as lower GHG emissions.
- **BP supports well-designed regulations** to address air quality impacts. These should take into account operational considerations and the risk of any unintended increases in other pollutants.
- We **participate in industry groups** to provide input to the development of these regulations.
- **Technology advancements** can and do contribute to improvements in air quality. BP **supports improvements in engine design** and works with manufacturers to develop **high quality fuels and lubricants** to optimize engine performance and assist in regulatory compliance.
- BP supports efforts **to improve vehicle testing cycles and procedures**.

Related briefs: Climate change, Energy efficiency, Role of natural gas

Additional information

Context

- Air quality is impacted by emissions of pollutants. These include oxides of nitrogen (NOx), oxides of sulphur (SOx), volatile organic compounds (VOCs), ozone and particulate matter and present a risk to both public health and the environment. Air quality is a primarily localised issue and can be significantly affected by local conditions, for example other existing air pollutant sources (e.g. other industry, transportation, power sector emissions), meteorological features (e.g. wind patterns) and geographical features (e.g. mountains surrounding Los Angeles contribute to its poor air quality).

Relevant sources of emissions for BP

- *Operational Emissions*: Fuel combustion, and process and equipment emissions, are the main contributors to air pollutant emissions at our operating sites.
- *Transportation*: The combustion of fuels in road transportation and aviation contributes to air quality issues. Some stakeholders see diesel fuels as a key contributor to such pollution, particularly through NOx emissions. This could drive additional legislation that targets diesel use and ultimately impacts demand.
- *Shipping*: Emissions are primarily governed by the International Maritime Organisation Marine Pollution Convention which includes mandatory tightening of SOx and NOx emission limits for ships trading globally and within designated 'Emission Control Areas'.

Policy context

- Tightening air quality regulations in the US and EU and rapid development of regulations in other countries have been driven mainly by public health concerns. These regulations impact both current oil and gas operations and future developments and often require a reduction of pollutant emissions via major equipment retrofitting, improved designs and/or fuel quality improvements. In some regions, offshore and onshore operations are governed by different regulators with a potential for different requirements. For example offshore Gulf of Mexico is regulated by the Bureau of Ocean Energy Management rather than the EPA. In several regions, air regulations are being used to indirectly regulate greenhouse gases.
- In **Europe**, stricter emission ceilings and source-control legislation are being proposed, such as the Industrial Emissions Directive, the National Emissions Ceiling Directive and the Medium Combustion Plant Directive. New diesel vehicles are required to meet the new Euro 6 standard which sets stringent NOx requirements. Legislation may also be used to limit use of diesel vehicles in major cities, such as London and Paris, due to breaches in air quality regulatory standards.
- Intensive promulgation of air quality regulations continues in the **US**. The tightening of the ozone standard and the Refinery Sector Rule on hazardous air pollutants will require increased monitoring and costs. New regulations limiting sulphur content in gasoline, become effective in 2016.
- **China** is limiting coal use in power and industry, limiting vehicle use, and imposing stricter vehicle emission limits to improve air quality in cities. Poor air quality in **India** (and many cities in India have worse air quality than in China) is causing change such as tighter vehicle emission standards and tolls to reduce heavy vehicles in Delhi.
- **Globally**, legislation is developing across other regions where BP operates and is likely to align with the tighter regulatory standards seen in some countries. Often the timeline for compliance is aggressive and costly.

BP Activity

- During our major projects stages, we conduct environmental and social screening, impact assessments, monitoring and modelling to identify and assess potential impacts to air. Many of our existing operations are heavily regulated and air quality is managed through existing regulatory frameworks and our environmental risk assessment process.
- BP invests in technology that aims to improve air quality monitoring e.g. portable, real-time sensors, and to improve combustion techniques to reduce emissions.
- We continue to offer and develop high quality fuels and lubricants in collaboration with vehicle manufacturers that facilitate compliance with the required emission regulatory standards.

Contact: Liz Rogers

Agenda Item 3: Water Management

Members of the Issues Management Working Group

Water management

The water management position has been revised to reflect the discussion at the December 2015 IMWG meeting and to incorporate the comments provided.

The purpose of this IMWG review is to approve this revised water management position.

Eamonn Naughton

11 February 2016



Water management

Key messages

- The **oil and gas industry accounts for about 1% of global freshwater withdrawals and consumption**, significantly less than other sectors - particularly the agricultural sector which accounts for around 70% of withdrawals and 90% of consumption.
- At a **local and regional level** competition for water can be a **significant risk** due to declining fresh water availability, poor wastewater discharge quality and the need to share water resources.
- BP **assesses water risks at both company and site level**. Where necessary, we work to **lower fresh water demands** and **improve** the quality of waste water discharges. For example:
 - We have reduced fresh water demands at Kwinana refinery in Australia which is located in a water stressed area.
 - We invest in waste water treatment across many upstream and downstream operations.
 - In Upstream we work to maximise re-use produced water to enhance oil recovery and minimise discharge impacts.
- Due to the local nature of these risks BP does not set company wide targets but uses **local performance indicators** where suitable.
- BP works with **industry associations** to develop and share water management good practices and **discloses** water performance information in line with our peers.

Related briefs: Unconventionals and hydraulic fracturing, Sensitive and international protected areas, Canadian oil sands, Human rights, Climate change adaptation

Additional information

Water availability

- Fresh water availability is declining in many regions through demand increases, population and economic growth, supply reductions, resource depletion, pollution and climate related impacts such as drought severity.
- The World Economic Forum considers a “water crisis” as the second highest risk that could impact many regions of the world.
- The UN has estimated that by 2025, 1.8 billion people will be living in areas of water scarcity and two-thirds of the world’s population may be in water stress conditions.
- Water stress and scarcity increases the challenge to meet the human right to water and sanitation, and increases the risk of access to water being a source of conflict.

Regulatory trends

- Regulations continue to evolve and become more complex.
 - New pricing regulations are being used to manage water demand during shortages as seen in response to droughts in Australia and California.

- Tightening discharge regulations, including US EPA heavy metal limits (e.g. mercury at Whiting), EU regulations impacting onshore operations and regulations for produced water discharges (e.g. North Sea, Trinidad and Angola).
 - Zero discharge regulations are being developed in China to lower fresh water withdrawals and pollution, potentially impacting our petrochemical operations.
- Regulatory standards from mature jurisdictions are influencing other countries with China establishing water regulations modelled on the US Clean Water Act and India developing policy that reflects the EU water regulatory regime.

Industry context

- At the local and regional level (e.g. Middle East, North Africa) water availability and quality issues can pose significant risk to oil and gas operations.
- Fresh water consumption - the volume of water withdrawn less the volume of water returned to the environment - is an important measure of impact. Oil and gas is considered the highest global consumer of fresh water in industry (not including agriculture), and therefore can have higher impact – or be perceived to have higher impact by regulators and NGOs - as less water is returned to the environment.
- Collaborative approaches to water management between sectors are being adopted in some areas of water stress (e.g. Kwinana water minimisation).
- Some of our peers have invested in water technology centres to enable more sustainable development of shale reserves and operations in areas of water scarcity.
- Water management is considered by our industry as a significant environmental risk, requiring long-term planning in existing and future oil and gas developments.

BP and water

- BP withdraws fresh water from rivers, lakes, reservoirs and underground aquifers with around half of BP's major operations located in areas of water stress or water scarcity, where the risks from fresh water withdrawals are potentially greater.
- Our operations manage significant volumes of produced water and wastewater which is treated and released back into the environment, re-injected into an oil or gas reservoir or disposed through other permitted means.
- BP has set internal requirements to help protect water resources and mitigate community impacts from fresh water withdrawals.
- BP continues to invest in wastewater and produced water treatment technology and systems to help meet increasingly complex regulations:
 - Upstream is taking an integrated approach to optimise offshore produced water treatment in many regions to help meet applicable regulations and improve reliability.
 - Since 2012 Downstream has invested over \$350 million in wastewater treatment plant upgrades in refining and petrochemical operations to help meet applicable regulations.
- BP is working within industry associations, such as IPIECA and IOGP, to develop and share good practices in water management.
- BP and many of its peers are disclosing information on company position, strategy and actions related to water due to the importance of water to oil and gas production.
- Our technical teams are collaborating to identify opportunities to reduce risks, improve reliability and lower costs in water management.

Research and Collaboration

- BP has invested in independent research into the interrelationship of minerals, water and energy. This is available for use by policy makers, research organizations and industry.

Contact: Liz Rogers

Agenda Item 4: Brexit

Members of the Issues Management Working Group

Brexit

It was agreed that an information note on Brexit would be helpful.

The purpose of this IMWG session is to note this information.

Peter Mather

11 February 2016

Members of the Issues Management Working Group

“Brexit” Update

Current state of play

The PM has now laid out what he is looking for in the negotiations for a ‘reformed’ EU in which he would campaign for the UK to stay.

The demands fall into four areas: an exemption from ‘ever closer union’ and the sovereignty of national parliaments; guarantees of fairness for non-eurozone countries; tangible moves to boost competitiveness and reduce red tape; and a restriction on EU migrants’ access to in-work benefits for four years after arrival.

The EU has now published a draft renegotiation agreement that delivers substantial change in all the four areas that Britain has asked for. So the Prime Minister has told Parliament that real progress is being made. But the process is far from over. There are details that still need to be pinned down and the intense negotiations are ongoing to try and agree the deal with the 27 other countries at the summit on February 18/19. Agreement would allow the PM to announce a referendum date at his choosing (most likely June), with his Cabinet then free to campaign either way.

The impact on BP

If and when we decide to make any statements on “Brexit” as BP, we will need to construct our argumentation around both economic and broader political rationale.

Work done by Group Economics and the UK Political Team has identified the most likely issues important to BP. However, until we know exactly what deal has been negotiated it is difficult to build a clear case.

It is also unclear what exactly the terms for a UK outside the EU would be. Some believe that the EU institutions would frustrate and make life difficult, e.g. over the new trade deals that would have to be negotiated, and some believe otherwise.

a) Economic position: key points

Although manageable, if Britain were to leave the EU, BP would see economic impact in four areas: Tax, HR, IST and Treasury.

The most certain costs would be within Tax where compliance costs would increase (transitional and ongoing), with greater risks owing to increased complexity. For IST, it could become more expensive for a UK-based entity to trade derivatives with EU counterparties, although some EU working capital requirements may be avoided. The impact on HR (e.g. visas) and Treasury (e.g. sterling and gilt yields) would be less, but again the uncertainty and new complexity could be costly.

If the UK opted to leave the EU, it would lessen its ability to influence future EU policy and regulation in trade, which in turn could impact the UK's future service sector export potential.

Whatever the costs and benefits of EU membership, if the UK were to exit there would be significant short-term uncertainty, volatility and transition costs. New treaties would need to be negotiated and new UK legislation introduced.

b) Political position: key points

BP is not a political organisation. We seek to act in the best interests of our shareholders, employees, customers, suppliers and local communities. However, as a leading European energy company, investing and operating in the UK and across Europe, it is likely to be difficult for us to stay completely silent during the debate.

On balance, BP supports the UK staying within a reformed European Union, from where the UK can continue to pursue an agenda of reform in order to deliver an efficient and globally competitive single market where business can thrive. It is likely that a UK outside the EU would still be subject to EU laws and regulations, without a seat at the table, as is the case today for Norway and Switzerland.

A UK outside the EU could attract less foreign direct investment, impacting the importance of the City as a financial centre, with downside to UK-based companies.

HMG exerts more influence globally as a member of the EU – and can influence the EU's developing foreign policy agenda to the benefit of the UK and its major players.

BP went on record to support the retention of a United Kingdom. "Brexit" could cause a pro-EU Scotland to hold another independence referendum and a breakup of the UK. This would not be in the best interests of North Sea development.

BP's Advocacy Strategy

Our current strategy is not to engage with either side of the debate but, only if asked, to support the Prime Minister's efforts to get a reformed EU. This approach is viable whilst the success or otherwise of the PM's negotiations are uncertain. We will review once battle lines are drawn and the timetable clear. No. 10 is now less wary of business intervention in the debate but, for international companies like BP, they currently see the most value coming from what we could say in the other Member States, in particular in support of a reform agenda. We are considering if and how we might act on this. Big business is not universally popular and we must be sure that a BP intervention will 'move the dial' the right way.

Assuming we have a deal at the February EU summit, good enough for the PM to campaign to stay in, than we should review this advocacy strategy accordingly.

Peter Mather

11 February 2016

Appendix 1: "Brexit" Speaker Points

- The UK is very important to BP.
- We very much support the Prime Minister in his efforts to bring about reform in Europe.
- A competitive EU, in energy and other markets, is vitally important to all European businesses.
- The negative impacts on BP of "Brexit" are difficult to define, but we assume there would be downside for us, for example: on tax, where compliance costs would increase; on our trading activities where it could become more expensive to trade derivatives with EU counterparties; in HR, with possible new visa requirements; and in Treasury with possible impact on sterling and gilt yields.
- The inevitable uncertainty, distraction and new complexity would be damaging to business.
- It is also likely that a UK outside the EU would still be subject to EU laws and regulations, but without a seat at the table.
- A UK outside the EU could attract less foreign direct investment, impacting the importance of the City as a financial centre, with downside to UK-based companies.
- HMG exerts more influence globally as a member of the EU – and can influence the EU's developing foreign policy agenda to the benefit of the UK and its major players.
- BP went on record to support the retention of a United Kingdom. "Brexit" could cause a pro-EU Scotland to hold another independence referendum and a breakup of the UK. This would not be in the best interests of North Sea development.

Agenda Item 5: Marine spatial planning

Members of the Issues Management Working Group

Marine spatial planning (MSP)

MSP has evolved over the past decade and is being increasingly used by governments to manage the oceans and coastal areas in many of the regions where BP has interests. There are multiple approaches to MSP which can bring both risks and opportunities.

Following the discussion on Marine Governance at IMWG in December 2014, it was agreed that a more detailed position on Marine Spatial Planning would be helpful. A group position on MSP will provide clarity and a more consistent framework to support advocacy efforts, where necessary, while maintaining regional flexibility.

The purpose of this IMWG session is to:

- Note trends in MSP and their impacts on BP.
- Discuss and agree a position.

Eamonn Naughton

11 February 2016



Marine spatial planning (MSP)

Key messages

- BP recognizes the **importance of sustaining ocean ecosystem health and productivity** and acknowledges the role of governments play in **effectively managing** this shared resource.
- Diverse and changing ocean activities have led to more **users competing for the same space** which can result in **potential conflicts and impacts**.
- BP recognises that Marine Spatial Planning (MSP) can help enable the coexistence of multiple users and sustainable use of the ocean environment.
- MSP is **being applied differently** by countries and this may result in confusion and complexity for international users of oceans.
- BP believes **well-designed MSP** should adhere to the follow principles:
 - Remain a **process** to inform practical, regional **ocean decision-making**
 - Ensure **alignment with existing regulations and oversight authorities**, to avoid adding undue regulatory burden or unnecessary complexity.
 - Be **flexible** enough to accommodate future changes while allowing for responsible use and development of the ocean.
 - Set **criteria** for managing each activity against objectives to enable **sustainable and multi-sector use** rather than adopting a prescriptive approach.
 - Establish **guidelines** related to engagement of **stakeholders, arbitration**, and the use and collection of **baseline data** for monitoring.
 - Be **re-evaluated on a periodic basis** to ensure the design remains fit-for-purpose and focused on the agreed objectives.
- **BP is working** with industry peers, trade associations and Governments, where applicable, to **provide input in countries where MSP** is being considered.

Additional information

What is marine spatial planning (MSP)?

- MSP brings together a range of ocean users and stakeholders to manage multiple activities and mitigate potential conflicts in shared areas to achieve sustainable use of a country's ocean environment.
- MSP has gained prominence in some countries. This is due to increasing access to marine resources resulting from technological advances, expansion and emergence of new marine activities and greater stakeholder advocacy for conservation protection.
- This process usually leads to the mapping and identification of where and when different offshore activities may take place.

MSP design and implementation

- MSP is a departure from traditional, sector-specific oversight and practices and introduces a more inclusive and prolonged decision-making process.
- Many countries where BP operates are using, evaluating or actively developing MSP. Approaches can vary significantly (i.e. some are very prescriptive while others are more flexible). For example:
 - Norway uses a mandated, integrated approach to manage their marine environment, while in the EU, the Marine Spatial Planning Directive dictates key objectives on ocean economy and health which can take different forms in the Member States.
 - Canada, the US, and Australia have all initiated work on MSP based on an integrated approach but with limited implementation to-date.
 - China has a government-led, fee-based approach to MSP without stakeholder consultation.
- Recently, global agencies such as UNEP have been discussing the potential for MSP in Areas Beyond National Jurisdiction, which could widen the impact of regulation.

Potential impacts of MSP on the oil and gas industry

- Poorly designed, or different approaches to MSP can introduce risks including:
 - Excessive or unpredictable geographic or seasonal limitations on activity – leading to schedule delays (e.g. rescheduled seismic surveys), operational changes (e.g. revised shipping lanes), or restricted access (e.g. designation of no-go areas).
 - Regulatory uncertainty where new regulations and authorities are added to existing, sector-specific policies leading to confusion and undue burden to comply.
- Well-designed MSP can lead to benefits for the oil & gas industry, including:
 - Clear policies that improve certainty for offshore planning and investors.
 - Early awareness and proactive mitigation of conflicts between offshore users.
 - Enhanced compliance via access to valuable ocean data and best practices.
- Advocacy positions developed using the key principles of a well-designed MSP can help the oil and gas industry provide input that is timely and influential.

BP and industry activity

- BP and our peers actively track development of MSP through industry associations, NGO partners and global forums (e.g. World Ocean Summit).
- We evaluate opportunities to participate in relevant MSP discussions and engage where necessary through industry associations.
- Through API and IOGP, BP contributes to other relevant ocean governance practices, including those relating to sound and marine life and marine protected areas.

Contact: Liz Rogers

Members of the Issues Management Working Group

Marine Spatial Planning (MSP)

What is the issue?

Globally, governance of the marine environment continues to evolve – driven, in part, by the increased use of, and competition for, ocean space and resources. Existing marine activities including fishing, shipping and oil and gas operations, aided by enhanced technology, are becoming more intensive or extensive while newer industries (e.g. seabed mining, tidal/wind energy, pharmacology) have emerged. At the same time, societal concerns, primarily expressed by NGOs and academia, are increasing about the health and sustainability of the ocean. This has encouraged governments to apply more integrated and strategic approaches to marine conservation and adopt ecosystem-based management tools to manage ocean spaces. Over the past decade, these drivers are contributing to an expansion of Marine Spatial Planning (MSP) including in countries where BP operates, bringing both potential risk and opportunity.

What is MSP?

In the past, marine planning was generally applied only to individual sectors such as military, conservation, aquaculture and extractives unlike the multi-sectorial approach more often used in land use planning. This fragmented approach has led to less effective management or unsustainable use of marine resources as well as greater potential for conflicts as each sector is managed separately. Diverse and changing ocean activities have also led to more users competing for the same space.

Well-designed MSP brings together a range of ocean users and stakeholders to achieve sustainable use of a country's ocean environment. Successful MSP helps to deliver multiple national or regional objectives while also mitigating potential offshore conflicts (e.g. fisherman and oil and gas companies seeking to use the same area). Objectives are often environmental (e.g. conservation of habitats), economic (e.g. oil and gas development, fishing), or social (e.g. recreation). While MSP approaches tend to focus on offshore areas,

they can include near-shore areas as well – with implications for shipping or coastal developments and businesses.

MSP generally results in the prioritization of different regional activities, evaluation of possible offshore use scenarios, and a map-based information system to document baseline conditions and any agreed spatial planning (zoning). NGOs are also lobbying governments to conserve ocean health and resources, which can lead to expanded designation of marine protected areas¹.

Many countries where BP operates are using, evaluating or actively developing MSP, though approaches vary significantly. These different country approaches to implementing MSP have important implications for the oil and gas industry as it results in uncertainty in direction and the need for region-specific awareness and advocacy.

MSP and implementation

MSP is evolving and now manifests itself in different ways depending on country objectives ranging from, for example, non-binding stakeholder workshops to very restrictive regulation.

Global agencies like UNEP are now publishing best practices² and documenting elements of successful MSP design and implementation.³ While there are a few well-documented examples of mature MSP⁴, continued evaluation will help us better understand the impact of MSP globally. MSP approaches are dependent on a number of factors, such as the geographic location, relative maturity of existing ocean activities, degree of regulatory oversight, and level of stakeholder and NGO influence/engagement.

The different country interpretations of MSP can be broadly summarized into a few, high-level categories:

- Those countries where MSP does not exist and there is no integrated approach to marine activity management. These countries, such as Trinidad and Brazil, still use a traditional sector-

¹ MPAs can also be designated in the absence of MSP but conservation is gaining status within MSP initiatives.

² C.E Ehler, 2012, *A Global Review of Marine Spatial Planning*, UNESCO; C. Ehler, 2014

³ J. Blau and L. Green, 2015, *Assessing the Impact of a New Approach to Ocean Management: Evidence to Date from Five Ocean Plans*, 56 *Marine Policy* at 7 (2015)

⁴ E.g *Ecosystem Service Tradeoff Analysis Reveals the Value of Marine Spatial Planning for Multiple Ocean Uses*, 109:12 *Proceedings of the National Academy of Sciences*.

based approach. In Trinidad the overlap between offshore oil and gas and fishing activities has caused public concerns to be raised with oil and gas companies. This has resulted in lengthy negotiations, agreed compensation and potential reputation impacts. If constructive aspects of MSP such as a stakeholder engagement forum were in place, it is possible that those concerns may have been mitigated.

- Countries which have or are developing a flexible approach to MSP which is not binding or intends to be informal and collaborative. This broad category is reflective of a number of countries where BP operates (e.g. US, Canada, Australia). It is often characterized by planning bodies empowered to develop customized plans for multiple sub-national regions. EU nations generally fall into this category, but likely will change as they finalize MSP designs in advance of 2020. Such approaches can provide more flexibility but can also introduce uncertainty.
- More formal MSP with new policies and regulations. These can be aligned with existing regulations and may bring clarity for operators, as in Norway where MSP is based on clearly defined objectives. However if the formal MSP is not aligned with existing regulations the outcomes may potentially introduce excessive regulatory burden and administrative complexity on users.
- Inflexible or restrictive MSP such as in China where it is referred to as “marine functional zoning” and is a government-led, fee-based approach without stakeholder consultation. This type of MSP category precludes meaningful discussion among the representative sectors and is not effective in accommodating changing activities, though it can bring clarity on requirements.

Approaches to implementation

It is important to make the distinction between designing a marine spatial plan and implementing the plan outcomes. MSP uses maps and analyses to identify areas where and times when certain offshore activities can take place.⁵

Some of these maps can be quite flexible and/or open to change, enabling multiple activities in the same ocean area. Such approaches tend to enable and manage diverse activities based on setting and meeting objective criteria rather than just zoning each activity in

restrictive geographic areas. This flexibility is increasingly important as new or intensified offshore activities emerge to compete with our operations. A well-coordinated marine planning framework maintains fairness and would help mitigate the risk of a new activity becoming dominant via a separate, sector-based management plan.

In the EU the landmark Marine Strategy Framework Directive (MSFD)⁶ and subordinate initiatives (e.g. Marine Spatial Planning Directive, MSPD) sets out clear criteria for each EU nation to reach “good environmental status (GES)” by 2020.⁷ The MSPD requires that each EU nation then utilize some form of ocean planning to help achieve GES. While formal in design, the approach allows for flexibility in the regional implementation and takes a criteria-based approach.

In contrast, MSP maps can be very prescriptive - resulting in “top-down” management decisions such as “no-go” zones. This situation may occur when countries decide on priority activities (e.g. alternative energy development) or objectives (e.g. sustaining biodiversity) before any MSP process is put in place. Similarly, if there is no performance management as part of the implementation then some activities may be unfairly prioritized. This could inherently limit some activities in certain areas.

MSP with different types of implementation can exist even within a single country (US, Australia, Canada).⁸ These variations create the potential for complex requirements and oversight which can lead to greater uncertainty for global operators like BP.

MSP benefits and risks

If MSP processes are well-designed and effectively implemented, BP can realize benefits, including:

- Clear policies that improve certainty for offshore planning and investors and may result in greater clarity on what future activities may be introduced in a given region.

⁶ European Commission, 2008. Marine Strategy Framework Directive (MSFD).

http://ec.europa.eu/environment/marine/eu-coast-and-marine-policy/marine-strategy-framework-directive/index_en.htm

⁷ European Commission, 2010. Marine Strategy Framework Directive – Good Environmental Status.

http://ec.europa.eu/environment/marine/good-environmental-status/index_en.htm

⁸ This trend continues into Areas Beyond National Jurisdiction (ABNJ), where international authorities (e.g., UNEP) and NGOs are endorsing marine planning initiatives on the high seas.

- Early awareness and proactive mitigation of conflicts between offshore users. For example, reducing potential conflict between oil and gas and the fishing industry through a cooperative forum.
- A more consistent and level playing field based on the ability to monitor and manage performance of each activity against established criteria.
- Access to shared ocean data and best practices. For example, reduced cumulative ocean sound during a marine mammal migration through coordination with other offshore operators.

Alternatively, poorly designed MSP can lead to material risks, to BP and other ocean users, including:

- Excessive or unpredictable geographic or seasonal limitations - impacting BP through schedule delays (e.g. rescheduled seismic surveys) or operational changes (e.g. revised shipping lanes).
- Restricted access to sensitive areas designated as 'no-go' zones.
- Greater regulatory uncertainty or additional requirements added to existing regulations which may be burdensome for operators. This could also require sustained regional expertise or advocacy.
- Overly prescriptive regulations or policies that unfairly favor some offshore activities over others.

Why does it matter to BP?

BP conducts significant activities in the offshore marine environment (exploration and production, shipping) as well as in coastal zones (refining, shipping). Many of the countries in which we conduct these activities are subject to existing or emerging MSP activity.

The different approaches to MSP used by countries across the world can present a complex approach for BP's marine advocacy positions. Positions need to vary based on location but also require a level of consistency to promote good design principles for MSP amongst stakeholders.

Competitor activity

BP's industry peers track MSP development primarily through trade associations (e.g. API, IOGP), NGO partners (e.g. World Conservation Monitoring Centre), and global forums (e.g. World Ocean Summit). Like BP, ExxonMobil, Shell, and Chevron recognize that MSP is becoming more pronounced and that Governments implement MSP in different ways - requiring a strong focus on the process and targeted country

advocacy. In the US, some trade organizations (NOIA, NOPC)⁹ have taken strong positions opposing MSP in any form arguing that it is “regulation in disguise”, while others, such as API, have taken a more passive approach, awaiting the maturation of country specific MSP approaches. Other ocean industries, particularly emerging sectors, conservation interest groups and academia are actively participating in emerging MSP consultations, with the aim to influence the process or outcomes.

BP position

BP has been cautious of supporting spatial planning in the past¹⁰. This was due to concerns that it could lead to overly restrictive zoning or exclusion of oil and gas activity. Further, we have generally not directly participated in MSP stakeholder workshops. However, marine activities and MSP continue to evolve and some of these approaches may now prove beneficial to our industry. In addition, MSP is already being implemented in a number of countries where we operate or have an interest and this requires a more considered position rather than outward opposition.¹¹

In light of this, BP proposes a principled position recognising the potential benefits of well-designed MSP. Early evaluation of MSP implementation suggests that flexible approaches prove more successful in balancing multiple ocean activities compared to prescriptive approaches.¹² This high level position provides a framework to guide BP in countries while enabling flexibility to adapt to local context. Additionally, BP needs to maintain a clear and sustained awareness about the status of MSP and consider engagement where appropriate either individually or via trade associations. Failure to keep informed, or engaged where appropriate, may lead to MSP activities and outcomes being unduly influenced by other ocean users who are more directly engaged in the planning.

Conclusions and recommendations

BP's cross-segment, marine operations and activities continue to be exposed to risks inherent in MSP. Amidst this uncertainty there is a

⁹ National Ocean Industries Association (NOIA); National Ocean Policy Coalition (NOPC)

¹⁰ IMWG Sensitive and Internationally Protected Areas Background Paper in 2012

¹¹ UNEP, 2015, http://www.unesco-ioc-marinesp.be/msp_around_the_world/.

clear opportunity to evaluate and help guide practical, criteria-led, performance-based approaches to MSP that could benefit BP and other marine users.

Since the adoption of MSP is different across the world and the level of implementation remains dynamic, we recommend the following proactive steps to manage and minimize risks to our businesses:

- Agree the proposed IMWG position regarding a principle based MSP design.
- Develop fit-for-purpose BP advocacy positions consistent with the maturity and status of different country approaches to MSP and risk to our business.
- Continue to consistently track the status of MSP implementation in the regions where we operate or are exploring.
- Periodically evaluate the need for direct or indirect advocacy via trade associations, or directly, in relevant MSP jurisdictions using established BP accountabilities.

IMWG Members are asked to approve the proposed position and review the recommended approach.

Samuel Walker and Katrina Mannion

11 February 2016

Agenda Item 6: IMWG process and forward agenda

Members of the Issues Management Working Group

IMWG process and forward agenda

The purpose of this IMWG session is to review three process items:

- 1) Proposals for improving IMWG internal communications.
- 2) The process for developing the AGM briefs including IMWG review.
- 3) The planned forward agenda for June and the remainder of 2016.

Kathrina Mannion

11 February 2016

Members of the Issues Management Working Group

IMWG Internal Communications

Background

IMWG has tended to focus more on the development of the positions than on ensuring those positions are communicated to the right internal audiences. While a number of channels and mechanisms are already being used to communicate positions internally, there may be more opportunities to ensure positions are known and used by relevant staff.

Objectives and audiences

The key objective of communication should be to ensure that the 'right positions get to the right people' – i.e. every position is not relevant to all staff. Who needs to be aware of IMWG positions can depend on role (e.g. GPA staff may need to know most positions), interest (e.g. SMEs may only be interested in their subject) or wider relevance (e.g. climate change was of interest to wider BP staff ahead of Paris).

Proposed IMWG communications approach

Appendix 1 sets out relevant IMWG audiences along with current and suggested additional ways of communicating positions. Overall, the proposed approach is to continue with current activity augmented by a small number of new actions. Where possible, existing communications channels should be used. It is also proposed that IMWG itself explicitly considers communication and audiences for each position. This could be done via a 5 minute discussion at IMWG once positions are agreed. Background papers could include a short section on priority audiences.

Update on Messagebank

Messagebank is migrating to Sharepoint. It will continue to be targeted at Communications staff, group leaders and other staff who use communications products but it will be easier for other staff to gain access. Search function and reporting capability will also be improved.

Conclusions and Recommendations

IMWG is asked to review the proposed actions and to offer any further views or suggestions.

Kathrina Mannion

11 February 2016

Appendix 1: Communication actions

Audience	Rationale	Proposed action
Group Leaders including Heads of Country	Important for GLs to be aware of a general overview of BP positions for internal and external communication where relevant. For some GLs, IMWG positions will also inform their own advocacy or positions (e.g. at regional or business level).	<p>Current activities:</p> <ul style="list-style-type: none"> Final positions are available on Messagebank (all GL's have access) Group Leaders are informed of most recent or relevant positions through Bob Dudley's quarterly leadership briefings. A note on IMWG climate positions has also been circulated to GLs following Paris. <p>Proposed additional activities:</p> <ul style="list-style-type: none"> No additional activity proposed to current activities.
GPA, Policy, Tech, Comms and other staff with specific/professional policy or comms interest	Important to be aware of a general overview of BP positions for internal and external communication where relevant. For some, IMWG positions will also inform their own advocacy or positions (e.g. at regional or business level).	<p>Current activities:</p> <ul style="list-style-type: none"> Final positions are available on Messagebank (not all have access but can apply for access) Quarterly summaries sent to a limited number of key 'contact' points to disseminate amongst their networks. Ad hoc presentations to staff networks (e.g. US Regulatory Affairs Coordination Council) <p>Proposed additional activities:</p> <ul style="list-style-type: none"> Regularly promote IMWG on front page of Messagebank. Encourage relevant staff to get access to Messagebank once it's migrated to sharepoint. Review distribution list for quarterly summaries to ensure all relevant contacts are captured. For each position, identify key audiences and individuals internally and ensure they receive the position.
SMEs	SMEs need to be aware of positions relevant to their	<p>Current activities:</p> <ul style="list-style-type: none"> Final positions are circulated to the SMEs who were involved in drafting

	subject area.	<p>the position.</p> <ul style="list-style-type: none"> Final positions are available on Messagebank (not all have access but can apply for access). Ad hoc presentations to staff networks (e.g. Environment Communities of Practice) <p>Proposed additional activities:</p> <ul style="list-style-type: none"> 'Wash-up' calls with lead author and IMWG secretariat to include identifying communication needs of positions.
All staff	Need to be aware of BP's positions on major issues such as climate change	<p>Current activities:</p> <ul style="list-style-type: none"> Key messages (as opposed to the two page positions) communicated through internal channels such as oneBP, Employee Communications from Bob Dudley and internal publications. <p>Proposed additional activities:</p> <ul style="list-style-type: none"> Discuss which positions are relevant to all staff (e.g. via discussion at IMWG once agreed) and identify appropriate internal channel (e.g. webcast, oneBP article etc) to communicate.
External	Need to be aware of BP's positions on major issues such as climate change	<p>Current activities:</p> <ul style="list-style-type: none"> Led by Group Communications, key messages communicated through channels such as speeches, news articles, speeches etc. Positions are communicated with external partners as and when appropriate (i.e. selective, proactive, defensive) by staff when needed. <p>Proposed additional activities:</p> <ul style="list-style-type: none"> No additional activity proposed to current activities

Members of the Issues Management Working Group

AGM briefs 2016

The purpose of this agenda item is to provide IMWG with information on the approach and process for creating 2016 AGM briefs, and to receive IMWG feedback on the list of briefs proposed (see Appendices).

Approach

The plan is to follow the AGM briefing process used for the last few years, although the number of briefs has been reduced. The issue selection is done by the corporate reporting team, company secretary's office and societal issues team – based on their external engagement and the likelihood of the issue being raised at a UK AGM.

The source material for the briefs is BP's corporate reporting, as well as the IMWG positions. Most of this content will have gone through business and legal sign-off (i.e. through the recent corporate reporting process), and has been agreed as suitable for external disclosure. For simplification, we will grey out the information in the briefs that has already been approved.

As in the past, the corporate reporting team may wish to update minor factual information to IMWG positions (e.g. data or case studies - not changes in position) to inform AGM preparation. These amendments will be approved by the business or IMWG position content owner and legal.

Process

<u>February</u>	AGM brief drafting. Review by content owners. Legal review by group or relevant legal team.
<u>29 February</u>	Provided to IMWG by email with any feedback due by 3 March.
<u>7 March</u>	Sign-off by business or IMWG content owner as appropriate.
<u>9 March</u>	Briefs provided to the Chairman and committee chairs.

Louise Tyson

11 February 2016

Appendix A: Sample questions raised at 2015 AGM

These are the types of questions asked at last year's AGM. They cover a wide variety of topics, requiring a high-level response. The chairman has asked that we focus on the key messages for each issue rather than on detailed technical responses. This year we expect more questions on the lower oil price environment.

Climate change

There were a large number of questions on climate change in 2015 because of shareholder resolution 25.

- How do you hope to enable policymakers as they move towards setting a **meaningful price on carbon**?
- What are your plans for developing **renewable** forms of energy?
- Will you agree to adopt and publish **absolute emissions-reductions targets** for key relevant divisions of the company?
- Has BP stress tested its strategy against the **IEA's current and new policy scenarios**?
- Could you provide detail on BP's post-2015 approach to **low-carbon development and investment**?
- Could you clarify whether you support the **lobbying positions** of trade associations such as BusinessEurope, CEFIC and FuelsEurope on climate change?
- If **carbon capture and storage** is no longer a focus for BP, then what is its substitute against the risk of strong climate regulation?
- What progress is there in **producing and selling cleaner oil and petroleum** products?

Company structure and business model

- Given the company is 30 per cent smaller, why has **group leadership increased**?
- How do you make sure there is flexibility in company strategy which adjusts for **significant changes in demand and pricing dynamics**?
- What investments are you looking to buy in Upstream and Downstream businesses with **good potential and organic growth**?
- What is the company's position on the **reputational risk of divestment** to your current business model?

Executive and board performance

- How do you think about incentivizing executives so that they have the appropriate **long-term focus** in their decision making?
- Are you going to evolve your **key performance indicators** and other incentives in light of climate change?

Shareholder compensation

- How have shareholders benefitted in real terms with regard to **dividend** and **share price appreciation** with regard to your buyback?
- What is the reason for the substantial fall in **total shareholder return**?

Rosneft

- What is the progress of the creation of a second post representing the interests of BP on the **Rosneft board**?

Gulf of Mexico oil spill

- What is BP's total exposure to the **Deepwater Horizon accident**?

Gender

- What are the plans to reach the target to have women represent **25% of group leaders** by 2020? And what about the target for the board?

Regional

- What percentage of the group's business comes from regions that are overrun by **ISIS** and what are the impacts on the group's business activities?
- Would you consider entering making payments to the community in Casanare over the case relating to the Ocensa oil pipeline in **Colombia**?
- Why is there a lack of transparency on the exposure to risk for shareholders in **Azerbaijan**, both financially and politically, and in terms of reputation?
- In terms of **free, prior and informed consent**, would BP be willing to shelve a project if a local indigenous community says that they do not want it?

Appendix B: Proposed AGM briefs 2016

This list is based on the queries being asked during stakeholder engagement activities held by the company secretary's office, policy team and corporate reporting. The right hand column indicates if corporate reporting and/or IMWG positions are the foundation for the AGM briefs.

Safety

Independent experts and monitors	CR
Safety performance	CR

Climate change

BP's response to shareholder resolution	CR
Climate change and GHG emissions (incl. Paris COP21)	CR
Renewables	CR
Unburnable carbon	CR

Environment and society

Advocacy and lobbying	CR	IMWG
Arctic	CR	IMWG
Environment	CR	IMWG
Human rights	CR	IMWG
Oil sands	CR	IMWG
Revenue and contract transparency	CR	IMWG
Security	CR	
Sensitive areas and biodiversity	CR	IMWG
Social responsibility	CR	
Unconventional gas and fracking	CR	IMWG

Country and business specific

Azerbaijan and Southern Corridor	CR+ ¹
Gulf of Mexico	CR
Russia	CR+
Sanctioned countries	CR+
United Kingdom	CR+
Legal cases in Algeria and Colombia	

Strategy, performance and forward plan

2035 Energy Outlook	EO
BP's response to lower oil price	CR+
Shareholder distributions	
Tax	CR

Employees and governance

Diversity and inclusion	CR
Remuneration	CR

¹ CR+ refers to briefs where some supplementary information is required.

Members of the Issues Management Working Group

2016 forward agenda

The following issues are scheduled for discussion in June 2016:

- **Innovation policy (New):** A BP position on the general industrial and technology-specific policies needed to drive innovation would be helpful.
- **Sustainable development goals (SDGs) (New):** The SDGs have now been agreed and will start to shape public policy in future years. There is interest from stakeholders regarding how industry plans to respond. A position will help clarify BP's views.
- **Sensitive areas (Revision):** The position on sensitive and international protected areas was one of IMWG's first positions and would benefit from an update to reflect the changing policy context - e.g. increased focus on marine protected areas, NGO lobbying on 'delisting' actions by governments – as well as internal updates (e.g. GDP 3.6 update).

Full IMWG agenda for 2016

February IMWG	
Brexit (<i>information note</i>)	The UK referendum will take place before the end of 2017. An information note on BP's position would be useful.
Marine spatial planning (MSP) (<i>New</i>)	Deferred from September and December 2015 agenda. IMWG asked for a specific position on MSP following the discussion of the wider marine governance paper in December 2014.
June IMWG	
Innovation Policy (<i>New</i>)	A BP position on the general industrial and technology-specific policies needed to drive innovation would be helpful.
Sustainable Development Goals (SDGs) (<i>New</i>)	The SDGs have now been agreed and will start to shape public policy in future years. There is interest from stakeholders regarding how industry plans to respond. A position will help clarify BP's views.
Sensitive areas (<i>Revision</i>)	The position on sensitive areas was one of IMWG's first positions and would benefit from an update to reflect the changing policy context - e.g. increased focus on marine protected areas, NGO lobbying on 'delisting' actions by governments – as well as internal updates (e.g. GDP 3.6 update)

September IMWG	
Renewable energy (New)	Stakeholder interest in our position on renewable energy continues with regard to public policy to support renewables, their role in the energy mix and our own activity in this space – particularly in the context of the increased profile of climate change. A position would help respond to this. A position was drafted but deferred in 2014 pending clarification of company strategy.
Energy access (New)	The importance of providing access to energy for the world's poor is a significant focus of policy at the international level through initiatives such as the UN Sustainable Energy for All initiative. The role of enabling greater access to energy also forms parts of our (and our industry's) narrative when advocating for the continued need for fossil fuels. It may be helpful to have a position to respond to any challenges/questions on this.
Biodiversity (New)	The global loss of biodiversity is seen as one of the greatest environmental challenges after climate change. Although we have made public statements (e.g. Lord Browne speech) on biodiversity and have historic positions on some aspects, we don't have an up to date position on biodiversity or related matters such as, biodiversity offsetting, natural capital etc
Net Positive Approach (NPA) (Information Note)	NPA - where businesses are expected to demonstrate positive environmental or societal impacts in key areas of their operations – is starting to gain some momentum amongst NGOs and may become an issue in the future. An information note would be helpful to brief IMWG.
December IMWG	
Supply chain (New)	External regulation and interest in how companies are managing risks and impacts within their supply chain are increasing. A Group position would support our response to external interest, set out a clear unified position on our work to drive a consistent approach across all segments and help put BP on the front foot.
Electrification of transport (New)	Our position on the role of electrification of transport is reasonably well-known internally but not formally documented. A consolidated IMWG position would create clarity internally and for external communication.
Biofuels (Revision)	The policy environment has evolved since our position was drafted. An update is needed to reflect this.

Kathrina Mannion

11 February 2016