

■ BpTT on global job loss:

'Too soon' to assess local impact

■ Joel Julien

BPTT says it is 'too soon' to determine exactly how the 4,700 job cuts to its global workforce, announced this morning, will impact its operations in this country.

BP, the UK-based energy giant, yesterday announced it would be cutting 4,700 jobs worldwide, along with an additional 3,000 contractor roles, as part of a cost-saving initiative.

In an email to staff its CEO Murray Auchincloss stated that these job losses 'account for much of the anticipated reduction this year'.

As a result of the announcement, *Express Business* sent questions to bpTT to understand the impact on local operations.

'The job cuts announced recently by bp are one part of a broader transformation programme being undertaken by bp. It is too soon in the process to comment on how these changes will impact the Trinidad and Tobago business,' it stated.

Last October, BP said it had identified US\$500 million of cost savings to be delivered this year, a quarter of the US\$2 billion target set in April by the end of 2026.

Auchincloss said that the company is 'focusing resources on our highest-value opportunities' and that it has stopped or paused 30 projects since June.

The reductions come as BP tries to bring more digital capabilities into the business, with artificial intelligence increasingly playing a role in engineering and marketing operations.

Express Business had previously contacted BpTT to determine what steps, if any, are being taken to reduce costs locally.

'bp is focused on making our business simpler, more focused and higher value and reducing costs globally is one of the key enablers of achieving this goal. In Trinidad, we continue to look for opportunities to improve the efficiency of our existing operations, that includes how we more efficiently deliver our activity and lower our operating costs,' bpTT stated.

'No surprise'

Speaking to *Express* yesterday former Energy Minister Kevin Ramnarine said: 'The announcement that BP will cut staff levels by 5% globally comes as no surprise given the performance of the company in recent years compared to its peers, namely Exxon-Mobil, Chevron, and Shell. Their strategy to invest in green energy has not delivered returns comparable to its legacy oil and gas business. The Financial Times has even reported that there are concerns about BP Lightsource. BP Lightsource is building a solar farm in central Trinidad.'

'In addition, when you look at how BP stacks up to ExxonMobil, it's chalk and cheese. BP's share price has fallen by 7% in the last 12 months, while ExxonMobil's share price is up 8%. Exxon's market cap is six times that of BP's market cap. That obviously concerns the investment community and shareholders,' he stated.

Ramnarine said BP production in this country has been in decline in recent years.

However, he said he does not think they will leave this country.

'They have a programme of drilling for the rest of the decade and a portfolio of projects to deliver.

However, I don't expect them to get back to where they were ten years ago when they were producing 2.0 billion cubic feet per day. Now they are doing around 1.1 to 1.2 per day. I expect that they will stick around Trinidad but will change the way they do business here and seek out more Joint Ventures. It's an opportunity for them to partner with some of the smaller natural gas operators in the country,' Ramnarine said.