



HSE LEGAL AND REGULATORY REQUIREMENTS PROCEDURE

This document incorporates requirements from the AzSPU HSE Compliance Framework Procedure (AzSPU-HSSE-DOC-00141-2) and the AzSPU HSE Compliance Assurance Process (AzSPU-HSSE-DOC-00039-2).
These documents are now obsolete.

AZSPU-HSSE-DOC-00038-2

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1.0 Purpose/Scope

In accordance with OMS Sub-element 7.1, BP entities are required to comply with applicable legal and regulatory requirements.

This procedure outlines the process AzSPU has in place for complying with applicable health, safety, and environmental (HSE) legal and regulatory requirements, and is in alignment with OMS and GRP 7.1-0001 'Legal & Regulatory HSSE Compliance'.

Within the AzSPU, legal & regulatory HSE requirements are contained within:

- Legal agreements such as Production Sharing Agreements (PSAs) and Host Government Agreements (HGAs).
- National laws and regulations.
- International treaties and conventions.
- Regional and lender agreements.
- Commitments made in ESIA's.

Failure to meet these requirements can adversely impact business, significantly damage reputation, and result in civil, administrative and criminal penalties.

This controlled procedure applies to AzSPU Functions and Operating Areas engaged in the drilling, production, and/or transportation of oil and gas.

Revision of this procedure and the operational controls detailed therein will be in accordance with the AzSPU HSSE MS Document Management Procedure ([AzSPU-HSSE-DOC-00025-2](#)).

2.0 Definitions

Refer to the AzSPU List of HSSE Definitions [AzSPU-HSSE-DOC-00021-2](#). Definitions specific to this procedure are included below.

Compliance Task Manager (CTM) – a software tool which serves as an electronic compliance matrix enabling BP businesses to manage the relationship between applicable legal and regulatory HSE requirements, compliance tasks, responsible parties, operational controls, and completion evidence.

APS List – Activities, Products and Services List.

3.0 Specific Requirements

- OMS Sub-element 7.1 - Regulatory Compliance (7.1.1, 7.1.1.1, 7.1.2, 7.1.3, 7.1.4, 7.1.5, 7.1.6, 7.1.8).
- OMS Sub-element 4.2 – Management of Change (4.2.2)
- OMS Sub-element 1.6 – Communication & Engagement (1.6.2)
- OMS Sub-element 2.3 – Operating Discipline (2.3.3)
- OMS Sub-element 7.5 – Product Stewardship (7.5.1)

- GRP 7.1-0001 Legal & Regulatory HSSE Compliance
- ISO 14001:2004 - 4.3.2 Legal & Other Requirements

4.0 Key Responsibilities

AzSPU HSE & Engineering Vice President

The AzSPU HSE & Engineering VP has high-level accountability for the AzSPU's legal and regulatory compliance, and is responsible for appointing a Single Point Accountability (SPA) to drive implementation and sustain the overall HSE legal and regulatory compliance process within AzSPU.

AzSPU Regulatory Compliance & Environment Manager

The AzSPU Regulatory Compliance & Environment Manager is the Single Point Accountability (SPA) for AzSPU's HSE regulatory compliance processes.

Accountable for:

- Serving as AzSPU's champion for legal and regulatory HSE compliance and engaging the leadership team to drive compliance processes.
- Continuously promoting an organisational culture that embraces an uncompromising commitment to HSE compliance.
- Engaging all appropriate stakeholders on the HSE compliance process.
- Coordinating AzSPU compliance processes with Group HSE Compliance Team in Safety & Operations.
- Proactively seeking and sharing information and learnings from other BP entities.
- Ensuring that resources and funding needed to deliver the HSE compliance processes are integrated into the annual plan.
- Assurance of the accuracy and completeness of information contained within the HSE Risk Matrices, HSE Legal Registers, and CTM, and for ensuring these systems are updated as new or modified requirements are identified.
- Monitoring CTM monthly dashboard progress reports.
- Contracting the services of external providers / consultancies involved in supplying HSE legislative information and legislative translation services (in line with PSCM requirements).
- Managing the process of preparation of Compliance Requirement Position Papers, as required.

AzSPU HSE Compliance Team

Responsible for:

- Annual update of the AzSPU HSE Compliance Risk Matrices.
- Maintenance of the CTM database.
- Maintenance of the HSE Legal Registers (in consultation with Functional Authorities / Specialists and Georgia Legal / Regulatory Affairs Team).
- Facilitating the process of the development of Compliance Requirement Position Papers, as required (in consultation with Functional Authorities / Specialists, AzSPU Legal Team, Georgia Legal / Regulatory Affairs Team).

- Facilitating the applicability screening process.
- Facilitating the interpretation of applicable HSE legislative documents, and the development / verification of CTM compliance tasks.
- Validation of verified compliance tasks and their upload and activation in CTM.
- Tracking and identification of new or amended Azerbaijani national and international legislative requirements (in consultation with the AzSPU Legal Team).
- Maintaining a library of applicable Azerbaijani and International HSE laws and regulations.
- Managing the process of translation of applicable Azerbaijani HSE legislation into English.
- Co-ordinating the services of external providers / consultancies involved in supplying HSE legislative information.
- Acting as HSE Compliance Advisors in the AzSPU e-MoC system and completing the relevant sections of the HSE Compliance Form.
- Preparation of monthly progress dashboards to track the development / verification / activation of compliance tasks, and closure of compliance tasks. Also responsible for associated spot-checks to determine quality of task closure.
- Communicating legally required training identified in CTM compliance tasks to the HSE & Engineering Org Capability Team Leader.

Area / D&C H&S Team Leader / ST Compliance & Environment Team Leader / Georgia Exports Compliance & Environment Team Leader / Azerbaijan Exports Compliance Lead

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Responsible for:

- Developing and maintaining facility Activities, Products and Services Lists (with input from Operations / Maintenance / Wells Managers).
- Completing the first section of the HSE Compliance Form (as part of the e-MoC process) and updating relevant APS lists in response to on-site operational changes and submitting these documents to the AzSPU HSE Compliance Team (through the HSE Compliance Advisors). **NB: In the e-MoC system this position is referred to as 'H&S TL / Env & Compliance TL'.**

Functional Authorities / Specialists

Responsible for:

- Applicability screening of national and international HSE legislation (consultation with the APS List SMEs, Operations / Maintenance / Wells Managers, AzSPU Legal Team and Georgia Legal / Regulatory Affairs Team carried out where further clarification required).
- Interpretation of applicable HSE legislative documents, and development of CTM compliance tasks (in consultation with AzSPU Legal Team or Georgia Legal / Regulatory Affairs Team, as required).
- Leading the process of verification of town performed (functional) CTM compliance

¹ These positions are not consistent as the Offshore Compliance & Environment Team Leader position is currently vacant, and it is considered too much work for one person to be responsible for these tasks for Azeri, Chirag / DWG, Shah Deniz, Logistics and Sub-sea Ops.

- tasks (in collaboration with Task Owners / Supervisors).
- Highlighting any deficiencies in operational controls during the compliance task verification process and initiating improvement processes (town performed / functional tasks).
- Development of new HSE documentation where compliance task operational control is not in existence and procedural control is determined to be required.
- Consulting with the relevant Area Engineering Support Team Leader (AESTL) / D&C Engineering Team Leader in order to assess the feasibility of compliance task engineering requirements and any conflicts with existing Engineering Technical Practices.
- Providing input to Compliance Requirement Position Papers, as required.

Offshore / Sangachal / Exports Compliance Advisors

Responsible for:

- Leading the process of verification of site performed CTM compliance tasks (in collaboration with Task Owners / Supervisors).
- Highlighting any deficiencies in operational controls during the compliance task verification process and initiating improvement processes (site performed tasks).
- Monitoring the compliance task closure process for their facilities to ensure that deadlines are not routinely missed.
- Analysis of Tr@ction data for their facilities in order to identify recurring non-compliance issues and their root causes so that they can be treated with a higher level of priority and attention.
- Monitoring the CTM User Training status for their facilities to ensure that all CTM Task Owners and Supervisors have received appropriate system training.

Area Engineering Support Team Leader (AESTL) / D&C Engineering Team Leader

- Responsible for provision of advice regarding engineering related compliance tasks (particularly their feasibility and any conflicts with existing engineering documentation).

Operations Managers / Maintenance / Wells Managers

Responsible for:

- Providing input to Activities, Products and Services (APS) Lists maintained by the Area / D&C H&S Team Leader / ST Compliance & Environment Team Leader / Georgia Exports Compliance & Environment Team Leader / Azerbaijan Exports Compliance Lead.

Technical Authorities

- Responsible for development of new technical documentation where compliance task operational control is not in existence and procedural control is determined to be required.

AzSPU Legal Team

- Responsible for provision of advice to AzSPU HSE Compliance Team regarding new or amended HSE legislative requirements, and applicability of HSE legislation and interpretation of legislative text (where required).
- Providing input to Compliance Requirement Position Papers, as required.

Georgia Legal / Regulatory Affairs Team

Responsible for:

- Identification of new and amended Georgian national legislative requirements.
- Identification of future legal requirements, review of draft documents and provision of input to relevant bodies regarding conflicts with other legislation, etc.
- Communication of any new / amended Acts to the AzSPU HSE Compliance Team so that they can facilitate the process of applicability review.
- Contracting the services of external providers involved in supplying Georgian HSE legislative information.
- Provision of advice to Functional Authorities / Specialists regarding applicability and interpretation of Georgian legislative text.
- Providing input to Compliance Requirement Position Papers, as required.

CTM Task Supervisors

Accountable for:

- Verification of CTM compliance tasks, identification of task ownership and operational controls (in collaboration with respective Functional Authority / Specialist or Offshore / Sangachal / Exports Compliance Advisor).
- Completion / fulfillment of required CTM tasks / requirements.
- Ensuring proper communication of CTM compliance tasks to Task Owners, that required technical and legally required training has been carried out, and that task owners are competent to complete tasks.
- Taking corrective action if Task Owner does not complete compliance task by set deadline.
- Communicating information on transfer of Task Supervisor ownership (during organisational / personnel change) to AzSPU HSE Compliance Team.
- Notifying the AzSPU HSE Compliance Team of any changes to operational controls associated with activated compliance tasks.

CTM Task Owners

Responsible for:

- Verification of CTM compliance tasks, confirmation of task ownership, and identification of operational controls (in collaboration with respective Functional Authority / Specialist or Offshore / Sangachal / Exports Compliance Advisor).
- Completion / fulfillment of required CTM tasks / requirements.
- Entering non-compliant compliance task monitoring results into Tr@ction for action tracking and closure.

- Communicating information on transfer of Task Owner (during organisational / personnel change) to AzSPU HSE Compliance Team.
- Notifying the AzSPU HSE Compliance Team of any changes to operational controls associated with activated compliance tasks.

5.0 Procedure

5.1 HSE Compliance Risk

AzSPU identifies and evaluates legal and regulatory HSE compliance risk and uses this information to prioritise its compliance management processes.

AzSPU's HSE Compliance Risk Matrices for Azerbaijan and Georgia ([AzSPU-HSSE-DOC-00281-2](#)) were initially developed using the BP Group Compliance Framework Risk Prioritisation Tool.

Subsequent updates to the HSE Compliance Risk Matrices are carried out purely through consultation with personnel with a sound knowledge of the practices and compliance history of the whole AzSPU (e.g. representatives from AzSPU HSE & Engineering, AzSPU Legal Team, etc). Updates take into account the HSE compliance environment in which AzSPU operates, and the current state of HSE compliance management processes.

The resulting HSE Compliance Risk Matrices (Boston Squares) identify the highest priority areas for compliance planning. This determines priority of CTM compliance task development / verification / activation (see Section 5.4), and Compliance Requirement Position Paper (CRPP) development (see Section 5.3). The information is also used as the basis for the AzSPU risk based HSE compliance auditing programme (see Section 5.7).

The AzSPU HSE Compliance Team manages the update of the HSE Compliance Risk Matrices on an annual basis.

5.2 Compliance Matrix

Compliance Task Manager (CTM) is a software tool which serves as an electronic compliance matrix enabling AzSPU to manage the relationship between applicable legal and regulatory HSE requirements, compliance tasks, responsible parties, operational controls, and completion evidence. The purpose of the tool is to demonstrate that AzSPU can maintain justifiable confidence in consistently meeting HSE compliance obligations.

[CTM](#) is accessible to AzSPU users via the BP intranet and includes:

- Details of the applicable compliance requirement (*High-Level/Detailed Requirement*).
- Tasks required to maintain compliance with requirement (*Task Title/Task Description*).
- Task frequency (*Recurrence Criteria*).
- *Operational Controls* in place to assist in accomplishing the task or meeting the requirement.
- The title of the person responsible for completion of required tasks (*Owner*).
- The title of the person accountable for the completion of required tasks (*Supervisor*).
- Record keeping requirements.

- Reporting requirements.

Tasks associated with applicable legal and regulatory binding requirements are in the process of being uploaded to CTM, based on the HSE Legal Registers (see Section 5.3). Priority is given to the highest risk compliance subject areas, as identified in the AzSPU HSE Compliance Risk Matrices ([AzSPU-HSSE-DOC-00281-2](#)).

The AzSPU HSE Compliance Team is responsible for the effective management of CTM, including ensuring that it can be accessed by staff in accordance with the controls administered by the Global Administrator. CTM will be regularly updated to reflect changes in regulatory requirements, operational activities, etc (see Section 5.6).

Communication of information on HSE compliance expectations and provision of training on the use of CTM is carried out in accordance with the AzSPU HSE Compliance Training & Communication Strategy 2008-2009+ ([AzSPU-HSSE-DOC-00145-2](#)).

In terms of ‘other’ requirements (e.g. corporate requirements such as OMS, GDPs / GRPs), AzSPU has separate processes established to manage conformance (e.g. procedural requirements, gap assessments, audits / inspections) that are in place and well progressed.

5.3 Applicability Review

The first step in the applicability review process involves the identification of activities, products, and services (APSS) of the business. This is carried out by the relevant Area / D&C H&S Team Leader / ST Compliance & Environment Team Leader / Georgia Exports Compliance & Environment Team Leader / Azerbaijan Exports Compliance Lead, with input from the respective Operations and Maintenance Managers. APS Lists prepared to date are available in dK ([AzSPU-HSSE-DOC-00263-2](#)).

Periodic review and update of the APS lists by the relevant Area / D&C H&S Team Leader / ST Compliance & Environment Team Leader / Georgia Exports Compliance & Environment Team Leader / Azerbaijan Exports Compliance Lead is carried out as part of the formal e-MoC process and communicated to the AzSPU HSE Compliance Team (see Section 5.6.2).

Applicability screening of national and international legislation is then carried out by the relevant Functional Authority / Specialist, based on information in the APS lists. Consultation with APS List SMEs, Operational Managers / Maintenance / Wells Managers, the AzSPU Legal Team and the Georgia Legal / Regulatory Affairs Team is carried out where further clarification is required. The AzSPU HSE Compliance Team is responsible for overseeing / facilitating the applicability screening process.

The output of this process is a number of HSE Legal Registers, managed by the AzSPU HSE Compliance Team, which list all **known** HSE legislative documents and the applicability of each to AzSPU operations (by Facility). Where it is determined that a HSE legislative document is **not** applicable to AzSPU operations, the rationale for this is provided in the relevant HSE Legal Register.

At present the following AzSPU HSE Legal Registers are in place:

- Register of HSE Drivers [AzSPU-HSSE-DOC-00038-A1](#) (includes all project-specific

- approved documents, e.g. PSAs, ESIA, ESAPs, etc).
- Register of Azerbaijani HSE National Legislation [AzSPU-HSSE-DOC-00038-A2](#).
- Register of Georgian HSE National Legislation [AzSPU-HSSE-DOC-00038-A6](#).
- Register of International HSE Guidelines and Regulations for Azerbaijan [AzSPU-HSSE-DOC-00038-A4](#).
- Register of International HSE Guidelines and Regulations for Georgia [AzSPU-HSSE-DOC-00038-A8](#).
- AzSPU Azerbaijan ESIA Permit Register [AzSPU-HSSE-DOC-00038-A5](#).
- AzSPU Azerbaijan Other HSE Permit Register [AzSPU-HSSE-DOC-00038-A7](#).

Applicability review is an ongoing process, with the HSE Legal Registers updated as new or amended legislative requirements are identified, or as changes in operational activities dictate (see Section 5.6).

Compliance Requirement Position Papers (CRPPs)

In addition to the above, the development of CRPPs is carried out to manage certain high-risk compliance subject areas (where required). This process is facilitated by the AzSPU HSE Compliance Team in consultation with Functional Authorities / Specialists, AzSPU Legal Team, Georgia Legal / Regulatory Affairs Team, etc. CRPPs summarise current national and international legal compliance requirements and standards, identify potential conflicts, and propose ways of resolving them.

5.4 Compliance Task Development / Verification / Activation

Legal and regulatory HSE requirements are extracted from applicable HSE legislative documents and incorporated into the CTM database. The AzSPU HSE Compliance Team is responsible for overseeing / facilitating the whole process.

Functional Authorities / Specialists are responsible for interpretation of HSE legislative documents and the development of compliance tasks, in consultation with the AzSPU Legal Team / Georgia Legal Team (as required). More detail is provided in the AzSPU CTM Compliance Task Development Procedure ([AzSPU-HSSE-DOC-00114-2](#)). If in-house expertise is not sufficient, the Functional Authorities / Specialists can use external consultancy support for the compliance task development process.

For site performed tasks, the Offshore / Sangachal / Exports Compliance Advisors are responsible for leading the process of compliance task verification, including identification of task ownership and operational controls (this process involves close collaboration with the selected Task Owner / Task Supervisor). For town performed (functional) tasks, the Functional Authorities / Specialists are responsible for leading the process of compliance task verification. Guidance is provided in the AzSPU CTM Compliance Task Verification Procedure ([AzSPU-HSSE-DOC-00094-2](#)).

Operational controls can be procedural, physical (e.g. valves, signage), or employee expertise (e.g. training, certification, demonstrable expertise). If operational controls are not considered effective / adequate it is the relevant Functional Authority / Specialist or Offshore / Sangachal / Exports Compliance Advisor's responsibility to highlight this as an issue and initiate improvement processes.

Update of existing procedures is the responsibility of the Document Custodian (see AzSPU HSSE Document Management Procedure [AzSPU-HSSE-DOC-00025-2](#)). If the development of new procedures is required this is the responsibility of the relevant Functional Authority / Specialist or Technical Authority.

If compliance tasks are engineering related, the relevant Functional Authority / Specialist or Offshore / Sangachal / Exports Compliance Advisor also consults with the relevant AESTL/D&C Engineering TL in order to assess the feasibility of the engineering requirements and any conflicts with existing Engineering Technical Practices, or other engineering documentation.

Once the process of task verification has been completed, the compliance tasks are then returned to the AzSPU HSE Compliance Team for final validation prior to compliance task upload and activation in CTM. The HSE Compliance Team is responsible for communicating legally required training identified in the CTM compliance tasks to the HSE & Engineering Org Capability Team Leader for incorporation into facility training matrices.

It should be noted that it is the responsibility of the Task Supervisor to ensure proper communication of CTM compliance tasks to Task Owners, that required technical and legally required training has been carried out, and that Task Owners are competent to complete their tasks. Offshore / Sangachal / Exports Compliance Advisor will monitor the CTM User Training status of their facilities to ensure that all CTM Task Owners and Supervisors have received appropriate system training.

5.5 Closing Compliance Tasks

Individuals with responsibilities and accountabilities associated with CTM tracked tasks (Task Owners and Task Supervisors) receive automatic e-mail notification of deadlines for task completion.

On completion of the tasks assigned to them, individuals register their tasks as complete directly within the CTM system and identify the documents / records that demonstrate compliance.

If a CTM compliance task is not completed by the Task Owner, by the set deadline, the CTM system automatically notifies the Task Supervisor who is responsible for launching the process of corrective action. It is the responsibility of the Offshore / Sangachal / Exports Compliance Advisor to monitor this process and ensure that task deadlines are not routinely missed.

It should be noted that CTM compliance tasks can be completed but still in non-compliance, for example the required monitoring could be conducted, but the results found to be non-compliant with legislation and regulations. In instances such as these, the non-compliant monitoring results will be entered into Tr@ction for action tracking and closure by the Task Owner - see AzSPU HSSE Non-compliances / Non-conformances Corrective and Preventative Action Procedure ([AzSPU-HSSE-DOC-00040-2](#)).

Analysis of Tr@ction data will be carried out by the Offshore / Sangachal / Exports Compliance Advisors in order to identify recurring non-compliance issues and their root causes (which are treated with a higher level of priority and attention).

5.6 Change Management

5.6.1 New or amended legislative requirements

Update of HSE Legal Registers

Azerbaijani National HSE Legislation

Due to the dynamic nature of the legislative environment in Azerbaijan, there is no single reliable source for obtaining information. To manage this AzSPU utilises a number of information sources to ensure that the Register of Azerbaijani HSE National Legislation is as complete as possible.

New or amended national legislative requirements are identified by the AzSPU HSE Compliance Team, in consultation with the AzSPU Legal Team. The following sources for tracking and monitoring national legislation are utilized:

- Review of existing legislative registers in various departments of the AzSPU, including the AzSPU Legal Team.
- Interaction with regulatory agencies including the Ministry of Ecology and Natural Resources (MENR), the Ministry of Emergency Situations (MES), the Ministry of Health (MoH) and the State Statistical Committee to source regulatory information (GOSTs, SNIPs, Rules, etc).
- Monitoring of internet information sources, including web-sites of the President of the Azerbaijan Republic and Milli Majlis (Parliament of Azerbaijan).
- ‘Vnesh Expert Service (VES)’ legislative database, which is provided and maintained by an external provider. The AzSPU HSE Compliance Team reviews the database on a weekly basis and also receive weekly information update e-mails from VES.

In all cases where new or amended requirements are identified, the applicability to AzSPU operations in Azerbaijan is determined by the relevant Functional Authority / Specialist based on information provided in the APS lists ([AzSPU-HSSE-DOC-00263-2](#)). Consultation with APS List SMEs, Operations / Maintenance / Wells Managers, and the AzSPU Legal Team is carried out where further clarification is required. The AzSPU Register of Azerbaijani HSE National Legislation is then updated by the AzSPU HSE Compliance Team and uploaded to dK.

Hard copies of national HSE legislative documents, in the Azerbaijani language, are stored in the AzSPU HSE Compliance Team Library. If a legislative document is determined as applicable to AzSPU operations it is translated into English by the AzSPU Translation Team. The AzSPU HSE Compliance Team then review the translated document, upload the English electronic version to dK and provide a link to the document through the AzSPU Register of Azerbaijani HSE National Legislation ([AzSPU-HSSE-DOC-00038-A2](#)).

Georgian National HSE Legislation

Within Georgia, new or amended national legislative requirements are identified by the Georgia Legal Team and the Georgia Regulatory Affairs Team through a weekly bulletin entitled ‘Legal Messenger’, which publishes a list of all the normative and legislative Acts (laws, orders and decrees) and any updates to them.

In addition to the above, future legislative requirements are identified by the Georgia Legal Team through the following sources:

- The ‘International Association of Business and Parliament’ - informs the Legal Team of any laws at draft stage in Parliament.
- The Ministry of Justice – informs the Legal Team of any decrees / orders at draft stage (body is responsible for approval of all legal sub-normative acts submitted by other ministries for approval).

The Georgia Legal Team is permitted to review the documents (laws, decrees and orders) while they are at draft stage and provide input to the relevant body regarding conflicts with other legislation, etc. Once approved, the Acts are announced in the ‘Legal Messenger’.

The Georgia Legal Team communicates any new / amended Acts to the AzSPU HSE Compliance Team so that they can facilitate the process of applicability review.

In all cases where new or amended requirements are identified, the applicability to AzSPU operations in Azerbaijan is determined by the relevant Functional Authority / Specialist based on information provided in the APS lists ([AzSPU-HSSE-DOC-00263-2](#)). Consultation with APS List SMEs, Operations / Maintenance / Wells Managers, and the Georgia Legal Team / Regulatory Affairs Team is carried out where further clarification is required. The AzSPU Register of Georgian HSE National Legislation is then updated by the AzSPU HSE Compliance Team and uploaded to dK.

Copies of Georgian legislative documents (in the Georgian language) are stored in a centralized system entitled ‘Codex’, which is updated on a weekly basis. The process for translating applicable Georgian legislative documents (or extracted tasks) into English is currently under review, this section will be updated as soon as this process is finalised.

International / EU Countries HSE Legislation

Certain project-specific agreements state that operations will meet referenced international requirements, or requirements from a certain country or region, outside the country of operation.

New or amended international legislative requirements are identified by the AzSPU HSE Compliance Team, in consultation with the AzSPU Legal Team and the Georgia Legal Team. The following sources for tracking and monitoring international legislation are utilized:

- Internet searches of relevant websites, e.g. International Maritime Organisation (IMO), etc.
- International consultants called upon to review international legislation for specific subject areas (as required).

In all cases where new or amended requirements are identified, the applicability to AzSPU operations is determined by the relevant Functional Authority / Specialist based on information provided in the APS lists. Consultation with APS List SMEs, Operations / Maintenance / Wells Managers, and the AzSPU Legal Team is carried out where further clarification is required.

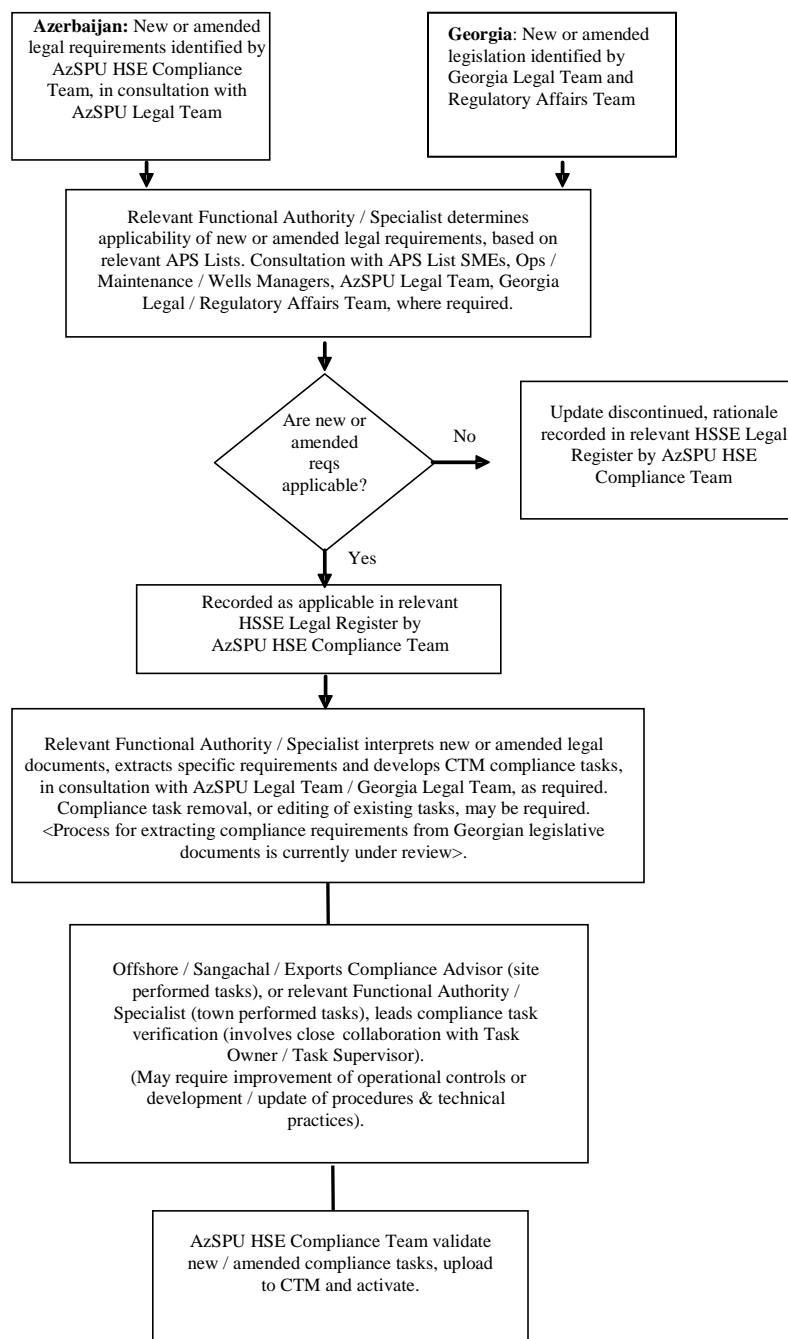
The AzSPU Register of International Guidelines and Regulations for Azerbaijan ([AzSPU-HSSE-DOC-00038-A4](#)) and the AzSPU Register of International HSE Guidelines and Regulations for Georgia ([AzSPU-HSSE-DOC-00038-A8](#)) are then updated accordingly by the AzSPU HSE Compliance Team and uploaded to dK.

Electronic copies of international legislation are generally available in English. If an international legislative document is determined applicable to AzSPU operations it is uploaded to dK and a link provided to the document through the relevant register.

Update of CTM

Where new or amended national or international legislative requirements are determined as applicable to AzSPU operations, compliance task development / verification / activation takes place (as outlined in Section 5.4). It should be noted that in addition to the development of new compliance tasks, removal or editing of existing compliance tasks may be required.

The process associated with the identification of new or amended legislative requirements and the subsequent management of change is summarized in Figure 1.

Figure 1: Tracking New / Amended Legislative Requirements

5.6.2 Changes to operational activities

Update of HSE Legal Registers

Changes to on-site operational activities are managed through the AzSPU Technical, Chemical, and Drilling & Completion (D&C) e-MoC processes (see AzSPU Management of Change Procedure [AzSPU-GEN-PRC-001-C7](#)).

If on-site operational changes activate one of these e-MoC process, the MoC Coordinator is responsible for notifying the relevant Area / D&C H&S Team Leader / ST Compliance & Environment Team Leader / Georgia Exports Compliance & Environment Team Leader / Azerbaijan Exports Compliance Lead.

The relevant Area / D&C H&S Team Leader / ST Compliance & Environment Team Leader / Georgia Exports Compliance & Environment Team Leader / Azerbaijan Exports Compliance Lead² (or delegate) is responsible for completing the first section of the HSE Compliance Form (which is an attachment in the e-MoC system ([MOC-FRM-025](#))) providing a short summary of the operational change, and amending and submitting the revised Operating Area / Facility APS List (if relevant) to the AzSPU HSE Compliance Team.

In the majority of cases, on-site changes to operational activities will be small-scale and will not affect the Operating Area / Facility APS List information. Where this is the case the Area / D&C H&S Team Leader / ST Compliance & Environment Team Leader / Georgia Exports Compliance & Environment Team Leader / Azerbaijan Exports Compliance Lead submits only the HSE Compliance Form (with the first section completed) to the AzSPU HSE Compliance Team who review, complete the second section of the form, upload to the e-MoC system and close out.

In instances where on-site changes to operational activities do affect the Operating Area / Facility APS List, the AzSPU HSE Compliance Team review the updated document and arrange for it to be uploaded to dK. Applicability screening of national and international legislation in the relevant HSE Legal Registers is then carried out by the relevant Functional Authority / Specialist, based on information in the updated APS Lists. The AzSPU HSE Compliance Team facilitates the process and amends the HSE Legal Register, where appropriate.

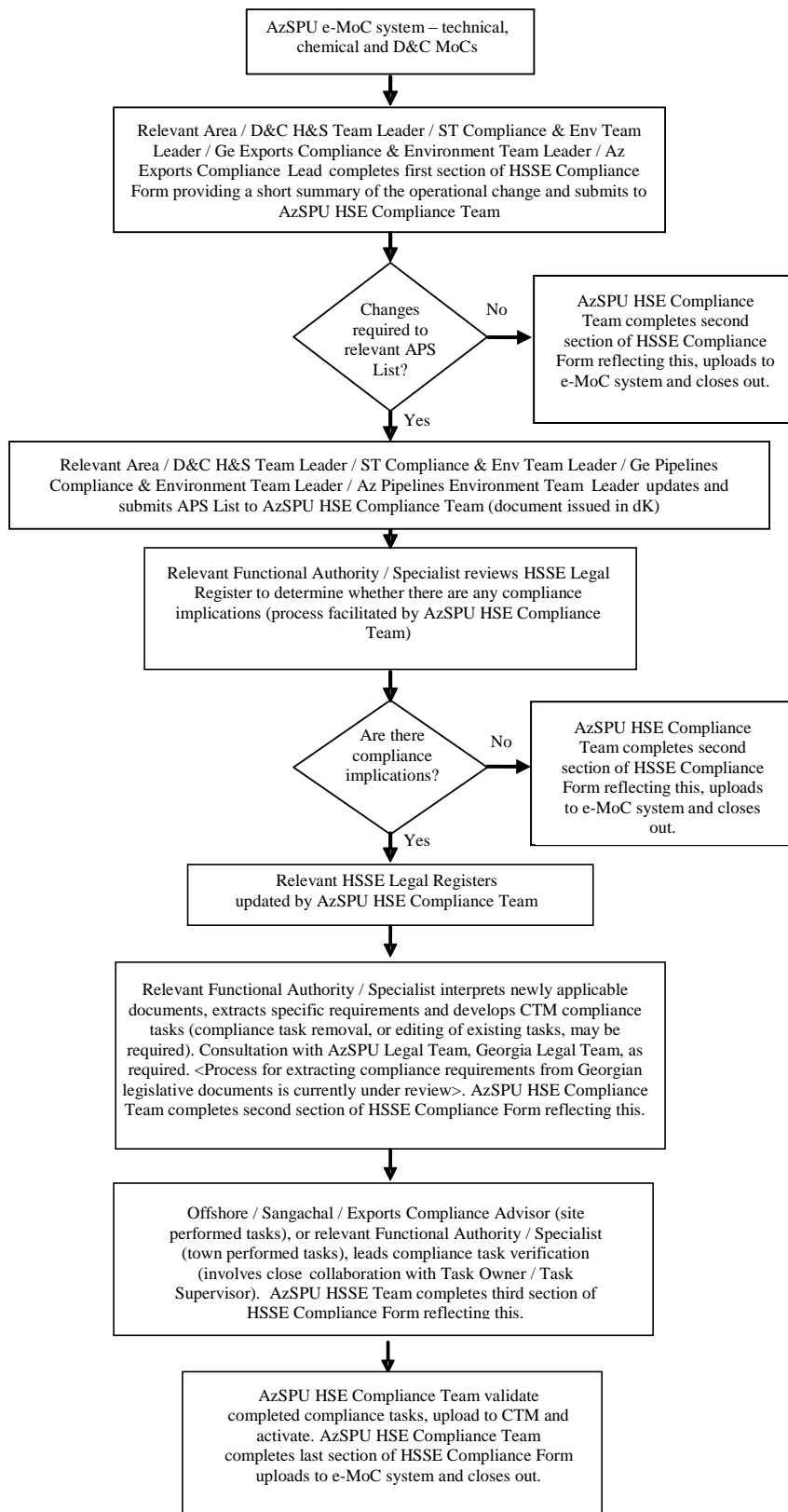
Update of CTM Database

Where additional national or international legislative requirements are now applicable (due to changes in operational activities), the relevant Functional Authority / Specialist interprets the text to extract applicable compliance requirements and compliance task development / verification / activation takes place, as outlined in Section 5.4.

The second, third and fourth sections of the HSE Compliance Form are completed and it is uploaded to the e-MoC system by the AzSPU HSE Compliance Team.

The process associated with changes to operational activities and the subsequent management of change is summarized in Figure 2.

² NB: In the e-MoC system this position is referred to as 'H&S TL / Env & Compliance TL'.

Figure 2: Identifying Legal Requirements Associated with Operational Change

5.6.3 Personnel & organisational change

In order to keep the Task Owner and Task Supervisor information up-to-date in the CTM system it is a requirement of the AzSPU Organisational e-MoC process (AzSPU Management of Change Procedure [AzSPU-GEN-PRC-001-C7](#)) to communicate information on transfer of compliance task ownership to the AzSPU HSE Compliance Team and to confirm that the replacement personnel have received appropriate compliance and technical training.

These requirements are included within the Organisational e-MoC – Personnel Changes Checklist ([MOC FRM 019](#)) and the Organisational e-MoC – Organisational Changes Checklist ([MOC FRM 020](#)).

5.6.4 Changes to operational controls

It is the responsibility of Task Owners / Supervisors to notify the AzSPU HSE Compliance Team of any changes to operational controls associated with activated compliance tasks (e.g. deletion of an operational control, development of new operational controls relevant to the task).

The AzSPU HSE Compliance Team will then update the relevant CTM tasks accordingly in the system.

5.7 Performance Management / Compliance Assurance

Monthly Progress Dashboards

The CTM database serves as the foundation for monitoring HSE compliance performance across the AzSPU.

AzSPU has developed a monitoring process to track the development / verification / activation of CTM compliance tasks, and the closure of CTM compliance tasks, through the preparation of progress dashboards. These are maintained by the AzSPU HSE Compliance Team and are issued to key personnel on a monthly basis. They are also uploaded to dK [AzSPU-HSSE-REC-01204-2](#) and [AzSPU-HSSE-REC-01206-2](#).

The AzSPU HSE Compliance Team also conducts spot-checks to determine the quality of task closure and provision of evidence records.

Periodic review of the dashboards is carried out by the AzSPU Regulatory Compliance & Environment Manager to determine progress and drive the process where needed.

Audit

In addition to the above (and until CTM is fully populated), compliance with AzSPU applicable legal and regulatory HSE requirements is verified on a regular basis through a risk-based compliance auditing programme in accordance with the AzSPU External Audit and Self Assurance Program Overview ([AzSPU-HSSE-DOC-00035-2](#)) and the AzSPU Integrated Internal Assurance Plan ([AzSPU-HSSE-DOC-00071-2](#)).

Monitoring

The AzSPU HSE Monitoring and Measurement Procedure ([AzSPU-HSSE-DOC-00029-2](#)) outlines the process for conducting monitoring on a regular basis to check that key parameters of its operations are compliant with applicable legal and regulatory HSE requirements.

Non-compliances

Non-compliances against legal and regulatory HSE requirements are recorded in Tr@ction and tracked to closure, as specified in the AzSPU HSSE Non-compliances / Non-conformances Corrective and Preventative Action Procedure ([AzSPU-HSSE-DOC-00040-2](#)).

As stated in this procedure, non-compliance issues may be identified and reported by any employee or contractor working for, or on behalf of, AzSPU. [OpenTalk](#) is available for confidential anonymous reporting of compliance concerns.

Management Review

The AzSPU HSSE Management Review Procedure ([AzSPU-HSSE-DOC-00070-2](#)) provides a list of compliance items / issues that are included within the scope of the AzSPU-wide Annual Management Review Meeting, with the aim of promoting continual improvement in this area.

Certification

Compliance and Ethics Certification provides a key indicator of the extent to which AzSPU is complying with applicable laws and regulations and BP's Code of Conduct. As part of this process Line Managers obtain feedback from employees on any HSSE compliance concerns, which are then reported upwards throughout the performance unit. Certification is conducted on an annual basis throughout the AzSPU.

6.0 Key Documents/Tools/References

- AzSPU HSSE Policy ([AzSPU-HSSE-DOC-00001-2](#))
- AzSPU's HSE Compliance Risk Matrices ([AzSPU-HSSE-DOC-00281-2](#)).
- AzSPU HSE Compliance Training & Communication Strategy 2008-2009+ ([AzSPU-HSSE-DOC-00145-2](#)).
- AzSPU Activities, Products and Services Lists ([AzSPU-HSSE-DOC-00263-2](#)).
- AzSPU APS List Template ([AzSPU-HSSE-DOC-00038-A9](#)).
- Register of HSE Drivers [AzSPU-HSSE-DOC-00038-A1](#).
- Register of Azerbaijani HSE National Legislation [AzSPU-HSSE-DOC-00038-A2](#).
- Register of Georgian HSE National Legislation [AzSPU-HSSE-DOC-00038-A6](#).
- Register of International HSE Guidelines and Regulations for Azerbaijan [AzSPU-HSSE-DOC-00038-A4](#).
- Register of International HSE Guidelines and Regulations for Georgia [AzSPU-HSSE-DOC-00038-A8](#).
- AzSPU Azerbaijan ESIA Permit Register [AzSPU-HSSE-DOC-00038-A5](#).
- AzSPU Azerbaijan Other HSE Permit Register [AzSPU-HSSE-DOC-00038-A7](#).

- AzSPU CTM Compliance Task Development Procedure ([AzSPU-HSSE-DOC-00114-2](#)).
- AzSPU CTM Compliance Task Verification Procedure ([AzSPU-HSSE-DOC-00094-2](#)).
- AzSPU HSSE Non-compliances / Non-conformances Corrective and Preventative Action Procedure ([AzSPU-HSSE-DOC-00040-2](#)).
- AzSPU CTM Compliance Task Development / Verification / Activation Dashboards ([AzSPU-HSSE-REC-01204-2](#)).
- AzSPU CTM Compliance Task Completion Dashboards ([AzSPU-HSSE-DOC-01206-2](#)).
- AzSPU External Audit and Self Assurance Program Overview ([AzSPU-HSSE-DOC-00035-2](#)).
- AzSPU Integrated Internal Assurance Plan ([AzSPU-HSSE-DOC-00071-2](#)).
- AzSPU HSE Monitoring and Measurement Procedure ([AzSPU-HSSE-DOC-00029-2](#)).
- AzSPU HSSE Management Review Procedure ([AzSPU-HSSE-DOC-00070-2](#)).
- [Compliance Task Manager \(CTM\)](#)
- [OpenTalk](#)
- [e-MoC System](#)
- AzSPU Management of Change Procedure ([AzSPU-GEN-PRC-001-C7](#)).
- Organisational e-MoC – Personnel Changes Checklist ([MOC_FRM_019](#)).
- Organisational e-MoC – Organisational Changes Checklist ([MOC_FRM_020](#)).
- e-MoC HSE Compliance Form ([MOC-FRM-025](#)).

Review / Revision Log

Revision Date	Authority	Custodian	Revision Details
07/2000	G. Vidrine F. Askerov	M. Tavartkiladze	New procedure
08/2000	G. Vidrine R. Gallagher	G. Stacey	Consistency with BP EMS Guidelines
04/2004	L. Emmons	S. Sultanova	Consistency with EMS requirements
December 25, 2005	Gunther Newcombe	Yuliy Zaytsev	Updated to incorporate BP GC&E HSSE Compliance Management Framework, AzSPU Env & Social Compliance matrix requirements.
December 4, 2006	Gunther Newcombe	Yuliy Zaytsev	Roles and responsibilities of the AzSPU HSSE MS & Compliance Manager, HSSE MS and Compliance Team, and Technical Authorities redefined. Information on CTM database added. Information on Register of Azerbaijani National Legislation, Register of International Drivers and Register of Georgian National Legislation added throughout document.
December 14, 2007	AzSPU HSSE MS & Compliance Manager (Yuliy Zaytsev)	AzSPU HSSE MS Senior Advisor (Rebecca Heath)	Full review of document carried out. Purpose / scope revised to include more information on HSSE requirements applicable to AzSPU operations. Responsibilities updated to reflect AzSPU

			organizational changes and position titles amended throughout. Reference to the AzSPU (Azerbaijan) ESIA Permit Register added. Figures 1 and 2 updated to reflect organizational changes and streamline process.
August 06, 2008	AzSPU HSSE MS & Compliance Manager (Yuliy Zaytsev)	AzSPU HSSE MS Senior Advisor (Rebecca Heath)	Procedure expanded to include process whereby current Azerbaijani and International HSSE legal requirements are located and accessed. Procedure amended to include a MoC process that describes how new or amended legislative requirements, and operational changes, are incorporated into the HSSE Legal Registers and the CTM database. These changes have been made in response to requirements in the BP Global HSSE Compliance Framework, and in response to an August 2007 S&OI audit finding. Detailed description of Compliance Task Manager (CTM) database, and its use in the AzSPU, transferred to the AzSPU HSSE Compliance Framework Implementation Procedure (AzSPU-HSSE-DOC-00141-2).
August 14, 2008	AzSPU HSSE MS & Compliance Manager (Yuliy Zaytsev)	AzSPU HSSE MS Senior Advisor (Rebecca Heath)	Procedure revised to take into account: <ul style="list-style-type: none"> • Update of “town performed” CTM compliance tasks. • The development / update of procedures if operational controls are considered inadequate. • Consultation with engineering representatives for all engineering related compliance tasks.
December 1, 2008	AzSPU Safety & Compliance Systems Manager (Yuliy Zaytsev)	AzSPU HSSE MS Senior Advisor (Rebecca Heath)	Procedure expanded to include process whereby current Georgian HSSE legal requirements are located and accessed. In addition, MoC process amended to describe how new legislative requirements, and operational changes, are incorporated into the Georgian HSSE Legal Register.
September 3, 2009	AzSPU Safety & Compliance Systems Manager (Yuliy Zaytsev)	AzSPU HSSE MS Senior Advisor (Rebecca Heath)	Procedure updated to include linkage to AzSPU e-MoC system for changes to on-site operational activities affecting compliance requirements.
09 December 2009	AzSPU Safety & Compliance Systems Manager (Yuliy Zaytsev)	AzSPU HSSE MS Senior Advisor (Rebecca Heath)	The Next Revision date has been changed to 20 June 2010 in accordance with the Custodian request
30 July, 2010	Faig Askerov	AzSPU HSSE	Document scope extended to include

	(AzSPU Regulatory Compliance & Environment Manager)	MS Senior Advisor (Rebecca Heath)	<p>requirements contained within the AzSPU HSE Compliance Framework Procedure (AzSPU-HSSE-DOC-00141-2) and the AzSPU HSE Compliance Assurance Process (AzSPU-HSSE-DOC-00039-2). These documents are now obsolete.</p> <p>Procedure revised throughout to align with the requirements of GRP 7.1-0001 Legal & Regulatory HSSE Compliance.</p>
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