

ANNEX 3:

ANONYMISED STATEMENT ON VIOLATION OF CONSTRUCTION STANDARDS IN TURKEY

“I was employed by Botas on Lot [deleted] of the Baku-Tbilisi-Ceyhan Crude Oil pipeline as a [deleted] inspector and I was responsible for inspection of [deleted].

My contract was terminated on [deleted], at which time I was replaced by a Turkish inspector. During my time on the project, the following became apparent:

1. Despite containing highly carcinogenic compounds, a fact clearly stated on the product data sheet, the coating was applied by the coating crew without proper air fed masks. This matter was discussed on site with the HSE personnel as the result of an audit conducted by an HSE audit team which included a physician. However, the practice continued despite the team’s observations.

2. It was discussed by a BP on site project engineer and reported to Botas by a BP on-site inspector that the Botas subcontractor [name deleted] had not been following welding procedures. An expatriate welding inspector employed by Botas was assigned the task of inspecting for conformity to the prescribed requirements, all welding that had been done prior to his arrival on site. In addition, another expatriate welding inspector was seconded to the task from one of the other two lots.

Their investigation revealed numerous welds that had not been performed in accordance with the prescribed requirements such that they were required to be cut out and rewelded. However, there were many welds that could not be inspected since the welded pipe string had been ditched and back-filled.

Prior to the arrival of these two Western expatriate welding inspectors, the only welding inspectors on site, with the exception of one Western expatriate, were [deleted] nationals representing the [deleted] subcontractor and Turkish inspectors representing Botas. The Western expatriate was a German national who apparently was a personal friend of the expatriate delivery manager, also a German national. It is understood that *not* all the welding inspectors, including the German national were certified, experienced welding inspectors.

According to the Western welding inspectors, there were no quality records that adequately documented the welding that had taken place prior to their arrival on site and such documents that did exist and signed off by the [deleted] and Botas inspectors, were verification for the purpose of invoicing.

3. The previous Lot [deleted] quality assurance manager was a Western expatriate who resigned. A popular conspiracy theory is he was ‘frozen out’ (see section 4). He was replaced by a Turkish national who:

- (i) Did not keep or have access to quality records, especially welding quality records.
- (ii) Did not keep or have access to welding procedures.
- (iii) Did not keep or have access to project specifications.
- (iv) Had a tenuous grasp of English, the contract language.
- (v) Was frequently late for work and although the lunch break was an hour, he typically took two hours or more for lunch.

Item (v) is consistent with the work ethic of the indigenous population and their relaxed attitude to work, since a lack of punctuality was a common characteristic among the indigenous personnel. Despite this, however, they did not appear to be subjected to the same disciplinary sanctions that were applied to Western expatriates.

4. There is no objective evidence known to me, that the Western expatriate, Lot [deleted], quality

assurance manager was 'frozen out'. However, it is a common perception that all now indigenous personnel working for Botas are in place at the insistence of BP and that all Western expatriates including BP personnel are on the project under sufferance. Similarly, since numerous Western expatriates have been replaced by Turkish nationals, it is perceived generally by Western expatriates that Botas wish to divest themselves of as many now Turkish nationals as possible.

5. Since the pipeline runs through regions of arable land, crop spraying regularly took place immediately adjacent to pipeline installation activity.

Signed and dated 6 November 2003.