



Case Study | Oil and Gas

BP Maritime Services Singapore



BP PLC is one of the world's largest oil and gas companies involved in every aspect of the global energy system. The upstream and downstream businesses, along with well-established trading and midstream capabilities, operate in 70 countries with 74,000 employees.

BP Maritime Services (BPMS) in Singapore, supports the crewing needs to BP's midstream shipping division, enabling the transportation of crude oil and gas using BP's operated tanker fleet to connect customers and markets globally.



The Challenge

As part of BP's continued focus to reduce costs and drive operational efficiencies, BPMS was looking to bring its monthly payroll services in-house for about 600 (representing half) of its workforce of seafarers employed and working across BP's tanker fleet. Previously, this activity was outsourced to an external payroll provider for many years.



The Solution

In partnership with Citi, BP's Regional Treasury leveraged Citi's WorldLink Cross Border ACH solution to pay seafarers in their preferred local currency in an efficient and timely manner from an existing BPMS funding account in Singapore.

In November 2017, after a thorough and comprehensive implementation phase which was made easier with minimal documentation requirements, BPMS began processing its payroll with Citi, with seafarers paid promptly in their preferred local currency.



The Result

Post-implementation, BPMS realized the following benefits:



Reduced payroll processing costs with lower Worldlink charges



Increased working capital benefits arising from just-in-time funding



Enhanced flexibility to initiate ad-hoc payments at any time outside the payroll cycle

In tandem, BPMS seafarers also benefitted from a quicker turnaround time to receive credit in their bank accounts between same day to next day.

“Citi’s solution has enabled us to make timely payments to our Indian officers at a lower price per transaction compared to rates offered by our vendor. We no longer need to pre-fund our vendor for the salary payments to be made by them and that has improved our working capital position, to free up BP’s cash for our internal needs.”

Jess Lim, BPMS Financial Controller