Updates on partially aligned associations

We have also made it clear that we would like API to recognize, in its policy positions and advocacy, that incentives and subsidies are vital to allow emerging technologies in mobility to compete. We would like to see API support an outcomes-focused approach to a reduction of carbon emissions in transport, including electrification, biofuels, and hydrogen.

In 2022, encouraged by bp and others, API worked closely with the biofuels industry to advocate for the year round sales of E15 (gasoline blended with up to 15% ethanol). This type of legislation represents an important shift in API’s historic opposition to the policy and paved new ground for further collaboration between the petroleum and biofuels industries.

We are engaging the Environmental Protection Agency in the development of new methane rules and are working with API, as well as other trade associations, to encourage support for federal regulation of new, modified, and existing sources of methane. API has made progress in its stated support for direct federal regulation of methane. Specifically, we are pleased to see them adopt a constructive position on advanced methane leak detection technologies and advocate for these solutions with the US Environmental Protection Agency.

At bp, we believe natural gas, increasingly decarbonized over time, has a pivotal role to play in getting to net zero. Methane, the main component of natural gas, has a greater near-term warming potential than carbon dioxide. Voluntary initiatives will not be enough to make the methane emission cuts across our sector that the planet needs. That’s why we support stronger methane regulations, including at federal level. It’s a fair way to ensure all companies are prioritizing methane abatement.

In the US we have been supporting the Environmental Protection Agency’s new methane rules and are engaging with our trade associations, notably with API, but also with NAM and the Business Roundtable, to encourage the adoption of a constructive posture in support of federal regulation for new, modified, and existing sources of methane. We have worked to influence API on important topics within the proposed federal methane regulation, including the important role of advanced methane detection and measurement technologies for leak detection and repair (LDAR), consistent with bp’s Aim 4, and the EPA’s proposed Super-Emitter Response Program.

In 2022 we also encouraged API to take a more constructive approach, and prioritize activity on, the implementation of the methane fee, which is contained in the Inflation Reduction Act, passed in 2022. API offered productive feedback to the Environmental Protection Agency in response to its first Request for Information regarding implementation of the Methane Emissions Response Program and the associated methane fee.

Business Leadership South Africa (BLSA)

BLSA is an independent association whose members include the leaders of some of South Africa’s biggest businesses. bp derives value from BLSA membership on renewable energy, just transition and South African competition law.

We participate in the BLSA Council and in relevant forums on energy-related matters.

On carbon pricing, BLSA (with Business Unity South Africa) has called for the government to consider a higher carbon tax only after 2035. And to delay annual carbon tax increases until at least 2030, as well as retaining the tax-free allowances for heavy emitters to allow for transition. Its reason being is that the South African economy cannot afford the tax rate.

Although we understand this viewpoint, we do not support the slowdown of the roll out of carbon taxes – we believe carbon pricing is crucial to advance the energy transition, and therefore our views differ. We believe that a well designed carbon pricing policy can mitigate potential impacts, for example, by providing allowances to maintain competitiveness or targeted return of revenues.

Busi Mavuso, the CEO of BLSA, has made public, supportive statements on the conclusions of the IPCC reports. And we are therefore encouraged by improvements in BLSA’s position on climate science this year – including calls for a focus on reducing the carbon intensity of the economy in South Africa.

Updates on partially aligned associations

Our participation in trade associations: 2023 progress update