Findings

We found 22 associations to be aligned, five partially aligned and three not aligned

In this review we have assessed the climate positions and activities of 30 key associations. These vary in geographical focus with four focused on Australia, 12 on European countries or the European Union, seven on North America and seven are global.

We assessed seven high-level climate policy positions, as listed on page 3. Alignment and differences were observed within high-level principles (for example, the absence of a policy in support of the Paris goals) through to specific policy practice (for example, around methane policy). We observed differing levels of alignment for different policy areas with the greatest level of alignment being support for the goals of the Paris Agreement. The least aligned was relating to natural climate solutions and the role of offsets, which was primarily driven by a lack of position on the topic by most associations.

A table showing the breakdown of position and status follows.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Aligned</th>
<th>Partially aligned</th>
<th>Not aligned</th>
<th>No position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paris Agreement</td>
<td>26</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Climate science</td>
<td>23</td>
<td>2</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Reducing emissions</td>
<td>22</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Carbon pricing</td>
<td>21</td>
<td>2</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Energy efficiency</td>
<td>20</td>
<td>1</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Technology</td>
<td>23</td>
<td>2</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Natural climate solutions and carbon offsets</td>
<td>11</td>
<td>1</td>
<td>18</td>
<td></td>
</tr>
</tbody>
</table>

We found five associations to be partially aligned: American Petroleum Institute (API), Australian Institute of Petroleum (AIP), Canadian Association of Petroleum Producers (CAPP), National Association of Manufacturers (NAM) and the US Chamber of Commerce.

Many of these organizations recently revised their climate positions. While we are encouraged by this progress, we seek further alignment and will actively engage with these associations as they work to apply these positions in practice.

Three associations were found to be not aligned – American Fuel and Petrochemical Manufacturers (AFPM), Western Energy Alliance (WEA) and Western States Petroleum Association (WSPA). We have decided to leave these associations.

In the following section we have provided further details for those associations deemed as not aligned or partially aligned.

Associations deemed as not aligned

American Fuel and Petrochemical Manufacturers (AFPM)

AFPM is the US trade association representing the refining and petrochemical industries. A variety of issues are covered by the organization, including health, safety and environment, tax and trade, transportation and more.

We have representation on the organization’s board of directors and executive committee, as well as several policy and technical working groups.

Alignment of climate activities and positions

AFPM collaborated with its members over the past year to support changes to its climate policy. BP participated in this effort, presenting our views and activities to advance the energy transition to the AFPM Executive Committee. While we are encouraged by AFPM’s progress, we are misaligned in activities to progress state-level carbon pricing programmes in the absence of a US national policy.

Supporting carbon pricing in Washington State

BP has long advocated that a well-designed carbon price provides the right incentives for everyone – energy producers and consumers alike – to play their part in reducing emissions. It makes energy efficiency more attractive and makes low carbon solutions, such as renewables, more competitive.

We have supported carbon pricing policies globally using our carbon pricing principles to guide us. We are part of the Carbon Pricing Leadership Coalition, which works to promote carbon pricing worldwide, and we were a founding member of the Climate Leadership Council, who advocate for carbon pricing in the US. We are also a founder and member of the International Emissions Trading Association (IETA) who advocate for emissions-trading solutions globally.

BP also supports carbon pricing at a state level in the US. We supported California’s Assembly Bill 398 in 2017, along with WSPA, which extended the state’s cap and trade programmes. In our view, this was a well-designed carbon pricing policy.

A year later, BP and WSPA each decided to oppose Washington State Initiative 1631. We shared WSPA’s belief that this proposal was poorly designed as it arbitrarily exempted many of the state’s highest emitters, failed to pre-empt other state and local carbon regulations and, if enacted, would have made creating a well-designed programme in the region more difficult.

Unlike WSPA, we currently support Washington State Senate Bill 5981 – a well-designed cap and invest programme that will create greater policy certainty and send clear signals to the Washington business community. We have done this through a range of activity – from providing expert input to local policymakers to advertising support. We hope this translates into success in Washington and look forward to working with policymakers on the upcoming Oregon proposal.

Find out more about our carbon pricing principles: bp.com/carbonpricing
Our participation in trade associations: climate

**Western States Petroleum Association (WSPA)**

WSPA is the only oil and gas trade organization engaged at state level in five western US states – Arizona, California, Nevada, Oregon and Washington. WSPA is focused on state legislation, regulations and policy in areas including climate policy, safety, land use, tax, marine and rail.

WSPA has decided not to renew its membership. This is due to a misalignment on federal methane regulation and asset divestments in the states in which WSPA is active.

**Alignment of climate activities and positions**

- **Aligned:** None.
- **Partially aligned:** Reducing emissions, technology.
- **Not aligned:** Carbon pricing.
- **No position:** Paris Agreement, climate science, natural climate solutions and offsets.

**Action**

BP has decided not to renew its membership in WEA. This is due to a misalignment on federal methane regulation and asset divestments in the states in which WEA is active.

**Western Energy Alliance (WEA)**

WEA is an upstream association, active in the western US (Arizona, Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming). The organization’s focus is broad, including water, wildlife, public lands access, national monuments, air quality and methane.

BP does not have representation on the WEA board of directors or executive committee.

**Alignment of climate activities and positions**

- **Aligned:** None.
- **Partially aligned:** Technology.
- **Not aligned:** Reducing emissions (methane).
- **No position:** Paris Agreement, climate science, carbon pricing, energy efficiency, natural climate solutions and carbon offsets.

**Action**

BP has decided not to renew its membership in WEA. This is due to a misalignment on federal methane regulation and asset divestments in the states in which WEA is active.

**American Petroleum Institute (API)**

API is the only national trade association that represents members from across all parts of the oil and natural gas industry in the US – upstream, midstream and downstream. It is the major standard-setting organization for the industry in areas such as safety, fuels and emissions. BP derives a great deal of benefit across a broad range of topics from our API membership.

BP participates in API policy and technical committees, as well as the board of directors and executive committee.

**Alignment of climate activities and positions**

- **Aligned:** Paris Agreement, technology, energy efficiency.
- **Partially aligned:** Reducing emissions (methane), natural climate solutions and offsets.
- **Not aligned:** None.
- **No position:** Climate science, carbon pricing.

**Action**

Although we have some areas of difference in terms of climate policy, we have worked closely with API on recent changes and we will continue to do so as its climate position evolves.

We have communicated these findings and our expectations to the association’s leadership and to employees in BP who work with API. We will continue to make the case for our views on methane and broader climate policy within and outside of API.

Most recently, WSPA has focused organizational capability and resources on stopping a state-wide low carbon fuel standard (LCFS) initiative. We disagree with this position.

**Alignment of climate activities and positions**

- **Aligned:** Technology, natural climate solutions and carbon offsets.
- **Partially aligned:** None.
- **Not aligned:** Carbon pricing.
- **No position:** Paris Agreement, climate science, energy efficiency, reducing emissions.

**Action**

Our efforts to align positions on carbon pricing have been unsuccessful, despite our being well engaged in the association. Consequently, we have decided to resign this membership.

This action will leave BP without state-level oil and gas trade membership in the region, which may negatively impact our ability to successfully engage on other important issues. We feel, on balance, that this is the right decision at the present time. We will look to manage any risks by continuing to monitor our engagement and relationships in the states covered by WSPA.

**Associations deemed as partially aligned**

- **BP’s views on advocacy, especially the implementation of carbon pricing are at odds and currently we have no areas of full alignment. Therefore, BP has decided to resign its membership.**

**Alignment of climate activities and positions**

- **Aligned:** None.
- **Partially aligned:** Reducing emissions, energy efficiency, technology.
- **Not aligned:** Carbon pricing.
- **No position:** Paris Agreement, climate science, natural climate solutions and offsets.

**Action**

Member companies, including BP, worked closely with AFPM leadership to make significant changes to the organization’s climate position in 2019. Until the publication of this report, BP was hopeful to remain a member and continue influencing from within. It is apparent, however, that BP and AFPM’s views on advocacy, especially the implementation of carbon pricing are at odds and currently we have no areas of full alignment.

Therefore, BP has decided to resign its membership.

BP has decided not to renew its membership in WEA. This is due to a misalignment on federal methane regulation and asset divestments in the states in which WEA is active.

**Alignment of climate activities and positions**

- **Aligned:** None.
- **Partially aligned:** Reducing emissions (methane).
- **Not aligned:** None.
- **No position:** Paris Agreement, climate science, carbon pricing, energy efficiency, reducing emissions.

**Action**

BP has decided to resign its membership. Our efforts to align positions on carbon pricing have been unsuccessful, despite our being well engaged in the association. Consequently, we have decided to resign this membership.

This action will leave BP without state-level oil and gas trade membership in the region, which may negatively impact our ability to successfully engage on other important issues. We feel, on balance, that this is the right decision at the present time. We will look to manage any risks by continuing to monitor our engagement and relationships in the states covered by WSPA.
**Australian Institute of Petroleum (AIP)**

AIP represents Australia’s petroleum products industry with a focus on operating efficiently, economically and safely, in line with applicable environment and community standards. BP is one of four core members and derives broad value from AIP.

We are represented on the association’s board and participate in policy and technical committees.

Alignment of climate activities and positions

AIP acknowledges climate science, but does not have a strong position on this topic or acknowledge the role of the IPCC. The association has no strong position on the Paris Agreement.

**Aligned:** Reducing emissions, carbon pricing, energy efficiency, technology.

**Partially aligned:** Climate science.

**Not aligned:** None.

**No position:** Paris Agreement, natural climate solutions and offsets.

**Action**

We have communicated these findings and our expectations to AIP. We are actively working with the association and its other members to support an evolution of these positions.

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**Canadian Association of Petroleum Producers (CAPP)**

CAPP is the Canadian upstream oil and gas association, representing producers and associate members from across all Canadian provinces and territories. Key focus issues are climate, market access and province-related issues in areas where we are active, such as Alberta.

BP holds a seat on the board and is involved in technical and policy committees.

Alignment of climate activities and positions

Although CAPP does not explicitly support the goals of the Paris Agreement, it does see climate change as an important global issue and supports Canada’s plan of action. The association takes an outcome-focused approach and is supportive of action to tackle methane emissions. CAPP has not publicly supported federal and provincial carbon pricing frameworks in Canada.

**Aligned:** Paris Agreement, climate science, reducing emissions, technology.

**Partially aligned:** Carbon pricing.

**Not aligned:** None.

**No position:** Energy efficiency, carbon offsets.

**Action**

We have communicated this potential misalignment and our expectations – in terms of climate policy alignment – to association leadership and to those BP employees who work with CAPP.

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**Acting on methane**

We’ve been working globally to reduce the amount of methane entering the atmosphere – from deploying advanced technologies through to collaborating with others in the sector to share best practices across the industry.

In the US, BP has long advocated for well-designed regulations to complement voluntary efforts to address methane emissions. From an efficiency standpoint, a single set of regulations created by the Environmental Protection Agency (EPA) would be preferable to a patchwork of regulations created by multiple federal or state agencies. But not all of our trade associations agree with us. For example, API does not support the direct federal regulation of methane. As a result, we have shared our view publicly. We will, however, continue to support API’s work to drive down methane emissions through the Environmental Partnership.

We’re taking a leadership role in how we’re working with our peers, non-governmental organizations and academic institutions to address methane. BP is a member of the OGCI, which brings together 13 of the world’s largest energy companies and has set up a $1 billion investment fund to address climate issues including methane. And, along with many of our trade associations, we’re also a signatory to the Methane Guiding Principles, leading efforts to implement best practice guidelines across the natural gas value chain.

[Find out more about our position on federal regulation of methane](bp.com/methane)
National Association of Manufacturers (NAM)
NAM is the largest manufacturing association in the US, representing small and large manufacturers in every industrial sector and across all 50 states. The association addresses a number of topics important to BP – from workforce development, to tax and trade, to broader regulatory reform.

BP does not have representation on the board of directors. BP participates in a variety of NAM policy committees.

Alignment of climate activities and positions
NAM’s climate policy has changed in recent months and is now more aligned with BP. The organization supports the objectives of the Paris Agreement and has a set of climate principles to guide its approach moving forward.

| Aligned: | Paris Agreement, energy efficiency, reducing emissions, natural climate solutions and carbon offsets, technology. |
| Partially aligned: | Carbon pricing. |
| Not aligned: | None. |
| No position: | Climate science. |

Action
We have communicated these findings and our expectations on climate policy to the association’s leadership and those within BP who work with NAM.

US Chamber of Commerce
The US Chamber of Commerce (Chamber) is a broad-based business organization representing employers across all sectors in the US. It is also active internationally. BP derives value from the Chamber’s focus on a broad range of topics from environment and agriculture to international affairs.

BP participates in a variety of the Chamber’s policy committees and programmes. BP does not participate on the board of directors.

Alignment of climate activities and positions
The Chamber made progress on its climate change position in 2019. This includes supporting US participation in the Paris Agreement as well as calling on policymakers to act on climate. Additionally, the Chamber has launched a Task Force open to its entire membership to inform its approach on climate policy proposals.

| Aligned: | Paris Agreement, energy efficiency, technology. |
| Partially aligned: | Climate science, reducing emissions. |
| Not aligned: | None. |
| No position: | Carbon pricing, natural climate solutions and carbon offsets. |

Action
We have communicated these findings and our expectations on climate policy to the association’s leadership and to those BP employees who work with the US Chamber.

Associations deemed as aligned
The activities and positions of the following associations have been deemed as aligned with ours. We will continue to work with them all and monitor alignment going forward.

- Australian Industry Greenhouse Network (ALIGN)
- Australian Petroleum Production & Exploration Association (APPEA)
- Bundesverband der Deutschen Industrie (BDI)
- Business Council of Australia (BCA)
- BusinessEurope
- Confederation of British Industry (CBI)
- European Chemical Industry Council (Cefic)
- European Round Table for Industry (ERT)
- FuelsEurope
- International Air Transport Association (IATA)
- International Association of Oil and Gas Producers (IOGP)
- International Emissions Trading Association (IETA)
- International Gas Union (IGU)
- IPCEA
- Mineraldölvirtschaftsverband (MMV)
- Oil and Gas Climate Initiative (OGCI)
- Oil & Gas UK (OGUK)
- Spanish Association of Petroleum Products Operators (AOP)
- Verband der Chemischen Industrie (VCI)
- Vereniging Nederlandse Petroleum Industrie (VNPI)
- VNO-NCW
- World Business Council on Sustainable Development (WBCSD)

Next steps
At BP we have adopted a new purpose, to reimagine energy for people and our planet. And to turn this purpose into reality we have set ourselves the ambition to become a net zero company by 2050 or sooner and to help the world get to net zero. This ambition is underpinned by 10 aims:

1. Five to help BP get to net zero and five to help the world get to net zero.
2. We support transparency – especially on lobbying and advocacy.

Building on our aims, and the principles we set out last year in BP’s participation in trade associations, this review provides a platform from which to look at the data, governance and delegations relevant to our memberships and participation. We will look to further strengthen our systems and governance in this area.

On an ongoing basis, we will actively monitor our memberships, participation and alignment. We will make the case for our views on climate change within the associations of which we are members to encourage alignment and will be more transparent about differences where they arise. And if our views cannot be reconciled, we will be prepared to share our views publicly or part company where progress is best served by doing so. We will actively pursue opportunities to work collaboratively with those who share an ambitious approach to the energy transition. We have written to our major trade associations – those in scope of this review – to clarify BP’s position on climate change.

- We support the goals of the Paris Agreement;
- Our ambition is to become a net zero company by 2050 or sooner, and to help the world get there too. We intend to actively advocate for policies that support this ambition;
- We support transparency – especially on lobbying and advocacy.

We plan to provide periodic updates internally, to our board of directors and to stakeholders as appropriate.

We also plan to undertake another review in around two years’ time.