



bp plc response to HMG low carbon fuel strategy: call for ideas

Key Points

- bp welcomed the Government's transport decarbonisation plan and wider Net Zero Strategy, which committed to harnessing the full potential of low carbon fuels (LCFs).
- We welcome the opportunity to help inform any future forthcoming Low Carbon Fuel Strategy – setting a clear and practical vision for low carbon fuels to help us all deliver net zero greenhouse gas emissions by 2050.
- bp believes that the Government has set out a good understanding of the progress to date in this sector and current assumptions about future opportunities and challenges – whilst recognising significant areas of uncertainty remain.
- However, bp notes that any forthcoming strategy needs to set an ambitious and achievable trajectory in the short, medium, and long term. We welcome well-designed, stable and long-term policy frameworks to incentivise and support investment in sustainable low carbon fuels.
- bp notes a number of issues for the Government to consider in the development of its LCFS. For example, transport decarbonisation policies that focus on greenhouse gas (GHG) emissions reductions whilst maintaining technology neutrality are the most effective means of delivering absolute GHG emissions reductions.
- Targeted sector specific policies, particularly in aviation and maritime transport, could help drive decarbonisation in harder-to-abate areas – but these should be aligned with overall strategy, look to minimise changes in land use, and not provide incompatible conflicts for renewable or low carbon feedstocks.
- Any LCFS should be cognisant of international factors, given concerns over import dependency, and explore incentivising UK domestic production.