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**Environmental sustainability and the UK competition and consumer regimes: CMA advice to the Government**

To whom it may concern,

UKPIA represents the eight main oil refining and marketing companies operating in the UK. The UKPIA member companies – bp, Essar, Esso Petroleum, Petroineos, Phillips 66, Prax Refining, Shell and Valero – are together responsible for the manufacture, sourcing and supply of over 85% of UK transport fuels, as well as delivering other energies and services.

In considering the consultation on “Environmental sustainability and the UK competition and consumer regimes: CMA advice to the Government” we have noted that some of the examples used single out the fossil fuel industry as a likely – perhaps suggested – target for restriction or active boycotts, see below:

Para 2.5: “Examples of climate change agreements include....an agreement not to provide support such as financing or insurance to fossil fuel companies.”

Para 4.11: Lists as an example a “sustainability agreement that involves a group of competing purchasers agreeing only to purchase from suppliers that sell sustainable products.” Other similar examples also follow in the document.

Such examples we feel, therefore, fail to recognise that investment from traditional energy companies is necessary to support the transition process – encouraging parties to consider “boycott” arrangements may hinder those parties in progressing their initiatives (notably if finance cannot be accessed, as suggested), which is contrary to the aims that the Guidance is seeking to support.

UKPIA member companies are highly active investors in sustainable energies, while also investing in fossil fuels that are still fundamental to energy which underpins the UK economy. Taking

transport as an example, DfT figures for 2021<sup>1</sup> show 96% of all UK transport fuels were derived from petroleum with 1.1% from electricity and 3.36% from renewable fuels (this is over 2.5million litres<sup>2</sup>). Our sector is at the forefront of all of these energies, the downstream fuels sector delivering both the petroleum liquids and renewable fuels in the figures above and member companies also being active in the delivery of electric vehicle charging, essential to supporting the growing EV market. Member companies are also leading efforts to reduce emissions in industrial clusters via technologies such as carbon capture and hydrogen which will reduce the lifecycle carbon intensity of fuels produced – both fossil and renewable derived – and are another significant contribution to meeting Net Zero.

Overall, support of measures that deliver the energy transition and sustainability as this Guidance seeks to do are welcome, however, we do not believe that singling out or generalising industries as in the examples above necessarily helps deliver those aims. Ours is a sector where companies have a significant role to play in delivering new sustainable products and ways of working and we would hope that such pointed examples are removed, given there are other more general examples used elsewhere which do not raise the same contradictions.

Yours sincerely

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<sup>1</sup> ENV0102: [Energy consumption by transport mode and energy source: United Kingdom](#)

<sup>2</sup> <https://www.gov.uk/government/statistics/renewable-fuel-statistics-2021-final-report/renewable-fuel-statistics-2021-final-report>