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Immediate release

## **OIL GIANT ACCUSED OF STEERING EU ENERGY POLICY**

Brussels/London 2 February - Oil industry lobbying at the heart of the EU has left European member states vulnerable to energy shortages and has undermined EU efforts to tackle climate change, according to a new report published today (Monday 2 February) by Corporate Europe Observatory and PLATFORM [1].

The report, "BP - Extracting Influence at the Heart of the EU" highlights how BP has positioned itself at the centre of EU energy policy, building high level contacts and persuading EU Commissioners, officials and government ministers of a "shared agenda" in working together. It follows news that former German Chancellor Gerhard Schroeder is joining the board of BP's Russian venture [2].

BP has enjoyed high level EU support for its Russian venture, with the EU increasingly dependent on Russian gas [3]. The company also played a key role in developing the EU's emissions trading scheme, which is now being promoted in the US [4].

But the research suggests that the EU's interests would have been better-served, had BP's profit-driven agenda been shelved in favour of less fashionable messages on energy efficiency and investments in renewables.

James Marriott of PLATFORM said:

"BP has established an impressive Brussels power base, with key figures strategically placed inside EU institutions. The result seems to be that some within the EU think that what works for BP must be in the best interests of the EU's citizens, but it is far from clear that this is the case."

The report highlights how BP chairman Peter Sutherland simultaneously acted as Commission President Jose Barroso's adviser on energy and climate change from 2007[5].

BP's chief executive of refining and marketing, Iain Conn, also played a key role on the Commission's High Level Group (HLG) on Competitiveness, Energy and the Environment, inputting on future energy policy [6].

The oil giant also funds a team of Brussels lobbyists and works through numerous industry bodies [7].

BP appears keen to downplay its lobbying activities. It recently entered its lobbying interests on the Commission's register [8], claiming that it spent just 200,000 - 250,000 euro on lobbying activities in 2008. But campaigners

say the estimate is ridiculously low and reflects the inadequacy of the Commission's guidelines for the voluntary register. In comparison, ExxonMobil declared expenditure of 900,000 - 950,000 euro for the same period, while Microsoft said it spent 1,300,000 euro in 2008.

Corporate Europe Observatory campaigner Olivier Hoedeman said:

"BP's reach and influence show how powerful some corporations have become within the EU. The EU Commission and member state governments seem happy to sit back and let big business dictate their so-called shared agenda, with little thought as to whether it is actually in the public interest. To add insult to injury, the weakness of EU lobby transparency rules means the public is still denied the right to know which companies are influencing policy making or how much they are spending on playing political games."

BP provided key advice to the EU on emissions trading, having already established its own in-house scheme and advised on the UK-wide carbon market. The company made substantial profits from both the UK scheme and the first phase of the EU scheme - although neither delivered significant reductions in emissions [9].

ENDS

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Notes:

[1] BP - Extracting influence at the heart of the EU,

<http://www.corporateeurope.org/extractinginfluence.html>

[2] Schroeder to join TNK-BP board, Financial Times, 15 January 2009,

<http://www.ft.com/cms/s/0/d639c878-e33c-11dd-a5cf-0000779fd2ac,print=yes.htm>

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[3] BP and the Russian bear, case study from BP - Extracting influence at the heart of the EU,

<http://www.corporateeurope.org/extractinginfluence.html>

[4] <http://news.bbc.co.uk/1/hi/sci/tech/7856120.stm>

[5] DG Communication (2007) Rapid - Press Releases - EUROPA - World renowned experts to advise President Barroso on energy and climate change, 06 April 2007,

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/283>

[6] European Commission (2005) Rapid - Press Releases - EUROPA - Energy Environment Competitiveness - Commission Launches High Level Group, Press

release 24 February 2005,

"Stakeholders - Iain Conn - UK - Renewables Gas Petroleum - Executive director of the BP Group, has responsibility for Europe"

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/06/226>

[7] BP's Brussels office is on Rondpoint Schumann, adjacent to the EU Commission.

[8] See

<https://webgate.ec.europa.eu/transparency/regrin/consultation/displaylobbyists.do?id=3394026642-58>

and:

<http://www.alter-eu.org/en/system/files/publications/Commission+Register+Fair+Transparency+Test.pdf>

[9] Putting the Fox in Charge of the Henhouse: How BP'S Emissions Trading Scheme was Sold to the EU,

[http://www.corporateeurope.org/docs/extracting\\_influence\\_ets.pdf](http://www.corporateeurope.org/docs/extracting_influence_ets.pdf)

See: [www.corporateeurope.org](http://www.corporateeurope.org)

and: [www.platformlondon.org](http://www.platformlondon.org) for more information