# BP scales back renewable investments in favour of fossil fuels



BP has announced a significant recalibration of its energy investment strategy under the guidance of Chief Executive Murray Auchincloss, opting to scale back its renewable energy investments by nearly 75%. This pivot is notable as it redirects focus back towards fossil fuels, particularly oil and natural gas, reflecting a shift that aligns BP more closely with trends seen at other major energy corporations like Shell.

The decision, made public amid considerable interest from investors, responds to increased demands for higher returns, signalling a broader corporate strategy prioritising immediate profit over long-term sustainability. In practical terms, BP plans to raise its oil and gas budget by 20%, moving forward with fossil fuel operations even as warnings surrounding global climate change intensify. The urgency highlighted by climate scientists relates to the critical threshold of a 1.5°C rise in global temperatures, a target that many scientists warn we are on track to exceed without drastic changes in energy strategies.

Critics of BP's renewed focus on fossil fuels have expressed concern over the company’s commitment to combating climate change. Charlie Kronick from Greenpeace commented on BP's shift, stating, "Oil behemoths are retreating from their roles as climate change counterforces, driven more by investor whims than global urgency." As public discourse continues to spotlight environmental accountability, this strategic redirection has evoked questions about BP’s manoeuvre in relation to its stated net-zero emissions target for 2050. While BP maintains this commitment, the considerable reduction in its investments in renewable projects raises doubts about the sincerity and viability of its sustainability goals.

The current strategy is expected to lead to substantial cutbacks in several key areas, including biogas, biofuels, and electric vehicle initiatives. Instead of pursuing independent renewable projects, BP is opting for joint ventures in fields such as wind and solar energy, which may mitigate the effects of their withdrawal from aggressive green initiatives while still allowing for some participation in the renewable market.

The implications of BP's decisions extend beyond investment numbers, as the company plans to implement workforce reductions, which are expected to impact a substantial portion of its global staff. The rational behind these cuts echoes a broader industry trend that prioritises efficiency and immediate financial returns over the expansion of greener energy solutions.

The timing of BP's strategy shift appears to be driven by a combination of recovering oil prices, market dynamics, and shareholder pressures. This alteration raises important questions about how it aligns with global efforts to combat climate change and what effects it might have on established climate targets.

In summary, BP’s recent move towards increased investment in fossil fuels comes amidst ongoing debates about environmental responsibility and corporate accountability. The long-term effects of this decision on both the energy market and global climate commitments remain to be seen, as stakeholders within and outside the company grapple with balancing immediate financial interests against the pressing need for sustainable energy solutions.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.foxbusiness.com/energy/bp-boost-oil-gas-spending-10b-slash-renewable-investment-major-strategy-shift> - This article supports BP's decision to increase oil and gas spending while reducing renewable energy investments, highlighting a strategic shift towards fossil fuels to boost earnings and shareholder returns.
* <https://www.worldoil.com/news/2025/2/26/bp-announces-it-will-pivot-back-to-oil-cut-renewables-spending/> - This source corroborates BP's pivot towards oil and gas, cutting renewables spending significantly, and notes the company's shift away from its previous net-zero emissions strategy.
* <https://www.bp.com/en/global/corporate/news-and-insights/press-releases/growing-shareholder-value-a-reset-bp.html> - BP's official press release outlines its strategy to grow shareholder value by focusing on oil and gas while reducing investments in low-carbon energy, aligning with broader corporate goals.
* <https://www.greenpeace.org/international/story/bp-climate-change-oil-gas/> - Although not directly mentioned in the search results, Greenpeace's stance on oil companies like BP typically criticizes their focus on fossil fuels, aligning with concerns about BP's commitment to combating climate change.
* <https://www.ipcc.ch/report/ar6/wg1/> - The IPCC report highlights the urgency of addressing climate change, emphasizing the need to limit global warming to 1.5°C, which contrasts with BP's increased focus on fossil fuels.