

Our economic impact in
Scotland
2022



bp's 2022 economic impact in Scotland – analysis by
Oxford Economics



bp made a large contribution to the Scottish economy in 2022

bp made a total GVA contribution of **£2.5 billion** in Scotland. This was equivalent to **1.5%**, or **£1 in every £65**, of Scotland's GVA and was worth **13%** of the £20 billion total GVA contribution made by bp in the UK.

Through this economic activity, bp supported a total of **14,000** jobs in Scotland. This was **0.5%** of Scotland's employment, or **one in every 200** Scottish jobs and represented **16%** of the 84,000 jobs supported by bp in the UK.

Please note, indirect and total figures are rounded to two significant figures. Where calculations have been made (such as percentages) the rounding is done as the final step.

Direct impact

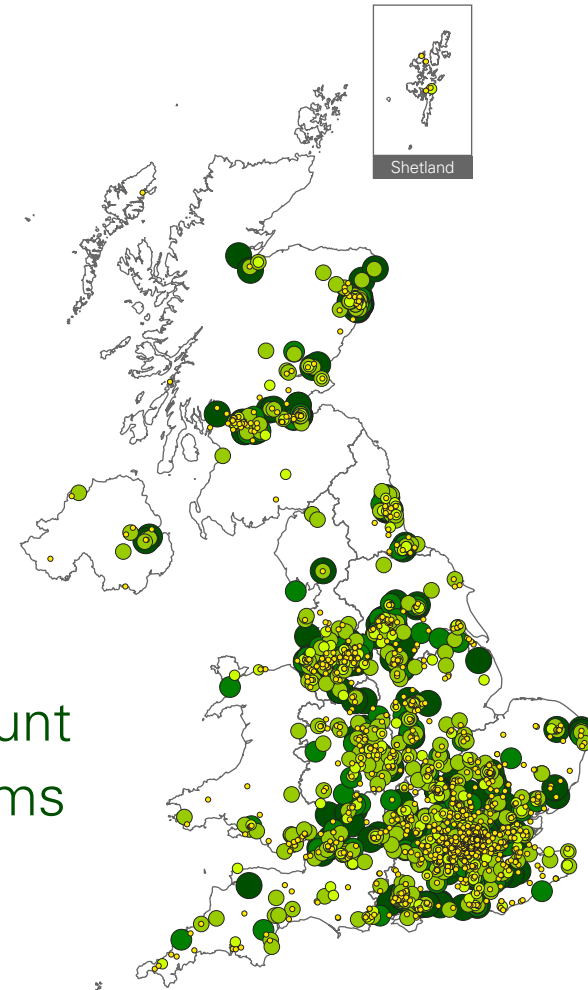
bp has a large presence in Scotland

In 2022, bp directly generated **£1.9 billion** in GVA and directly employed **1,951** workers in Scotland. This represented both **13%** of the £15 billion GVA and the 15,468 jobs that bp directly contributed to the UK economy.

Indirect impact

bp spends a substantial amount with Scottish firms

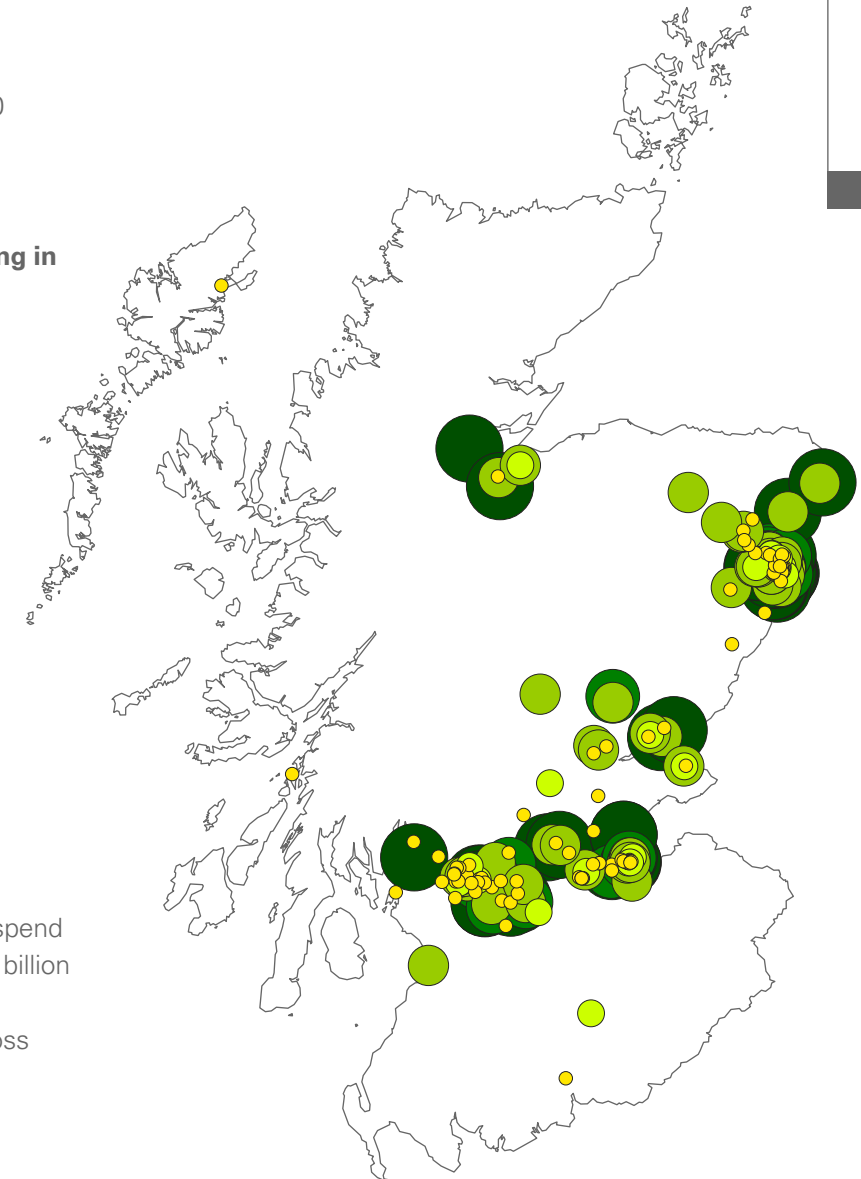
In total, bp spent **£780 million** with Scottish suppliers in 2022. This spending, combined with spending in other UK regions and nations, led to a **£640 million** GVA impact and supported **12,000** jobs throughout the supply chain in Scotland.



bp's UK wide procurement spending, 2022

- £0 – £50,000
- £50,001 – £100,000
- £100,001 – £500,000
- £500,001 – £1,000,000
- £1,000,001+

bp's procurement spending in Scotland, 2022*



This Scottish supply chain spend generated **14%** of the £4.7 billion in UK GVA and **17%** of the 68,000 jobs supported across the UK.

*Procurement spend based on invoice location.

bp’s spend with businesses and suppliers in Scotland

Operational spending

bp’s operational spending with suppliers across Scotland was **£550 million**. This derived from our work with **270 Scottish suppliers** across 49 different Westminster Scottish Parliamentary constituencies.

These Scottish suppliers represent about **9%** of the 3,000 suppliers of operational goods and services across the UK. They included businesses ranging from subsea operations and maintenance, to oilfield research and development and drilling equipment and services.

Capital expenditure

Some **£230 million** in capital expenditure was spent with businesses in Scotland equating to **31%** of the UK total spend. Of the 530 UK capex suppliers, **84** or **16%** were based in Scotland. These suppliers were based in **25** different Westminster Scottish Parliamentary constituencies, and included firms involved in providing engineering equipment for upstream services, manufacturing of pipes, valves and fittings and providing IT products and services.

bp’s spending across the UK also reaps economic benefit in Scotland

Operational spending

bp’s operational spending across the UK supported **£450 million** of GVA in Scotland. This was around **11%** of the £4.0 billion in GVA for the whole of the UK.

This operational spending also supported **8,200** jobs held by workers in Scotland, **14%** of the 58,000 UK jobs supported by bp’s operational spending.

Capital expenditure

Our capital expenditure across the UK generated **£190 million** in GVA for Scotland. This was **27%** of the £710 million contribution to UK GDP arising from our capital expenditure.

Capital expenditure also supported **3,400 jobs** in Scotland, more than a third of the 10,000 UK jobs supported by bp’s capital expenditure.

Keeping North Sea energy flowing

bp has been operating in the North Sea for nearly 60 years, providing a reliable source of energy to people around the world.

In 2022:

- We produced 60 million barrels of oil and gas from our UK North Sea operated facilities.
- We had reduced greenhouse gas emissions from our UK North Sea operations by 32% by the end of 2022, compared to a 2019 baseline.
- We secured planning permission for a new pipeline at Sullom Voe Terminal, to help protect UK security of gas supply.
- We progressed two oil and gas projects in the central North Sea that will tie into our existing ETAP facility.
- We completed major seismic survey work west of Shetland to inform further development of UK oil and gas around existing facilities.

2022

a year of investment and delivery

in Scotland



Developing offshore wind farms

With our partner EnBW, we are developing the Morven offshore wind project in the North Sea.



L–R: Carole Cran, Forth Ports and Richard Haydock, bp

In 2022:

- We succeeded in the ScotWind offshore wind leasing round with our partner EnBW, to develop 2.9GW of fixed-bottom offshore wind off the east coast of Scotland. As part of that bid, we committed £1 million to X-Academy, a skills transition organization.
- We named Aberdeen as the location for bp's global centre of excellence for offshore wind, which will create up to 120 new direct jobs and contribute up to £40 million a year to the economy when established.
- We signed an agreement with Port of Leith to become the marshalling port for the Morven project. This will help transform the area into Scotland's largest offshore wind renewables hub.
- We committed £10 million to create a new urban forestry fund as part of our ScotWind bid. The fund will be managed by Future Woodlands Scotland and aims to improve the environment in cities and towns in Scotland.

Aberdeen Hydrogen Hub – fuelling local transport

In March 2022, bp and Aberdeen City Council formed a joint venture to deliver a green hydrogen production hub in Aberdeen, powered by renewable energy.

The proposed facility would involve building a green hydrogen production and refuelling facility, powered by a purpose-built solar farm, linked by an underground solar grid connection.

Phase one is targeting production volumes of over 800 kilograms of green hydrogen per day – enough to fuel 25 buses and a similar number of other fleet vehicles.



bp in the community

2022 Scotland highlights



Announcing the bp and AFBE-UK partnership.
L-R: Hisham Hamid (bp), Ollie Folayan (AFBE-UK),
Dushyant Sharma (bp), Doris Reiter (bp)

- We placed 78 student tutors into 37 schools across Aberdeen city and shire, to provide positive role models for continuing into further and higher education.
- More than 60 cyclists completed a 230-mile ride from Ayr to Aberdeen, raising over £170,000 for five Scottish charities. Since the inaugural Coast 2 Coast ride across Scotland in 2008, bp cyclists have raised more than £2 million for local charities, including matched funding.
- We partnered with the Association for Black and Minority Ethnic Engineers (AFBE-UK) to support our diversity and inclusion ambitions, with particular focus on our recruitment strategy and progression of ethnic minority staff into leadership positions.



Above: bp tutoring scheme recognition awards 2022

Below: Coast 2 Coast cyclists 2022





bp at TechFest Aberdeen

- We continued our joint principal sponsorship of TechFest Aberdeen, which promotes science, technology, engineering and mathematics (STEM) activities to young people and the wider community.
- And continued our decade long partnership with social mobility charity, Career Ready, providing a group of S5/6 students the opportunity to raise their aspirations, grow their confidence and expand their career horizons through an 18-month relationship with a bp mentor, a four-week paid internship and a series of masterclasses.

Oxford Economics’ methodology



Scan QR code to access Oxford Economics’ methodology.

www.bp.com/uk

Acknowledgement

bp would like to thank its partners in the production of this publication.

Disclaimer

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