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# BP turns its focus to fuel retailing, away from refining

**BP is planning to sell some of its refineries to focus on modernizing existing operations and expanding its fuel retailing business.**

Oil giant BP is becoming weary of the refining business due to weak profit margins. The company will divest from some of its refineries and will not invest in any new ones, while betting on its gas station network and other downstream operations to generate $3 billion, reports Reuters.

Tufan Erginbilgic, BP´s head of refining, told the news agency that the company planned to keep a tighter portfolio of key assets, offloading others for “very good money.”

By boosting its downstream operations, including its large fuel retailing network, BP hopes to achieve a $3 billion increase in free cashflow by 2021.

Refining has become a less lucrative business since modern refineries from the Middle East, China and India hardened competition, and now faces the challenges of improved energy efficient cars, planes and ships, the rise of electric vehicles and the setbacks of key emerging economies.

In terms of fuel stations, BP sees an opportunity for growth and plans to continue investing on sites with modern convenience stores. In the UK, BP has been working together with high-end retailer Marks & Spencer for some time, and in Germany the oil company has just started a partnership with Rewe.

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