

In the dark: gaps in Shell's climate lobbying disclosures



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About ACCR

The [Australasian Centre for Corporate Responsibility \(ACCR\)](#) is a not-for-profit, philanthropically-funded shareholder advocacy and research organisation that engages with listed companies and investors globally, enabling and facilitating active stewardship. Our research team undertakes company-focused research into the climate transition plans of listed companies, offering analysis, research and insights to assist global institutional capital understand investment risks and opportunities during the energy transition. For more information, follow ACCR on [LinkedIn](#).

Executive Summary

Since Shell started reporting on its lobbying in 2019, it has consistently stated its ambition to be “at the forefront of the drive for greater transparency around political engagement.”¹ It rightly acknowledges the important role of policy engagement in enabling the energy transition:²

By working together, with governments developing effective policies, we can help shift consumer demand to lower carbon products and develop the infrastructure and technology needed to facilitate the energy transition.

However, this report reveals that Shell’s reporting on its lobbying focuses almost exclusively on activities in a small subset of advanced economies, largely omitting its lobbying in emerging markets. This is despite Shell’s ambitions for fossil fuel sales and production being weighted toward emerging markets, where energy transition policies are generally less mature. Shell’s LNG growth strategy focuses on emerging markets, and nearly 60% of Shell’s fossil fuels production between 2024 to 2050 is expected to come from emerging markets.

The report presents evidence of Shell and industry associations it is a member of – but has not included in its public disclosures – lobbying in emerging markets for policies that may foster unsustainable levels of fossil fuel supply and potentially cause demand lock-in for gas in these markets. This risks locking-in levels of fossil fuel demand and supply in emerging markets that are potentially misaligned with the Paris goals.

It argues that investors in Shell need disclosures that are global and proportionate to its business activities, to ensure Shell’s lobbying does not undermine the success of the company’s decarbonisation strategy and long-term value creation, or the goals of the Paris Agreement. More broadly, it is in the interests of diversified investors that companies provide transparent disclosures of their lobbying.

Key Findings

Shell’s disclosures leave investors in the dark about its lobbying in emerging markets

- Shell only discloses a fraction of its industry associations (101 out of “hundreds”³) and of these has assessed the climate and energy policy advocacy of an even smaller number (39). All the industry associations Shell discloses are based in a small subset of advanced economies, with none based in emerging markets. Its disclosures do not examine how international associations based in advanced economies lobby in emerging markets.

¹ Shell, [Corporate Political Engagement Transparency Statement And Lobbying Spend](#)

² Dow Jones Newswires, COP28 Outcome In Line With Paris Climate Agreement, Shell Says -- Market Talk, 13 December 2023

³ Shell, [2019 Industry Association Review](#), p10. No. of disclosed associations (101) is as of 21 February 2024 (see: [Web Archive](#)). In addition to the 39 associations it has assessed, Shell discloses (but does not assess) another 63 associations. The vast majority of these appear to be engaged with climate and energy policy. Since Shell has since left one of the associations it assessed, the total number of associations it discloses is 101. See pp. 7-8 for details.

- ACCR has identified 80 associations which Shell has not assessed or disclosed, and that appear involved in climate and energy policy engagement. More than half (45) of these are based in emerging markets.⁴
- Across the associations Shell discloses (101) and the further associations that ACCR has identified (80), Shell has not assessed at least 53 associations where it holds leadership and governance roles. This is despite Shell saying one of its criteria for assessing associations is that “Shell could be considered influential” in them.⁵
- Shell does not disclose any substantial assessment of its own lobbying in emerging markets, and only discloses aggregate lobbying spend where it is obliged to – in the US and EU.
- This means there is no transparency over whether a significant portion of Shell’s lobbying is aligned with its own policy positions to support the Paris Agreement.

Undisclosed lobbying in emerging markets may undermine Shell’s support for the Paris goals

ACCR has identified multiple examples of undisclosed lobbying by Shell and its industry associations in emerging markets. These activities may risk locking-in levels of fossil fuel demand and supply in emerging markets that are potentially misaligned with the Paris goals.

On the demand-side, we identified lobbying by Shell and its industry associations to stimulate and lock-in potentially unsustainable levels of fossil fuel demand. This includes efforts that correspond with Shell’s publicly-stated LNG growth strategy, which relies on Paris-misaligned demand projections for emerging markets. We found lobbying to:

- expand and create markets for gas in India
- build long-term LNG demand in Southeast Asia, and
- oppose the transition away from fossil fuels in China, Mexico and South Africa.

On the supply-side, we found Shell and its associations advocating for expansion of fossil fuel production and exploration across emerging markets in Asia, Africa, South America and the Caribbean. This lobbying:

- focused on fossil fuel production as a source of economic growth while overstating the climate benefits of gas, and
- disregarded impacts of long-term fossil fuel production for the climate.

Almost 60% of expected fossil fuel production by Shell through to 2050 is in emerging markets,⁶ where corruption risk is generally higher and energy transition policies are often less mature.⁷

⁴ ACCR identified these associations through online searches of information in the public domain. We do not purport to have identified all of Shell’s associations. See appendix for list association we identified.

⁵ Shell, [Climate and Energy Transition Lobbying Report](#), p28

⁶ Based on ACCR analysis of Rystad Energy’s UCube data. See page 22 of this report for full source information.

⁷ Based on ACCR analysis of Transparency International, [2023 Corruption Perceptions Index](#). See page 22 of this report.

Positive policy action is key to Shell's decarbonisation strategy, but benchmarks show only mixed support for this in its lobbying

- Shell sees positive climate & energy lobbying as “a key part” of its strategy and its net-zero 2050 target.⁸ Indeed, government policy and regulation have played a significant role in Shell's capital allocation. A majority of Shell's “renewables and energy solutions” are located in advanced economies,⁹ where policymakers have rightly taken the lead in incentivising low carbon technologies.
- Yet Shell scores a C, indicating mixed alignment with Paris, on the Real-World Climate Policy Engagement measure of the Climate Action 100+ Net Zero Company Benchmark.
 - Shell also has the highest “engagement intensity”¹⁰ with climate and energy policy among CA100+ companies, which highlights the materiality of the issue for investors. Climate lobbying by Shell's industry associations is less aligned with the Paris goals than its direct lobbying, suggesting they are a negative drag on Shell's ability to properly align its lobbying with Paris.
 - Shell also only scored 36% on the Review Indicator, meaning it does not exhibit “robust, high-quality review processes” for identifying Paris-misaligned lobbying.

Key Recommendations

To provide investors with a global view of its lobbying, Shell should:

1. Disclose a comprehensive list of all industry associations and other third party lobbying organisations globally, including:

- where the organisation is domiciled and its main jurisdictions of operation
- any payments made to the organisation (in exact terms, rather than wide ranges)
- leadership and governance roles, and
- whether the organisation engages with climate or energy policy.

2. Disclose its total lobbying spend and lobbyist headcount for each jurisdiction it lobbies in, to provide insight into its direct lobbying footprint.

3. Ensure alignment reviews are proportionate to activities and include all material lobbying, by:

- including lobbying in markets with significant sales and production (current & projected)
- prioritising markets whose size or policy settings are more material to Shell's decarbonisation
- explicitly cross-referencing assessments by external stakeholders, such as InfluenceMap, to ensure potentially misaligned associations are not omitted from review
- explaining what activities are excluded from the review and why they are not material.

⁸ Shell, [Message from the Chief Executive Officer - Climate and Energy Transition Lobbying Report](#)

⁹ Shell, [Renewables & energy solutions](#) (includes renewables, hydrogen, biofuels, CCS, nature based solutions, and power & gas trading and supply)

¹⁰ A metric that tracks the amount or intensity of direct climate policy engagement by a company, irrespective of whether this is supportive or obstructive. CA100+, [Methodologies - Climate Policy Engagement Alignment](#)

These actions are feasible. Shell already requires “staff to record memberships of industry associations and similar groups” in its Code of Conduct Register,¹¹ and industry peers have demonstrated the viability of enhanced disclosures. For example:

- Total publishes a full list of associations that notes roles, location, and payment ranges
- AGL, a CA100+ utilities company, has disclosed exact fee payments (rather than ranges)
- BP and Enel (to a greater extent) have reviewed some associations in emerging markets
- Equinor mandates that it conducts reviews of associations with InfluenceMap scores which are “misaligned” or “potentially misaligned” with the Paris Agreement.¹²

Shell should adopt each of the actions recommended above. Together, these will help investors better understand how well aligned Shell’s lobbying is with its decarbonisation strategy and support for the Paris goals.

¹¹ Shell, [Industry associations and similar organisations we are members of](#) (methodology tab)

¹² TotalEnergies, [2023 list](#); AGL, [Industry association membership fees](#); BP, [2023 progress update](#); Enel, [Engagement in associations involved in climate-policy advocacy](#); Equinor, [2023 review](#), p3

Lack of balance & transparency in lobbying disclosures

Disclosures on indirect lobbying

Shell's reporting focuses on a small subset of advanced economies, largely omitting emerging markets.¹⁵ As such, there is no transparency over whether a significant portion of Shell's indirect lobbying is aligned with its own policy positions to support the Paris Agreement. This is particularly the case in emerging markets.

In its 'Climate and Energy Transition Lobbying Report',¹⁴ Shell assessed 39 industry associations, while it discloses membership of another 63 non-assessed associations in a list outside the report.¹⁵ The vast majority of associations on this list also appear to be engaged with climate and energy policy. The list no longer contains one of the 39 associations it assessed – the Queensland Resources Council – meaning Shell currently discloses memberships at 101 associations. However:

- all the associations Shell reports it is a member of are based in Australia, Canada, the Netherlands, the UK, US and Singapore, or are international and EU organisations headquartered in advanced economies. It does not examine whether and how these associations engage in emerging markets.
- beyond the 101 industry associations Shell discloses it is a member of, ACCR has identified a further 80 associations which Shell has not disclosed or assessed, and that appear involved in climate and energy policy engagement. Around half of these are based in emerging markets.¹⁶
- given Shell has previously acknowledged it has “hundreds” of memberships worldwide,¹⁷ we consider it likely that the 101 associations Shell has disclosed, and the 80 identified by ACCR, form just a portion of Shell's industry association memberships.
- Shell holds influential leadership and governance roles¹⁸ in at least 53 associations that it has not assessed.¹⁹

¹⁵ We follow the IMF's classification of countries: IMF, [October 2023 World Economic Outlook](#), pp.99-100. We use the term 'emerging markets' to refer to what the IMF calls 'emerging & developing' economies.

¹⁴ Shell, [Climate and Energy Transition Lobbying Report](#)

¹⁵ As of 21 February 2024: Shell, [Industry associations and similar organisations we are members of](#) (see also: [Web Archive](#) version)

¹⁶ ACCR identified these associations through online searches of information in the public domain. We do not purport to have identified all of Shell's associations. See appendix for list of associations we identified.

¹⁷ Shell, [2019 Industry Association Review](#), p10

¹⁸ By influential roles we mean those on the board, executive committee, governing council, climate / energy policy committees or other leadership and governance roles. We note Shell may be influential without these roles, e.g. due to its size in a market. One of the criteria Shell uses to select associations for review is “Shell could be considered influential in these associations”, but in the relevant public material reviewed by ACCR, Shell does not define what it considers to be “influential” (Shell, [Climate and Energy Transition Lobbying Report](#), p28).

¹⁹ Includes associations that Shell has disclosed (but not assessed) and associations identified by ACCR that Shell has not disclosed.

Chart 1: Shell has assessed a fraction of its associations, and only in advanced economies²⁰

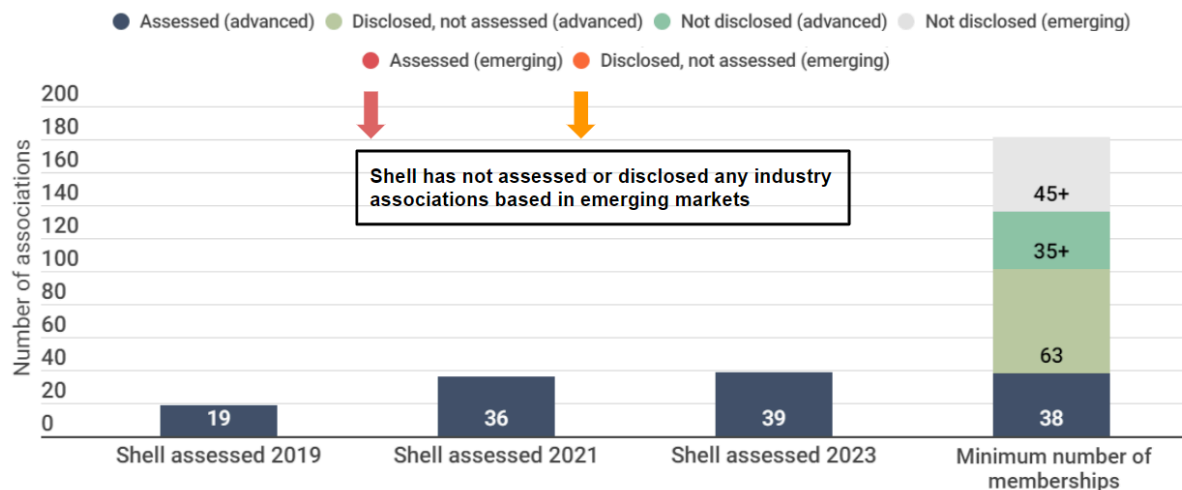


Chart: ACCR | Source: Shell reporting and ACCR research

When assessing its industry associations, Shell says it uses its “global climate and energy transition policy positions” as a framework – positions it believes “are supporting the energy transition and the Paris Agreement”.²¹ It also requires associations involved in climate and energy policy to publicly support and align their policy positions with the Paris Agreement or net-zero emissions by 2050.²²

However, Shell only assessed a fraction of its associations (39 out of potentially “hundreds”), and only in advanced economies. There is no transparency over whether a significant portion of Shell’s indirect lobbying is, or isn’t, aligned with its own policy positions to support the Paris Agreement. This is particularly the case in emerging markets, where there is no assessment of industry associations.

Since it began reviewing some of its industry associations in 2019, Shell has made modest improvements to the disclosure of its lobbying activities. In 2023, the company published its first ‘Climate and Energy Transition Lobbying Report’, which:

- initiated reporting on direct lobbying and contained details about indirect lobbying
- increased the number of industry associations it assessed to 39 (from 19 in 2019 and 36 in 2021)
- committed to publishing full reports every two years, with updates every other year.

However, Shell’s disclosures on indirect lobbying focus only on the small subset of advanced economies noted above, leaving investors with significant blindspots.

²⁰ The ‘Assessed (advanced)’ category contains only 38 associations in the right-hand column because one association Shell assessed, the Queensland Resources Council, is no longer listed on Shell’s list of disclosed industry association memberships as of 21 February 2024: Shell, [Industry associations and similar organisations we are members of](#) (see also: [Web Archive](#) version). ACCR’s research found that Shell has no longer been listed as a member on the QRC’s since late 2023. See: QRC, [Our members](#).

²¹ Shell, [Global climate and energy transition policy positions](#)

²² Shell, [Climate and Energy Transition Lobbying Report](#), p.28

Disclosures on direct lobbying

Shell’s reporting on its direct lobbying also focuses almost exclusively on advanced economies. Its ‘climate and energy transition advocacy updates’ webpage does not reference emerging markets, and the Lobbying Report only provides very high-level descriptions of activities in South Africa, Brazil and India.²³

Furthermore, Shell only reports lobbying spend data for the jurisdictions where it is legally obliged to do so: in the EU and the US.²⁴

Chart 2: Shell only discloses lobbying spend where legally required – EU and US²⁵

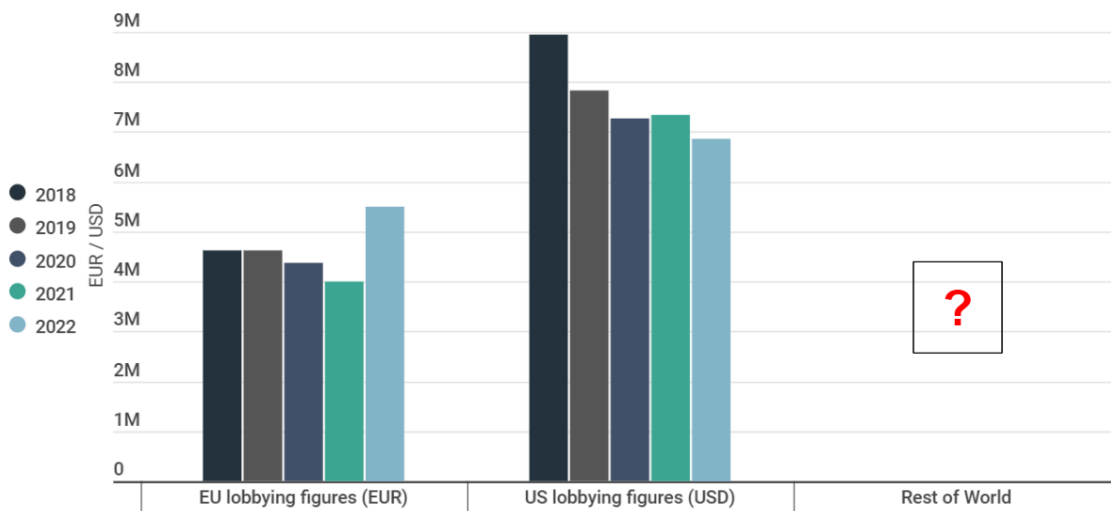


Chart: ACCR | Source: Shell reporting and ACCR research

The EU figures are a best estimate of costs, at the EU level only, for: in-house lobbying operations, external lobbyists, EU policy event sponsorships, and the estimated percentage of the membership fees paid to “European industry associations and think tanks” relevant to the EU level.²⁶

The US figures are for in-house and external lobbyists, but not for industry associations.²⁷

Undisclosed lobbying in emerging markets

Shell provides limited visibility of its lobbying activities in emerging markets, despite a high level of business activity in these markets:

- over 40% of Shell employees are in emerging markets²⁸

²³ Shell, [Climate and energy transition advocacy updates](#); [Climate and Energy Transition Lobbying Report](#), pp. 11, 12, 14, 17

²⁴ Shell, [Corporate Political Engagement Transparency Statement And Lobbying Spend](#)

²⁵ We have used the [OpenSecrets aggregator](#) of official filings for US figures and the [LobbyFacts](#) aggregator for EU figures, taking the bottom of EU spend ranges. These match Shell’s 2022 and 2021 disclosures (earlier disclosures are not immediately available), apart from some small US subsidiary spend, which Shell appears not to include.

²⁶ EU Transparency Register, [Shell](#) (‘Complementary Information’)

²⁷ See: [Lobbying Disclosure Act guidance](#). For example, Shell discloses in its Lobbying Report that it paid the American Petroleum Institute over USD 10 million in 2022 alone - far more than the spend figure disclosed in US filings that year.

²⁸ Based on Shell, [2022 Tax Contribution Report - Our tax data by country and location](#)

- Shell’s ambitions for fossil fuel sales and production are weighted toward these markets. As the following sections show:
 - Shell’s own LNG Outlooks and other projections see the majority of future demand growth coming from emerging markets.²⁹
 - ACCR analysis of Rystad data indicates almost 60% of expected fossil fuel production by Shell to 2050 will come from emerging markets.³⁰

Our research, which draws only on publicly accessible materials and touches on just a small portion of Shell’s lobbying activities,³¹ has unearthed multiple cases where Shell has not disclosed or assessed its lobbying in emerging markets.

Many of these activities appear to meet Shell’s own criteria for public review, since:

- they seek to influence climate or energy policy
- they occur in places where Shell has significant production, sales or other business, and
- Shell appears to have influence over them.³²

Of particular concern is that Shell and its industry associations appear to be lobbying in emerging markets in ways that may entrench fossil fuels beyond Paris-aligned levels.

This contradicts Shell’s own requirements:

We believe that any industry association that we are a member of, and that is involved in climate and energy transition policy and advocacy, should support policies that help to achieve the goal of the Paris Agreement and net-zero emissions by 2050.³³

²⁹ See pp.10-12 for details.

³⁰ Based on ACCR’s analysis of Rystad Energy’s UCube data. See page 22 of this report for full source information.

³¹ In the interest of brevity, we examine only a subset of the associations we identified in our research. As noted above, we have also likely only identified a portion of all Shell’s industry associations. In some situations, we have relied on machine translation for sources in languages other than English.

³² Shell, [Climate and Energy Transition Lobbying Report](#), p.28

³³ Shell, [Climate and Energy Transition Lobbying Report](#), p.8

Demand-side lobbying in emerging markets

ACCR has identified multiple cases of undisclosed, demand-side lobbying by Shell and its industry associations in emerging markets.

Shell is pursuing an LNG growth strategy that targets emerging markets, with demand forecasts that run counter to even the highest emissions IEA scenarios. Shell may be particularly incentivised to lock-in more LNG supply and demand because, as the commodity's largest private trader, it is heavily revenue-reliant on LNG.

Shell's LNG growth strategy in emerging markets may be a driver for lobbying

Shell's 'Energy Security Scenarios' project most growth in energy demand occurring in countries it calls 'Surfers'.

Shell does not provide a full list of 'Surfer' countries, but indicates they are emerging markets that do not produce much energy, and have growing energy needs due to rapid population and/or economic growth. Under the Scenarios, these countries account for "nearly half of global energy use" and are the main source of demand growth by 2050.³⁴

How Shell might seek to meet the growing demand for energy from these markets was highlighted at its 2023 Capital Markets Day, where it stated:

- it is "committed to oil & gas, with a focus on LNG growth" and,
- it sees 20-30% LNG sales growing until 2030.³⁵

Evidence that Shell has an LNG growth strategy targeting emerging markets includes the following:

- Shell's '2022 LNG Outlook' stated it expects Asia to account for around 70% of growth in LNG demand through to 2040³⁶
- Shell's 2023 and 2024 'LNG Outlook' reports both see the most growth potential in Asia, and project LNG demand to greatly outstrip current supply in operation and under construction.³⁷

Shell also advocated in its 2023 Outlook for:

- more LNG supply, saying "more investment in liquefaction projects is required to avoid a supply-demand gap", which it expects "to emerge by the late 2020s," and
- LNG customers to sign "longer-term contracts – to secure reliable supply to avoid exposure to price spikes."³⁸

³⁴ Shell, [Energy Security Scenarios](#), pp.5 and 52

³⁵ Shell, [2023 Capital Markets Day presentation](#), p.9; Shell, [2023 Capital Markets Day presentation with prepared remarks](#), p.23

³⁶ Shell, [2022 LNG Outlook landing page](#) ('Longer term demand' tab of infographic)

³⁷ Shell, [2023 LNG Outlook](#), pp.22 and 28; Shell, [2024 LNG Outlook](#), pp. 23, 27, 30, and 31

³⁸ Shell, [Media Release for 2023 LNG Outlook](#)

ACCR analysis indicates a large majority of Shell’s LNG supply in 2024 is to be sold on long-term contracts, and that emerging markets – particularly in Asia – are the primary buyers of Shell’s LNG on contract.³⁹ Without renewing contracts or signing new ones, the percentage of Shell’s LNG supply under contract will shrink rapidly over the coming decade. Securing new long-term contracts is a recurring task for LNG players, but also one that could become increasingly challenging as the energy transition progresses, long-term demand becomes more uncertain, and large volumes of LNG capacity come online.

Shell may be particularly motivated to promote a long-term role for LNG. Not only is it pursuing an LNG-led growth strategy, it is the largest private trader of LNG and is more reliant on LNG sales than any other Western oil & gas major, with LNG generating around 23% of its cash flow from operations.⁴⁰

Misalignment of LNG projections with the Paris Agreement

Shell’s 2023 LNG Outlook notes that emissions reduction technologies will “consolidate [LNG’s] role in the energy transition”, and that “decarbonised gases” would help “deliver more sustainable energy security in the future.”⁴¹

However, analysis by the Carbon Tracker Initiative for the CA100+ Net-Zero Company Benchmark assesses Shell’s capital expenditure on unsanctioned oil & gas projects, finding its future production to be misaligned with the IEA pathways.⁴²

Shell’s own LNG Outlooks also acknowledge that these levels of LNG use would not be consistent with the International Energy Agency’s (IEA) Net-Zero Emissions (NZE) scenario, or Announced Pledges Scenario (APS), or even an Accelerated Energy Transition 1.5-Degree Scenario (produced by commercial consultancy Wood Mackenzie).

The charts over the page are from Shell’s 2023 and 2024 LNG Outlooks and show this misalignment visually.

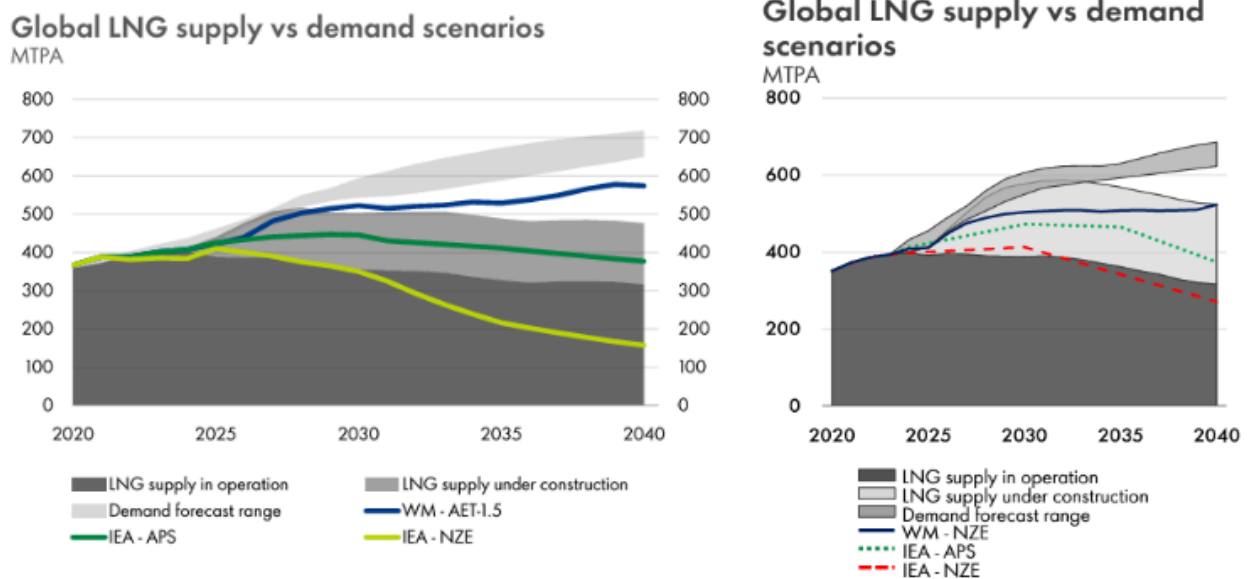
³⁹ Based on ACCR’s analysis of data for LNG production and publicly known LNG Sales and Purchase Agreements (SPAs), sourced from Rystad Energy’s GasMarketCube (February 2024 version). LNG production data is equity production and third party supply, including from pre-FID projects. Shares of Joint Venture production and LNG contracts are captured through third party supply. Contract volumes are per Annual Contract Quantity (ACQ). ‘Expected’ LNG production represents forecast volumes from 2024 to 2050 in billions of cubic metres, with uncommercial volumes excluded. Rystad Energy is not responsible for any conclusions drawn from the data, and ACCR retains responsibility for any subsequent assumptions or errors.

⁴⁰ According to Citibank analysis, reported by the Financial Times, [Shell LNG push puts clean energy strategy in spotlight](#)

⁴¹ Shell, [Media Release for 2023 LNG Outlook](#)

⁴² CA100+ Net Zero Benchmark, [Shell - Alignment](#)

Chart 3: Shell's 2023 (L) and 2024 (R) LNG Outlooks project demand at levels strongly misaligned with Paris⁴³



Where Shell’s demand projections reach 500 Mtpa before 2030, none of the 2023 IEA scenarios – NZE, APS or the Stated Policies Scenario (STEPS) – see LNG demand exceeding 500 Mtpa at any time through to 2050.⁴⁴

As the IEA notes:

In the NZE Scenario, LNG projects currently under construction are not necessary. In the APS, trade peaks by 2030 and the capacity utilisation of plants would drop significantly.⁴⁵

Even in its highest emissions STEPS scenario, the IEA forecasts excess supply that will reduce prices and profitability for the sector.⁴⁶

⁴³ Shell, [2023 LNG Outlook](#), p.28; Shell, [2024 LNG Outlook](#), p.27

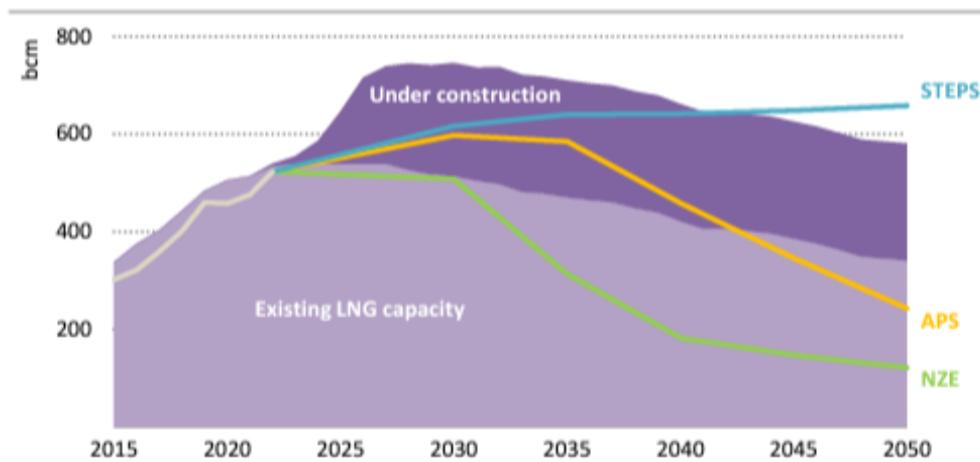
⁴⁴ Applying [BP Statistical Review of World Energy](#) (p2) conversion factor of 1 bcm gas = 0.735 million tonnes LNG to ‘Natural gas net trade - LNG’ numbers in Table 3.6 in [IEA’s 2023 World Energy Outlook](#), p.135 or Chart 4 (see footnote below).

⁴⁵ IEA, [The Oil and Gas Industry in Net Zero Transitions](#) (World Energy Outlook Special Report), p.45

⁴⁶ IEA, [The Oil and Gas Industry in Net Zero Transitions](#) (World Energy Outlook Special Report), p.45. See also: ACCR, [Investor Bulletin: IEA’s 2023 World Energy Outlook](#)

Chart 4: IEA's 2023 modelling shows no new LNG projects are needed, contrary to Shell projections⁴⁷

Figure 1.18 ▶ Existing and under-construction LNG liquefaction capacity and LNG trade by scenario



Shell’s 2024 LNG Outlook claimed LNG demand growth will be “driven by industrial demand in China and economic development in South Asia and South-east Asia”.⁴⁸ The 2024 Outlook only provides one example of industrial decarbonisation through coal-to-gas switching – the Chinese steel industry.⁴⁹ It claims expert research⁵⁰ predicts:

about 1/3 of that [Chinese steel decarbonisation to 2050] to come from coal to gas switching and about 1/3 of it coming from energy-efficiency and electrification, which are both supported by gas as well. So it's clear from this that we see a huge role for gas to play in terms of helping to decarbonize industry.⁵¹

However, the expert research which Shell cites does not appear to support this claim.

The chart below shows how Shell’s 2024 LNG Outlook represents decarbonisation strategies for China’s steel industry by 2050, based on 2020 levels, particularly by altering categories and their associated percentage reductions.

These changes result in Shell replacing the research study’s category of “Technology Shift to low carbon iron & steel making” with a new category of “Gas switching”, and the category of “Fuel Switching & Electrification & Grid decarbonisation” with “Electrification”.⁵² Shell does not provide an explanation as to why or how it relabelled the research study’s categories.

⁴⁷ IEA, [The Oil and Gas Industry in Net Zero Transitions](#) (World Energy Outlook Special Report), p.45

⁴⁸ Shell, [Media release for 2024 LNG Outlook](#)

⁴⁹ Shell, [2024 LNG Outlook](#), p.7

⁵⁰ Global Efficiency Intelligence and the Lawrence Berkeley National Lab, [Net-Zero Roadmap for China’s Steel Industry](#)

⁵¹ Shell plc LSE:SHEL, Special Call, Wednesday, February 14, 2024 2:30 PM GMT, pp.4-5

⁵² Shell also appears to combine categories of “CCUS” and “Carbon sink (Biomass with CCS)” into a single category of “CCUS”.

Chart 5: How Shell's 2024 LNG Outlook represents research on Chinese steel decarbonisation to favour gas⁵³

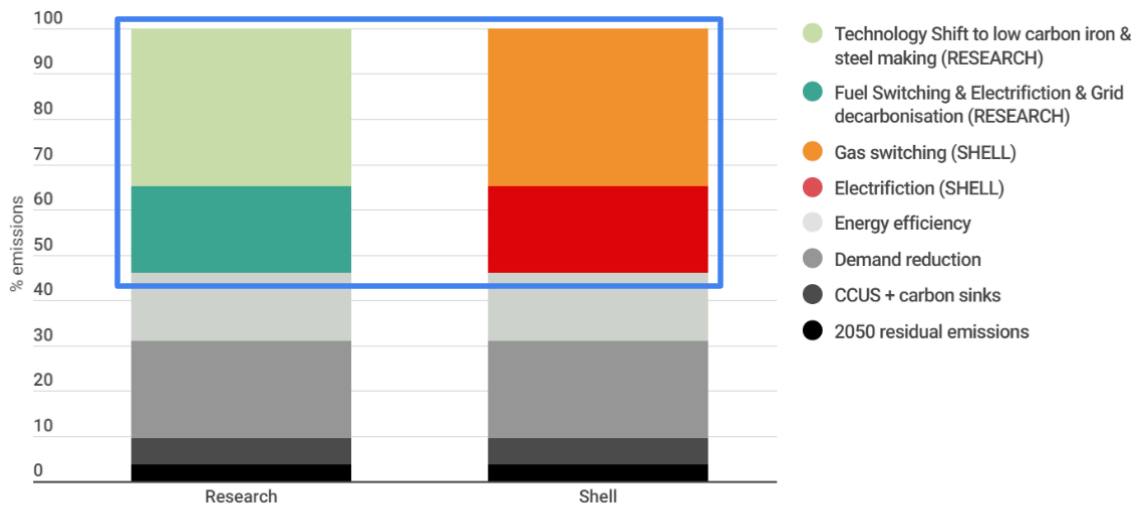


Chart: ACCR | Source: Global Efficiency Intelligence & Lawrence Berkeley National Lab, Net-Zero Roadmap for China's Steel Industry, and Shell 2024 LNG Outlook

The research does not support Shell's representation that "Gas switching" will account for emissions reductions equivalent to 35% of 2020 emissions. Gas does not feature strongly in any of the potential components of Shell's "Gas switching":

- Fuel Switching: the research predicts more coal will be replaced by electricity than by gas.⁵⁴ It also is unlikely that this electricity would heavily rely on gas since, as the IEA's 2023 World Energy Outlook showed, China is not coal-to-gas switching in power generation but is instead moving directly from coal to renewables.⁵⁵
- Grid Decarbonisation: the research notes the use of "low-carbon electricity" from the grid will help decarbonise steel making processes.⁵⁶ Again, it is unlikely that this grid decarbonisation would rely on gas given China's power generation is switching primarily from coal to renewables.
- Technology Shift: the research states electric arc furnaces (EAF) using scrap and green H₂-direct reduced iron (DRI) are the two "most impactful" low-carbon technologies to decarbonise the Chinese steel industry. Together, they account for 73% of technologies in use in 2050, while gas-supported DRI-EAF with carbon capture storage (CCS) accounts for only 1%.⁵⁷

⁵³ Global Efficiency Intelligence and the Lawrence Berkeley National Lab, [Net-Zero Roadmap for China's Steel Industry](#), p.17; Shell, [2024 LNG Outlook](#), p.7

⁵⁴ Global Efficiency Intelligence and the Lawrence Berkeley National Lab, [Net-Zero Roadmap for China's Steel Industry](#), p.24

⁵⁵ IEA, [2023 World Energy Outlook](#), p.239

⁵⁶ Global Efficiency Intelligence and the Lawrence Berkeley National Lab, [Net-Zero Roadmap for China's Steel Industry](#), p.24

⁵⁷ Global Efficiency Intelligence and the Lawrence Berkeley National Lab, [Net-Zero Roadmap for China's Steel Industry](#), p.17; Shell, [2024 LNG Outlook](#), p.26. Gas-supported DRI-EAF without CCS is only 1%. Note that these percentages are for the mix of technologies in use and do not correspond directly to levels of emission reductions.

Shell's 2024 LNG Outlook also labelled "Electrification" and "Energy efficiency" categories as "Gas-supported",⁵⁸ without specifying the extent of gas' supposed supporting role. The research highlights "waste heat recovery and smart manufacturing technologies" as key energy efficiency measures,⁵⁹ and as noted above, gas does not play a significant role in Chinese electricity decarbonisation.

By representing the research in this way, Shell's 2024 LNG Outlook seems to overstate the role of gas in decarbonising the Chinese steel industry. Analysis by the Institute for Energy Economics and Financial Analysis, a think tank, also notes that Shell's 2024 LNG Outlook "overlooks Chinese policies designed to limit gas dependence and mistakenly attributes energy efficiency gains and electrification to gas adoption" and, more generally, that it "underestimates barriers to demand growth in Asia."⁶⁰

Shell's 2024 LNG Outlook does not provide additional examples of research which demonstrates LNG demand growth from key areas it highlights:

- industry and buildings in China and India,⁶¹ or
- power generation from LNG in Bangladesh, Thailand, Philippines and Vietnam.⁶²

Shell's lobbying disclosures do not provide substantial insight into its advocacy in these countries, despite their materiality to Shell's LNG Outlook. ACCR has identified lobbying by Shell and its industry associations in all of the countries apart from Bangladesh. Some of these activities are detailed in the case studies below.

Demand-side lobbying - Case Studies

We identified lobbying by Shell and its industry associations that aimed to stimulate and lock-in potentially unsustainable levels of fossil fuel demand. This includes efforts to:

- expand and create markets for gas in India
- build long-term LNG demand in Southeast Asia, and
- oppose the transition away from fossil fuels in China, Mexico and South Africa.

Case study 1: Expanding markets for gas in India

Shell is targeting India as a large growth market, particularly in gas. It is "seeing nearly 35 to 40 million tonnes of LNG demand growth in India alone" from 2020 to 2040.⁶³ The company already

⁵⁸ Shell, [2024 LNG Outlook](#), p.7

⁵⁹ Global Efficiency Intelligence and the Lawrence Berkeley National Lab, [Net-Zero Roadmap for China's Steel Industry](#), p.17; Shell, [2024 LNG Outlook](#), p.49

⁶⁰ IEEFA, [Shell's latest LNG outlook underestimates barriers to demand growth in Asia](#)

⁶¹ Shell plc LSE:SHEL, Special Call, Wednesday, February 14, 2024 2:30 PM GMT, p.4

⁶² Shell plc LSE:SHEL, Special Call, Wednesday, February 14, 2024 2:30 PM GMT, p.9 and Shell, [2024 LNG Outlook](#), p.31

⁶³ Shell India, [Shell to set up LNG stations, bullish on gas market in India](#)

owns and operates an LNG regasification terminal and has “established an LNG truck-loading unit to supply natural gas to customers across the country.”⁶⁴

However, the company provides little transparency about its lobbying in India. Shell’s Lobbying Report mentions it is involved in promoting “low-carbon energy choices” and “policies to support the development of CCS projects” in India, but provides no further detail.

Shell also does not disclose that it is a member of the **Federation of Indian Petroleum Industry (FIPI)**, a major industry association. Shell is a member of FIPI’s Governing Council,⁶⁵ and a member of committees for gas/LNG, HSE, tax, alternative energy, upstream operations and downstream marketing.⁶⁶ This would suggest Shell is an active, influential member of FIPI.

InfluenceMap rates FIPI’s climate policy engagement a C, or mixed alignment with Paris, noting:⁶⁷

- “FIPI’s engagement with the energy transition appears to be predominantly negative, advocating for the long-term role of fossil fuels.”

ACCR has also identified lobbying activities by both Shell and FIPI in India:

- **Advocating to create a market for LNG as transport fuel:** FIPI actively advocates for “market creation” for LNG as a “long-distance transportation fuel”.⁶⁸ This is in line with Shell’s efforts to promote “development of [a] market for LNG-fuelled vehicles in India”.⁶⁹
- **Seeking tax changes to incentivise gas consumption:** FIPI advocated for including gas in the Goods and Services Tax,⁷⁰ something which Shell says is needed “for the share of natural gas in India’s energy basket to grow”.⁷¹
- **Promoting coal-to-gas switching without sufficient climate context:** FIPI has partnered with influential think tank, The Energy and Resources Institute (TERI), and companies, including Shell, to produce research on how gas can mitigate air pollution.⁷² However, a summary of the project’s objectives does not mention LNG’s climate impacts.⁷³

Shell India’s website also calls gas a “sustainable solution” that “helps lower emissions and improve air quality when it replaces coal”, without citing the far greater emissions reductions available from renewables.⁷⁴

⁶⁴ Shell India, [Who we are](#)

⁶⁵ Federation of Indian Petroleum Industry, [Governing Council Members](#)

⁶⁶ Federation of Indian Petroleum Industry, [Committees: Natural Gas/LNG/CNG](#)

⁶⁷ InfluenceMap, [Federation of Indian Petroleum Industry \(FIPI\)](#)

⁶⁸ Federation of Indian Petroleum Industry, [Recommendations: Natural Gas](#)

⁶⁹ Shell India, [Why choose SEI?](#); See also: Shell India, [Supplying LNG via trucks to customers](#)

⁷⁰ Federation of Indian Petroleum Industry, [Recommendations: GST](#)

⁷¹ Shell India, [Shell to set up LNG stations, bullish on gas market in India](#)

⁷² Federation of Indian Petroleum Industry, [Annual Report 2021-22](#)

⁷³ The Energy and Resources Institute, [Scope and Role of Natural Gas in Mitigating Industrial Air Pollution](#)

⁷⁴ Shell India, [Why choose SEI?](#)

Our research also found that there is limited transparency on Shell and FIPI’s activities in India:

- **Shell produces extensive modelling of India’s energy system but doesn’t explain its use in advocacy:** Shell engaged TERI in 2021 and 2023 to co-author its “scenario sketches” of India’s future energy system.⁷⁵ The 2023 study was co-launched with high ranking government officials,⁷⁶ but beyond mentioning it in its Lobbying Report, Shell does not detail how it uses these sketches in its advocacy. Shell only produces these scenarios for a handful of countries worldwide,⁷⁷ suggesting a strong interest in policy engagement with Indian government and industry.
- **FIPI provides limited transparency on its submissions to government:** FIPI describes itself as “extremely proactive in voicing industry concerns” with government and regulators.⁷⁸ However it does not allow non-members to view these submissions.⁷⁹

Case Study 2: Entrenching long-term LNG demand in Southeast Asia

Shell is a key player in building new LNG markets in both the Philippines and Vietnam.

Vietnam: In 2023, it delivered Vietnam’s first cargo of LNG to state-owned PetroVietnam,⁸⁰ after discussions about supplying LNG to **PetroVietnam** since at least 2018.⁸¹ Shell is also a “foundational member” of EuroCham Vietnam,⁸² the **European Chamber of Commerce in Vietnam**.

Yet Shell has not disclosed how it advocates on energy policy to PetroVietnam, or more broadly to policymakers in Vietnam.⁸³ Both PetroVietnam and EuroCham appear influential in shaping Vietnamese energy policy:

- PetroVietnam has high levels of access, including through exclusive meetings with senior politicians on Vietnam’s long term energy policy, the 8th Power Development Plan (PDP8).⁸⁴ It supports PDP8’s goal of increasing LNG in Vietnam’s energy mix from 0% in 2020 to 14.9% by 2030, and has called for several investment and policy measures that “promote the development” of a domestic LNG market.⁸⁵

⁷⁵ [2021 sketch](#), [2023 sketch](#)

⁷⁶ The Energy and Resources Institute, [Launch of Shell - TERI Report](#)

⁷⁷ Shell, [Scenarios where you live](#)

⁷⁸ Federation of Indian Petroleum Industry, [Annual Report 2021-22](#)

⁷⁹ Federation of Indian Petroleum Industry, [Recommendations](#)

⁸⁰ Shell, [Supporting new market development](#); LNG Prime, [Shell to supply first LNG cargo to PetroVietnam Gas](#)

⁸¹ VietnamEnergy, [Shell wants to become LNG supplier for PetroVietnam](#)

⁸² EuroCham Vietnam, [EuroCham Vietnam Gala Dinner and Business Awards 2023](#)

⁸³ Such engagements may carry heightened corruption risk given several members of PetroVietnam’s leadership have been convicted of corruption in recent years (e.g. see reporting by [Al Jazeera](#), [Reuters](#) and [Hanoi Times](#)) and given Vietnam has elevated levels of corruption risk generally (Vietnam scores only 41/100 on Transparency International’s [2023 Corruption Perceptions Index](#).)

⁸⁴ Vietnam Energy, [The conclusions of the Standing Government on Power Development Planning VIII](#)

⁸⁵ PV Gas, [LNG in PDP 8: from concept to reality](#)

- The chairman of EuroCham Vietnam said in a press release he believes his organisation had a “pivotal role” in shaping PDP8.⁸⁶

Climate Action Tracker has criticised PDP8 for its “scale up of fossil gas power generation, and its prioritisation over renewable energy rollout”, describing Vietnam’s climate policies and actions as “critically insufficient” for Paris alignment.⁸⁷

Philippines: In 2023, Shell delivered its first LNG cargo to the Philippines, where it is also “supporting new market development”.⁸⁸ Shell is also building a 3.8 Mtpa LNG import terminal to supply gas-fired power generation.⁸⁹ The company does not report on how it lobbies in the Philippines, however, ACCR research found:

- Shell Energy’s executive vice president told the GasTech 2023 conference in Singapore that the company sees “great growth potential” for LNG, both in Vietnam and the Philippines,⁹⁰ and that LNG will help meet “growing demand for secure and reliable energy in the future”, enabling a switch from coal to “lower-carbon” gas.⁹¹
- Shell is a member at the **Philippine Institute of Petroleum (PIP)**, while the President and CEO of its Pilipinas Shell subsidiary serves as a secretary on PIP’s board of trustees.⁹² PIP does not provide insight into its ongoing advocacy or have a clear position on climate goals, but evidence exists of its ability to access policymakers.⁹³

Climate Action Tracker sees the level of gas investments in the Philippines as “misplaced, considering the opportunity to focus on rapidly accelerating renewable energy as a cleaner, cheaper alternative that can support energy security.” It also rates the Philippines’ climate policy and action as “insufficient” for Paris alignment.⁹⁴

Case Study 3: Opposing the transition away from fossil fuels

Shell has leadership and governance roles at influential industry associations that advocate for the high, long-term use of fossil fuels in major emerging markets, rather than a transition away from them.

China: Shell operates across the value chain in China, has the “leading network of retail sites among IOCs in China”, and a “deep and growing partnership with Chinese national oil companies outside of China”.⁹⁵ China is also Shell’s largest market for contracted LNG.⁹⁶

⁸⁶ EuroCham Vietnam, [Vietnam achieves major breakthrough in energy sector with approval of Power Development Plan](#)

⁸⁷ Climate Action Tracker, [Viet Nam](#)

⁸⁸ Shell, [Supporting new market development](#)

⁸⁹ Offshore Technology, [Shell to invest \\$66m to build LNG import terminal in the Philippines](#)

⁹⁰ CNBC, [Southeast Asia is set to drive up demand for natural gas — it’s where ‘all the action’ will be](#)

⁹¹ EnergyConnects, [Gas to play a key role in a balanced transition to a net-zero emissions world](#)

⁹² PIP, [About us](#)

⁹³ Manila Bulletin, [Romualdez says gov’t can ‘compromise’ to address fuel price surge; here’s how](#)

⁹⁴ Climate Action Tracker, [Philippines](#)

⁹⁵ Shell China, [What we do](#)

⁹⁶ Based on ACCR’s analysis of Rystad Energy’s GasMarketCube data. See page 12 of this report for full source information.

Shell does not disclose in its Lobbying Report how it lobbies in China, beyond noting that it previously published a ‘scenario sketch’ of China’s net-zero transition. Research shows Shell:

- has high-level access to policymakers, having co-authored a study with the State Council’s Development Research Center on “how natural gas could evolve as a mainstream energy source in China.” Shell says this “was a key input into China’s 13th Five Year Plan”.⁹⁷
- is a member of the **China Petroleum and Chemical Industry Federation (CPCIF)**.⁹⁸ InfluenceMap rates CPCIF a C- and notes it “appears to oppose the transition” of both the energy mix and chemical feedstocks “away from fossil fuels.”⁹⁹
- is a member of the **European Union Chamber of Commerce in China**,¹⁰⁰ whose Energy Working Group promoted coal-to-gas switching for China’s energy mix in its 2023 Energy Position Paper¹⁰¹ without making clear the extent and whether this should apply to power generation, which the IEA reports has been switching directly to renewables.¹⁰²

Mexico: some of the largest volumes of LNG that Shell sells on long-term contract go to Mexico,¹⁰³ where it is also conducting oil & gas exploration which it has described as “enormous” in scale.¹⁰⁴ Shell doesn’t disclose its advocacy in Mexico, but research shows it lobbies:

- as a member of the **Mexican Association of Hydrocarbon Companies (AMEXHI)**¹⁰⁵
 - AMEXHI was founded by the head of Shell Mexico, Alberto de la Fuente, who served as the association’s president from 2016 to 2020,¹⁰⁶ and now serves as the AMEXHI board’s secretary.¹⁰⁷
 - InfluenceMap rates AMEXHI a D, misaligned with the Paris Agreement, noting it is “strategically engaged in opposing the energy transition” and has consistently “advocated directly to Mexican policymakers the need to increase exploration and production of fossil fuels in Mexico”. It also supports “fossil gas in the energy mix on the basis that it is ‘low-carbon’”.¹⁰⁸
- as a member of the **Mexican Natural Gas Association (AMGN)**.¹⁰⁹
 - AMGN’s public material does not appear to convey a position on Paris, and it publicly advocates to increase the amount of gas-powered vehicles in circulation in Mexico, emphasising their benefits for mitigating air pollution without comparing them to electric vehicles.¹¹⁰

⁹⁷ Shell, [Scenarios where you live](#)

⁹⁸ CNOOC Shell, [Sustainable development and responsibility](#)

⁹⁹ InfluenceMap, [CPCIF](#)

¹⁰⁰ European Chamber of Commerce in China, [Directory](#)

¹⁰¹ European Chamber of Commerce in China, [Energy working group position paper 2023/2024](#)

¹⁰² IEA, [2023 World Energy Outlook](#), p.239. See also: ACCR, [Investor Bulletin: IEA’s 2023 World Energy Outlook](#)

¹⁰³ Based on ACCR’s analysis of Rystad Energy’s GasMarketCube data. See page 12 of this report for full source information.

¹⁰⁴ The Energy Year, [Shell in Mexico: bringing change to the energy scene](#)

¹⁰⁵ AMEXHI, [About us](#)

¹⁰⁶ CEEG, [Executive committee](#)

¹⁰⁷ AMEXHI, [August 2023 press release on board appointments](#)

¹⁰⁸ InfluenceMap, [Asociación Mexicana de Empresas de Hidrocarburos \(AMEXHI\)](#)

¹⁰⁹ AMGN, [Partners directory](#)

¹¹⁰ AMGN president in: The Energy Year, [Mexico’s energy transition: fuelled by natural gas](#); AGMN, [Uses of natural gas](#)

Climate Action Tracker rates Mexico’s action and policies as “highly insufficient”, partly because of its excessive investment in gas-based transport infrastructure at the expense of renewables.¹¹¹

South Africa: Shell has significant downstream refining and sales in South Africa. It is also appealing a court ruling that stopped it and its joint venture partner exploring two offshore blocks due to the impact of seismic surveys on marine life.¹¹²

Shell’s Lobbying Report provides little detail on South Africa, saying only that it:

engaged with the government, industry partners, and think tanks to collectively find ways to promote low-carbon energy choices, including through our contribution to the National Business Initiative’s Climate Pathways and a Just Transition for South Africa project.¹¹³

Our research found it is involved in at least four other associations – in addition to the National Business Initiative – that are engaged in climate and energy policy:

- vice chair of the **South African Petroleum Industry Association (SAPIA)** board. InfluenceMap rates SAPIA C-, mixed alignment with the Paris Agreement, noting it “appears to have engaged negatively on specific climate-related regulations in South Africa, and appears to support a sustained role for fossil fuels in the energy mix.”¹¹⁴
- member of **Business Unity South Africa (BUSA)**. InfluenceMap rates BUSA a C+, mixed alignment with Paris, noting that despite some positive advocacy, it “continues to support a sustained role for fossil gas and coal in the energy mix contrary to IPCC guidance.”¹¹⁵
- member of the **Offshore Petroleum Association of South Africa (OPASA)**.¹¹⁶ OPASA is yet to be assessed by InfluenceMap, but our research found it regularly makes submissions to oppose regulations that would increase royalties, extend permitting requirements and limit marine exploration areas. It generally does this on grounds that it would discourage increased fossil fuel exploration and investment, but without qualifying the climate impacts of this.¹¹⁷
- member of the **Energy Council of South Africa**.¹¹⁸ The Energy Council has not been assessed by InfluenceMap but appears influential – it coordinates the business community’s engagement with the government’s National Energy Crisis Committee (NECOM), tasked with implementing South Africa’s Presidential Energy Action Plan”.¹¹⁹ It says it supports the Paris goals but has advocated for delaying introduction of a carbon tax in South Africa – a move that Treasury described as lacking in leadership and vision.¹²⁰

¹¹¹ Climate Action Tracker, [Mexico](#)

¹¹² Shell South Africa, [What we do](#); Reuters, [Shell’s court battle over S.Africa energy exploration delayed -lawyer](#) (the result of the appeal appeared to be pending at the time of writing). We note the [African Energy Chamber](#) celebrated an earlier 2021 ruling that had allowed the testing. See p.27 of this report for more detail on the AEC.

¹¹³ Shell, [Climate and Energy Transition Lobbying Report](#), p.11

¹¹⁴ South African Petroleum Industry Association, [Governance](#); InfluenceMap, [SAPIA](#)

¹¹⁵ Business Unity South Africa, [BUSA Members](#); InfluenceMap, [BUSA](#)

¹¹⁶ Offshore Petroleum Association of South Africa, [Home page](#)

¹¹⁷ Offshore Petroleum Association of South Africa, [Resources](#) (e.g. [1](#), [2](#), [3](#))

¹¹⁸ Energy Council of South Africa, [Members](#)

¹¹⁹ Energy Council of South Africa, [NECOM Interface](#)

¹²⁰ ECSA, [About](#); EnergyVoice, [SA energy group](#); BusinessLive, [Treasury says business’s carbon tax call shows a lack of vision](#)

Supply-side lobbying in emerging markets

Our research also found multiple cases of undisclosed, supply-side lobbying by Shell and its industry associations in emerging markets. It is critical investors gain insight into Shell’s supply-side lobbying activities in emerging markets because this is where the majority of Shell’s future fossil fuel production is expected.

Lobbying for more supply supports production ambitions in emerging markets

ACCR analysis shows:

- about 59% of expected fossil fuel production by Shell from 2024 to 2050 will come from projects in emerging markets¹²¹
- at a minimum, Shell has industry association memberships in emerging markets that account for 42% of expected production, and has leadership and governance roles at associations in emerging markets accounting for 28% of expected production.

Chart 6: Nearly 60% of expected fossil fuel production by Shell to 2050 is in emerging markets

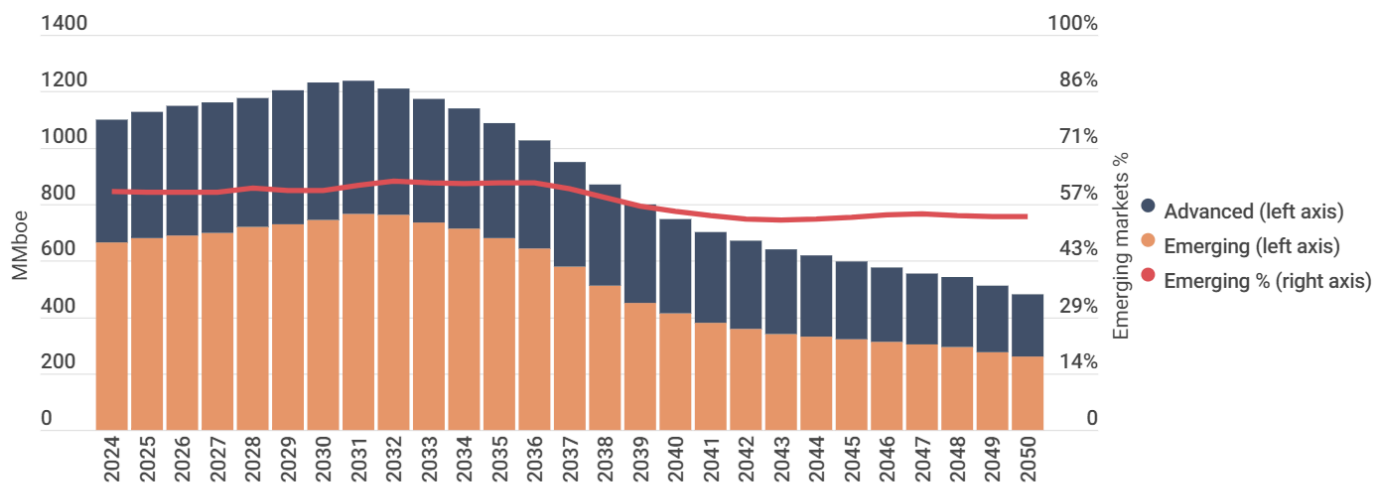


Chart: ACCR | Source: ACCR analysis of data from Rystad Energy UCube

Corruption risk is also significantly higher on average in emerging markets where Shell production is expected. Advanced economies where Shell production is expected score an average of 71/100 on Transparency International’s Corruption Perceptions Index,¹²² whereas emerging markets score much lower on average, at 39/100.

This is an important consideration in climate and energy policy engagements. Recent research by the World Bank and the UN Office on Drugs and Crime found:

¹²¹ ACCR sourced fossil fuel production data from Rystad Energy’s UCube (February 2024 version). ‘Expected’ production represents forecast cumulative upstream net working interest production from 2024 to 2050 in million barrels of oil equivalent. Uncommercial volumes have been excluded. Rystad Energy is not responsible for any conclusions drawn from the data, and ACCR retains responsibility for any subsequent assumptions or errors.

¹²² Transparency International, [2023 Corruption Perceptions Index](#). For Brunei, we used the latest available score - from 2020.

- corruption can weaken the effectiveness of policy responses to climate change, and “may exacerbate the existing inequities in the impact of climate change between high and low-income countries.”¹²⁵
- growing energy demand in emerging markets is one of the “drivers of corruption risks in the response to climate change”, which may result in “higher costs and reduced climate benefits”, because:
 - “Energy companies may try to compromise energy decisions or laws through undue influence on decision-makers,” and
 - “Government officials may award energy contracts to themselves or to companies they control”.

Chart 7: Corruption risk is higher on average in emerging markets where Shell production is expected



Chart: ACCR | Source: Rystad Energy (UCube, expected production), Transparency International (2023 Corruption Perceptions Index)

Supply-side lobbying - Case Studies

Our research found multiple cases where Shell and its industry associations advocated for expansion of fossil fuel production and exploration in emerging markets around the globe. This lobbying:

- focused on fossil fuel production as a source of economic growth while overstating the climate benefits of gas, and
- did not appear to take into account the impacts of long-term fossil fuel production on the climate.

¹²⁵ UN Office on Drugs and Crime & the World Bank Group, [Addressing the Links between Corruption and the Response to Climate Change](#), launched in December 2023 at the 10th Conference of the States Parties to the UN Convention against Corruption.

Case study 1: Expanding fossil fuel production across emerging markets

ACCR found several undisclosed instances where Shell lobbied to expand pre-existing fossil fuel production in emerging markets across Asia, Africa, South America and the Caribbean.

Malaysia: Shell produces large amounts of fossil fuels in Malaysia – it makes up more than 2.5% of all expected fossil fuel production by Shell through to 2050.¹²⁴ It produces an even higher proportion of gas in Malaysia – 8.7% of total gas production compared with 3.3% of all fossil fuel production in 2022.¹²⁵ This gas is exported across Asia and Shell “has its eye on a raft of potential new exploration targets offshore Malaysia”,¹²⁶ while downstream, it has the largest share of Malaysia’s retail fuel market and is a major supplier to industry.¹²⁷

Despite this, Shell does not disclose its advocacy in Malaysia, which appears to target gas:

- Shell is a founding council member of the **Malaysian Gas Association (MGA)**, and is a member of advocacy, regulatory & government affairs, and communications committees.¹²⁸ InfluenceMap rates MGA a D, misaligned with Paris, noting it “appears to focus its advocacy on supporting a long-term role for fossil gas in the energy mix.”¹²⁹

ACCR found MGA overstates the climate credentials of fossil fuels and its role in the energy transition, including by failing to compare it to renewables, saying that:

- “Gas is a critical fuel not only as the most reliable option but also the cleanest source of energy for a pragmatic energy transition towards a low carbon economy”, and that “the future of clean energy transition in Malaysia should pivot around natural gas, supported by other gases.”¹³⁰
- “Natural gas is the cleanest-burning hydrocarbon, thus is good for the environment.”¹³¹
- Shell Malaysia also notes “natural gas is the cleanest-burning hydrocarbon” and that “there would be **enough recoverable gas resources to last around 230 years**” at today’s consumption levels – without saying whether this would be Paris aligned.¹³²

Kazakhstan: Over 4.5% of expected fossil fuels production by Shell to 2050 is in Kazakhstan.¹³³ ACCR found Shell lobbies for more gas extraction and use in the country, and has significant political access:

- as a council member of oil & gas association **KazEnergy**,¹³⁴ whose current chairman is the

¹²⁴ Based on ACCR’s analysis of Rystad Energy’s UCube data. See page 22 of this report for full source information.

¹²⁵ The Edge Malaysia, [Shell ‘absolutely prepared’ to explore deeper Malaysian waters](#)

¹²⁶ Upstream Online, [Shell eyeing oil and gas exploration fest offshore Malaysia](#)

¹²⁷ Shell Malaysia, [Downstream](#)

¹²⁸ Malaysian Gas Association, [Introduction](#) and [Council](#); Committees for [advocacy](#), [regulatory](#) affairs, and [communications](#).

¹²⁹ InfluenceMap, [Malaysian Gas Association](#)

¹³⁰ Malaysian Gas Association, [MGA President Spoke on the Important Role of Natural Gas In Clean Energy Transition](#)

¹³¹ Malaysian Gas Association, [Gas Knowledge | What is Natural Gas?](#)

¹³² Shell Malaysia, [Natural Gas](#)

¹³³ Based on ACCR’s analysis of Rystad Energy’s UCube data. See page 22 of this report for full source information.

¹³⁴ KazEnergy, [Association Council](#)

former Minister of Energy.¹³⁵ InfluenceMap rates it a D, misaligned with Paris, and notes its “communications do not appear to support drastic action in line with the IPCC”.¹³⁶

KazEnergy provides little insight into its lobbying, however its 2023 National Energy Report argues for:

- “economic incentives for expansion of gas processing as well as upstream E&P to stimulate growth in commercial gas volumes” and
- an “expanded” role for gas, as “one of the cheapest and most effective fuels for decarbonization over the next 1-2 decades.”¹³⁷

Carbon Tracker Initiative says gas must “play a limited role overall in Kazakhstan’s energy transition”, with coal-to-renewables switching with storage often making more financial and climate-sense than switching to gas for many retiring power plants.¹³⁸

- In 2018, Shell purportedly declined to invest in the national oil & gas company, KMG, due to corruption risk relating to alleged indirect control of the company by KazEnergy’s then-chairman, Timur Kulibayev.¹³⁹ Shell remained a member of KazEnergy. KazEnergy’s chairman since December 2023, Magzum Mirzagaliyev, is also the chairman of KMG.¹⁴⁰

Nigeria and Tanzania: Over 7% of expected fossil fuel production by Shell comes from Nigeria and Tanzania.¹⁴¹ It does not disclose its lobbying for increased production in either country.

In Nigeria:

- Shell is an executive council member of the **Nigerian Gas Association (NGA)**.¹⁴² InfluenceMap rates it E+, highly misaligned with the Paris Agreement, saying it “appears to advocate [for] a long-term role for fossil gas in the energy mix.”¹⁴³

ACCR notes that NGA’s vision is “effectively advancing the role of Nigerian Natural Gas as the preferred energy source”.¹⁴⁴ It claims to have successfully lobbied to increase exploration, consumption, and export of gas,¹⁴⁵ and Nigeria’s proven reserves of 200 trillion cubic feet provide “huge potential for growth” and could be tripled if properly explored.¹⁴⁶ It does not state if this would be Paris aligned.

- The head of Shell Nigeria Gas and former NGA president, Ed Ubong, was nominated by

¹³⁵ KazEnergy, [Press release](#); KMG, [Board of directors - Mirzagaliyev Magzum](#)

¹³⁶ InfluenceMap, [KazEnergy](#)

¹³⁷ KazEnergy, [National Energy Report 2023](#)

¹³⁸ Carbon Tracker Initiative, [Kazakhstan’s Energy Transition](#), pp.21 and 26

¹³⁹ At the time, Shell declined to comment on [Bloomberg’s reporting](#) and Kulibayev did not respond to a request for comment. The chairman is a billionaire son-in-law of the former President of Kazakhstan and former Gazprom director. He continued to face corruption allegations after 2018, which he denied. See for instance: [FT](#) reporting in 2020, [OCCRP](#) coverage of Swiss investigations for money laundering (dropped after Kazakh authorities claimed insufficient evidence), and 2022 call by a UK politician to have him sanctioned ([UK Hansard](#)).

¹⁴⁰ KazEnergy, [Press release](#); KMG, [Board of directors - Mirzagaliyev Magzum](#)

¹⁴¹ Based on ACCR’s analysis of Rystad Energy’s UCube data. See page 22 of this report for full source information.

¹⁴² Nigerian Gas Association, [Executive Council Members](#). Shell is also a member of the [Oil Producers Trade Section](#) of the Lagos Chamber of Commerce and Industry, and is president-elect of the [Nigerian Association of Petroleum Explorationists](#).

¹⁴³ InfluenceMap, [Nigerian Gas Association](#)

¹⁴⁴ Nigerian Gas Association, [About the Nigerian Gas Association](#)

¹⁴⁵ Nigerian Gas Association, [NGA Achievements](#)

¹⁴⁶ Nigerian Gas Association, [Home page](#)

Nigeria to join its COP28 delegation, giving him access to negotiations. UNFCCC disclosures note this was a "Paid relationship/contract". They also list "decade of gas" as his "department".¹⁴⁷ The Decade of Gas, which refers to the 2020s, is a Nigerian government policy platform that champions the economic role of gas.¹⁴⁸ This suggests Shell has significant access to Nigerian policymakers.

In Tanzania:

- Shell holds a board role at the **Oil & Gas Association of Tanzania (OGAT)**.¹⁴⁹ OGAT's website provides no transparency around its specific advocacy efforts. It states "the growing oil and gas industry in Tanzania will have enormous economic contributions that benefit all Tanzanians",¹⁵⁰ but does not contextualise this with climate change.
- Shell Tanzania's website also promotes gas as an economic growth driver and source of government revenues, but does not appear to give qualifications for climate impact. It says it is "currently working with the Government of Tanzania on cost-competitive development options for the Tanzania Gas and LNG project" to tap up to 16 trillion cubic feet of gas for export and local use, but does not detail these engagements.¹⁵¹
- InfluenceMap analysis shows Shell is advocating to lock-in gas across the value chain:
 - upstream, for gas production and LNG infrastructure in Tanzania, and
 - mid & downstream in Europe, for more LNG imports and against policies reducing gas demand.¹⁵²

Brazil: Brazil accounts for around 11% of expected fossil fuel production by Shell up to 2050.¹⁵³ Shell's Lobbying Report states it "contributed to discussions on carbon pricing", co-sponsored carbon pricing studies and supported "the creation of a regulatory framework for offshore wind" in Brazil, both directly and through industry coalitions, with no further detail provided.¹⁵⁴ However, research shows that:

- Shell is a member of the board and several committees at the **Brazilian Petroleum and Gas Institute (IBP)**.¹⁵⁵ InfluenceMap rates IBP's engagement a D, misaligned with Paris, and notes that it "appears to support the long-term role of fossil fuels in the energy mix."¹⁵⁶
- Shell's upstream director told media in mid-2023 that "Brazil remains attractive from an upstream point of view", and that it sees "opportunities to leverage" its upstream business "into places like gas, power and biofuels."¹⁵⁷

¹⁴⁷ UNFCCC, [COP28 Provisional list of registered participants: on-site participants \(Excel file\)](#)

¹⁴⁸ Nigeria Energy Summit, [The Decade of Gas](#)

¹⁴⁹ OGAT, [Committee](#)

¹⁵⁰ OGAT, [Economic Benefits of the Oil & Gas Industry](#)

¹⁵¹ Shell Tanzania, [What we do](#)

¹⁵² InfluenceMap, [The Oil and Gas Industry's Policy Advocacy in Africa and Europe](#), pp. 4-5

¹⁵³ Based on ACCR's analysis of Rystad Energy's UCube data. See page 22 of this report for full source information.

¹⁵⁴ Shell, [Climate and Energy Transition Lobbying Report](#), p.12 and 17

¹⁵⁵ Instituto Brasileiro de Petróleo e Gás, [Board & Executive Committees](#)

¹⁵⁶ InfluenceMap, [Instituto Brasileiro de Petróleo e Gás \(IBP\)](#)

¹⁵⁷ Upstream Online, [Shell upstream director Zoe Yujnovich: 'We have been in Brazil for 110 years...'](#)

- Shell Brazil calls itself “a pioneer in natural gas deregulation”,¹⁵⁸ but ACCR’s research did not find disclosure of these efforts in Shell’s lobbying disclosures.

Trinidad & Tobago: More than 2.2% of fossil fuel production by Shell through to 2050 is expected to come from Trinidad & Tobago.¹⁵⁹ Shell doesn’t mention the country in its disclosures, however:

- It is a board member at the **Energy Chamber of Trinidad & Tobago**.¹⁶⁰ InfluenceMap rates the Energy Chamber an E+, highly misaligned with Paris, and observes that it “has limited transparent engagement on climate policy.”¹⁶¹

ACCR found the Energy Chamber consistently emphasises the need to reverse declining fossil fuel investments for economic growth, often without accounting for their impact on climate goals.¹⁶² It advocated for expanding exploration to Venezuelan waters, and then celebrated when Shell and Trinidad & Tobago’s National Gas Company was awarded a 30-year licence for gas exploration in Venezuelan waters.¹⁶³

Case study 2: Advocating for new exploration as a development driver in Namibia and Colombia

Shell advocates for large scale oil & gas exploration in Namibia and Colombia, where it does not currently produce. It highlights economic benefits without regard to climate impacts.

Namibia: Shell is conducting extensive exploration for oil & gas in the Orange Basin off Namibia, together with the state-owned NAMCOR and QatarEnergy, and has made four discoveries with large potential reserves.¹⁶⁴ Industry observers have raised concerns these finds could exacerbate corruption.¹⁶⁵ Shell Namibia’s country head emphasised at Africa Oil Week “the importance of industry and Government working together to realise the potential of the Orange Basin.”¹⁶⁶ The company does not disclose how it is engaging with the government. Our research found:

- Shell is a member of the **Namibia Petroleum Operators Association (NAMPOA)**.¹⁶⁷ It was “established for the purpose of being a forum for practical co-operation, active lobbying [sic] and liaising with the Namibian Government”,¹⁶⁸ but provides no transparency around its activities and does not have a public position on Paris. One NAMPOA board member works at NAMCOR and another was personal assistant to NAMCOR’s managing director until October 2023.¹⁶⁹
- The **African Energy Chamber (AEC)** appears supportive of Shell in Namibia, though it is unclear whether Shell is a member. AEC claims to represent “over 70%” of the oil & gas

¹⁵⁸ Shell Brazil, [Natural Gas](#)

¹⁵⁹ Based on ACCR’s analysis of Rystad Energy’s UCube data. See page 22 of this report for full source information.

¹⁶⁰ Energy Chamber of T&T, [Who we are](#)

¹⁶¹ InfluenceMap, [Energy Chamber of Trinidad & Tobago](#)

¹⁶² E.g. in its [recommendations for the national budget](#), [annual reporting](#), and in op-eds by the CEO (e.g. [here](#))

¹⁶³ Energy Chamber of T&T, [Press release](#); Reuters, [Shell, Trinidad’s NGC get 30-year license to produce gas in Venezuela](#)

¹⁶⁴ Energy, Capital & Power, [Shell Announces 4th Oil Discovery Offshore Namibia](#); Upstream Online, [11 billion barrels of oil](#)

¹⁶⁵ Bloomberg, [Africa’s Newest Oil Jackpot Comes With a Corruption Curse](#)

¹⁶⁶ Shell Namibia, [Shell Country Chair joins Namibia panel at Africa Oil Week](#)

¹⁶⁷ Namibia Petroleum Operators Association, [Membership](#)

¹⁶⁸ Namibia Petroleum Operators Association, [Home page](#)

¹⁶⁹ Namibia Petroleum Operators Association, [Board](#); LinkedIn profile, [Rachel Msiska](#)

industry in Africa, but does not disclose its members.¹⁷⁰

- AEC, headquartered in South Africa, established a Namibia office following discoveries by Shell and Total,¹⁷¹ and has celebrated at least one of Shell’s Namibian finds.¹⁷²
- Shell was a co-sponsor of the 2023 Namibia International Energy Conference, for which the AEC was the sole ‘strategic partner’.¹⁷³
- The NGO Climate Action Against Disinformation has reported on AEC’s misinformation and negative climate campaigning,¹⁷⁴ and the UN cancelled a partnership with the AEC after learning that its head was previously convicted of fraud for impersonating a US congressman.¹⁷⁵

Colombia: Shell is actively exploring in waters off Colombia, and has partnered on three gas blocks with national oil company Ecopetrol since 2020.¹⁷⁶ Shell does not report on its lobbying in Colombia. However, research shows it is a board member at the highly oppositional **Colombian Oil and Gas Association (ACP)**.¹⁷⁷ InfluenceMap rates ACP an E+, highly misaligned with the Paris Agreement.¹⁷⁸ ACCR’s research found:

- ACP’s advocacy repeatedly highlights the energy security and development benefits of fossil fuels, often without clearly qualifying the extent of climate-safe use under the Paris goals.¹⁷⁹ An article by ACP in its in-house magazine called Shell’s offshore gas discoveries:
 - part of Colombia’s “golden opportunity” to “guarantee prosperity and development”, and quotes Shell Colombia’s president as saying it will be “essential to work together on the development of regulatory mechanisms that allow this gas to be competitive.”
 - The article does not make clear if the volume of this gas is consistent with Paris.¹⁸⁰
- In 2022, ACP co-hosted a conference where Michael Shellenberger described climate change concerns as alarmist¹⁸¹ – views which have been described as “bad science” and “fatally flawed”.¹⁸² ACP’s website hosts a separate presentation by Shellenberger that also casts climate advocacy as alarmist and makes unscientific claims about climate change.¹⁸³

Climate Action Tracker rates Colombia’s current climate action and policy, including its support for increased gas use, as “insufficient” for Paris alignment.¹⁸⁴

¹⁷⁰ African Energy Chamber, [Membership](#)

¹⁷¹ African Energy Chamber, [AEC to Establish Office in Namibia to Promote Local Content, Capacity Building](#)

¹⁷² African Energy Chamber, [Shell’s Sizeable Oil Discovery in Namibia](#)

¹⁷³ Namibian International Energy Conference 2023, [Conference Sponsors](#) and [Conference Partners](#)

¹⁷⁴ Climate Action Against Disinformation, [ISSUE 6 | 8 DEC 23](#)

¹⁷⁵ Climate Home News, [UN cancels African energy finance initiative over fraudster’s role](#);

¹⁷⁶ Shell Colombia, [Who we are](#); Oil and Gas Journal, [Shell verifies gas in deepwater Colombian Caribbean](#); S&P Global Market Intelligence, [Shell inks deal with Ecopetrol to buy 50% stake in 3 offshore blocks in Colombia](#)

¹⁷⁷ ACP, [Affiliates and board of directors](#)

¹⁷⁸ InfluenceMap, [Asociacion Colombiana del Petroleo y Gas \(ACP\)](#)

¹⁷⁹ ACP, [Opinion archives](#)

¹⁸⁰ ACP, [Offshore gas, a golden opportunity for Colombia](#)

¹⁸¹ ACP, [Oil, Gas and Energy Summit](#); ACP YouTube, [Sesión 8 - Conversatorio Michael Shellenberger con Camila Zuluaga](#)

¹⁸² Yale Climate Connections, [Bad science and bad arguments abound in ‘Apocalypse Never’ by Michael Shellenberger](#)

¹⁸³ ACP, [Presentation: The Power of Abundance Shellenberger](#)

¹⁸⁴ Climate Action Tracker, [Colombia](#)

Case Study 3: Limited transparency around lobbying in the Middle East

Shell's lack of reporting on its lobbying in the Middle East is a notable omission, with the region playing a significant role in oil & gas markets and Shell's production. More than 22%¹⁸⁵ of Shell's fossil fuel production through to 2050 is expected to come from five Middle Eastern countries:

- Qatar - a country of particular importance to Shell as a major production centre and a partner on global projects in Egypt, Namibia, Brazil, Argentina and Mexico.
- Oman
- Iraq
- UAE
- Egypt

There is little transparency around lobbying in these countries, but ACCR has found indications that Shell is politically engaged in the region:

- Ahead of COP28, Shell produced a “scenario sketch” of the “future of the UAE’s energy transformation” in “**close collaboration with the UAE’s Ministry of Energy and Infrastructure**”. It was hoped the sketch would “create a meaningful platform for all stakeholders to engage with, exchange views on and shape the policies and framework for the UAE’s energy future, both in the lead up to and after COP28.”¹⁸⁶
- Shell has invested USD 100 million into the Qatar Shell Research Technology Centre, which continues to run, and which “**enables Shell** to remain steadfast in its support of the Qatar National Vision 2030” and support “Qatar’s role as the world’s largest Liquefied Natural Gas exporter”.¹⁸⁷
- Shell is a member of the **Oman Energy Association (OPAL)**,¹⁸⁸ which claims to focus on quality, health, safety, environment (QHSE) and training. However, one of its key objectives is broader: “to reinforce OPAL’s role as a champion of its members’ growth aspirations and thereby establish the Society as the industry’s preeminent voice.”¹⁸⁹

In pursuing these objectives, OPAL:

- does not appear to account for the Paris goals
- has significant access to policy makers: its CEO describes himself as the secretary of an oil & gas “in-country value steering committee” at the Ministry of Energy and Minerals.¹⁹⁰

¹⁸⁵ Based on ACCR’s analysis of Rystad Energy’s UCube data. See page 22 of this report for full source information

¹⁸⁶ Shell UAE, [UAE Scenarios Sketch: Entering a world of competitive transitions](#) (see also: PDF [here](#))

¹⁸⁷ Shell Qatar, [Qatar Shell Research and Technology Centre](#)

¹⁸⁸ Oman Energy Association, [2022 Annual Report](#), p.19

¹⁸⁹ Oman Energy Association, [2022 Annual Report](#)

¹⁹⁰ LinkedIn Profile, [Abdul Rahman Al Yahyaiei](#)

Enhanced reporting is needed to meet climate ambitions

Lobbying is key to Shell delivering its decarbonisation strategy

Shell has committed to becoming “a net-zero emissions energy business by 2050” and expresses public support for the 1.5C goal of the Paris Agreement.¹⁹¹ It also requires its climate lobbying – including that of industry associations it is a member of – to “support policies that help to achieve the goal of the Paris Agreement and net-zero emissions by 2050.”¹⁹²

Shell sees its lobbying as “a key part” of its “Powering Progress” strategy and its net-zero 2050 target. As Shell’s CEO stated in his foreword to the company’s most recent Lobbying Report:¹⁹³

With the right policy and regulatory conditions, we can profitably increase our investments in the energy transition including in wind and solar power, decarbonised hydrogen, charging for electric vehicles and carbon capture and storage.

Following COP28, Shell also highlighted the important role of policy engagement in enabling the energy transition more broadly:¹⁹⁴

By working together, with governments developing effective policies, we can help shift consumer demand to lower carbon products and develop the infrastructure and technology needed to facilitate the energy transition.

Indeed, government policy and regulation have played a significant role in Shell’s capital allocation. Policymakers in advanced economies have rightly taken the lead in incentivising the deployment of low carbon technologies, for example through the USA’s Inflation Reduction Act (IRA), the EU’s Emissions Trading Scheme (ETS), and the European Green Deal.

Shell’s capital allocation reflects this: a majority of Shell’s “renewables and energy solutions” are located in advanced economies.¹⁹⁵ On the other hand, as shown above, Shell’s ambitions for fossil fuel production and sales are weighted towards emerging markets.

It is essential that Shell:

- actively encourages policies, in **all markets**, that help it achieve its decarbonisation strategy and the Paris goals, and
- does not participate in obstructive lobbying, whether directly or through industry associations.

¹⁹¹ Shell, [Our Climate Target](#). This net-zero 2050 target is for all Scope 1-2 emissions and Scope 3 emissions for energy products. Please refer to ACCR’s [Investor Bulletin, ‘Shell losing ground on climate’](#) for more detailed analysis of risks to the company’s delivery of its decarbonisation strategy.

¹⁹² Shell, [Climate and Energy Transition Lobbying Report](#), p.8

¹⁹³ Shell, [Message from the Chief Executive Officer - Climate and Energy Transition Lobbying Report](#)

¹⁹⁴ Dow Jones Newswires, COP28 Outcome In Line With Paris Climate Agreement, Shell Says -- Market Talk, 13 December 2023

¹⁹⁵ Shell, [Renewables & energy solutions](#) (includes renewables, hydrogen, biofuels, CCS, nature based solutions, and power & gas trading and supply)

Ensuring this happens in all markets where Shell is active, including emerging ones, is also important for ensuring a just and timely transition. In a 2023 joint report, the International Energy Agency (IEA) and the International Finance Corporation (IFC) highlighted “the need for policy reforms in emerging and developing economies”:

Annual clean energy investments in emerging and developing economies will need to more than triple from USD 770 billion in 2022 to as much as USD 2.8 trillion by the early 2030s to meet rising energy needs and align with the climate goals set out in the Paris Agreement.¹⁹⁶

Committed to lobbying transparency, but performance on benchmarks is lacklustre

Since Shell started reporting on its lobbying in 2019, it has consistently stated its ambition to be “at the forefront of the drive for greater transparency around political engagement.”¹⁹⁷ As CEO Wael Sawan noted in Shell’s Climate and Energy Transition Lobbying Report:

The importance of lobbying transparency was highlighted to me when I attended the UN Conference of Parties (COP27) in Egypt as an observer last November. Companies and others must be open about which government policies they are supporting.¹⁹⁸

Shell’s board oversees the implementation and delivery of the company’s energy transition strategy, which houses climate and energy policy lobbying.

ACCR believes this makes lobbying the responsibility of the board, though it is currently unclear how extensive or direct its oversight is. It is not the board but “a senior executive decision-making body” that “has oversight of Shell’s public policy and advocacy priorities and positions”. This “senior executive decision-making body” is overseen by the Executive Committee, which provides updates to the board’s Safety, Environment and Sustainability Committee.¹⁹⁹

Shell has made modest improvements to its lobbying transparency over time, such as by:

- increasing from 19 to 39 assessed industry associations between 2019 and 2023
- initiating reporting on direct lobbying in 2023
- providing a non-exhaustive list of associations it is a member of (mostly not assessed), and
- publishing advocacy updates outside of reporting season on select, advanced economies.

The company also states in its most recent Lobbying Report that its stakeholders continue to ask for more transparency:

We recognise there is increasing demand from international organisations, governments, investors, non-governmental organisations (NGOs) and others for companies and industry associations to be more transparent about their lobbying, especially in relation to climate and the energy transition.²⁰⁰

¹⁹⁶ IEA and IFC, [Scaling Up Private Finance for Clean Energy in Emerging and Developing Economies](#) (See also: PDF [here](#))

¹⁹⁷ Shell, [Corporate Political Engagement Transparency Statement And Lobbying Spend](#)

¹⁹⁸ Shell, [Climate and Energy Transition Lobbying Report](#), p.2

¹⁹⁹ Shell, [Climate and Energy Transition Lobbying Report](#), p.7

²⁰⁰ Shell, [Climate and Energy Transition Lobbying Report](#), p.6

It highlights the Climate Action 100+ Net Zero Company Benchmark (CA100+) as an initiative that aims to encourage greater transparency around lobbying.²⁰¹

However, Shell does not perform especially well on lobbying components of this benchmark. On ‘Real-World Climate Policy Engagement’, Shell only scores C: partially aligned with the Paris Agreement.²⁰²

This assessment is conducted by InfluenceMap, which has also noted that Shell:

- has pursued a “‘dual’ advocacy strategy” on the climate and energy transition, which has seen it somewhat increase its positive engagement while still pursuing negative advocacy, including through “highly oppositional industry associations”²⁰³
- was at “moderate risk” of greenwashing because its climate policy engagement did not consistently match its net-zero commitments.²⁰⁴

InfluenceMap also assesses Shell to have the equal highest “engagement intensity” on climate and energy policy of the 500 companies it assesses, making lobbying a highly material topic for the company.²⁰⁵

The performance of Shell’s industry associations (56%) is less aligned with the Paris goals than its own, direct lobbying (65%), suggesting its industry associations are a negative drag on Shell’s ability to properly align its lobbying with the Paris goals.²⁰⁶

Efforts to review and correct misalignment can also be improved substantially. Shell scored only 36% on CA100+ Review indicator, meaning it currently does not exhibit “robust, high-quality review processes” for identifying Paris-misalignment of its lobbying.²⁰⁷ In particular, InfluenceMap found the company does better in establishing monitoring and review processes than it does in identifying, assessing and addressing misaligned lobbying (both direct and indirect).²⁰⁸

²⁰¹ Shell, [Climate and Energy Transition Lobbying Report](#), p.6

²⁰² Live score: InfluenceMap, [Shell](#); 2023 assessment: CA100+ Net Zero Company Benchmark, [Shell plc \(alignment, panel 3\)](#)

²⁰³ InfluenceMap, [BP and Shell's Climate Policy Engagement: A Real-World Metric of the Companies' Climate Strategies](#)

²⁰⁴ InfluenceMap, [“Net Zero Greenwash”: The Gap Between Corporate Commitments and their Policy Engagement](#)

²⁰⁵ InfluenceMap, [LobbyMap scores](#)

²⁰⁶ Live score: InfluenceMap, [Shell](#); 2023 assessment: CA100+ Net Zero Company Benchmark, [Shell plc \(alignment, panel 3\)](#)

²⁰⁷ CA100+ Net Zero Company Benchmark, [Shell plc \(alignment, panel 3\)](#)

²⁰⁸ InfluenceMap, [Shell – Corporate Climate Policy Engagement Review: Scorecard](#)

Key recommendations

Shell's current lobbying disclosures and assessments are not global, focusing disproportionately on select advanced economies. Without greater transparency of all lobbying activities globally, it will remain difficult for investors to assess how well-aligned Shell's lobbying is with its decarbonisation strategy and its support for the Paris goals.

Shell can take the following steps to build global insight into its lobbying activities.

1. Disclose a comprehensive list of all third party advocacy organisations globally.

This list should include information on: where the organisation is based and operates; any payments made to the organisation (in exact terms, rather than wide ranges); leadership and governance roles; and whether the organisation engages with climate or energy policy.

2. List total lobbying spend and lobbyist headcount in each jurisdiction where it lobbies.

To provide insight into its direct lobbying footprint globally, Shell should go beyond its disclosure of lobbying spend in the EU and the US.

3. Ensure alignment reviews are proportionate to activities and include all material climate and energy policy lobbying globally.

Shell says it selects industry associations for review because: it considers them “to be influential in climate and energy transition-related public policy”; “they operate in regions or countries where [Shell has] significant business activities”; their climate and energy lobbying has attracted the attention of Shell, investors or nongovernmental organisations; or “Shell could be considered influential in these associations.”²⁰⁹

But this approach has not produced a global review of lobbying proportionate to Shell's activities. To do so, Shell will need to ‘unpack’ these existing materiality requirements. This review should:

- include lobbying in markets with significant sales and production (current & projected)
- prioritise markets whose size or policy settings are more material to Shell's decarbonisation
- explicitly cross-reference assessments by external stakeholders, such as InfluenceMap, to ensure potentially misaligned associations are not omitted from review
- explain what activities are excluded from the review and why they are not material.

These actions should be feasible for Shell, and are aligned with its ambition for greater transparency, given it already requires “staff to record memberships of industry associations and similar groups” in its Code of Conduct Register.²¹⁰

Ensuring this information is collected is part of good corporate governance and oversight, while providing it to stakeholders is an important means of enabling a high level of accountability.

²⁰⁹ Shell, [Climate and Energy Transition Lobbying Report](#), p.28

²¹⁰ Shell, [Industry associations and similar organisations we are members of](#) (methodology tab)

Other companies have shown these actions are feasible

Moreover, Shell's peers have demonstrated many of the above actions are possible:

- Companies such as TotalEnergies and Equinor have produced what they claim to be full lists of industry associations.²¹¹
 - Total's include payment brackets, jurisdiction and roles for all 1108 associations. It also notes the percentage of fees that go to 'energy' associations (82%) versus 'other' associations, and provides a breakdown of their focus areas.
 - Equinor, meanwhile, conducts "in-depth" reviews of its industry associations that score poorly with InfluenceMap.²¹²
- The Australian 'gentailer' AGL – also a CA100+ company – has disclosed all membership fee payments to industry associations in exact amounts (rather than wide payment ranges for assessed associations only, as Shell and others have).²¹³
- Some CA100+ companies, such as BP and (to a greater extent) Enel, have also conducted some assessments of industry associations based in emerging markets.²¹⁴

In light of this, Shell, with its strong ambition for greater transparency, should adopt each of the above recommended actions. Together, these will help investors better understand how well aligned Shell's lobbying is with its decarbonisation strategy and support for the Paris goals.

²¹¹ TotalEnergies [list](#); Equinor [list](#), pp. 14-15

²¹² Equinor, [2023 Review of industry associations and initiatives](#), p.3

²¹³ AGL, [Industry association membership fees](#)

²¹⁴ BP, [Our participation in industry associations: 2023 progress update](#); Enel, [Engagement in associations involved in climate-policy advocacy](#)

Appendix: undisclosed association memberships identified by ACCR

ACCR identified the following 80 associations engaged in climate and energy policy advocacy that Shell is a member of but that it does not disclose. We identified these association memberships, headquarter locations and influential roles held by Shell through online searches of information in the public domain. We do not purport to have identified all of Shell's associations.

Name	HQ location	Influential roles
Alaska Oil and Gas Association (AOGA)	United States	No / not disclosed by association
American Gas Association (AGA)	United States	No / not disclosed by association
Ammonia Energy Association	United States	No / not disclosed by association
Association Of Oil, Gas And Renewable Energy Companies of Latin America and the Caribbean (ARPEL)	Uruguay	No / not disclosed by association
Australian Pipelines and Gas Association (APGA)	Australia	No / not disclosed by association
Bolivian Chamber of Hydrocarbons and Energy (CBHE)	Bolivia	Upstream Group director
Brazilian Wind Energy Association (ABEE)	Brazil	Board member
Bulgaria Oil and Gas Association	Bulgaria	No / not disclosed by association
Business Association for Fuels and Energy (en2x)	Germany	No / not disclosed by association
Business Unity South Africa (BUSA)	South Africa	No / not disclosed by association
Canadian Biogas Association	Canada	No / not disclosed by association
Canadian Society for Evolving Energy (CSEE)	Canada	Board member
Carbon Capture and Storage Association (CCSA)	United Kingdom	Board member
Carbon Capture Coalition	United States	No / not disclosed by association
Carbon Market Institute (CMI)	Australia	No / not disclosed by association
China Petroleum and Chemical Industry Federation (CPCIF)	China	Multinationals Committee vice chair
Clean Fuel Ammonia Association (CFAA)	Japan	No / not disclosed by association
Coalition for Renewable Natural Gas (RNG Coalition)	United States	No / not disclosed by association
Colombian Natural Gas Association (Naturgas)	Colombia	No / not disclosed by association
Colombian Oil and Gas Association (ACP)	Colombia	Board member
Consejo de Empresas Globales	Mexico	President
Czech Association of Petroleum Industry and Trade (ČAPPO)	Czech Republic	Deputy chairman
Dubai Chamber of Commerce	UAE	No / not disclosed by association
Energy Chamber of Trinidad & Tobago	Trinidad and Tobago	Board member

Energy Council of South Africa	South Africa	No / not disclosed by association
Energy Efficiency Council	Australia	No / not disclosed by association
Energy Federation (Fédération de l'Energie)	Morocco	No / not disclosed by association
Energy Users Association of Australia (EUAA)	Australia	No / not disclosed by association
EuroCham Vietnam	Vietnam	No / not disclosed by association
European Biogas Association	Belgium	No / not disclosed by association
European Chamber of Commerce in China	China	No / not disclosed by association
European Chamber of Commerce of the Philippines	Philippines	No / not disclosed by association
Federal Association of Natural Gas, Petroleum and Geoenergy (BVEG)	Germany	No / not disclosed by association
Federation of German Industries (BDI)	Germany	Board member
Federation of Indian Petroleum Industry (FIPI)	India	Governing Council member
Foreign Investor Association of Albania	Albania	No / not disclosed by association
German Association of the Automotive Industry (VDA)	Germany	No / not disclosed by association
German Chemical Industry Association (VCI)	Germany	No / not disclosed by association
Global Wind Energy Council (GWEC)	Belgium	No / not disclosed by association
Holland Solar	Netherlands	No / not disclosed by association
Houston CCS Alliance	United States	No / not disclosed by association
Hungarian Petroleum Association	Hungary	No / not disclosed by association
Indonesian Petroleum Association (IPA)	Indonesia	No / not disclosed by association
Instituto Argentino del Petróleo y del Gas (IAPG)	Argentina	No / not disclosed by association
Instituto Brasileiro de Petróleo e Gás (IBP)	Brazil	Board member
International Group of Liquefied Natural Gas Importers (GIIGNL)	France	Executive Committee member
Italian Sustainable Energy & Resources Industry Association (Assorisorse)	Italy	No / not disclosed by association
Japan Hydrogen Association (JH2A)	Japan	No / not disclosed by association
Japan Wind Power Association (JWPA)	Japan	No / not disclosed by association
Kazakhstan Foreign Investors Council Association (KFICA)	Kazakhstan	Executive Committee
KazEnergy	Kazakhstan	Council Member
Korea Gas Union (KGU)	Korea	No / not disclosed by association
Malaysian Gas Association (MGA)	Malaysia	Council vice president
Mexican Association of Hydrocarbon Companies (AMEXHI)	Mexico	Board secretary

Mexican Natural Gas Association (AMGN)	Mexico	No / not disclosed by association
Namibia Petroleum Operators Association (NAMPOA)	Namibia	No / not disclosed by association
National Business Initiative (NBI)	South Africa	No / not disclosed by association
National Petroleum Council (NPC)	United States	No / not disclosed by association
Nigerian Association of Petroleum Explorationists (NAPE)	Nigeria	Executive Committee president-elect
Nigerian Gas Association (NGA)	Nigeria	Executive Council member
Offshore Norge	Norway	Board member
Offshore Petroleum Association of South Africa (OPASA)	South Africa	No / not disclosed by association
Oil & Gas Association of Tanzania (OGAT)	Tanzania	Board member
Oil Companies Advisory Council (OCAC)	Pakistan	No / not disclosed by association
Oil Producers Trade Section (OPTS)	Nigeria	No / not disclosed by association
Oman Energy Association (OPAL)	Oman	No / not disclosed by association
Petroleum Institute of Pakistan (PIP)	Pakistan	Board member
Petroleum Institute of Thailand (PTIT)	Thailand	Council of Trustees vice chair
Philippine Institute of Petroleum (PIP)	Philippines	Board of trustees secretary
Polish Alternative Fuels Association (PSPA)	Poland	No / not disclosed by association
Polish Organization of Oil Industry and Trade (POPiHN)	Poland	Board member
Royal Association of Gas Manufacturers in the Netherlands (KVGn)	Netherlands	No / not disclosed by association
Sea LNG	United Kingdom	Board member
Singapore Business Federation	Singapore	No / not disclosed by association
South African Petroleum Industry Association (SAPIA)	South Africa	Board vice chairperson
Spanish Gas Association (Sedigas)	Spain	Board counselor
Trinidad and Tobago Chamber of Industry and Commerce	Trinidad and Tobago	ESG Committee member
Turkish Oil Industry Association (PETDER)	Turkey	Board chair
Ufip Énergies et Mobilités	France	Board member
Venezuelan Association of Hydrocarbons (AVHI)	Venezuela	No / not disclosed by association

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ACCR has sourced fossil fuels production data from Rystad Energy's UCube (February 2024 version). 'Expected' fossil fuels production represents forecast cumulative upstream net working interest production from 2024 to 2050 in million barrels of oil equivalent. Uncommercial volumes have been excluded.

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