



**Friends of
the Earth**

Briefing

Shell. Wildlife Destroyer of the Year?

Shell is the proud new sponsor of the Wildlife Photographer of the Year Award. The Natural History Museum, hosts of the competition and its exhibition, say that "Shell's sponsorship is enabling us to make significant enhancements to the competition".¹ Shell's £750,000 contribution is obviously appreciated by the competition organisers, but what Shell has to gain through its sponsorship is potentially more valuable. By sponsoring the event, Shell is seeking to enhance its green image and reputation by allying itself with wildlife protection in the public eye. Yet the reality is that Shell's operations continue to destroy wildlife, biodiversity and the wider environment. And it is far cheaper and easier for Shell to seek to buy a green image than it is for the company to clean up its operations.

This briefing outlines some of the impacts that Shell is currently having on wildlife. It calls on the Natural History Museum to end Shell's sponsorship deal; the UK Government to force Shell to clean up its act by amending the Companies Bill; and on Shell to spend money on cleaning up its pollution rather than attempting to create an impression that it is green.

¹ Michael Dixon, Director of the Natural History Museum in a letter to Friends of the Earth 3 August 2006

Friends of the Earth inspires solutions to environmental problems, which make life better for people.

Friends of the Earth is:

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- the most extensive environmental network in the world, with almost one million supporters across five continents and over 60 national organisations worldwide**
- a unique network of campaigning local groups, working in over 200 communities throughout England, Wales and Northern Ireland**
- dependent on individuals for over 90 per cent of its income.**

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Climate Change - Shell's role in one of the biggest threats to biodiversity

As one of the world's major oil companies, Shell has played a significant role in contributing to what is widely recognised as the greatest threat facing the modern world. Shell has made much of its public concern about climate change, even lobbying the Prime Minister Tony Blair for tougher action to tackle climate change, but the company's own figures reveal that the oil major is not putting its money where its mouth is. Indeed, Shell is explicit about how much fossil fuel it extracts and the fact it is aggressively pursuing a policy of increasing the rate of fossil fuel extraction year on year – while making nominal investments in renewables

In 2005, Shell produced 3.518 million barrels of oil equivalent (boe) per day. Production is expected to grow and reach 3.8-4.0 million boe per day by 2009, which is an increase of between 8 and 13 per cent.

Earnings in Shell's exploration and production division - the division that explores for and extracts oil - increased by 45 per cent last year.

Last year Shell added 160 thousand square kilometres of exploration acreage to its portfolio, with new exploration licenses in 14 countries. The company says it "will pursue an exploration program to add more new acreage".

Meanwhile, Shell's investment in renewable energy has amounted to \$1 billion over the past five years. This compares to an investment of \$15.6 billion in production and refining in 2005 alone puts it into context.

Climate change has been described by the Natural History Museum in its exhibition *The Ship* as "one of the most pressing issues of our time". This is a view that concurs with that of leading politicians, including our own Prime Minister, and of leading scientists.

Average global temperatures have risen by 0.6°C since 1900. The 10 warmest years on record have occurred in the last 15 years. Climatologists say these increases in global temperature can best be explained as the impact of man-made pollution and predict that if urgent action isn't taken average global temperatures could rise by almost 6°C by 2100.

Temperature increases of this scale would have a devastating effect on animals and plants around the world. A study, published in 'Nature' in 2004, of six wildlife-rich parts of the world suggests that a quarter of land animals and plants, altogether one million species, could become extinct if average global temperatures rise by just 2°C. The authors used computer models to simulate how the ranges of 1,103 species - plants, mammals, birds, reptiles, frogs, butterflies and other invertebrates - are expected to move in response to changing temperatures and climate. They also assessed whether or not animals and plants would be able to move to new areas. They concluded that 15 to 37 per cent of all the species in the regions studied could be driven to extinction by the climate changes likely between now and 2050.

Computer models also suggest that large areas of tropical moist forest, the most bio-diverse habitat in the world, could turn to savannah as a result of man-made climate change. The Amazon region is expected to suffer a particularly sharp warming and a large decrease in rainfall, and the Met Office's Hadley Centre warns that the region would be able to support

only shrubs or grass at most.

The full impact of forecast climate change on UK wildlife is unclear. The Environment Agency is already talking of beech woods dying and heaths burning due to hot dry summers. Many of Britain's most special animals, birds and plants, such as the Snow Bunting and Snowdon Lily, are confined to high mountains and are likely to be crowded out if lowland species spread higher due to the warmer weather. Others may be unable to move in response to a changed climate because they are hemmed in by built-up areas or farmland. Already, there is clear evidence that spring is arriving earlier in the UK. Trees, such as oak, are coming into leaf, and birds, such as the chaffinch and robin, are breeding earlier in the year than previously. Also, some common butterflies, such as the peacock and comma, have extended their ranges northward.

Rising sea levels, resulting from climate change will affect Britain's mudflats, salt marshes, shingles and sand dunes are all at risk. These are home to special flowers such as the oyster-plant and internationally significant populations of migratory birds, including oystercatcher, knot and redshank. They are particularly vulnerable because many about sea defences that prevent their migrating inland.

Direct Impacts - Shell's projects impact wildlife

Although Shell has a commitment not to drill for oil and gas in natural World Heritage Sites, it continues to explore and operate in protected and sensitive wildlife areas. Shell is involved in many projects around the world which are directly threatening and damaging wildlife. I give you information here on three of the most current and pressing cases.

Sakhalin II, Russia

Environmental campaign groups and leading marine experts have warned that Shell's Sakhalin II project off the coast of Sakhalin Island, Russia, is in grave danger of pushing the Western Pacific Grey Whale into extinction.

The project significantly adds to the pressures on the critically endangered Western Grey Whale. Only around 100 of these creatures remain, with just 20 breeding females. Their summer feeding grounds are in the vicinity of the off-shore oil and gas platforms and associated pipelines. Risks created by the project include the threat of oil spills (including in frozen seas), noise from construction and ship collisions.

Shell's mitigation measures for protecting the whales are woefully inadequate and the company chose to ignore scientific advice and continued with construction of an off-shore platform base last summer. This was despite the concerns of an independent scientific review panel set up to work with Shell and resulted in one panel scientist resigning in protest.

On Sakhalin Island itself, Shell has clear cut forest to make way for the pipeline. The "Korsakov spruce forest" natural reserve was created to conserve the Sakhalin or Glehn spruce, a vulnerable species are listed in the IUCN Red List of threatened species. Felling of the trees in the reserve is illegal. An area in the conservation area over a kilometer long and containing several hundred Sakhalin spruces has been clear cut by Shell to make way for

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the pipeline.²

County Mayo, Ireland

Closer to home, Shell's exploitation of its Corrib gas field off the coast of County Mayo in Ireland is potentially threatening wildlife including whales and dolphins as well as valuable wildlife habitats including peat bogs, sand dunes and coastal grasslands.

Shell plans to bring onshore raw and untreated gas from the Corrib gas field of the coast of County Mayo in Ireland. Impurities including heavy metals removed from the gas will be pumped into, the designated Special Area of Conservation at Broadhaven Bay. The bay's circular tidal pattern and semi-enclosed nature means that a large portion of this toxic waste is likely to stay within the bay rather than be washed out to sea.

Broadhaven Bay supports an internationally important number of Brent geese as well as regionally important populations of other birds. The bay attracts whales and dolphins (cetaceans) although Shell's Environmental Impact Statement claims there is no evidence that Broadhaven Bay is of particular importance to cetaceans.

However a study by University College Cork's Coastal and Marine Resources Centre recorded over 220 sightings of seven whale and dolphin species, plus sightings of two seal species and marine mammals such as basking sharks and a sea turtle in Broadhaven Bay and north-west Mayo waters. This included sightings of the relatively rare Risso's dolphin. It found that Broadhaven Bay was an important breeding and rearing area for dolphins and whales. The Irish Whale and Dolphin Group have also expressed concern about the works, and called on Shell not to go ahead with testing in the area.

Arctic National Wildlife Refuge - Shell acquires leases

In March 2005, Shell acquired rights to explore for oil off the coast of the Arctic National Wildlife Refuge. The coastal plain of the Arctic National Wildlife Refuge is truly one of America's last wild places. It contains no roads, trails, or structures and is a pristine habitat which supports large populations of caribou, muskoxen, all three species of bear, wolves, dall sheep, and snow geese. Thousands of migratory birds inhabit the Refuge.

Drilling in or transporting offshore oil through the coastal plain of the Refuge would be ecologically damaging. The coastal plain is the biological heart of the Arctic National Wildlife Refuge. The U.S. Department of Interior estimates that oil and gas drilling in the coastal plain would result in major adverse impacts to the vast Porcupine River caribou herd, damaging or displacing up to forty percent of the herd. Development would threaten denning areas for polar bears and disturb the fragile ecosystem of the coastal plain, which also serves as crucial habitat for muskoxen and at least 135 bird species that gather there for breeding, nesting and migratory activities.

Similarly, drilling off the coast of the Arctic Refuge would threaten the habitat of the endangered bowhead whale. Offshore drilling creates loud industrial noise, and ice flows make it difficult if not impossible to clean up oil spills. Bowhead whales cannot detect oil in

² V. Zykov and A.Taran. "An inventory of the natural reserves having a regional significance in the south of Sakhalin Island". 12 April 2005. Translated copies are available from Friends of the Earth.

the water and therefore cannot avoid contaminated areas.

Nigeria - a 50 year legacy of environmental destruction

In Nigeria, Shell operates as part of the Shell Petroleum Development Company (SPDC), a joint venture of Shell and the Nigerian government. Shell has had a long and controversial history in Nigeria, including criticism for its close relationship with the previous brutal military dictatorship, for its alleged role in the execution of Ken Saro-Wiwa and eight others in 1995, and for the environmental destruction of huge areas of the Niger Delta.

Shell's impact on the environment and wildlife in Nigeria is a result of gas flaring and oil spills.

Gas is flared by Shell and other companies in Nigeria 24 hours a day, producing deafening noise and pollution. Nigeria is the world's biggest gas flarer, and the practice has contributed more greenhouse gas emissions than all other sources in sub-Saharan Africa combined, as well as poisoning localities with their toxic cocktail of pollutants. Despite gas flaring being illegal, Shell Nigeria has said that it does not plan to stop flaring before the end of 2009. Previous deadlines to end flaring have not been met.

In November 2005, following a case brought by case by Mr Jonah Gbemre, on behalf of himself and the Iwherekan community in Delta State, the Federal High Court of Nigeria ordered the Shell Petroleum Development Company of Nigeria (Shell) to end flaring in Iwherekan community stating that the practice violates guaranteed constitutional rights to life and dignity. Shell is contesting the ruling and, in the meantime, flaring continues.

Oil spills, and the fires which often follow, are rife across Nigeria and especially in the Niger Delta. The Delta was once considered "the breadbasket" of Nigeria because of its rich ecosystem, where people cultivated fertile farmlands and benefited from abundant fisheries. Shell and other oil companies have transformed this once pristine area into a virtual wasteland bearing deep scars from gas flaring and oil spills.

An infrastructure of ageing pipelines that should have been replaced at least 25 years ago criss-crosses the Delta. Leaks and oil spills are common place polluting the Delta and causing fires. Shell claims that these oil spills are the consequence of sabotage; however, the Ogoni people believe that the real culprit is Shell's failure to properly maintain and upgrade its oil pipelines and other infrastructure.

Clean up of oil spills is often slow and inadequate. During a visit in April 2005 to the Niger Delta, Friends of the Earth encountered a Shell contractor involved in a "clean-up" operation near Rukpokwu, a community affected by an oil spill in December 2004. The clean up involved little more than the turning of the land, placing the oil just below the surface.

The Sponsorship Deal

Shell will give the Natural History Museum £750,000 over the course of its two year sponsorship deal. The Natural History Museum, hosts of the competition and exhibition, say that "Shell's sponsorship is enabling us to make significant enhancements to the competition". BBC Wildlife Magazine, co-organisers of the Wildlife Photographer of the Year, says the Competition takes "compelling conservation messages to audiences worldwide" and in response to a letter from Friends of the Earth Director, Tony Juniper, says that, with

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Shell's sponsorship, "the exhibition can now continue to encourage everyone who visits it to have a greater understanding of, and responsibility towards, the world around us".³

By having Shell as a sponsor the Natural History Museum and BBC Wildlife Magazine are undermining the cause they claim to champion. They are enabling Shell to promote a green image, helping the company to avoid taking responsibility for its impacts on the world around it.

The Natural History Museum should end its relationship with Shell and instead call on Shell to clean up its pollution and prevent future destruction to wildlife, the environment and communities.

The Companies Bill

The Companies Bill (formerly the Company Law Reform Bill) is currently going through Parliament and provides an opportunity for the UK Government to act to improve the environmental record of companies like Shell. Friends of the Earth is calling for MPs to support amendments to the Bill and make UK companies more accountable for their impacts on people and the environment.

Shell and other companies claim that they will improve the social and environmental impacts of their business practices voluntarily and that no formal regulation is needed to ensure that they do this.

There is an opportunity to make some small but incredibly significant changes to company law in order to provide greater transparency about the impacts of company operations and to place some basic minimum obligations on company directors in relation to these. These changes would tie companies like Shell down to ensure they begin to make real efforts to deliver on the commitments that they have already made and stop them from simply promoting a green image and continuing with business as usual.

³ Michael Dixon, Director of the Natural History Museum in a letter to Friends of the Earth 3 August 2006