

The Atlantic Frontier

‘Carbon Frontier’ Campaign

Chapter 9 from *The Turning of the Spar*

(Chris Rose, pub Greenpeace 1998)

After the 1995 'Brent Spar' campaign, Greenpeace ran a series of 'carbon frontier' campaigns challenging fossil fuel development on grounds of the 'Carbon Logic'. In other words that there was already too much carbon pollution in the atmosphere + too many 'reserves' of oil, coal and gas already identified, to allow the 'reserves' to be burnt safely. Hence converting more 'resources' to 'reserves' (what 'exploration' does) was wrong and immoral.

One of these campaigns was the Atlantic Frontier (others in Australia and Alaska). This is described in Ch 9 of the book *The Turning of the Spar*.

At this time oil companies like Shell and BP were rethinking their futures – as energy rather than oil companies. The Greenpeace campaign played on and largely catalysed this dynamic. Subsequently governments failed to capitalise on the moment and BP and Shell, like the rest, later withdrew from renewables investment.

Because ROI on oil/gas/renewables investment is largely determined by tax policy, it was and is in the gift of governments to determine what oil/energy majors invest in.

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Occupation of Rockall (disputed territory) by Greenpeace, trying to send a message to the UN General Assembly Special Session on the environment June 1997, by opposing oil development on climate grounds

The Turning of the 'Spar



GREENPEACE

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9. Long-Term Impact on the Oil Industry



Inside the Brent Spar

"Anybody who believes that Shell's recent announcement of a \$500m investment in photovoltaics is unconnected to the Brent Spar fracas is being very naive."

Fred Pearce, *New Scientist*, 1997

IN THE INTERPLAY OF POLITICS and business, the 'Spar has become the iconic reminder of a nightmare which drives the oil industry towards fundamental change. The process is complex but the 'Spar was a turning point and is repeatedly used to illustrate that.

Chris Fay of Shell said to the *Financial Times* in July 1995 that the 'Spar had "become a powerful icon for the misuse of the seas."¹⁵⁰ But it was as much an industrial icon as an environmental one.

This, perhaps, will prove to be the most important of all the consequences of the 'Spar victory: it was the event which forced the industry most responsible for the world's greatest single environmental problem to begin rethinking its future.

Dr Jeremy Leggett, both a former Head of Science for Greenpeace and a former oil industry geologist, told the "Northern Seas Conference" in Stavanger, Norway, in August 1995 that: "In a post Brent Spar world ... the wise oil company is now ... thinking about how to reposition itself for the 21st century as a total energy company."¹⁵¹

The media uses and re-uses the 'Spar as an image of industry beleaguered or needing to change. Under a huge picture of the Brent Spar surrounded by Shell fire hoses, the *European* (13-19 November 1997) said:

With the World Climate Conference [sic] in Kyoto looming next month, the oil giants - Shell and BP in particular - now seem desperate to show that they care about the environment. Last week Shell announced its strategy to help alleviate global warming to the annual conference of the CBI, Britain's leading business organisation. Recently Browne (head of BP) announced that BP was investing in a California plant to produce photovoltaic cells, which produce electricity from the sun. Almost elegantly the BP chief suggested that by the year 2050 more than half the world's energy could come from renewable sources.

While, as the *European* pointed out, compared with most of industry, oil companies still devote a tiny fraction of their profits to R&D, and devote

the vast bulk to extracting fossil fuels; and while the Shell and BP "big investment" in renewables is minuscule (less than one per cent of the business), the significance of their moves is that they signal a corporate repositioning for the beginning of the end of the fossil fuel industry.

Both Shell and BP have now called for "precautionary action" on climate, taking themselves (just) across the line into the same camp as most governments and environment groups - as opposed to the rest of the fossil fuel industry. (Exxon, for example, remains firmly anchored at the other end of the spectrum, calling for no action at the Kyoto climate summit and encouraging developing countries to burn as much fossil fuel as possible.)

The link between climate and the oil industry is immediately obvious, but for many years there was no link in politics and environmental campaigning. When the "global warming" or climate change issue broke into widespread public consciousness in 1988, it was driven into the public domain by governments alarmed at the findings of climate scientists. These scientists were convened by the World Meteorological Organisation, and later the Intergovernmental Panel on Climate Change (IPCC). To start with, the process was dominated by climate modellers, as only their Cray Computers had the power to convert a confusing array of measurements into predictions of what the future global climate would be like.

Science was driving government policy. Environment Ministries started proposing a new global convention to deal with the problem. It was immediately apparent that to reduce carbon dioxide (CO₂), the principal greenhouse gas, in order to stabilise climate at anything like ecologically acceptable levels, huge reductions were required in the use of fossil fuels.

The oil industry soon joined forces with major energy users to oppose this unwelcome development. Their main strategy was to try and heighten political doubts about taking action by publicising disputes over the science. Instead of doing this directly, they financed umbrella groups such as the deceptively named Global Climate Coalition, and these groups in turn paid for the work of "climate sceptics". These were a variable bunch of chemists, meteorologists, modellers and physicists, who would cause

delay by raising every possible uncertainty or alternative theory to try and put off the day when "scientific consensus" was so clear that action became unavoidable.

For seven years, the issue was tossed backwards and forwards in scientific debate. Mainstream scientific opinion was convinced that action was required by the time of the first IPCC report in 1990, which identified the need for a 60-80 per cent cut in gases such as CO₂. However, to remain analysts and not advocates, most scientists are cautious about entering the political arena. While most scientists intuitively saw uncertainties in climate models as justifying precautionary action - given that climate change was inevitable, the consequences would be huge and delay might mean remedial action was impossible - politicians were more used to problems which were much smaller and could be fixed in the short term. Many of them took uncertainty as a reason to wait.

In 1995 the "science debate" was effectively ended. The Second Assessment Report of the IPCC sent a far stronger political signal. Human-induced climate change was detectable. The sceptics, and with them the fossil fuel industry, had lost. Soon, the USA, the world's only superpower and biggest polluter, acknowledged the need for legally binding emission limits in the Climate Convention (which had been initiated in 1992). A meeting in Berlin led to the "Berlin Mandate". This set out a requirement for the "Third Conference of the Parties" of the Convention (CoP3 in diplo-speak; the "Climate Summit" to the world at large), at Kyoto in December 1998, to agree on binding emission controls.

The full implications of these changes may not have been immediately apparent in much of industry, although companies such as BP began to rethink their position. Most environment groups stepped up their lobbying efforts to strengthen government commitments to cut emissions. Greenpeace did too but it also saw the possibility of a new and much more effective campaign to deliver the change.

Since the early 1990s, Greenpeace had been trying to find a way to change the politics of climate so that the fossil fuel industry could be

outflanked, instead of just relying on government environment ministers, who are generally not powerful, to persuade reluctant leaders to make major changes to transport and energy infrastructures and policies. An early success had been in getting the insurance industry to speak out. Because insurance is all about paying now for what happens in the future, this industry was peculiarly exposed and highly sensitive to what was really happening. It had no vested interest in denying climate change.

But getting the insurance industry on side had only limited effect. Greenpeace also turned its mind to promoting the development and uptake of renewable energy. By making change more feasible, the threshold for taking action could be lowered, and the fossil fuel industry's power, rooted in the idea that there was "no alternative" would be undermined.

After exhaustive internal debate and analysis, Greenpeace picked solar photovoltaics (PV) or "solar electricity", as the lead technology - mainly because of its enormous global applicability and flexibility. Greenpeace turned its mind to how governments and businesses could be made to increase investment in solar PV and to restructure markets so as to put affordable renewable energies in the hands of consumers.

With an alternative in hand, with the geopolitics open to limiting fossil fuel emissions and the science debate over, the way was open - at least in principle - to beginning the end-game on the climate issue. This meant simultaneously and progressively restructuring the world's energy systems and reducing climate-changing gases in the atmosphere to levels which the planet's natural and human systems could actually tolerate.

In 1990, the original group of scientists who did much to alert governments to climate change had identified limits of 1-2°C global average temperature rise as the ecologically tolerable limits. Thanks partly to lobbying by Greenpeace, the Objective of the Climate Convention was to stabilise greenhouse gas concentrations in the atmosphere "within a time-frame sufficient to allow ecosystems to adapt naturally to climate change".

However, the tortured climate negotiations had largely lost sight of this objective. Rather than treating the Convention process as an end game with

a final conclusion in sight, the negotiators were playing with government commitments debated in terms of goodwill gestures, no regret strategies and the precautionary principle. Emission reduction objectives were stabs in the dark and governments wore (and still wear) their commitments like badges of sacrifice. Not surprisingly, the process is slow and painful.

While it had the components of a more effective campaign, Greenpeace, like other environment groups, still found it difficult to create an effective dynamic to channel concern into pressure and focus it on critical change which would inevitably lead to the longer-term result that was needed. Climate change was such a huge subject that it had spawned debate and campaigning in almost every sphere of life - from the health consequences of the effects of change, to species loss, to energy supply and conservation, transport, car growth and land-use planning. The very size of 'the issue' prevented an effective single focus for action.

The idea of stopping the sinking of the 'Spar' brought another straw in the wind. Greenpeace had fought a successful campaign to limit the production of nuclear materials and the spread of nuclear energy by closing off options for nuclear waste disposal (famously described as the "Achilles' heel" of the industry). There were obvious, though incomplete, parallels with the 'Spar' and other oil installations. A similar 'back-end' strategy, in which the industry was made to take away all its waste and pay to deal with it, would force the oil industry to internalise costs currently externalised at the expense of the environment and the taxpayer, and put a brake on oil expansion into the oceans. This was one of many rationales for campaigning against the dumping of the 'Spar' - but it was not immediately obvious where it could lead.

In 1996, Greenpeace did hit on a way to try and fast track change, by linking energy policy and climate policy at three levels. First, at a global scientific and political level: by focussing on the amount of carbon that can ever be safely put into the atmosphere. Second, through direct action at a public level: by campaigning at the point of responsibility for the problem. Third, at a market level.

INDEPENDENT 02-12-96

Greenpeace to turn up the heat on oilfields

As Shell and BP prepare to siphon crude fuel from two seabed sites, environmentalists refocus on threat of climate change

Nicholas Schoon
Environment Correspondent

Greenpeace is to campaign against the development of Britain's most important new offshore oilfields. The environmental pressure group is keeping its options open for the seabed direct-action tactics which are its hallmark.

The Foinaven and Schiehallion fields, in the Atlantic, west of the Shetland Isles, are the great hope for the future of Britain's oil production industry with reserves worth billions of pounds. Exploiting the two fields would secure hundreds of jobs and bring in hundreds of millions of pounds in tax revenue.

But Greenpeace says the oil should be left undisturbed below the seabed to reduce the threat of man-made climate change. Whenever fossil fuels such as oil are burnt they produce carbon dioxide, which traps solar heat in the atmosphere, giving rise to the so-called "greenhouse effect".

It will be the first time Greenpeace has tried to stop an oilfield development on climate protection grounds. "This should not come as a surprise," said Peter Melchett, the executive director of Greenpeace UK. "At some point we are going to have to draw a line in the sand over this issue."

Lord Melchett, a junior minister in the last Labour government, has written to the Prime Minister, John Major, to say that the production of oil on the "Atlantic frontier" west of Shetland was incompatible with Britain's declared aim of tackling the global warming threat. "There is a very serious contradiction at the heart of your Government," he wrote.

"At international meetings you lead calls for action ... at home, in Britain's backyard, you encourage the exploitation of fossil fuel reserves."

But Mr Major's four page reply said there was no case for banning fossil fuels, and that the area west of Shetland "is being opened up for exploration in an environmentally sensitive manner."

Greenpeace is not satisfied with this, and intends to keep putting pressure on the Government and the oil companies operating west of Shetland. BP has the largest interest, followed by Greenpeace's old Brent Spar adversary, Shell.

"We never rule out direct action. If we're going to survive as humans on this planet we have to protect the climate from a new, radically different production system. The wells are drilled from a floating rig, but the valves which control the flow of oil out of them are installed on the sea floor rather than on a platform at the surface. Because it is far too deep for divers the installation is carried out using remote-control, submersible equipment."

A spokesman for BP said there was no question of abandoning the Atlantic frontier.

"I guess we're going to have to disagree with Greenpeace. Everything we take for granted in our society - warmth, transport, plastics - comes from fossil fuels. But our solar-power subsidiary is one of our fastest growing divisions."

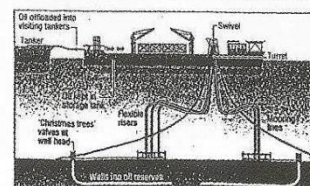
The new fields would play an important part in sustaining oil production from the North Sea well into the next century, he added. Production is expected to go into a long, gradual decline after reaching its all-time peak this year.

The oil companies are investing some £1.5bn in exploiting the Foinaven and Schiehallion fields, with most of the money spent in Britain. The reserves are put at over 400 million barrels, worth around £6bn.

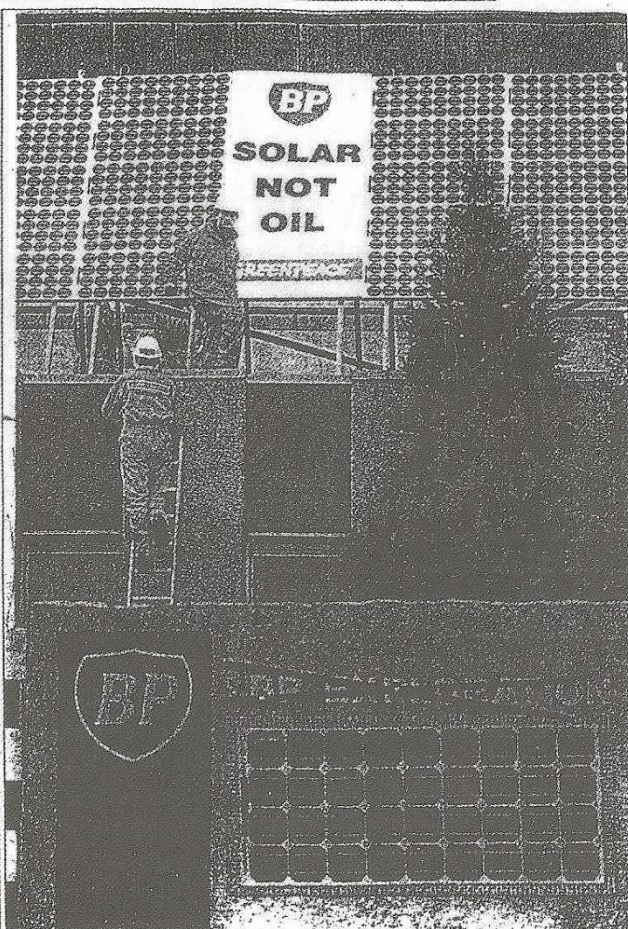
Bringing the oil in these areas to the surface is not easy. Oil companies must cope not only with the huge waves and high winds found in the North Sea, but also with much deeper water - well over 1,000 feet - and powerful, variable sea-bottom currents.

Extracting the oil requires a new, radically different production system. The wells are drilled from a floating rig, but the valves which control the flow of oil out of them are installed on the sea floor rather than on a platform at the surface. Because it is far too deep for divers the installation is carried out using remote-control, submersible equipment.

A huge tanker-like vessel, called a floating production system, is then anchored above the well-heads, and kept pointing into the wind and waves. The crude oil is carried up to it through hoses which are linked to a swivelling turret. The oil is stored on board and unloaded directly into visiting tankers. BP hopes to start production at the Foinaven field in the next few months.



GUARDIAN 10-04-97



Sunshine boys... Greenpeace installed solar panels on BP's Aberdeen plant yesterday on the eve of the company's annual meeting in protest against oil exploration, calling on BP to switch investment to solar energy

PHOTOGRAPH: GREENPEACE

The first is a "carbon budget" approach.

By converting the ecological limits to climate change into atmospheric concentrations of carbon dioxide, you arrive at a 'budget' of carbon – or a 'ceiling' for fossil fuel emissions. In political terms, this gives you a classic stockpile problem. In the case of fossil fuels, the stockpile is far too big for the budget (only about a quarter of existing 'reserves' can ever be used). So the politically rational action is to stop the stockpile getting bigger. (As Denis Healy said: "when in a hole, first, stop digging.")

To spell out the carbon budget, Greenpeace revisited the science of 1990 and the work done subsequently by the IPCC. (This body of scientists was aware of the need to do such an analysis but had lacked the political will to do it.) Greenpeace published its findings as a report: "Fossil Fuels and Climate Protection: the Carbon Logic".

To connect this to the global political process of the Climate Convention, the limits objective of the Convention will need to lead to emission-reductions policies which are tailored to achieve cuts so large that they can only be achieved by eliminating fossil fuels.

The second approach is to create a public campaign at the point of responsibility.

Greenpeace has embarked on a campaign to stop further oil exploration. Here, governments express their energy policies in terms of licensing new exploration, and so deliberately add to the carbon stockpile in terms of reserves. This is where energy and climate policy should match, but don't. As "Annexe 1 (industrial) countries" have the greatest responsibilities under the Convention, Greenpeace began its campaigning to end oil exploration in the Atlantic Frontier off the UK, and north of Alaska in the United States.

In the course of the 1997 summer seismic exploration season on the Atlantic Frontier, swimmers and other activists from the ship MV *Greenpeace* conducted hundreds of direct actions against seismic testing. For a week, a team of campaigners occupied the mobile drilling rig *Stena Dee*, on its way to the Foinaven oil field run by BP – the furthest-developed part

Oil chief presses case for solar power

British Petroleum expects solar energy to be competitive for peak-time electricity within 10 years

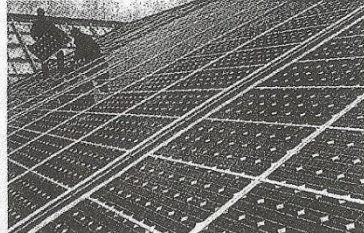
By Leyla Beaton,
Environment Correspondent
in London

British Petroleum yesterday made a bold pitch to develop solar energy.

Mr John Browne, BP's chief executive, said that, because the oil industry was going to remain the world's predominant supplier of energy for the foreseeable future, it had to "play a positive and responsible part in identifying solutions" to a problem caused by scientists to fossil fuel consumption.

He continued to an audience at Stanford University, California, last night that his company aimed to increase sales of solar energy equipment to \$100m over next decade from \$10m now.

He said BP, the third largest



Installing BP solar panels in Amsterdam: the company believes in finding solutions to fossil fuel consumption and plans to boost sales of solar equipment tenfold

est seller of solar energy capacity in the world with 10 per cent of the market, reckoned it could make solar competitive in supplying peak electricity demand within the next 10 years.

It is already competitive for supplying customers without access to an electricity grid.

But he said that the development of alternative energy could never be "additional" to it.

He said that BP, regarded as one of the more environmentally conscious oil companies, saw the development of the solar option as one of four strands of its strategy for tackling climate change.

The other three were reducing greenhouse gas emissions from the production and use of its products; the transfer of technology to developing countries and support for research into global warming.

The speech was the most

positive response by an oil company yet to call for so-called precautionary action to fight climate change even before the nature of the threat is proven.

It could also help the company stave off a march in a "green" propaganda war among companies for customers and between companies and environmentalists.

Shell, for instance, said last week it was still an open question as to whether it

could do more to promote renewables. It said it spent just then on research into solar and biomass compared to \$40m on oil.

BP's stance was however swiftly attacked by Greenpeace, the environmental pressure group for not going far enough. Greenpeace UK said that BP's "aggressive" exploitation and development of new oil fields in pristine Atlantic and Arctic oil fields showed it failed to "acknowledge the inescapable logic of our predicament - that to avoid dangerous climate change will require a phase-out of fossil fuels".

This no doubt will reinforce a prevalent industry view, expressed by Shell, that whatever companies do on the environment, it is never enough for environmentalists.

But Mr Browne's speech will have done the environmental movement at least two favours. First, BP's stance sets a higher standard against which to judge other companies' readiness to co-operate with efforts by governments to fight climate change. Second, it will increase pressure on governments such as the UK to provide the "policy support and investment" Mr Browne called for to bring the costs of solar down more quickly.

NANCY TINES PHOTO

of the new Atlantic Frontier province. According to former Conservative Energy Minister Richard Page MP, the industry lost an entire year's seismic data as a result of the actions - although this may be something of an exaggeration.

At the same time, Greenpeace has been campaigning to demonstrate increasing demand for solar power among the public and potential users such as housing associations (for instance in the UK and Germany). It has been intervening to support solar as a new generating option, over fossil fuels (for example in Crete).

It has also pressed governments to use solar themselves and to support the market in its early years in order to bring down unit costs by scaling up production. For example, Greenpeace has lobbied the UK Government to create a solar tranche in the Non-Fossil Fuel Obligation (NFFO) - the electricity market regulation which prices renewables and nuclear - and to fit solar to its own buildings. (Greenpeace installed

working solar panels on the UK Government's new Department of the Environment headquarters.)

As a result of these pressures, and because analysts can see that solar technologies are already crossing thresholds of cost competitiveness against fossil fuels, a "solar race" has begun in which companies are competing to dominate the coming, highly profitable global market. Leading firms include Kyocera (Japan), Enron (USA) and Siemens (Germany) but also BP (BP solar) and Shell.

How far and how fast the market develops, and how soon the oil companies move to increase their investment, depends on many factors. But several things are certain.

First, that solar PV will become a massive energy technology, and has the potential rapidly to become the world's dominant source of electricity.

Second, that oil companies are exceptionally cash-rich and despite many business arguments that can militate against it, could afford to commercialise and mass-market the technology extremely fast. Third, that the process will be encouraged by the need of developed countries to deliver on commitments to reduce greenhouse gas emissions, whether domestically or jointly with developing nations. Fourth, that one huge and largely undeveloped market in the near term is the two billion people living in the "developing world", off-grid and without electricity. Fifth, that some oil companies are not simply investing in renewables but beginning to position themselves for what will happen, as the 'end-game' for fossil fuels begins.

None of this was very evident in the general media coverage of 'climate' until 1997, when John Browne of BP started the process in public with an announcement that rocked the oil industry. Browne not only announced that solar could, with 'appropriate' government support, be cost-competitive against fossil fuels world-wide within a decade, but also that BP was rapidly expanding production. For good measure, it had come to the conclusion that 'precautionary' action against climate change was required. In so doing,

Browne split from the rest of the oil industry, and has since been followed by the small Austrian oil company, OMV, and, in November, the petrochemical giant Shell (or at least most of Shell outside the USA).

Browne's move transformed climate politics. It undermined groups like the Global Climate Coalition (which BP had left), the International Petroleum Industry Environmental Conservation Association (IPIECA) and the American Petroleum Institute (API) (which it has not yet left). Perhaps most importantly, it changed the perceptions of politicians such as Tony Blair and Bill Clinton, as to what was now possible.

The timing of Browne's move was inspired at least in part – perhaps completely – by the Greenpeace Atlantic Frontier campaign. Not long before, Greenpeace activists had put BP's own-manufacture solar panels on the Oil Exploration Headquarters in Aberdeen, with a sign reading: "Solar Not Oil".

BP was also cashing in on the rapidly expanding global market for solar power. BP Solar had 10 per cent of the global market, which is predicted to grow by 25 per cent in the next year, fuelled by the Japanese Government's programme to install 70,000 solar roofs over the next two years. In 1997 alone the Japanese installed 3,500 solar rooftops. The Japanese programme is mostly fuelling the expansion plans of their own domestic industry. Kyocera is investing to reach a 60 megawatt (MW) production volume by year 2000 and Sharp is planning to reach 60MW by 1998. By comparison, BP Solar's plan is to be producing 50MW by the year 2000.

Japan looks set to have 200MW of solar production capacity in place by the turn of the century, due to the expansion of companies including Kyocera, Sanyo, Sharp and Mitsubishi. They are meeting increased demand from the Japanese Government's solar programme, which plans to have 70,000 homes powered by solar within another few years.

The USA has a "Million Rooftops" solar programme, also announced in 1997. The US Government has agreed to finance the installation of solar on 20,000 government buildings. California, Hawaii and Maryland have 'pledged' that they will contribute some 300,000 of the million solar roofs.

In Europe, the Italian Government is considering a proposal for a "10,000 Solar Roofs" programme to be completed by 2002. In the UK, the Government's Industry Solar Taskforce, set up by Michael Meacher (Environment Minister) and John Battle (Industry & Energy Minister), and composed of a broad cross-section of UK business, has echoed many of the recommendations and calls made by Greenpeace in demanding government action to build a strong solar industry. Its key recommendations were a minimum 70,000 solar rooftop programme for Britain by 2010, capital grants (£5/W) and a price of 10p/unit for every unit of electricity exported onto the grid.

In October, Shell even went so far as to join environmentalists in calling for five per cent legally binding reductions in carbon dioxide emissions from industrial nations, to be agreed at the Kyoto climate summit.

It also announced a \$500 million investment in renewables over five years, aiming (like BP) to capture ten per cent of the solar market by 2005. Shell has estimated that the total renewable market in 2020 could be some \$250 billion. On solar, Shell has stated that it intends to increase its current negligible market share to ten per cent of the global market within five years.

Analysts determined that, as a result of the burgeoning race for solar technology, 1997 was a record year for the shipments of solar electric panels. In 1997, 125MW of solar photovoltaics were sold around the world – a 42 per cent increase on 1996. Major companies, including Sharp, Kyocera, Shell and BP, had started construction of, or publicly announced expansion plans, totalling at least 260MW of new solar manufacturing plant.

Europe is likely to increase its solar production from 28MW in 1997 to 100MW by the year 2000. France, Germany and the Netherlands will be the location rather than the UK, which gives no government support. Shell will be increasing solar production to 45MW/yr by expanding its Dutch factory and building a new factory with Pilkington in Germany.

In early November 1997, Shell announced that supported by DM 12 million of German Government finance, it will be investing DM 30 million into a new 25MW solar factory in Gleskenkirchen in Germany. The

factory will be a joint venture with Pilkington, which has a 25 per cent share in the project. The province of Nordrhein-Westfalen, where the Shell plant will be located, has agreed to purchase half the annual output of the Shell factory and to provide DM 50 million in market support.

Shell is also probably moving into wind power. In this respect it is exploiting an expanding market encouraged by government action - at least outside the UK.

An EC White Paper plans to double renewable energy's contribution in the European Union, from six per cent to 12 per cent by 2010. Approved by the European Commission just before the Kyoto Climate Summit, the paper proposes a co-ordinated campaign with ambitious targets for wind and solar power. (The UK has the lowest share of renewable generation, with just 0.7 per cent of total energy supplied by renewables. Sweden tops the league table with over 25 per cent of energy from renewables.)

Achieving the 12 per cent target would mean that the EC would reduce its annual CO₂ emissions by 250 million tonnes a year. This itself would deliver one-third of the 15 per cent savings that the EC called for at Kyoto.

Between 500,000 and 900,000 new jobs would be created along with a strong export industry worth £10 billion a year. The Commission sets out a plan to increase the use of wind power from 2,500MW today to 40,000MW by 2010. The Commission calls for a 1.5 billion ECU, publicly funded campaign for 10,000MW of wind energy in less favourable locations such as offshore.

The White Paper envisages a hundred-fold increase in the use of solar throughout Europe, matching the USA and Japan, with a million solar roofs to be installed by 2010.

Denmark and the Netherlands have both launched plans for more offshore wind energy. In autumn 1997, Svend Auken, the Danish Minister for Environment and Energy, announced an ambitious plan to expand rapidly Denmark's offshore wind energy resource, reaching 4,000MW of offshore capacity (50 per cent of Danish electricity needs) within 30 years. The first phase of the Danish offshore wind plan will be to build 750MW by 2005 - this means constructing one 150MW wind farm every 18 months.

Shell to spend £300m developing renewable energy

By Robert Corzine

Royal Dutch/Shell, the largest international oil company, is to spend more than \$500m (£300m) over the next five years to expand its presence in solar energy and sustainable forestry projects. This will be the single biggest investment to date in renewable energy resources.

The company, under fire in recent years over its environmental record, has decided to make renewable energy a fifth core activity, ranking it alongside its traditional operations of oil exploration and production, chemicals, gas and coal.

It will split the \$500m between solar and forestry, although extra capital will be made available to fund wind-powered schemes. If a current Shell study shows them to be economically viable.

Its spending will include the establishment of new plantations of fast-growing trees such as eucalyptus in the southern hemisphere. These can fuel power plants in rural areas of the developing world.

The Shell move follows a recent announcement by British Petroleum, which vowed to become a world leader in solar energy with a \$1bn turnover target by 2010. It also comes just two months before governments gather in Kyoto, Japan, to discuss legally binding targets to reduce the emission of greenhouse gases.

Although the \$500m five-year investment plan pales in comparison with the \$10bn-\$11bn Shell spends each year on capital projects, executives

say it is a "step change" from previous commercial investments in alternative energy.

The world market for solar energy is about \$1bn a year. But Shell executives say annual growth of 14 per cent means it will be worth \$6bn by 2010. Shell aims to capture at least 10 per cent of the world market for the photovoltaic cells that make up solar power panels before 2005.

The use of trees and other vegetation for rural power generation is growing at an annual rate of 15 per cent. The Shell target is to have a combined total of 250MW of such power plants installed by 2005. This is equivalent to only a medium-sized conventional power plant, but Shell executives say there are commercial prospects for large-scale power generation from biomass. They also point to the prospect that demand for energy from renewable sources will grow very strongly from 2020/2025, when production of fossil fuels may reach a plateau.

Jim Dawson, president of the new division, denied Shell's move was a "knee-jerk reaction" to pressure from Greenpeace and other environmental lobbying groups.

Greenpeace said it hoped Shell's commitment to alternative energy would trigger a race between Shell and BP to commercialise solar power. It also called on Shell to withdraw from the Global Climate Coalition of energy companies, which Greenpeace claims is trying to wreck the Kyoto climate change conference.

Open to Ideas, Page 28

FINANCIAL TIMES

Shell to back green energy

ROYAL/DUTCH SHELL is to invest £300 million over the next five years to build up a renewable energy business (Alistair Murray writes).

The oil giant has been severely criticised in recent years over its environmental record and admitted earlier this year that it could devote more resources to developing renewable energy products.

Shell will make renewable energy a fifth core activity alongside its traditional oil, chemicals, gas and coal businesses. The company will divide the money between solar and forestry projects and may make extra money available for wind-powered projects if it decides that they are economically viable.

British Petroleum recently announced that it was aiming to establish a solar business worth \$1 billion turnover by 2010. Shell, which is making the biggest single investment to date in renewable resources, aims to take 10 per cent of the solar energy market by 2005.

TIMES

17-10-97

Shell plans to be ready for when the oil runs out

SHELL kept enthusiastically into the solar power race yesterday when it announced plans to spend \$500 million (£310 million) on developing renewable energy technology over the coming five years, writes *Celia Weston*.

The company, which walked into a public relations disaster two years ago with its plans to decommission the

Brent Spar oil storage buoy, denied this latest initiative was designed to appease environmental pressure groups.

Shell International Petroleum will aim to expand the company's established solar business and capture a 10 per cent share of the growing worldwide market by 2005. National oil companies currently worth that market at \$1 billion a year.

Jim Dawson, SIR's president, said: "We are not doing this for the hell of it. We think there are commercially viable opportunities."

The new SIR division will encompass Shell's activities in biomass power generation - using recycled biological material - and forestry, and will seek investment opportunities in wind power and other renewable sources, the

company said. Mr Dawson said the \$500 million would be divided between the already profitable forestry business and other renewable energies.

Extra funds would go into wind power research, he said. Earlier this month, Shell Nederland opened a solar oil manufacturing line at its Helmond factory in Holland and announced plans for additional plants.

GUARDIAN

Following the success of their first two offshore windfarms, the Danes believe they have proven the viability of the technology. They will build large scale to reduce costs, cutting the electricity price from 5-6p/unit to 3-4pence/unit (completely cost-competitive with fossil fuels).

In the Netherlands, approval has been given for a 100MW offshore windfarm to be built by the year 2001. This will supply enough electricity for up to 100,000 households and take less than a year to construct.

Shell joined the British and European Wind Energy Associations, and in early 1998 met with the UK Wind Energy Group and Garrad Hassan (UK wind energy consultants). Steve Thompson from Shell Expro said in the in-house magazine, *Shell Focus*:

We are looking at those areas where we can build on existing core skills, strengths and assets. Offshore applications would seem to be a natural direction for us, and we will be looking closely at the business opportunities for wind and wave power, particularly in near-shore waters. We're also very keen to see if renewables may be added to Expro's offshore installations.

In the short term, analysts and politicians will watch to see how the rest of the oil industry reacts and, as an entertaining side issue, what happens to the likes of the GCC.

Though they are making tentative moves to acknowledge the need for some sort of climate action, neither Shell nor BP are likely to embrace Greenpeace's call for an end to oil exploration. However, Heinz Rothermund, Managing Director of Shell Exploration and Production came very close in May when he told a Scottish oil conference:

It is important to recognise, however, that the specific attack, by Greenpeace in particular, on oil and gas developments in the Atlantic Margin, accompanied by the usual exaggerated claims about last wilderness and environmental devastation, with emotional references to whales and endangered species, also raises a key question: 'In

how far is it sensible to explore for and develop new hydrocarbon reserves, given that the atmosphere may not be able to cope with the greenhouse gases that will emanate from the utilisation of the hydrocarbon reserves discovered already?' Undoubtedly, there is a dilemma and I would now like to spend some time analysing it.¹⁵²

Unfortunately, he never did answer the dilemma. Later, and after a good deal of "Shell shock" at his comments inside the oil industry (and rather unconvincingly), Shell claimed he had been speaking rhetorically.

3 OCT 1997

Oil supremo calls for action to combat global warming

BP Browne goes green

CHRISTOPHER HOPSON
in London

HEAD of British Petroleum called for conservative action to be taken by the world's governments to combat climate change.

In a far-reaching speech to the UN parliament this week, BP's executive John Browne said there is now an effective consensus that there is a discernible human influence on the climate, a link between the concentration of carbon dioxide and the rise in temperature.

Climate change is a long-term issue and what matters now is that we begin to take rational, cautious steps — even if we are still areas of uncertainty and disagreement.

Browne's position is in stark contrast to the outright opposition to any form of climate action by industry groups and it marks a shift in the UK.

A major UN climate conference will be held in December in Kyoto, aimed at the environment has recently been called in the US by a vote of industry groups including the American Petroleum Institute and other members of the Global Climate Coalition.

Browne said global warming will not be resolved at any single summit.

"If Kyoto pursues the chimera of a single solution to be pursued everywhere it will fail. There were three policy instruments likely to be taken up by governments in order to change market behaviour: carbon trading and joint



Hot topic: BP chief John Browne said any 'green taxes' should be introduced, not simply raise government revenues.

implementation. The test of any proposed tax in this area should be its actual impact on reducing greenhouse gas emissions," he said. "So-called 'green taxes' can't simply be a politically convenient means of raising revenue." Kirsty Hamilton, a climate campaigner with Greenpeace International, said the significance of the Brown speech is that a major oil company is advocating action on the climate problem in order to reduce emission levels overall. The BP chief executive suggested that one way forward was a global carbon emission trading system. Such a system, relying on the allocation of permits for carbon emissions, would operate like the US sulphur trading system, hailed by many as a great success. Browne said the right incentives could also encourage other activities such as reforestation

and the capture, reinjection and storage of CO₂.

Reforestation is also an attractive way of mitigating at least part of the impact of CO₂ emissions," he added.

He said that by 2010 BP believes that up to 25% of world energy could be supplied by renewable energies, including solar power. Within 50 years it could be as much as half.

"Oil and gas, though, will be required to meet the world's energy needs. That is why we continue to explore and develop new resources," he said.

Greenpeace's Hamilton said BP is "prepared to accept" that governments may adopt targets for reducing overall emissions by 2050.

The environmental group views this target date as essential to minimise action early enough to prevent dangerous levels of climate change.

It pointed out that the Australian oil firm OZL has already gone further than BP by stating its support for European Union plans to get legally binding commitments at Kyoto.

Meanwhile, a British High Court judge is expected to decide next week if he will allow Greenpeace a full judicial review of the British government's decision to license oil companies to explore in Atlantic waters west of the Shetland Islands.

The judge, Justice Laws, is expected to rule next Tuesday or Wednesday whether the legality of oil company operations should be investigated. Greenpeace has claimed that breaching European law by failing to protect coral reefs.

Fred Pearce, a veteran environment writer on *New Scientist*, and frequent critic of Greenpeace, wrote a "Dear Greenpeace" open letter in that magazine on 15 November 1997:

Other environmental groups have spent the past few years lobbying governments - cosying up to the European Union and infiltrating the Clinton Administration. And for what? Nothing, as we discovered with last month's announcement from Bill Clinton on American greenhouse gas emissions ... It is corporations that have real clout. You realised that many years ago. You may lobby governments from time to time, but your real effort - the plugging of pipelines and boarding of offshore platforms, the steeplejacking and banner waving - is directed at big corporations.

He continued:

... by largely ignoring the posturing of governments and targeting the companies, Greenpeace hastens the day when those companies will see the dollar benefits of changing tack. It hasn't worked with global warming yet but you have shown the way ... And anybody who believes that Shell's recent announcement of a \$500 million investment in photovoltaics is unconnected to the Brent Spar fracas is being very naive. It is increasingly clear that it will be companies, and not governments, that will trigger the political sea change necessary for real reductions in greenhouse gas emissions.

Regarding BP, Pearce said:

You have identified the right strategy. These are the guys with the future in their hands. They could install millions of solar panels across North America for the money it will take them to explore and develop the north east Atlantic oilfield - the Atlantic Frontier as you call it [as BP calls it actually]. Or they could develop the technologies to tap the waves that buffet northwest Europe, rather than the oil that may lie beneath them.

FORUM

Dear Greenpeace ...

An open letter from Fred Pearce to the eco-warriors in the run-up to the Kyoto climate conference

I GET shirty with you sometimes and write rude things about you. I am apt to treat you like any large media-hungry multinational—that is to say, with a long spoon.

But this time you are right. You have been ahead of the game for many years,

public and the administration into accepting its agenda. But we have learnt one thing: governments don't count so much any more. In the emerging global marketplace they are powerless. It is corporations that have the real clout.

You realised that long ago. You may

dollar benefits of changing tack. It hasn't worked with global warming yet. But you have shown the way, notably by getting the insurance companies on your side. It was one thing to plead with governments, as other groups did, that warming would produce super-hurricanes, unexpected floods, droughts and other climatic havoc. But it was a coup to persuade the world's largest insurance companies that the escalating claims on them from major disasters could be partly the fault of climate change—and to lure them onto your platform to say so.

And anybody who believes that Shell's recent announcement of a \$500 million investment in photovoltaics is unconnected to the Brent Spar fracas is being very naive. It is increasingly clear that it will be companies, and not governments, that will trigger the political sea change necessary for real reductions in greenhouse gas emissions.

I am less sure about your love-hate relationship with BP. One week you are occupying an exploration platform in the northeast Atlantic, the next you are lobbying with company chief executive John Browne, urging him to put policy flesh on the bones of his

professed concern about global warming. But, leaving this aside, you have identified the right strategy. These are the guys with the future in their hands. They could install millions of solar panels across North America for the money it will cost them to explore and develop the northeast Atlantic oilfield—the Atlantic Frontier, as you call it. Or they could develop the technologies to tap the waves and tides that buffet northwest Europe, rather than the oil that may lie beneath them.

Perhaps one day they will. And they will do it because they see a commercial advantage. Then, the American negotiating position will change. Cutting emissions of greenhouse gases will seem even in the business heartlands of the US, as natural and self-evidently a good thing as banishing London's smogstack smoke did in the 1950s, or saving the ozone layer in the 1990s.

and it is only now emerging how far ahead you were. I refer to your strategy for tackling the great environmental issue of our time, global warming.

Other environmental groups have spent the past few years lobbying governments—cosying up to the European Union and infiltrating the Clinton administration. And for what? Nothing, as we discovered with last month's announcement from Bill Clinton on American greenhouse gas emissions. He revealed that at next month's Kyoto climate conference, the US will offer a highly conditional version of what his predecessor George Bush promised at the 1992 Earth Summit in Rio—delivered 12 years later than Bush promised. We know whom to blame. A coalition of industrialists opposed to any limits on emissions of greenhouse gases has browbeaten Congress, the American

lobby governments from time to time, but your real effort—the plugging of pipelines and boarding of offshore platforms, the steeplejacking and banner waving—is directed at big corporations.

The rest of us should have twigged a decade ago. Governments dithered and delayed during negotiations about whether to take action to save the ozone layer. But it was only after DuPont and CIL, the biggest makers of ozone-eating CFCs, secured commercial advantage in making alternatives and dropped their opposition that governments followed.

Analyse the dynamics of other changes in environmental policy and similar stories appear everywhere, from catalytic converters to disaster rivers. And by largely ignoring the posturings of governments and targeting the companies, Greenpeace hastens the day when those companies will see the



54

New Scientist

15 November 1997

Until there is a political reframing of energy policy to match it with the logic of climate policy, governments are still sending the clear signal: "Keep on exploring." Companies feel unable to forego the opportunity of drilling for new oil, when profitability depends on market share.

All this sounds terribly smooth and rational but the underlying realities are not like that. When he broke ranks, Browne knew full well that Greenpeace

In the autumn, the *Independent* reported that in March (before the election), a government security agency (thought to be MI5) had hired a commercial investigations agency to spy on the Greenpeace UK warehouse, where they thought the organisation was constructing a submarine. What they found was not a submarine, they reported back, but “some form of living quarters”. This was in fact the kevlar Solar Survival Capsule used by Greenpeace in its 42-day occupation of Rockall, the

[illegible]

(If this tells us one thing it was that Naval intelligence were not involved, as nobody in their right mind would get into a home-made submarine! In fact it seems the Navy was unaware of the impending Rockall occupation, as HMS *Monmouth* had to make a last-minute change of plan when a rating heard that Greenpeace had landed on Rockall on 10 June – the ship was about to land sailors there to drink tea in a global sponsored tea-drinking competition for charity. Greenpeace later contributed its own tea drinking to the tally.)

Labour protects BP from Greenpeace

By David Harrison
Environment Editor

THE GOVERNMENT is trying to block a legal challenge by Greenpeace that could halt oil and gas exploration by companies, including BP, in an environmentally sensitive area of the Atlantic.

The High Court move is the first time New Labour has used the courts to try to 'pug' a public-interest group — and breaks the party's pre-election promise to make it easier for groups to pursue legal challenges to potentially damaging activities.

The controversy comes at a sensitive time for the Government, which is engaged in a bitter dispute about European Trade Minister Lord Simon's £2 million of shares in BP.

Tony Blair, who flew to Italy for a holiday yesterday, spent much of last week defending Lord Simon, formerly BP's chairman, against Tory accusations of a conflict of interest.

Greenpeace claims that the oil and gas exploration licences breach European Union directives protecting seabirds and coral reef. It demands that environmental impact assessments be made before licences are issued.

BP, working in the 'Atlantic Frontier' area, is one of 22 firms awarded licences.

Greenpeace — which last week ended its 48-day occupation of the Atlantic base of the Rockall but is keeping its ship MV Greenpeace in the area — is seeking leave to apply for a judicial review of the Government's granting of the licences in April. If it succeeds the case could go to the European Court and put a stop to exploration for at least two years. If it wins the case, exploration will be stopped permanently.

To the astonishment of Greenpeace, the Government has joined forces with the oil companies to try to block the move at its earliest stage, killing a court ruling of the environmental objections.

Greenpeace campaign director Sarah Burton, a lawyer, says she was 'amused' that a Labour Government should try to block a judicial review.

You might expect it from the Tories, but it is extraordinary that Labour should be trying to prevent these important issues being discussed when they have made a commitment to open decision-making and to public interest groups challenging government decisions.

The question goes to the heart of democracy. Who has the right to bring issues of public interest to court if the Government fails to do so? Greenpeace expected leave

to appeal to be granted as a formality. But, faced with opposition from the Government and the oil companies, Lord Justice Tucker ruled last week that the two hours set for the leave hearing was not enough. He ordered a two-day hearing next month for the Government to present its objections.

The Government's case is believed to rest on alleged 'delays' by Greenpeace in making the application, rather than on an environmental defence. But a DTI spokeswoman said: 'We believe we are complying with the EU directives.'

The coral reef in the Atlantic is said to have biodiversity as rich as a tropical rainforest. Greenpeace also claims that exploration will threaten the island of St Kilda, an international bird reserve.

Mr Justice Tucker said the case was of considerable importance, high sensitivity and national interest for all parties concerned.

Before the general election, Labour published *It's True for Tomorrow*, the strongest environmental policy statement ever produced by a mainstream party.

It included a promise to give green groups a role in legal challenges to potentially damaging activities.

High Court, page 24

FINANCIAL TIMES TUESDAY AUGUST 12 1997

NEWS: UK

BP claims oil rig protest may cause losses

By Michael Peel

British Petroleum yesterday said the Greenpeace occupation of a mobile oil rig off the coast of the Shetland Islands could lead to a suspension of oil production in the area.

With activities planned in the rig's area for the 10th day, Greenpeace activists again stopped the platform moving towards the field.

The protest is part of a campaign by Greenpeace of oil exploration and production west of Shetland. The pressure group has also launched a legal challenge to a government decision to allow its issue of oil exploration with exploration licences for the Atlantic Frontier.

BP said it had no immediate plans to try to enter the two provinces around the Shetland Islands.

But it said it was worried that poor weather might put the lives of the activists and the 81-strong crew at risk.

BP said it did not expect the action to affect the flow of oil production from the Shetland Islands. 'It has no impact on the flow of oil at this stage,' it said.

BP said it was not aware of any plans to stop the flow of oil production from the Shetland Islands. 'It has no impact on the flow of oil at this stage,' it said.

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large amount of drilling before the oil could come on stream, according to Sir John Vane, director of Energy Information Services, an independent consultancy. 'First Greenpeace was 175 metres to be two metres,' he said.

It then got stuck in the mud zone of the well-head and the platform was the 'wrong position' of the rig, which has been stuck in the field ever since.

BP said it planned to use the rig for construction and modification work. Drilling had been completed and production was a year behind schedule because major wellhead valves had to be replaced.

He claimed that, as an oil and gas minister at Woodhead, he had seen a similar incident could be much worse than the one at the Shetland Islands. 'That's going to be a real disaster for the Shetland Islands,' he said.

BP said it was not aware of any plans to stop the flow of oil production from the Shetland Islands. 'It has no impact on the flow of oil at this stage,' it said.

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Greenpeace activists from the ship MV Greenpeace and MV Kaituma-C just before they boarded the drilling platform.

using swimmers in the water, and with the Rockall pod attached to one of its legs, the rig arrived on site. For logistical and safety reasons, with activists exhausted and with supplies running very low, and because it had failed in the purpose of the action, which was to prevent the rig reaching the well head, Greenpeace decided to leave.

At this point, a lot of strange things happened. The platform owners and BP had been sending conflicting signals over who was responsible. BP in Aberdeen had been saying that Greenpeace was not causing any delays, and that it was. BP had started threatening Greenpeace with being sued for \$1 million a day if it impeded developments at Foinaven, back in the spring. But the entire development was over a year behind schedule and vastly over budget — not because of Greenpeace but because the untried technology kept failing.

Now it turned out that there were police on the platform, although they initially hid and refused to come out and talk to Greenpeace. Then they proved very reluctant to arrest anyone on the spot, only doing so after they had been challenged about what they would do if Greenpeace simply left.

No special forces, police in helicopters or anything dramatic ever emanated from the new Government. They had been asked to intervene by various parts of the oil industry but, unlike the Conservatives, Labour was determined to keep out of the dispute between Greenpeace and the companies. "We'd look bloody silly if we sent in the Navy to deal with a few Greenpeace people in a rubber boat," said one Minister. "You have to bear in mind that everyone is on holiday," said one oil industry insider during August. "We'd like to go to the Government but right now the Government is John Prescott, and we think he might not be wholly sympathetic." (Many years before, Mr Prescott had once taken part in a Greenpeace action himself by swimming up the River Thames in a protest against nuclear waste dumping. While he could hardly be expected to take Greenpeace's side, he was an altogether different prospect from his predecessor, Michael Heseltine.)

Although they did little in public, the new Labour Government did have a plan to deal with the Greenpeace campaign and that was to try and silence it by ignoring it. In September, Greenpeace was leaked a letter from Labour Minister at the DTI, John Battle, to his predecessor Richard Page, MP. In it, he described how the industry and the Government had reached 'an agreement' to "deny Greenpeace publicity," while the Government had 'encouraged' the oil industry to use its legal muscle against the organisation.

In the event, four people were arrested on the Stena Dee and flown to Aberdeen, and the MV Greenpeace left the area. It was a Sunday afternoon, 12 August. Late on Monday afternoon, Greenpeace learned that even though it had left the BP rig the day before, BP had applied to a Scottish High Court for an injunction against it and four named individuals, preventing them from interfering with the Foinaven field. At the same time, and much more unusually, BP had set in train a parallel legal action which had frozen the organisation's bank accounts, while seeking around £1.4 million from Greenpeace Ltd and the same four named individuals.

There was no appeal against the order, which became effective immediately, although after that there were 21 days in which Greenpeace



could try to challenge it. Meanwhile, the organisation was at the mercy of its suppliers and the good will of its staff and creditors, whom it could not pay. It now became apparent to everyone that despite the impression created by the media after the 'Spar, Greenpeace was not a cash-rich organisation. In the UK, it has no reserves and it had only about £300,000 in the bank. Such a seizure would bankrupt it, not to mention the affected individuals.

After a welter of bad publicity, and only after trying to screw concessions from Greenpeace, BP gave way and suspended its order (which still exists). The press reaction was mixed and confused. Some thought BP had won, although most thought it had lost. All of them compared it to the 'Spar. Many felt that BP was right to back off quickly. In fact it was probably in Aberdeen, yet again, that the problem lay. It seems it was the Scottish lawyers in BP who triggered their part of the contingency plan agreed with the Government, without anyone at BP Headquarters in London knowing it was happening.

There was a plan but, it seems, no real plan as to how to use the plan.

So the consequences of the 'Spar victory for Greenpeace and the oil industry have been multiple.

Greenpeace now talks as much to the oil industry (not just BP and Shell) as it does to the UK Government. Oil companies have been sensitised to public opinion, and, as Melchett pleaded in 1995, started to look at underlying currents of opinion and where the world is going. Some have started to change not just their ways in terms of PR and consultation but their plans for core business.

David Knott, editor of the *Oil and Gas Journal*, noted on 20 October 1997: "The petroleum companies most sensitized to public opinion, at least here in Europe, are Royal Dutch/Shell and British Petroleum Co. Plc. Both companies have been hit by public outcry - Shell over Brent Spar, BP over West of Shetland [Atlantic Frontier] development. Both are investing in solar power." He ended: "If they are putting money into solar, I'm sure they expect to profit, with or without subsidy."

John Battle MP
Minister of State for Science, Energy and Industry

Richard Page MP
House of Commons
LONDON
SW1A 0AA

28 August 1997

Dear Richard

Margaret Beckett has asked me, as the Minister responsible for energy matters, to reply to your letters of 18 and 19 August regarding the Government's response to interference by Greenpeace to seismic operations in the Atlantic Margin.

Early this year it was agreed the Government should respond to any Greenpeace activities in a low key manner in order to avoid media opportunities for Greenpeace. This strategy was agreed with industry and other Government Departments. Throughout the Greenpeace campaign Government and industry have maintained close contact and the agreed approach has been revisited and accepted as continuing to offer the best way forward. Companies were advised to exercise the legal powers they had over Greenpeace and the overall situation continues to be carefully monitored by Government.

I hope you will agree this approach, whilst perhaps frustrating, has been successful in denying Greenpeace free publicity. You may find it useful to know that in our discussions with industry they have advised that although some activity have been disrupted or delayed in all cases the majority of the data required has been captured and the impact on exploration has thus been limited.

Far from being asleep the Government has worked hard to avoid feeding the Greenpeace publicity machine and we consider the strategy set at the beginning of the Greenpeace campaign continues to achieve the best outcome in difficult circumstances.

Yours sincerely,

John Battle

JOHN BATTLE



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