



**STOP GREENING ~~THE~~ THE ECONOMY!**

**GREENWASHING**



### **The European Business Summit – greening the economy?**

The European Business Summit (EBS) is a high-level annual conference organised by BUSINESSEUROPE, the lobby-organisation of big European companies. During the EBS, business leaders meet with European commissioners and top national politicians. This year's theme is "Greening the Economy".

However, instead of inviting companies that are pioneers in environmental technologies, the programme boasts some of the most polluting companies in the world and some of the worst performers in their sector. Instead of green leaders, BUSINESSEUROPE presents dirty laggards.

### **The political framework**

The EBS is taking place in a time of increased corporate power in Europe. Excessive influence of companies over EU institutions increases a "democratic deficit", as it excludes citizens from actual decision-making. More and more Europeans feel they have no grip on their lives anymore. Corporate domination results in EU policies that dismantle environmental, social and labour policies for the sake of improving companies' competitiveness and profits. Such an approach is most clearly laid down in the EU's agendas on "Better Regulation" and "Global Europe".

### **What lies beneath – the companies' public images versus their real faces**

In the wake of the public's increasing awareness that climate change and other environmental challenges need to be urgently addressed, many companies strive to remodel their image to blend in with the environmental consciousness of their customers. Over the past year few years, more and more companies have made environmental claims in their advertising and public relations efforts, trying to greenwash their image and cover up the real environmental impacts of their core business behaviour.

The real company face often looks quite bleak and dirty. We have looked into the environmental impacts of some of the companies involved in the European Business Summit and found out that most of them have an extremely poor green track record – See reverse for more information! More background is also available at [www.foeeurope.org](http://www.foeeurope.org)



## **BMW and Volvo – manufacture the dirtiest cars in Europe**

Cars account for around 20% of total European emissions of carbon dioxide (CO<sub>2</sub>), and BMW and Volvo are among the worst. The average CO<sub>2</sub> emissions of Volvo (195g/km in 2005) and BMW (192g/km in 2005) rank highest among the 20 top-selling brands in Europe.

Proposals from the commission for binding targets for car emissions of 120g/km by 2012 provoked a fierce reaction from the car companies. In a dirty PR campaign, exaggerated threats of massive factory closures and job losses were suggested in the case of mandatory CO<sub>2</sub> targets, and the Commission's proposals were denounced as "physically impossible" and "economically unsound". As a result of this lobbying campaign, the Commission weakened its proposal to 130g/km by 2012 - but both companies are still considerably off target from achieving even this watered-down figure.

BMW is a main partner of the EBS and will speak at a workshop on *Transport: is Europe on the greenway?* Volvo will speak on *Education: managing Europe's talent pipeline to drive innovation.*

## **E.on – coal power stations are the most polluting electricity producers**

37% of all manmade CO<sub>2</sub> emissions are generated by the power sector, with coal-fired power stations ranking dirtiest. Burning coal generates 70% more CO<sub>2</sub> than natural gas for every unit of energy produced.

In Europe, 27 out of the 30 most climate-polluting power stations are coal-fired. Among these are E.on's power stations in Scholven (Germany) with 900g CO<sub>2</sub>/kWh, Ratcliffe on Soar (UK) with 895g CO<sub>2</sub>/kWh and Kingsnorth (UK) with 892g CO<sub>2</sub>/kWh. E.on is aggressively pushing for the development of another coal power station at Kingsnorth, which would release 8 million tonnes of CO<sub>2</sub> a year, the equivalent of the 30 least polluting countries in the world combined.

E.on is a partner of the EBS.

## **Fortis – finance the world's most polluting gold mine**

Although Fortis has signed the UN Global Compact and the Equator Principles, it largely disregards human rights and environmental impacts in its financial activities. For example, it owns and manages shares worth US\$97.8 million in one of the most controversial mining companies in the world - Freeport McMoRan, who operate the Grasberg Mine in Indonesia.

As a result of highly controversial mining techniques used in Grasberg mine, the lowland estuary area, formerly one of the most biodiverse habitats in the world, has been completely destroyed. It is now almost impossible for the local population to use the river for fishing or drinking water. Whilst other banks have issued statements regretting their investment in the Grasberg mine, Fortis has continued to support Freeport McMoRan.

Fortis is a main partner of the EBS and will speak at the workshops *Towards a global carbon market?* and *Green investments and incentives.*

## **Gazprom - the Sakhalin II project is the biggest threat to the last 100 western grey whales**

Gazprom is the main operator of the Sakhalin II project in East Russia, which is the world's largest integrated oil and gas production project.

The construction of offshore platforms and some 500 miles of pipeline on the sea bed and onshore are a serious threat to rare and endangered species including the last 100 remaining western grey whales, as well as to the fisheries resources of both Sakhalin and Japan's shorelines.

Furthermore, the pipeline is dubiously constructed underground through active seismic faults, seriously increasing the risk of ruptures and oil spills during earthquakes, which would lead to significant pollution of salmon spawning grounds in an estimated 600 waterways. Gazprom will speak at a workshop on *Is Europe's energy supply secure?*

## **Lufthansa and KLM - aviation is by far the most greenhouse gas intensive form of transport**

Aviation has by far the greatest climate impact of any mode of transport, and is also the fastest growing source of emissions in the EU. Its continued growth threatens to undermine progress in cutting overall greenhouse gas emissions.

According to KLM, aviation is responsible for only 2-3% of the global impact of climate change. In an advertising series, Lufthansa even claims that aviation is only responsible for 1.6% of global greenhouse gas emissions. However, because of different chemical reactions at high altitudes, aviation emissions have a climate change impact 2.7 times higher than CO<sub>2</sub> emissions from land-based sources. Experts agree that taking this into account, aviation is responsible for 4-9% of the global impact of climate change. If no action is taken, aviation emissions are likely to more than double by 2020.

Lufthansa is the official carrier of the EBS. KLM will speak at a workshop on *Towards a global carbon market?*

## **Shell - gas flares are the biggest source of greenhouse gas emissions in Sub-Saharan Africa**

Around the world, people are suffering from the effects of pollution from Shell's operations. In Nigeria, by burning off and wasting gas associated with crude oil, they contribute to a total wasting of 2.5 billion cubic feet of gas a day, more than any other country in the world. Not only do these continuously burning toxic flares have a serious effect on the health and livelihoods of the local communities, they emit sulphur which causes acid rain, and on a global level contribute significantly to climate change.

In 2006 Shell were ordered to stop all flaring by April 2007, declaring it a violation of the constitutionally-guaranteed rights to life and dignity of the local community. Despite this order, Shell continues to flare gas in Nigeria.

Shell is a partner of the EBS and will speak at a workshop on *Is Europe's energy supply secure?*

