

Statoil

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The Greenwash Guide

GREENPEACE

In light of the climate crisis and the related criticism, Statoil has displayed remarkable expertise in brand management. Statoil has successfully marketed themselves as an environmentally friendly and sustainable fossil fuel company, while still keeping investment plans at a level that undermines UN climate goals<sup>i</sup>. Greenwashing is not just bad practice. Politicians are often seen using the exact same arguments coined by the oil industry. It is affecting public opinion, political debates and our readiness to act on climate change.

In this article, we reveal the most common greenwash tactics that have won the hearts and minds of the public, politicians and investors alike.



**Greenwashing** is  
making something appear environmentally  
friendly when it is not



# Statoil's Steps to Great Greenwash

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# 1 Storytelling

Create a compelling narrative



To reach out to hearts as well as minds, the most important thing is to create a compelling story. Statoil has employed around 200 people for this mission, and given many of them the appropriate title "Storytellers".

In Norway, the growth of the oil industry is commonly known as 'The Norwegian oil adventure'. If not coined by Statoil itself, it certainly has been adopted to the core of the company identity. It is reflected in everything from promotional material narrated by a storyteller voice <sup>iii</sup>, to oil fields named "Troll" and "Huldra" after belloved folklore characters.

The narrative builds up Statoil as the folklore hero that came from nothing, yet managed to save the kingdom of Norway. The use of Norwegian national identity has proven very powerful. Generations have now grown up with this story. It has made its way into children's schoolbooks, political speeches and everyday media reports. Statoil's storytelling has for many become a given truth.

## 2 Persuading language

Use inspirational words at every opportunity

Perception matters more than the reality, at least as far as image is concerned. The climate crisis has badly damaged the image of an already disliked industry. Politicians feel pressured and investors are watching; it is affecting the business. Statoil has decided to face the climate crisis head on, in their rhetoric.

Statoil's communication department has adopted the word 'sustainability'. Originally coined in the Brundtland report<sup>v</sup> as an environmental term, the word 'sustainable' has been watered down to include anything from people management to economic stability.

Sustainability has been adopted and used so frequently that it has practically become Statoil's tag line. The words "Sustainability", "wind" and "climate" has just as many hits on Statoil's on website as the word "oil", "gas" and "rig" has. Judging from its rhetoric, one might be persuaded to think that their focus is just as much clean energy as it is fossil. Yet these efforts are barely visible in their annual reports.<sup>1</sup>



Sustainability

# 3 Best in Class

Declare yourself the best

Advertising your brand as “the best” is pretty common practice. Yet when there is 93% consensus in the scientific community<sup>vi</sup> that the product contributes to a global climate crisis, it leaves you with little option but to declare that you are better than the rest at doing a necessary evil.

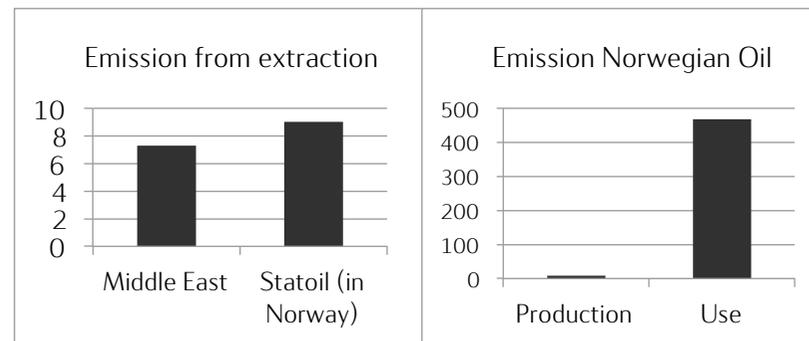
Statoil works hard to reassure us that they are the best in the industry, and thus that they are better fit to produce oil than anyone else. They demonstrate this by showing figures of carbon emission in production, talking highly of the strict Norwegian standards and highlighting their ethical concerns by supporting initiatives like EU Emission Trading Scheme (ETS).

Statoil's good name and responsible image is currently being used to give reassurance to some of the most unethical and irresponsible oil and gas projects in the world. From tar sands extractions on Native American territory and working with several highly corrupt one party states or dictatorships, to high-risk operations in the Arctic. Rather than taking the ethical highroad,

Statoil takes the business opportunity with a reassuring gesture saying “it is better that we do it, than anyone else”.

## Statoil top energy company in global sustainability rankings <sup>vii</sup>

Statoil's oil is not the “cleanest”, and the argument is a distraction from the real problem, the product itself. <sup>viii</sup>



Whilst regulations on the Norwegian continental shelf is one of the strongest internationally, there are many examples of Statoil breaching these regulations in Norway and even more examples of Statoil not following them when operating abroad.

## 4 Suggestive pictures

Green images indicate green impact

Images attract our attention and form instant impressions. Green images suggest green impact, so when these images are displayed assumptions are made that make us less critical of the content behind it. When looking at Statoil's material, they feature pictures of open water, beautiful landscape and Norwegian people walking up mountains. Windmills are used as often as oil installations in stainless steel on a beautiful day.



## 5 Do something green

Distract attention

Without something to show for it, the green image will quickly be exposed as a fake.

Reducing production emissions is good. Investing in renewable energy is important. Yet these projects make up a very small proportion of Statoil's conduct. In 2013, Statoil invested 19 billion dollars in oil and gas, and not a single dollar on renewable energy.<sup>x</sup> The green initiatives are, however, prioritised heavily in the communication work. The disproportion begs the question on whether it is green or greenwash.



Deutschland ▾



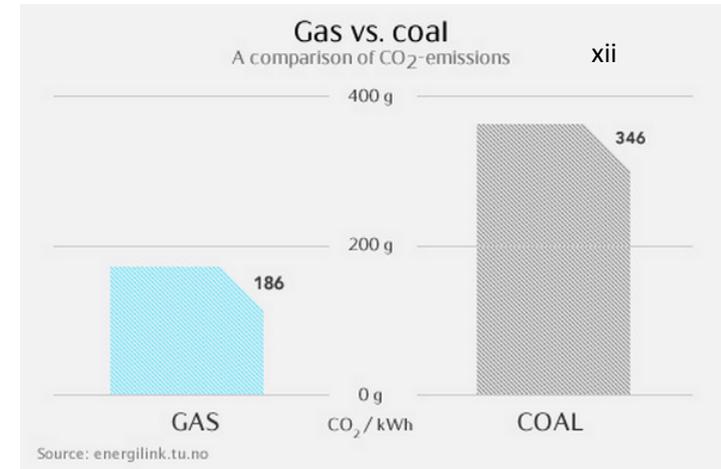
## 6 Shift focus

### The problem is coal

When confronted with their impact on the environment, Statoil direct the focus to coal. If directly replacing coal, gas would lower emissions significantly. Statoil argues that by comparison, their fossil fuels might actually be seen as part of the solution to climate change.

Research <sup>xi</sup> indicate that investing in gas as a 'transition' to clean energy, does not give significant value in terms of lowering emissions. The use of gas would have to be short-lived not to exceed the UN climate goals and require huge investments in infrastructure.

The argument of gas versus coal, whether given by Statoil or Norwegian politicians, is often used as an excuse to search for new oil fields. Gas alone is less profitable, thus new fields are unlikely to be developed unless it also provides oil revenues.



## 7 No Alternative

### Undermine other solutions

“Renewable energy sources does not come close to covering the energy demand in the short term”

- Statoil <sup>iv</sup>

Statoil's most important tool in the climate debate is to make it look as though there is no alternative to the current energy structure. No one is demanding that we stop oil production immediately, yet this is exactly the image they paint to ensure continued investments. Whilst the industry's timeframe for investments looks several decades in to the future, they always talk about the present when the demand for new exploration is brought to question. They use the occasion to underline how renewable energy make up a small proportion of the energy mix today, and how it is not enough to cover the rising energy demand.

The rise of renewable energy is growing faster than anyone had predicted. The cost decreases rapidly and demand is booming. In 79 countries, the cost of producing solar power is now cheaper that getting energy from other sources. By 2020 80% of the world population will live in regions where solar will be competitive with electricity from other sources. <sup>xiii</sup>

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QUICK FACTS

## Environment & climate

Our ambition is to operate with zero harm to people, society and the environment, in accordance with the principles for sustainable development.

We seek to maintain biodiversity and key ecosystem functions and values, and, where possible, to make a positive contribution to preserving biodiversity. We endeavour to practise sustainable water resource management.

As an international energy company, we believe we have an important contribution to make to finding solutions to the dilemma of providing energy to an increasing worldwide population while reducing our environmental and carbon footprint.

We now publish company-wide quantified targets for carbon efficiency in 2020 in the different business segments in which we operate. We have set these goals so that we can be prepared in a best possible way for a world where carbon emissions are expensive and limited. These are probably the most comprehensive and transparent goals a company has put on carbon emissions.

Our policies and requirements apply to all operations we control and to all staff and contractors involved in those operations. We expect our partners and suppliers to have standards consistent with our own, and we are committed to long-term, sustainable growth in line with the principles of the UN Global Compact.

We have a number of concrete initiatives underway – for example, we have set an ambitious target to reduce oil sand emissions by 25% by 2020, and on the Norwegian continental shelf (NCS), the goal is to reduce carbon emissions by one million tonnes between 2008 and 2020.

# ZERO HARM

Biodiversity  
Maintaining

Sustainable  
water resource management



To people ————— society ————— and environment

## 8 Stay bold!

### Ambitions look good, even if impossible

Statoil sets high environmental goals. For example a pledge to decrease emissions from tar sand with 40% within 2025, or the even more unbelievable “zero harm” goal <sup>v</sup>. The problem is that it is unlikely to ever come true. In 2013, Statoil’s tar sands projects saw production go down, while emissions went up <sup>vi</sup>.

High environmental ambitions reassures people that they are in fact dealing with the problems in a responsible matter. This gives the company credibility and trust to push forward with new projects.



# HEROES of tomorrow

## 9 Sponsorship

### Buy credibility

The most debated of the tactics is probably the strategic sponsoring of sport, culture and education.

Statoil does not wish to reveal how much money they spend placing their logo and rhetoric in sponsored activities. They sponsor everything from LEGO-competitions, summer festivals, tennis tournaments and education from young age through to university.

One might think that sponsorship is harmless, but studies show that by sponsoring events, people associate the positive values they have for the sponsored event with the brand itself. <sup>vii</sup>

Particularly bad is Statoil's systematic targeting of children, through their sponsorship program "Heroes of Tomorrow". Research shows that if you secure brand loyalty when children are young, that positive glow lasts into adulthood, making them less critical towards the company. <sup>viii</sup>



**NEWTON**  
UTDANNING  
Realfag



**NORGES FOTBALLFORBUND**  
SPORT  
Samarbeidspartner



**FIRST LEGO LEAGUE**  
UTDANNING  
Realfag



**MORGENDAGENS HELTER**  
kitalenter



**JARLE BERNHOFT**  
KULTUR  
Bylarm-vinner 2012



**STATOILS TALENTLEIR**  
SPORT  
Talentleir



**KVELETTAK**



**TRONDHEIMSOLISTENE**

**TRONDHEIMSOLISTENE**



**TEAM NTNU**

**ANG BLERKE**

**VITENSENTER**

It is well imprinted in every Norwegian that “we would not be where we are today without the oil”. There is a lot to be thankful for. At the same time it is wrong that we would be a poor, underdeveloped country without the oil. It is also wrong that we have Statoil to thank for the prosperity. We owe it to Norwegian geology and mindful politicians in the 60s and 70s, who built the welfare state and secured national control over the oil industry.

All of this is an important part of history, but not prediction of the future. Due to the dominance of the oil and gas sector, the Norwegian economy very vulnerable for changes in climate policies or fluctuations in the oil price<sup>xiv</sup>. A report from HSBC identified Statoil as the European company with the most investments in reserves that will not be developed in a low carbon world.<sup>xv</sup>

## 10 Take credit Link the work to the welfare



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