

Driving “carbon-neutral” with fossil fuels: Greenpeace Canada files Competition Bureau complaint against misleading Shell advertising

Sustainability and climate change are mainstream issues for Canadian consumers and have become interlinked concepts as we work to meet our Paris Agreement climate goals and create a new zero-carbon economy. Greenwash by corporations is therefore prevalent but difficult to spot for Canadians trying to make environmentally-conscious purchasing decisions.

Greenpeace Canada’s complaint alleges that Shell Canada’s [“Drive Carbon Neutral” program](#) is an example of greenwash whereby the company claims that if customers purchase from the Drive Carbon Neutral program they will be offsetting the climate impacts of Shell’s fossil fuel products.

Scientific basis of complaint:

- Shell does not provide clear and accessible **evidence** of its claim that customers purchasing from the “Drive Carbon Neutral” program will wholly offset emissions from the company’s fossil fuels;
- Shortcomings with forest-based offsets in general cast doubt on the credibility of Shell’s claims, including the **impermanence** of carbon stored in forests (in light of increasing forest fires, pests and logging), the significant **time** it takes for forests to absorb carbon and the risk that logging will only occur elsewhere (**leakage**);
- In the case of Shell’s Darkwoods project in British Columbia, the Auditor General found that it did not show it was “**additional**” (i.e. ensuring that an existing forest-based project is not being claimed as a new offsetting solution) as the forest lands had already been purchased and protected before the offsets were even evaluated; and
- Shell is promoting a **scientific impossibility** that fossil fuel emissions can continue if we are to meet our climate goals. Shell is ultimately using the program as a tool to deflect the Canadian public from the real issue of reducing fossil fuel production and the associated greenhouse gas emissions

Legal basis

According to the complaint, Shell’s “Drive Carbon Neutral” advertising constitutes false and/or misleading representations to the public under *s 52(1) or s 74.01(1)(a) of the Competition Act*. Both these provisions prohibit making false or misleading representations about a product in a material respect to the public. Material is defined by the Competition Bureau as “the degree to which the purchaser is affected by the representation in deciding whether to purchase the product.”¹

Climate change is a socially salient topic and it is reasonable that many consumers would prefer to purchase products that are climate safe/environmentally friendly. As such, advertisements promoting the idea of carbon neutrality could play a determinative role in which products consumers choose to purchase and thus such claims would qualify as “material”.

The full complaint to the Competition Bureau can be found [here](#).

¹ Competition Bureau Canada, “Additional information about the *Competition Act*” (5 November 2015) at para 4 online: *Government of Canada* <<https://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/01315.html>>.