Just Share

# Corporate climate lobbying in South Africa: an introduction

## Part I of III

# Table of contents

# In this brief

**It's not climate change that needs to be tackled. It is the political power of the fossil fuel industry.**

*– Richard Denniss, Chief Economist at The Australian Institute*

The response to the Covid-19 pandemic in 2020 showed that it is possible to make tough political decisions in the face of an urgent threat. When it comes to climate change, however, despite indisputable evidence that anthropogenic climate change is causing increasing harm, political leaders appear incapable of mobilising the necessary action to reduce greenhouse gas emissions. Climate science is crystal clear: to avoid the worst effects of climate change, global greenhouse gas emissions must fall by at least 43% of 2019 levels by 2030. But despite increasingly desperate exhortations to act, emissions continue to rise.

One of the key reasons for this failure to act is corporate interference in policymaking and implementation, aimed at weakening and delaying regulatory action to tackle climate change – otherwise known as **negative corporate climate lobbying**. In many instances, this manifests itself in high-level public positions of support for the Paris goals, but "closed-door undermining of climate action".[1]

Corporate anti-climate lobbying (also referred to simply as "climate lobbying") has been on the rise since the signing of the Kyoto Protocol in 1997, ramping up significantly after the adoption of the Paris Agreement in 2015. Unsurprisingly, the fossil fuel industry is the biggest impediment to Paris-aligned climate policy.[2] Corporate lobbying affects the adoption, stringency, and implementation of climate action, leaving climate policies around the world weak and deficient, at enormous cost to society.

This brief is the first in Just Share's series of three corporate lobbying briefs. Part I sets out the fundamentals of corporate climate lobbying: what it means, how it works in practice and the impact it has had, and continues to have, on global climate action. It looks at the global history of corporate lobbying against climate action before exploring the key tactics and strategies employed by climate lobbies around the world, including in South Africa. Finally, it introduces the question of who the corporate lobbyists are in South Africa, and the role of regulation in addressing corporate lobbying, which will be explored in detail in Parts II and III respectively.

# In the series

## Part I: Corporate lobbying in South Africa: an introduction

- Introduction to corporate climate lobbying and its effect on global climate action.
- Breaking down the elements of corporate climate lobbying.
- How corporate climate lobbying works, and its history.
- Regulating corporate lobbying.
- Introduction to Part II.

## Part II: Lobbying in South Africa

- Who are the lobbyists? Including companies, industry associations, public relations firms and advertising agencies.
- Lobbying by NGOs, think tanks, grassroots organisations, and industry bodies.
- Case study of direct lobbying: South African government's climate change response.
- Case study of indirect lobbying: Establishing a narrative that pits the low carbon transition against development and poverty alleviation.

## Part III: Lobbying regulation frameworks: law and other measures

- Lobbying is unregulated in South Africa.
- International regulatory regimes governing lobbying.
- Barriers to regulation.
- How investors and NGOs are stepping up in the absence of effective regulation:
  - » Frameworks
  - » Assessments
  - » Shareholder resolutions
  - » Litigation

# I.

# Introduction

> **In the first place, there is general scientific agreement that the most likely manner in which mankind is influencing the global climate is through carbon dioxide release from the burning of fossil fuels.**
>
> — *James Black, senior scientist at Exxon,[3] reporting to company executives in 1977[4]*

Corporate climate lobbying is the process whereby corporate interests[5] seek to influence climate-related policy or climate action. It has also been described as any policy or action that has implications for realising the goals of the Paris Agreement (the Paris goals[6]).[7] Climate lobbying is positive when this influence is aimed at achieving policy which supports the Paris goals. Negative climate lobbying, conversely, involves activities that influence policymaking in a manner that delays, prevents, or dilutes climate policy or action aimed at achieving the Paris goals. It is the latter with which this report is primarily concerned.

In 2021, a senior lobbyist at ExxonMobil, Keith McCoy, told reporters from Greenpeace, who were posing as recruitment agents, that the company had in the past acted to discredit early climate science through "shadow groups", and that ExxonMobil was at the time still actively working to undermine President Biden's climate policies.[8]

Evidence like this is invaluable in giving the proof to a practice that is usually hidden from scrutiny. As Congresswoman Alexandria Ocasio-Cortez said at the time: "Rarely do we see it exposed in real-time of current legislation right before us in Congress. We usually discover all of this years afterwards."[9]

Ocasio-Cortez was referring to the $1.2 trillion Infrastructure Bill that was being considered by Congress.[10] She was also referencing the fact that we now know (further explained in Section III of this brief) how the fossil fuel industry, since at least the 1970s, has systematically lobbied to undermine climate action and deny the science on which it is based. However, until recently this lobbying happened without any widespread public knowledge and was unchecked by those with the power to prevent it.

The legacies of that lobbying campaign continue today, and corporate lobbying has ramped up significantly since 2015.[11] Although the tactics and strategies of the fossil fuel lobby have evolved from outright denial to more subtle forms of disruption, they nevertheless have the same effect of delaying and weakening robust climate policy at a time when the crisis is ever more urgent.

However, the spotlight on negative climate lobbying has been intensifying recently as it has become increasingly clear that vested interests in the continuation of business-as-usual for high carbon industries have been primary offenders in preventing climate action.

In response, several global investor groups and non-governmental organisations (NGOs) have established frameworks clarifying their expectations when it comes to corporate lobbying on climate change, and investors and shareholders are beginning to push investee companies to meet their expectations.[12]

Disclosure frameworks for climate lobbying activities have been developed, as well as ways of analysing and ranking companies according to how robust their disclosures are, and on the alignment of their lobbying activities with the Paris goals.[13]

There has also been a steady rise in the filing of shareholder resolutions related to climate lobbying in recent years. In these resolutions, which are filed at major fossil fuel companies around the world, shareholders request transparency about a company's lobbying activities and disclosures that show how the company's lobbying activities – and those of its industry representatives – align with the Paris goals.

In South Africa, National Treasury published the *Carbon Tax Discussion Paper* for public comment in 2010.[14] This was the first official proposal of the tax. Twelve years later, SA's carbon tax remains ineffective at making polluters pay anything close to the true cost of their greenhouse gas (GHG) emissions, and a large part of the reason for that is the concerted effort by the fossil fuel lobby to resist it.

Part II of this series will provide a detailed case study of how corporate interests in South Africa have effectively lobbied against the country's proposed climate change response for at least a decade, by influencing government in several ways that are completely unregulated and of which the public is for the most part oblivious.

## Where it all started

In 1992, world leaders met at a summit in Rio de Janeiro to discuss a global response to dangerous human interference with climate systems. Negotiations ultimately led to the **United Nations Framework Convention on Climate Change** (UNFCCC),[15] which came into force in March 1994 with 154 nations signing on immediately.[16] The goal of the UNFCCC is ambitious but specific: "the stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system."[17]

Two other conventions, intrinsically linked to climate change, were signed at around the same time as the UNFCCC: the United Nations Convention on Biological Diversity[18] and the United Nations Convention to Combat Desertification.[19]

Signatories to the UNFCCC have, since 1995, met annually at what is called the "Conference of the Parties (COP)". COP is composed of representatives of the country signatories (or parties to the UNFCCC) and operates as the supreme decision-making body of the UNFCCC.

In 1997, the parties to the UNFCCC adopted the **Kyoto Protocol**, a binding treaty requiring countries to set greenhouse gas (GHG) emission reduction targets. It lacked force, however, because the United States failed to ratify it, an early sign of the power of the fossil fuel industry in that country. On the back of momentum from a more successful meeting of parties to the UNFCCC in Durban in 2011 (COP17), the **Paris Agreement** was eventually adopted in 2015, committing parties, among other things, to the goal of limiting global warming to well below 2°C and preferably to 1.5°C above pre-industrial levels. As of 2022, 194 parties have ratified the treaty.[20]

In hindsight, it was a remarkable achievement for close to 200 countries to agree as early as 1992, and again in 2015, to "act in the best interests of human safety, even in the face of scientific uncertainty".[21] Yet in many ways the global response to climate change has lost ground.

The science is unequivocal, the actions required to decarbonise our economies are clear, the technology needed to achieve the greatest levels of decarbonisation is available and affordable, and the severe impacts of climate change are being felt around the world in increased incidents of extreme weather events. Thirty years after the Rio Summit, where political leaders agreed on the need to act urgently to tackle the threat of climate change, and in the context of increasingly dire warnings from the scientific community, we should be well on the path towards predominantly renewable energy systems and zero carbon economies that internalise the costs of biodiversity and ecosystem loss. Instead:

- Emissions continue to rise every year (with a small Covid-related decrease in 2020).[22]
- Fossil fuel companies are making record profits,[23] as the Russian invasion of Ukraine has sparked a "gold rush" for new fossil fuels, potentially locking the world into another high carbon decade and ensuring that the Paris Agreement's 1.5°C goal is missed.[24]
- Climate change and energy systems have become a battleground in political culture wars around the world.[25]
- The world is on track for global warming of between 2.4°C and 2.6°C above pre-industrial levels by 2100, based on current pledges (not even policies) in place.[26]

## Climate lobbying at work

After the Rio Summit, and even more so following ratification of the Paris Agreement in 2015, corporate lobbying against climate action, which had begun at least by the 1970s, entered a new and dangerous phase. InfluenceMap,[27] a United Kingdom-based independent think tank "producing data-driven analysis on how business and finance are impacting the climate crisis", published a report in 2019 showing how, within three years of the conclusion of the Paris Agreement, five major oil companies had spent over $1 billion on misleading climate lobbying, including large-scale, coordinated positive messaging campaigns to maintain public support while they systematically worked to hold back climate policy.[28]

In a 2022 update to that report, InfluenceMap finds that those five companies continue to spend, together, at least $750 million a year on climate lobbying "to portray themselves as positive and proactive on the climate change emergency".[29] It finds this position to be "inconsistent with the companies' plans for capital investment in their business" and also to be "misaligned from the detailed policy engagement activities of the companies and their industry associations on climate change."[30] The report also confirms that companies disclose very little of what they spend on climate lobbying.[31]

Corporates engaged in negative climate lobbying are motivated by the need to protect their profits in a world that increasingly recognises that their products are the primary cause of harm to the environment, livelihoods, and human health and well-being. For some businesses, climate action threatens their relevance and therefore their survival, which in turn explains the lengths their representatives will go to prevent – or at least delay – a transition to low carbon energy systems.

In some countries, corporate lobbying is regulated by legislation, defining the activities that constitute lobbying, setting limits on financial contributions, requiring public reporting on lobbying activities and spending, and establishing public registers where all lobbyists are listed.[32] Maintaining control and oversight is undoubtedly cumbersome and practically difficult, and most dedicated lobbying legislation still has gaps and shortcomings.

The Organisation for Economic Co-operation and Development (OECD), in its report on *Lobbying in the 21st Century: Transparency, Integrity and Access,* also highlights that most regulation seeking to ensure that lobbying is transparent and accountable is not equipped for the modern era. It does not, for example, regulate social media, so-called “grassroots campaigns”[33] or the funding of research and sympathetic think tanks, a key tactic of fossil fuel companies.[34]

In South Africa there are no transparency and accountability laws regulating any form of corporate lobbying. As a result, lobbying is largely an opaque process in which corporate access to and influence over lawmakers cannot be tracked or scrutinised by the public.[35]

II.

# Breaking it down

**Lobbying represents potentially the greatest impact a company has on climate change.**[36]

*— InfluenceMap, 2020*

## Lobbying

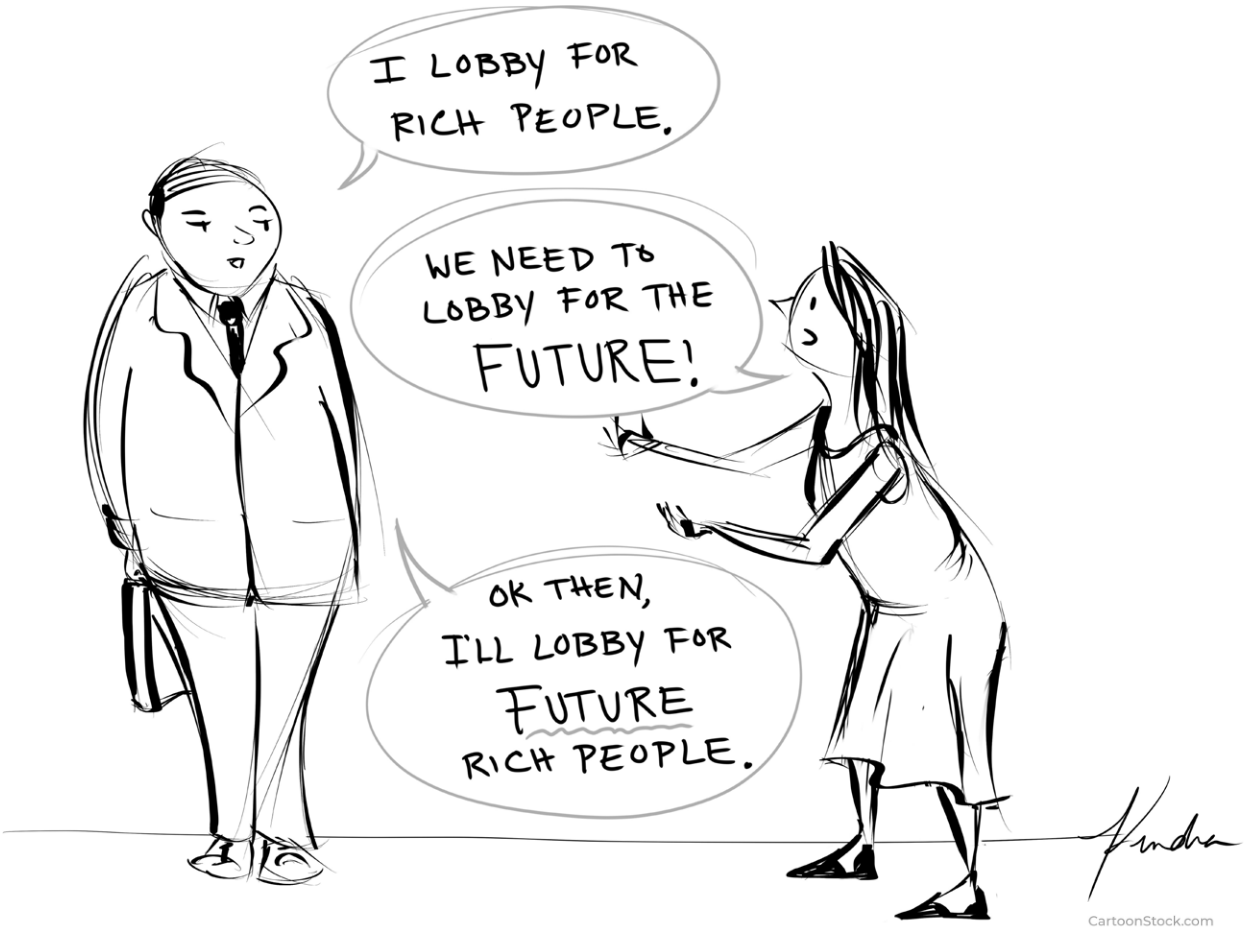
There is no conclusive definition of lobbying. Transparency International describes it as "any activity carried out to influence a government or institution's policies and decisions in favour of a specific cause or outcome".[37] This is a far-reaching definition encompassing many activities, including demonstrations and advocacy campaigns.

There are numerous variations on the definition of lobbying, each dependent on the context. For example, some regulations requiring disclosure of lobbying activities define lobbying activities more narrowly, along the lines of "any direct or indirect communication with public officials, political decision-makers or representatives for the purposes of influencing public decision-making and carried out by or on behalf of any organised group."[38] However, this definition does not account for indirect lobbying through, for example, social media and "shadow groups".[39]

Lobbying exists everywhere and can play an important role in democratic participation and governance. When carried out transparently, lobbying can be a legitimate way for stakeholders to participate actively in the political process of law and policymaking. It is also an avenue for providing lawmakers with important information and insights into issues in which they are not experts, enhancing their ability to make informed, implementable decisions. However, much of this theoretical justification for lobbying as a healthy part of the political process is undermined by the realities of who has access to policymakers, and the resources to influence their behaviour.

## Corporate lobbying

In reality, due to the superior resources and proximity to power of major corporations and industry associations, corporate lobbying plays an outsized role in the political process. This imbalance transforms lobbying from an exercise in participatory democracy to a potential threat to the public and the environment.




The United States is perhaps the best-known example of the extent to which it is possible for corporate lobbying to influence political decision-makers.[40] However, the fact that lobbying in South Africa does not receive the kind of media attention and publicity that it does in the United States does not mean that there are not similar levels of corporate influence over regulatory processes in this country. The fact that this influence is entirely unregulated and untransparent means that it can take place without any scrutiny or accountability on the part of either lobbyists or public officials.

## Corporate climate lobbying

The literature identifies two categories of climate lobbying:[41]

1. **Direct lobbying** involves some form of direct contact between policy decision-makers and the lobbyist, such as hosting meetings and events with decision-makers, engagement at conferences, participation in stakeholder consultations, and the funding of studies for policymakers; and

2. **Indirect lobbying**, sometimes called "grassroots lobbying", involves seeking to influence public opinion which in turn influences policy direction. Indirect lobbying is carried out through company disclosures, media (including social media), voluntary initiatives, and by mobilising citizen movements, staging protests and funding think tanks and studies that support a particular position.

There is still some disagreement about whether this latter category truly constitutes lobbying. As discussed in section II, on definitions of lobbying, indirect lobbying is not usually included in the concept of lobbying generally, specifically not in law and regulation. Yet indirect lobbying can play a pernicious role, especially where the broader public interest is at odds with the vested interests of a powerful industry, and where general public understanding of particular issues is low. As we will see from the history of climate lobbying in the United States, indirect lobbying can impact the fairness of political processes.

# III.

# The impact and history of corporate lobbying

> **Corporate engagement on climate policy is a double-edged sword. It can play a critical role in helping governments create practical climate policy solutions, but negative and resistant corporate interest can hinder policy action that aims to mitigate the impacts of climate change.**

— AP7 & Öhman *Corporate Climate Lobbying: successes, challenges and lessons learnt from investor activities relating to climate lobbying* (2019)[42]

## History of climate lobbying

Corporate climate lobbying started in earnest in the 1970s, sparked by environmental activism in the United States in the 1960s and the growing scientific understanding of the greenhouse effect and the role of carbon dioxide ($CO_2$) and fossil fuels in contributing to global warming.

In 1977, a researcher at Exxon presented his findings, and the following year a report to management, on the greenhouse effect of carbon emissions on the planet. The report stated that "a doubling of $CO_2$ concentration in the atmosphere would produce a mean temperature increase of about 2°C to 3°C over most of the earth. The model also predicts that the temperature increase near the poles may be two to three times this value."[43]

Although the scientific evidence that the increasing levels of $CO_2$ in the atmosphere were attributable to fossil fuels was still being debated at that time, the report stated that "[c]urrent opinion overwhelmingly favours attributing atmospheric $CO_2$ to fossil fuel combustion. However, most scientists feel that more research is needed to support an unqualified conclusion."[44]

**CURRENT STATUS OF SCIENTIFIC OPINION**

I. Current Opinion Overwhelmingly Favors Attributing Atmospheric $CO_2$ Increase To Fossil Fuel Combustion

II. Most Scientists Feel More Research Is Needed To Support An Unqualified Conclusion

III. Some Scientists Claim That Part Or All Of The $CO_2$ Increase Arises From The Destruction Of Forests And Other Land Biota.

*Source: James Black presentation on The Greenhouse Effect, 1977*

The report noted that "[p]resent thinking holds that man has a time window of five to ten years before the need for hard decisions regarding changes in energy strategies might become critical."[45]

The need for further research was critical at this time – it would have revealed early on that some of the predictions contained in Black's report drastically *underestimated* the impact of global warming on the planet (such as his predictions that the two polar ice sheets would be unaffected, or that the melting of the floating ice sheets would have only a negligible effect on sea level rise). However, correctly predicting that further scientific clarification would not work to its advantage, Exxon – together with industry allies – embarked on a concerted campaign of disinformation to undermine the certainties and to exploit the uncertainties.[46]

The fossil fuel industry was following the playbook of the tobacco industry a decade earlier. Cigarette companies had carried out a misinformation campaign that supressed the latest scientific findings that smoking causes disease and succeeded in hiding the truth from the public for years, thus delaying regulation of its lethal product.[47]

Led primarily by Exxon, a group of fossil fuel companies and industry representatives poured money into grassroots campaigns to counter the emerging science on climate change.[48] In 1989, they created the Global Climate Coalition (GCC), an international group made up primarily of oil and automobile companies that lobbied to oppose action to reduce GHG emissions and challenged the science of global warming. The GCC continued to carry out this mandate until it was dissolved in 2001. According to the Climate Investigations Centre, it was "arguably the most impactful industry group ever to campaign against climate change regulation and science."[49]

One of the key tactics of the GCC was to "carefully pick apart established science, emphasise uncertainty, and advocate for regulatory inaction to the public, media, lawmakers, and government."[50] By funding "alternative research", the group created the impression that climate science was debatable and that those issuing serious warnings were alarmists.

Politicians, scientists, researchers, affected communities and activists all over the world are still battling arguments about the "uncertainty" of climate change today, largely because of this campaign. The focus of the campaign has shifted over time, as its proponents are forced to adapt to the ever-growing mountain of evidence that counters their narrative. Climate lobbying tactics have evolved from outright denial of climate change or of the role of fossil fuels in causing it, to exploit more subtle uncertainties such as the impact of energy transitions on economic growth and jobs.

## The impact of climate lobbying

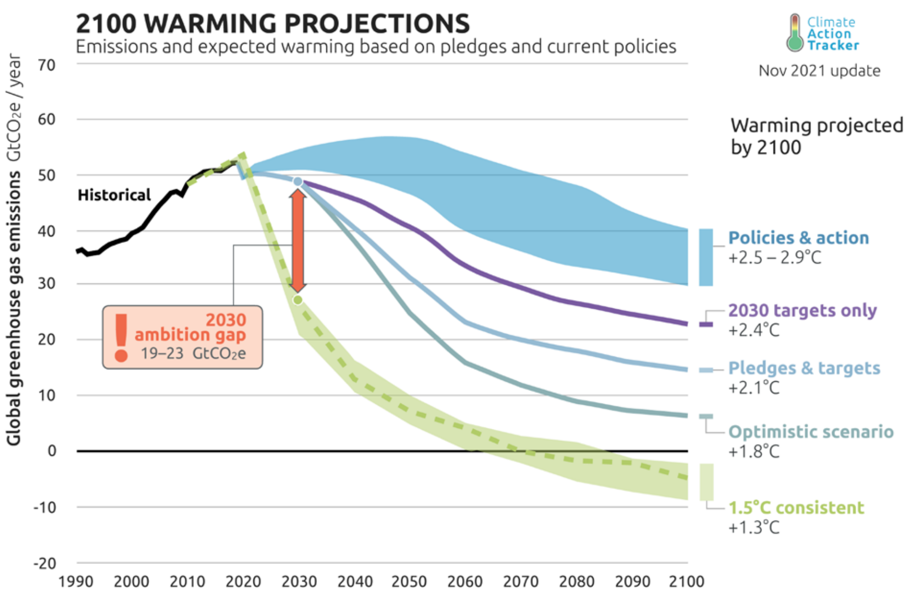
The Paris Agreement is the global point of reference for managing climate change and the best hope for garnering the universal cooperation needed to avoid its worst impacts. At the centre of the Paris Agreement is the concept of "Nationally Determined Contributions" (NDCs) which reflect each country's plans and efforts to reduce emissions within its territory. Article 4 of the Paris Agreement requires all parties to the agreement to submit NDCs to the UNFCCC every five years, setting out their "highest possible ambition".[51] Taken together, these NDCs reflect global ambition and plans for achieving the Paris goals.

However, current climate plans and actions continue to be woefully insufficient to achieve the Paris goals.[52] The UNFCCC's 2022 NDC Synthesis Report projects that by 2030 total global GHG emissions, if all the latest NDCs are implemented, are estimated to be just 0.3% lower than they were in 2019.[53]

The United Nations Environment Programme (UNEP) produces an annual report assessing the gap between countries' climate ambitions, as expressed through their NDCs, and the emission reductions required to meet the Paris goals. In the latest iteration of this report – which assesses the updated NDCs following COP26 held in 2021 – the UNEP finds that the world is on track for a rise in global temperatures of 2.8ºC above pre-industrial levels by the end of the century. With the updated NDCs since COP26, this is reduced to between 2.4ºC and 2.6ºC.[54]

Climate Action Tracker (CAT) provides independent scientific analysis that tracks government climate action of 39 countries (covering around 85% of global emissions) and measures it against the Paris goals. As of November 2022, it reports that 22 countries have submitted updated NDC targets since the UNFCCC's 2021 NDC Synthesis Report, only one of which (of the countries it analyses) is stronger than its previous target – Australia.[55] 171 countries have not submitted updated NDC targets.

The image below shows various projected scenarios up to 2100, and CAT's projection of the gap between the Paris goals and current pledges and policies. According to its report, "[w]ithout increased government action, the world will still emit twice the greenhouse gas emissions in 2030 than is allowed under the 1.5°C limit of the Paris Agreement".[56]




*Source: CAT (2022) "Despite Glasgow Climate Pact 2030 climate target updates have stalled"*

This demonstrates that countries are simply not committing to do enough to meet the Paris goals and corporate lobbying has significantly contributed to this situation.[57] It has affected the adoption and stringency of climate policies, and has delayed or prevented implementation of climate action, all at enormous cost to society.[58]

For example, carbon pricing is the most effective way of capturing the external costs of emissions to the public (such as climate impacts, health impacts, loss of property and livelihoods, damage to food systems) and tying them back to their source. It is based on the long-established principle of environmental management that the “polluter should pay”. Putting a price on carbon emissions shifts the burden for the damage caused by those emissions to those responsible for it.[59]

The idea of carbon pricing was first introduced in the Kyoto Protocol in 1997. InfluenceMap finds that it is directly attributable to corporate influence over carbon pricing policies that, 15 years after the Kyoto Protocol, “fewer than 15% of [global] emissions are covered by binding carbon pricing systems”.[60]

Besides delaying the reduction of global carbon emissions, and the concomitant ecological and anthropological fallout of this delay, this has cost governments significant time and deprived them of invaluable financial resources for mitigation and adaptation.

**Part II** of this series will explore how this resistance to the implementation of a carbon tax has played out in South Africa. In short, what started in 2010 as a progressive climate change response by government has become a very weak one: the two chief and overarching elements to this strategy, the Climate Change Bill and the Carbon Tax Act, have been stalled or rendered ineffective in incentivising the reduction of carbon emissions. The Climate Change Bill is yet to be promulgated and the Carbon Tax Act has to date failed to implement a meaningful carbon price that incentivises behaviour change by the fossil fuel industry. The proposed 2022 amendments to the Carbon Tax Act, which would increase the tax rate but still only to a rate far below that required to be an effective carbon price, have sparked a renewed anti-climate lobbying pushback from a swathe of South African business and industry bodies.[61]

## Corporate lobbying strategies and tactics

Experience of both climate lobbying, and lobbying generally, shows that corporations use two broad strategies to influence climate action: (i) capturing the public narrative and (ii) direct lobbying to prevent, delay or dilute regulation.

### (i) Capturing the public narrative

The global corporate climate lobby has adapted and evolved since global warming first became a concern. Led by Exxon, it began by denying the science of global warming and supporting “alternative” science through advertising and funding of pro-fossil fuel think tanks.[62] As the science became more and more difficult to contradict, the lobbyists changed tack, including by:

- acknowledging the science, but denying that fossil fuels contribute to the greenhouse effect;
- undermining the need for urgency and promoting a “cautious approach”;
- positioning proposed solutions and policies as a threat to the economy; and
- providing strong counter narratives about the good that fossil fuel companies do in society, including overemphasising their own plans to contribute to the solutions to climate change.

A 2019 article published in the journal *Climatic Change* analysed five major oil and gas companies' spending on advertising over a period of 30 years.[63] Rather than spending money on denying the science (or even advertising their commercial products), by far the majority of dollars spent on advertising went to improving the image of the industry, with campaigns emphasising the importance of the industry to society.

By turning what should be a unifying global challenge into a divisive political issue, this kind of indirect lobbying sets the stage for corporate lobbyists to influence specific regulations or policies in their favour.

### *Co-opting the "just transition"*

In South Africa, as climate action increasingly becomes a national priority and the urgent need to transition becomes harder to ignore, the concept of a "just transition" has taken hold and, in some quarters, been misappropriated.

The just transition is a concept that originated in the labour movement in the 1970s, when labour and environmental justice organisations collaborated to advocate for a transition to sustainable, low carbon economies that prioritised social inclusion and workers' rights.[64] Since then, just transition frameworks have slowly but surely been introduced into global political discourse with its increasing emphasis on shifting equitably to low carbon economies through social inclusion and poverty eradication.

Since the 1990s, the International Labour Organisation (ILO) has led the international community in adopting a range of objectives and principles in support of a just transition, including sustainable development and green jobs. It defines the just transition as "greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind.[65]

In 2013, the ILO adopted a resolution concerning sustainable development, decent work, and green jobs, in which it describes the four pillars of decent work as "indispensable building blocks of sustainable development". [66] The resolution also speaks of the interrelatedness of the three dimensions of sustainable development: economic, social, and environmental. [67]

However, a large section of South African business, led by the fossil fuel industry and its representatives, and by some government departments, have in recent years co-opted the concept of justice in the transition in order to delay action, by ignoring the devastating social and economic impacts of climate change, and of failing to tackle it, and instead creating a false dichotomy between economic growth, poverty alleviation, and development, on one hand, and the transition to low carbon technologies and renewable energy systems, on the other.

This narrative is presented repeatedly, including most recently by organised business in its "joint position on carbon tax", in which it argues that the just transition requires the implementation of a carbon tax "at a pace and rate aligned to a developing economy that takes into account the challenges in South Africa including low economic growth, energy security and high unemployment" in order to "avoid just transition impacts earlier than planned and to avoid unintended and adverse consequences to an already fragile economy."[68] This view ignores the impacts of failing to transition, and side-steps the fact that a carbon tax is intended to ensure that the costs of GHG emissions are paid for directly from the profits of the polluters, and not by society more broadly.

The concept of the just transition is thereby reduced to one used to delay real environmental and social justice for as long as possible for the benefit of the fossil fuel industry and its shareholders.

The goal of this strategy is to focus attention on what stands to be lost in the transition (e.g., jobs in the coal sector) and away from the society-wide benefits of climate action (such as new, clean jobs, and providing cheap, distributed renewable energy to millions of people in South Africa who do not have access to energy at all). This indirect lobbying and its effect will be explored in more detail in Part II of this series.

Such arguments have real power in a country in which most people face significant social and economic challenges. The proponents of this narrative position themselves as being pro-poor, and those advocating for climate action as being oblivious to or unmoved by the plight of the most vulnerable. The tragedy, however, is that these arguments – and the effort expended in engaging with them by academics, politicians and civil society – direct precious attention and resources away from addressing the very real challenges inherent in the transition and taking advantage of the opportunities it presents.

### *The role of public relations and advertising agencies*

Public relations (PR) and advertising agencies play a key role in disseminating these damaging messages in highly persuasive ways.

"Clean Creatives" is a global movement of creative professionals seeking to encourage the industry to cut its ties with fossil fuels. The movement, which originated in the United States, emphasises the fact that fossil fuel companies have known about climate change for decades and have "partnered with advertising agencies and PR firms to create a multi-billion-dollar campaign to mislead and confuse the public, downplay the urgency of the climate crisis, and overstate the work they have done to find a solution."[69]

In Working Group III's contribution to the Intergovernmental Panel on Climate Change (IPCC)'s 6th Assessment Report, released in April 2022, the Working Group called out the advertising industry for the part it has played, and continues to play, in fuelling climate scepticism and misleading the public.[70] The report makes two arguments about the impact of advertising.

First it notes that, by sowing doubt in the public and policymakers' minds, advertising agencies have been a key obstacle to climate action. The report finds that "[a] good number of corporate agents have attempted to derail climate change mitigation by targeted lobbying and doubt-inducing media strategies."[71]

Second, it states that "[c]orporate advertisement and brand-building strategies may also attempt to deflect corporate responsibility to individuals or to appropriate climate care sentiments in their own brand building."[72] The authors make it clear that advertising and PR are crucial tools employed by companies to shift blame on to individuals, and to greenwash, deflecting attention away from their own responsibility to prevent further harm.

In a recent local example of the increasing pressure being placed on the industry for the role it has played in delaying climate action, it was reported that Standard Bank had cut ties with Edelman, the global PR firm, because Edelman did not want to be associated with Standard Bank's involvement in the highly controversial East African Crude Oil Pipeline.[73]

## (ii) Direct lobbying

Corporate interests also directly influence regulation, both in the formulation and implementation phases of the legislative process. During formulation of legislation, corporate representatives often participate in drafting, providing comments, and making representations in parliament, some of which are legitimate avenues for public participation. The concern in relation to this kind of participation, however, is the imbalance between corporate access to these mechanisms versus the rest of the population.

For example, during his keynote address at the launch of the Energy Council of South Africa in 2021,[74] Minister of Mineral Resources and Energy, Gwede Mantashe, said that policymaking is done through collaboration with industry – particularly where the voice of the industry is unified and strong. He stated that "I phone executives of these councils, even at midnight". Other interest groups do not have equivalent access to policymakers to counter this influence.

This is similarly the case with the legislation implementation phase. For example, business representatives play a dominant role in the National Economic Development and Labour Council (NEDLAC), where negotiations take place on regulatory reform with wide-ranging implications for society. However, the proceedings of NEDLAC are not easily accessible to the public.

In many cases, ministers are empowered to promulgate regulations setting out more detailed requirements in relation to the governing legislation, including timelines and enforcement mechanisms, which present another opportunity for industry to delay and soften the impacts of legislation it has not been able to prevent.

Two recent examples demonstrate the extent to which direct industry access to public officials can influence regulation:

**1.**

Two days before the Minister of Finance's 2022 annual budget speech, Sasol's then chief financial officer, Paul Victor, gave the following response to a question about the carbon tax during Sasol's interim results presentation on 21 February 2022: "On the carbon tax side, we're still very much engaging quite heavily with ... through the industry with Treasury ... So we are also quite eager to see what the delivery in the Budget speech will be in the next couple of days. And hopefully, that will provide more clarity when the Minister of Finance speaks to the nation about carbon tax and its future."[75] In the budget speech, the Minister of Finance announced an unexpected three-year extension to the first phase of the carbon tax, which provides substantial allowances and exemptions for corporate emitters.[76]

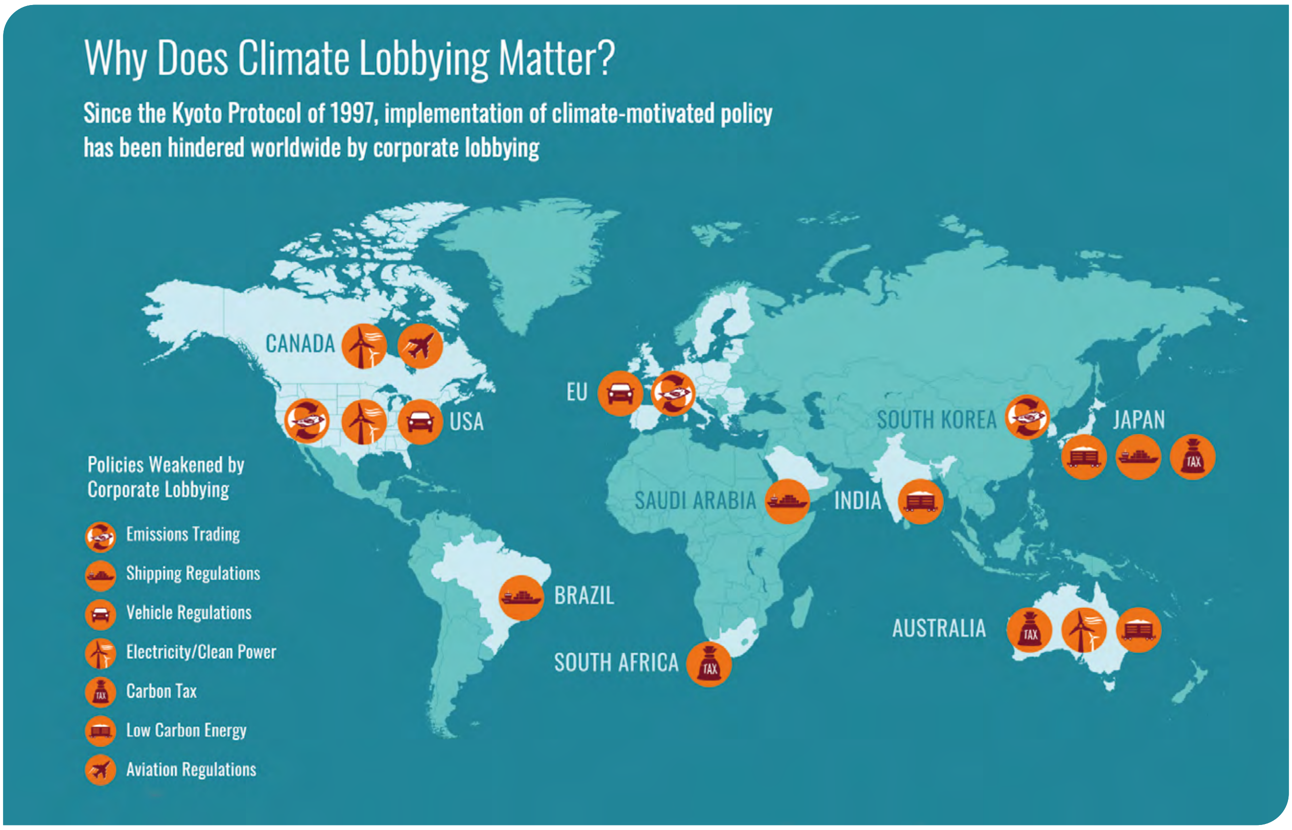
**2.**

In its 2022 suite of corporate reports, Sasol reports that "On 31 August 2021, the new Clean Fuels II Regulations, replacing the previous regulations were published. The technical specifications are aligned with those previously prescribed, but the promulgated regulations stipulated the required implementation thereof by 1 September 2023. After further engagements between the industry and the [Department of Mineral Resources and Energy (DMRE)], the Minister, on 24 June 2022, gazetted a new implementation date of 1 July 2027 for Clean Fuels II".[77] In short, as reported by Sasol, as a direct result of engagements between industry and the DMRE which took place after the new regulations had already been published – and which did not include any other interested parties – the date for implementation of the new Clean Fuels II regulations was pushed back from 2023 to 2027.

After Exxon was exposed for its anti-climate lobbying, and since the signing of the Paris Agreement in 2015, direct lobbying tactics have also shifted. According to InfluenceMap, since the Paris Agreement was signed in 2015 corporate lobbyists have changed tactics again, moving away from individual efforts towards a greater reliance on trade associations, which do the lobbying on behalf of an entire industry.[78]

InfluenceMap finds that “the worst of these lobbying activities have been increasingly pushed behind the scenes as companies outsource them to powerful trade associations. For example, in 2018 the automotive industry relied on the Alliance of Automobile Manufacturers to roll back United States vehicle emissions standards.”[79] This enables companies to distance their brands from negative climate lobbying, to protect their reputations, and to emphasise “positive” climate action. In many cases, however, these same companies hold key, if not dominant positions within those trade associations that mean they can direct the associations’ positions and messaging on climate change.

*InfluenceMap singles South Africa out as one of 18 examples globally where corporate lobbying has effectively undermined climate action. In the case of South Africa, it has delayed and diluted the implementation of an effective carbon tax.




*Source: InfluenceMap (2020) “Corporate Lobbying: How Companies Really Impact Progress on Climate”*

### *The special role of trade associations*

Trade associations (also called trade/industry groups, industry bodies, or industry associations) are key protagonists when it comes to climate lobbying.[80] Corporations rely on these associations to carry out their lobbying activities while themselves maintaining high-level commitments ostensibly recognising climate change and supporting climate action.

Research from the Policy Studies Institute – a research institute and think tank based at the University of Westminster – found that, of all the mechanisms available to them to influence climate policy, businesses most frequently use trade associations, and that there is wide consensus that trade associations are powerful lobbyists on climate policy. The study found that 61% of all companies responding to the CDP,[81] and 77% of the largest 500 companies in the world, said that they "utilised trade associations to lobby on climate policy."[82]

Industry associations are powerful lobbying machines because they can unify sectors and utilise resources efficiently to lobby for clear, coherent positions. They represent a whole industry or sector, and so policymakers tend to give additional weight to their positions. Additionally, individuals within industry associations very often have political connections and easy access to political decision-makers. These individuals move easily between the industry and politics or occupy more than one position – a phenomenon known as the "revolving door".[83]

Industry associations are also not governed by the same transparency and accountability reporting requirements as corporations, nor are they subject to the same public pressure, as they do not have to answer to external stakeholders. Much of the activity of industry associations is carried out in private, rendering a proper assessment of how they operate very difficult.

The Policy Studies Institute lists the following tactics as being some of those employed by industry associations in the European Union:[84]

- Establishing key relationships and briefing policymakers.
- Shaping the policy agenda at an early stage, including pushing new policy initiatives and agendas within the European Commission, Parliament and Council of Europe.
- Utilising companies and other stakeholders to drive messages home – for example, through organising meetings and dinners between chief executive officers of large companies and European Union Commissioners.
- Press work, publishing open letters and adverts.
- Writing briefing papers and formal letters, and sharing information with policymakers and companies.
- Events involving policymakers and technical policy experts.
- Providing technical information and advice – as one representative of an NGO noted, "the further you get into the detail, the more technical it gets, so the more opportunities to lobby".
- Employing a "revolving door" policy which allows former trade association officials to be placed in policymaking bodies, and vice versa.

There is evidence of these tactics in the business sector in South Africa. For example, Sasol, the country's biggest private GHG emitter and one of the top 100 corporate GHG emitters on earth,[85] holds key positions in many of the major industry and business associations in the country that have actively lobbied against effective climate policy. This will be explored in detail in Part II, but to illustrate the point:

The environmental subcommittee of Business Unity South Africa (BUSA), "the apex organised business entity representing South African business" is currently chaired by Shamini Harrington, Sasol's Vice President: Climate Change. BUSA has been instrumental in lobbying against the carbon tax and Climate Change Bill since their inception.[86] Ms Harrington also sits as a Commissioner on the Presidential Climate Commission as the BUSA representative and was the first business representative on South Africa's negotiating team at the UNFCCC.[87]

Senior Vice President: Sasol Mining, Mr Hermann Wehnhold, is on the board of the Minerals Council of South Africa (Mincosa).[88] Mincosa has lobbied for coal to remain in the country's energy mix and is an active opponent of the carbon tax and other climate-related regulations.[89]

Storm Potts, Sasol's Head of Global Climate Change and Policy, is the chairperson of the Industry Task Team on Climate Change (ITTCC), a committee within the Energy Intensive Users Group (EIUG). The ITTCC has explicitly lobbied against the carbon tax.[90]

Fleetwood Grobler is the President and CEO of Sasol and the chairman of the Energy Council of South Africa. Although it presents itself as seeking "a common vision for the energy sector", no renewable energy industry representatives were amongst the founding members of the Energy Council (which include Sasol, Exxaro, Eskom, and TotalEnergies) and there is no information available on the Council's website about any members that have joined since the Council was founded.[91]

Sasol was integral in setting up the Energy Council of South Africa, with support from Minister Gwede Mantashe and the Department of Mineral Resources and Energy,[92] and the Council's offices are in Sasol headquarters.

At the launch of the Energy Council in 2021, Fleetwood Grobler acknowledged that the impetus for its establishment had come from Minister Mantashe: "The genesis of the Energy Council was a discussion we had with Minister Mantashe who spoke of the need for an integrated voice for the energy sector." He also announced that the Minister, who is a vocal cheerleader for fossil fuels, is "key to driving government's agenda" and will, together with the DMRE, be a "key stakeholder with whom the Energy Council will be collaborating."[93]

The extensive anti-climate lobbying by trade associations is the subject of Part II of this series.

# IV.

# Regulating lobbying

**Widespread concern is evident at all levels of society on numerous major global issues, such as widening inequality, the impact of climate change, unequal taxation systems, and challenges posed by social media and new technological developments. The central role that lobbying and other influence practices play in shaping how these challenges are addressed remains largely unacknowledged. Depending on how they are conducted, lobbying activities can greatly advance or block progress on these global challenges.**

— OECD *Lobbying in the 21st Century* (2021)

Despite all the direct and circumstantial evidence of climate lobbying and its impacts, it is often difficult to determine exactly what is happening, and even harder to agree on what its consequences should be. Multiple exposés in recent years establishing beyond doubt the role of fossil fuel companies and industry associations in delaying climate action, have not resulted in any consequences for the companies involved. The practice continues unchecked even by those companies which have been publicly exposed.

It is impractical to ban corporate lobbying, because of the legitimate role that it can play in providing government with technical expertise and information that can be useful in shaping policy. Some countries have dedicated lobbying rules, but with a wide variety of definitions of what constitutes lobbying and differing requirements for disclosing it. An analysis of some of the legislative frameworks will be provided in the final brief in this series.

The rationale for legislating lobbying, according to the OECD, is:

i) to build a framework for openness and access;
ii) to enhance transparency; and
iii) to foster a culture of integrity.[94]

Regulation, therefore, primarily takes the form of transparency and disclosure requirements and, in some limited instances, banning certain conduct. Disclosure requirements are necessary to expose the extent of lobbying activities, without which it is impossible to understand their impact.

In its report *Lobbying in the 21st century*, the OECD points out that traditional definitions of lobbying are no longer sufficient to capture the numerous ways that lobbying is conducted in the modern era.[95] In it, the OECD finds some critical gaps in the regulation of lobbying:

1. **Technology and social media:** The issue of lobbying and influence has been made more complex and critical than ever before by "information overload" and competing opinions available via avenues like social media. According to the OECD's report, it has "created a challenging environment for all public policy in general, resulting in polarisation, reduced trust in institutions and in extreme cases, the rise of populism".[96] It finds that, despite the pervasiveness of these tactics, only two lobbying frameworks explicitly require lobbyists to declare lobbying by way of awareness-raising, grassroots and social media campaigns.

2. **Influencers:** The growing use of alternative proxies for traditional lobbyists, such as NGOs, foundations, think tanks and research centres means that these need to be incorporated into modern definitions of lobbying.

South Africa does not have any laws regulating lobbying. Lobbying in this country is not so much a grey area as a black hole.

Although there are limits to the extent that requiring disclosure can curb anti-climate lobbying, having no disclosure requirements whatsoever, as is the case in South Africa, means that corporate influence on government is completely opaque. The potential for this to have extraordinarily damaging impacts on our society is evident from the era of State Capture.

As the first report of the *Commission of Inquiry into Allegations of State Capture* found, the management consulting firm Bain & Company colluded with President Zuma and Tom Moyane to seize control of and attempt to dismantle the South African Revenue Service (SARS). The report notes that the managing partner of Bain & Co. at the time, Vittorio Massone, met with President Zuma about 17 times between 2012 and 2014 (on average every six weeks, for two years), which very few people were aware of at the time.[97] Had there been disclosure requirements for corporates and government around these kinds of interactions, state capture may not have been able to become as entrenched and devastating as it did.

The damage that can be caused by this lack of transparency is exacerbated by the fact that, in public, corporates often portray themselves as taking a very different stance to the one they are really taking with policymakers, which means that the public discovers the truth long after it is too late to correct it.

For example, the ExxonMobil lobbyist mentioned in section I of this brief, Keith McCoy, in the same interview said that Exxon has used the carbon tax as a public relations ploy to prevent more serious measures to combat the climate crisis. According to McCoy, Exxon's public support for a carbon tax as its principal climate policy is an "advocacy tool" and "great talking point" that will never actually happen. He said that:

> *"Nobody is going to propose a tax on all Americans and the cynical side of me says, yeah, we kind of know that but it gives us a talking point that we can say, well what is ExxonMobil for? Well, we're for a carbon tax."*

Part II of this series will take a close look at how the South African fossil fuel lobby has systematically undermined climate policy in the country for the past decade, despite ubiquitous public proclamations of support for climate action.

# V.

# Conclusions and introduction to Part II

Climate lobbying is pervasive, effective, and often harmful. But even where there is political will to combat the negative effects of lobbying, it can be difficult in practice to define what constitutes negative lobbying and to establish wrongdoing. In South Africa for example (and we are not alone), there is no legislation, regulation, or even corporate governance guidance that defines lobbying or sets any parameters for it. In places where there are quite sophisticated disclosure requirements for lobbying activities, even these do not account for many of the constantly evolving tactics, and modern technology, employed by corporate lobbyists.

The next brief (Part II) will discuss corporate climate lobbyists and their representatives in South Africa: who the key actors are and how they have effectively delayed climate action in the country for over a decade by directly lobbying against key pieces of legislation (the Climate Change Bill and the Carbon Tax Act) and indirectly, by deploying narratives that take opportunistic advantage of South Africa's political and social challenges, further exacerbating them in the process.

Part III will take a closer look at how lobbying is addressed through legislation (taking a comparative view of other jurisdictions), investor frameworks, shareholder resolutions, and litigation. It will explore where the gaps are in accountability and why, despite decades of this practice being exposed, it continues to weaken and delay regulatory attempts to tackle climate change. Finally, it looks at the potential for South Africa to enhance accountability and potentially adopt regulation governing corporate lobbying in the country.

# Endnotes

1 Reynolds, F. 2021. *Time must be called on negative climate lobbying*. UNPRI. Available: https://www.unpri.org/pri-blog/time-must-be-called-on-negative-climate-lobbying/8259.article [9 November 2022].

2 InfluenceMap. 2020. *Corporate Lobbying: How Companies Really Impact Progress on Climate*. InfluenceMap. Available: https://influencemap.org/climate-lobbying [9 November 2022].

3 The Exxon Corporation merged with Mobil to form ExxonMobil, as it is now called, in 1999.

4 Banerjee, N., Song, L. & Hasemyer, D. 2015. Exxon's own research confirmed fossil fuels' role in global warming decades ago. *Inside Climate News*. 16 September. Available: https://insideclimatenews.org/news/16092015/exxons-own-research-confirmed-fossil-fuels-role-in-global-warming/ [9 November 2022].

5 "Corporate interests" is used here as an umbrella term to include individual companies and their representatives such as trade associations, public relations agencies, professional lobbyists, and advertising agencies.

6 Article 2(1)(a)-(c) of the Paris Agreement: "Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change; increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production; and making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development".

7 Global Standard on Responsible Climate Lobbying. 2022. Available: https://climate-lobbying.com/wp-content/uploads/2022/03/2022_global-standard-responsible-climate-lobbying_APPENDIX.pdf [9 November 2022].

8 Carter, L. 2021. Inside Exxon's playbook: *How America's biggest oil company continues to oppose action on climate change*. Greenpeace Unearthed. Available: https://unearthed.greenpeace.org/2021/06/30/exxon-climate-change-undercover/ [9 November 2022].

9 Channel 4 news. 2021. *Alexandria Ocasio-Cortez: ExxonMobil lobbying tactics 'used against' climate legislation 'shameful'* [video file]. Available: https://www.youtube.com/watch?v=3m7laYy5Zz4 [9 November 2022].

10 Fact Sheet: President Biden Announces Support for the Bipartisan Infrastructure Framework. 2021. The White House Briefing Room. Available: https://www.youtube.com/watch?v=3m7laYy5Zz4 [9 November 2022].

11 InfluenceMap, 2020.

12 See for example the Global Standard on Responsible Climate Lobbying, 2022.

13 See for example InfluenceMap's assessment framework. Available: https://lobbymap.org/; and the Climate Action 100+ (CA100+), which has a metric on "climate policy engagement" (assessed by InfluenceMap) within its broader disclosure framework. Available: https://www.climateaction100.org/net-zero-company-benchmark/methodology/ [9 November 2022].

14 National Treasury. 2010. *Carbon Tax Discussion Paper*. Available: https://www.gov.za/carbon-tax-discussion-paper [9 November 2022].

15 *United Nations Framework Convention on Climate Change (UNFCCC)*. 1994. Adopted at the United Nations Conference on Environment and Development. Rio de Janeiro. Available: https://unfccc.int/files/essential_background/background_publications_htmlpdf/application/pdf/conveng.pdf [9 November 2022].

16 Today 198 parties have ratified the UNFCCC.

17 UNFCCC, article 2.

18 *Convention on Biological Diversity*. 1993. Adopted at the United Nations Conference on Environment and Development. Rio de Janeiro. Available: https://www.cbd.int/convention/ [9 November 2022].

19 *Convention to Combat Desertification*. 1994. Adopted at the United Nations Conference on Environment and Development. Rio de Janeiro. Available: https://www.unccd.int/convention/overview [9 November 2022].

20 United Nations climate change. Paris Agreement Status of Ratification. Available: https://unfccc.int/process/the-paris-agreement/status-of-ratification [9 November 2022].

21 United Nations climate change. What is the United Nations Framework Convention on Climate Change? Available: https://unfccc.int/process-and-meetings/what-is-the-united-nations-framework-convention-on-climate-change [9 November 2022].

22 Our World in Data. Global CO2 emissions from fossil fuels. Available: https://ourworldindata.org/co2-emissions#global-co2-emissions-from-fossil-fuels [9 November 2022].

23 McGrath, M. 2022. UN Chief: 'Tax fossil fuel profits for damage'. *BBCNews*. 20 September. Available: https://www.bbc.com/news/science-environment-62970887 [9 November 2022].

24 Climate Action Tracker. 2022. *Global reaction to energy crisis risks zero carbon transition*. CAT. Available: https://climateactiontracker.org/publications/global-reaction-to-energy-crisis-risks-zero-carbon-transition/ [9 November 2022].

25 Institute for Strategic Dialogue. 2022. *Deny, Deceive, Delay*. IISD. Available: https://www.isdglobal.org/wp-content/uploads/2022/06/Summative-Report-COP26.pdf [9 November 2022].

26 United Nations Environmental Programme. 2022. *Emissions Gap Report 2022*. UNEP. Available: https://www.unep.org/resources/emissions-gap-report-2022 [9 November 2022].

27 https://influencemap.org/ [9 November 2022].

28 InfluenceMap. 2019. *Big oil's real agenda on climate change*. InfluenceMap. Available: https://influencemap.org/report/How-Big-Oil-Continues-to-Oppose-the-Paris-Agreement-38212275958aa21196dae3b76220bddc [9 November 2022].

29 This excludes external agencies for public relations, marketing, and advertising.

30 InfluenceMap. 2022. *Big oil's real agenda on climate change*. InfluenceMap. 3–4. Available: https://influencemap.org/report/Big-Oil-s-Agenda-on-Climate-Change-2022-19585 [9 November 2022].

31 InfluenceMap, 2022. 51–52.

32 Organisation for Economic Co-operation and Development. 2021. *Lobbying in the 21st Century: Transparency, Integrity, Access*. OECD. Available: https://www.oecd-ilibrary.org/governance/lobbying-in-the-21st-century_40c22aeb-en [9 November 2022]. The report states that, in 2020, 18 countries have public registers with information on lobbyists and/or lobbying activities.

33 Grassroots campaigns are ones that mobilise people to affect political change on issues that affect them.

34 OECD, 2021.

35 Organisation for Economic Co-operation and Development. 2014. *Lobbyists, Governments and Public Trust, Volume 3: Implementing the OECD principles for transparency and integrity in lobbying*. OECD. Available: https://www.oecd.org/gov/ethics/lobbyists-governments-trust-vol-3-highlights.pdf [9 November 2022].

36 InfluenceMap, 2020.

37 Transparency International. Corruption A-Z: Lobbying. Available: https://www.transparency.org/en/corruptionary/lobbying [9 November 2022].

38 Transparency International. Global Anti-Bribery Guidance. Available: https://www.antibriberyguidance.org/glossary#L [9 November 2022].

39 "Shadow groups" refer to seemingly ordinary grassroots advocacy groups, think tanks, policy institutes etc. that receive undisclosed "dark money" funding from corporates or individuals, to create the illusion of popular and academic support for a political position. See, for example, Open Secrets. Dark Money Basics. Available: https://www.opensecrets.org/dark-money [9 November 2022].

40 See for example: Drutman, L. 2015. How corporate lobbyists conquered American democracy. *The Atlantic*. 20 April. Available: https://www.theatlantic.com/business/archive/2015/04/how-corporate-lobbyists-conquered-american-democracy/390822/; and Wallach, PA. 2015. America's lobbying addiction. *Brookings*. 13 April. Available: https://www.brookings.edu/blog/fixgov/2015/04/13/americas-lobbying-addiction/ [9 November 2022].

41 Chronos Sustainability. 2021. *Governing Climate Aligned Corporate Lobbying, a review of the literature – pre-publication draft*. (Unpublished). Available: https://www.chronossustainability.com/climate-change-lobbying-consultation-on-assessment-framework [9 November 2022].

42 AP7 & Öhman. 2019. Corporate Climate Lobbying: successes, challenges and lessons learnt from investor activities relating to climate lobbying. AP7. Available: https://www.ap7.se/app/uploads/2019/02/190126_original_corporate-climate-lobbying.pdf [ 9 November 2022].

43 Black, J. 1977. Presentation on the Greenhouse Effect. Available: https://insideclimatenews.org/wp-content/uploads/2015/09/James-Black-1977-Presentation.pdf [9 November 2022].

44 Black, J. 1977. 4.

45 Black, J. 1977. 2.

46 Hasemyer D. & Cushman Jr. JH. 2015. Exxon Sowed Doubt About Climate Science for Decades by Stressing Uncertainty. *Inside Climate News*. 22 October. Available: https://insideclimatenews.org/news/22102015/exxon-sowed-doubt-about-climate-science-for-decades-by-stressing-uncertainty/ [9 November 2022].

47 Drew, E. 1965. The quiet victory of the cigarette lobby: how it found the best filter yet – Congress. *The Atlantic*. September. Available: https://www.theatlantic.com/magazine/archive/1965/09/the-quiet-victory-of-the-cigarette-lobby-how-it-found-the-best-filter-yet-congress/304762/ [9 November 2022].

48 Hall, S. 2015. Exxon Knew about Climate Change almost 40 years ago. *Scientific American*. 26 October. Available: https://www.scientificamerican.com/article/exxon-knew-about-climate-change-almost-40-years-ago/ [9 November 2022].

49 Climate Watch. 2019. Global Climate Coalition: Climate Denial Legacy Follows Corporations. *Climate Investigations Center*. 25 April. Available: https://climateinvestigations.org/global-climate-coalition-industry-climate-denial/. All the files of the GCC have been made available here: https://www.climatefiles.com/?s=&category_name=global-climate-coalition-collection [9 November 2022].

50 Climate Watch, 2019.

51 Article 4.3: "Each Party's successive nationally determined contribution will represent a progression beyond the Party's then current nationally determined contribution and reflect its highest possible ambition, reflecting its common but differentiated responsibilities and respective capabilities, in the light of different national circumstances".

52 UNEP, 2022.

53 UNFCCC. 2022. *2022 NDC Synthesis Report*. UNEP. Available: https://unfccc.int/ndc-synthesis-report-2022#Projected-GHG-Emission-levels [9 November 2022].

54 UNEP, 2022. 35.

55 Climate Action Tracker. 2022. CAT Climate target update tracker. CAT. Available: https://climateactiontracker.org/climate-target-update-tracker-2022/ [9 November 2022].

56 Climate Action Tracker. 2022. *Despite Glasgow Climate Pact 2030 climate target updates have stalled*. CAT. 1. Available: https://climateactiontracker.org/publications/despite-glasgow-climate-pact-2030-climate-target-updates-have-stalled/ [9 November 2022].

57 InfluenceMap, 2020.

58 Chronos Sustainability, 2021. 6.

59 World Bank. Pricing Carbon. Available: https://www.worldbank.org/en/programs/pricing-carbon [9 November 2022].

60 InfluenceMap, 2020.

61 See, for example, Organised business' joint position on the carbon tax. 2022. Available: https://www.busa.org.za/organised-business-joint-position-on-carbon-tax/ [9 November 2022].

62 InfluenceMap, 2020. This report tracks the change in the fossil fuel lobby's narrative in the United States from 1997.

63 Brulle, R., Aronczyk, M. & Carmichael, J. 2020. Corporate promotion and climate change: an analysis of key variables affecting advertising spending by major oil corporations, 1986-2915. *Climatic Change*. 159, 87–101. Available: https://doi.org/10.1007/s10584-019-02582-8 [9 November 2022].

64 Henry, M., Bazilian D. & Markuson C. 2020. Just transitions: histories and futures in a post-COVID world. *NCBI*. Available: https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7351418/ [9 November 2022].

65 International Labour Organization. Frequently Asked Questions on a just transition. Available: https://www.ilo.org/global/topics/green-jobs/WCMS_824102/lang--en/index.htm [9 November 2022].

66 The four pillars of decent work, according to the ILO's 2030 Agenda, are: promoting jobs and enterprise, guaranteeing rights at work, extending social protection, and promoting social dialogue.

67 International Labour Organization. 2013. *Resolution concerning sustainable development, decent work and green jobs*. Geneva: General Conference of the International Labour Organization. 102/2013.

68 Organised business position on the carbon tax, 2022.

69 https://cleancreatives.org/learn-2022 [9 November 2022].

70 Intergovernmental Panel on Climate Change. 2022. *Climate Change 2022: Mitigation of Climate Change. Working Group III Contribution to the IPCC Sixth Assessment Report*. IPCC. 5–106. Available: https://www.ipcc.ch/report/sixth-assessment-report-working-group-3/ [9 November 2022].

71 IPCC, 2022. 5–84.

72 IPCC, 2022. 5–84.

73 Theunissen, G. 2022. Standard Bank's hot PR potato. *BusinessLive*. 11 August. Available: https://www.businesslive.co.za/bd/companies/financial-services/2022-08-11-news-analysis-standard-banks-hot-pr-potato/ [9 November 2022].

74 Stoddard, E. 2021. Energy Council of South Africa launched to bring integrated voice to power sector. *Daily Maverick*. 2 November. Available: https://www.dailymaverick.co.za/article/2021-11-02-energy-council-of-south-africa-launched-to-bring-integrated-voice-to-power-sector/ [9 November 2022].

75 Sasol Limited. CEO Fleetwood Grobler on Q2 2022 Results – Earnings Call Transcript. 21 February 2022. Available: https://seekingalpha.com/article/4488837-sasol-limited-ssl-ceo-fleetwood-grobler-on-q2-2022-results-earnings-call-transcript [9 November 2022].

76 Godongwana, E. 2022. *Budget Speech*. Pretoria, 23 February 2022. Available: http://www.treasury.gov.za/documents/national%20budget/2022/speech/speech.pdf [9 November 2022].

77 Sasol Limited. Form-20F for the year ended 30 June 2022. 2022. Available: https://www.sasol.com/sites/default/files/2022-08/Sasol%20LTD%20Form%2020-F%20Website_0.pdf [9 November 2022].

78 InfluenceMap, 2020.

79 InfluenceMap, 2020.

80 Brulle, RJ. 2014. Institutionalizing delay: foundation funding and the creation of U.S. climate change counter-movement organizations. *Climatic Change*. 122 (4) 681–694. Available: https://www.researchgate.net/publication/263114280_Institutionalizing_Delay_Foundation_Funding_and_the_Creation_of_US_Climate_Change_Counter-Movement_Organizations; and Fagan-Watson B., Elliott, B. & Watson T. 2015. Lobbying by trade associations on EU climate policy. *Policy Studies Institute*. Available: https://westminsterresearch.westminster.ac.uk/item/98xz3/lobbying-by-trade-associations-on-eu-climate-policy; and InfluenceMap. 2017. Trade Associations and their Climate Policy Footprint. InfluenceMap. Available: https://influencemap.org/report/Trade-Associations-and-their-Climate-Policy-Footprint-067f4e745c9920eb3dfaa5b637511634 [9 November 2022].

81 The CDP is an international organisation that runs a global disclosure system for investors, companies, and other entities to manage their environmental impacts. Available: https://www.cdp.net/en [9 November 2022].

82 Fagan-Watson, Elliot, & Watson, 2015.

83 Wirsching, E. 2018. The Revolving Door for Political Elites: An Empirical Analysis of the Linkages between Government Officials' Professional Background and Financial Regulation. *2018 OECD Global Anti-Corruption & Integrity Forum*. 1–2. Available: https://www.oecd.org/corruption/integrity-forum/academic-papers/Wirsching.pdf [9 November 2022].

84 Fagan-Watson, Elliot, & Watson, 2015.

85 CDP. 2017. *The Carbon Majors Database: 100 fossil fuel producers and nearly 1 trillion tonnes of greenhouse gas emissions*. CDP. Available: https://cdn.cdp.net/cdp-production/cms/reports/documents/000/002/327/original/Carbon-Majors-Report-2017.pdf?1501833772,%20and%20see%20https://www.climateaction100.org/ and Climate Action 100+. Available: https://www.climateaction100.org/ [9 November 2022].

86 InfluenceMap. Business Unity South Africa. Available: https://lobbymap.org/influencer/Business-Unity-South-Africa-BUSA-1d7c6580502e072741174a1d7d09c4b1; Busa. 2022. Presentation on the draft Climate Change Bill. 28 October 2022. Available: https://pmg.org.za/committee-meeting/35875/ [9 November 2022].

87 https://www.climatecommission.org.za/commissioners [9 November 2022].

88 https://www.mineralscouncil.org.za/about/board-and-office-bearers [9 November 2022].

89 InfluenceMap. Minerals Council South Africa. Available: https://lobbymap.org/influencer/South-African-Chamber-of-Mines-d9fecc0ed7db4a809c71f3fc6a2b0cd6; Mincosa. 2022. Parliament Public Hearings on the Climate Change Bill. 28 October 2022. Available: https://pmg.org.za/committee-meeting/35875/ [9 November 2022].

90 InfluenceMap. Industry Task Team on Climate Change. Available: https://lobbymap.org/influencer/Industry-Task-Team-on-Climate-Change-05393ae1544bc136c3aab40a5b6c8729 [9 November 2022].

91 https://www.energycouncil.org.za/membership/ [9 November 2022].

92 Chairman of the Energy Council of South Africa, Fleetwood Grobler Launch Address. 2 November 2021. 4. Available: https://www.energycouncil.org.za/wp-content/uploads/2021/11/Energy-Council-Launch-Chair-Address-2-November-2021.pdf [9 November 2022].

93 Chairman of the Energy Council of South Africa, Fleetwood Grobler Launch Address, 2021. 4.

94 Organisation for Economic Co-operation and Development. 2010. Recommendation of the Council on Principles for Transparency and Integrity in Lobbying. OECD. Adopted on 18 February 2010. OECD/LEGAL/0379. Available: https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0379 [9 November 2022].

95 OECD, 2021.

96 OECD, 2021.

97 Judicial Commission of Inquiry into State Capture. 2022. *Judicial Commission of Inquiry into Allegations of State Capture, Corruption and Fraud in the Public Sector including Organs of State: Report Part 1 Vol, 3, Chapter 3 – South African Revenue Service*. (Chairman: Justice RMM Zondo). 641. Available: https://www.statecapture.org.za/site/files/announcements/673/OCR_version_-_State_Capture_Commission_Report_Part_1_Vol_I.pdf [9 November 2022].

Just Share

**Report author:**
Emma Schuster

**Just Share** NPC is a non-profit shareholder activism organisation using responsible investment and sustainable finance to drive urgent action to combat climate change and reduce inequality.

We are a non-profit company with registration no: 2017/347856/08, public benefit organisation no: 930064608 and non-profit organisation no: 206-406.

www.justshare.org.za

**Published:** November 2022

**Just Share** would like to acknowledge the support of our funders whose dedication to the global fight for climate justice makes our work possible.