Congress of the United States

Washington, DC 20515



November 22, 2023

Ms. Sarah Bloom Raskin
Dr. Bing Leng
Co-Chairs, Consultation on Net Zero Recognition and Accountability Framework
United Nations Framework Convention on Climate Change
P.O. Box 260124
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Dear Ms. Raskin and Dr. Leng:

Earlier this year, we wrote to leaders of the United States, European Union, and United Nations to urge them to take immediate steps to limit the influence of polluting industries, particularly major fossil fuel industry players whose business strategies are at clear odds with the central goals of the Paris Agreement, at gatherings of the United Nations Framework Convention on Climate Change (UNFCCC).

Since we sent that letter, the UNFCCC has named you to lead the Consultation on Net Zero Recognition and Accountability Framework. According to the UNFCCC, the purpose of the consultation is, among other things, to understand more about how to refine approaches to transparency and promote greater ambition as business, cities, and regions strive toward net-zero emissions. We understand that you intend to issue a set of operational guideposts at or around the twenty-eight Conference of the Parties (COP28) in the Dubai in December 2023.

Little has changed since we sent our first letter. We continue to have profound concern that current rules governing the UNFCCC permit private sector polluters to exert undue influence on UNFCCC processes.

Last year, many of us attended or followed COP27 in Sharm-al-Sheikh, Egypt. While we applaud the United Nations for bringing tens of thousands of delegates together, leading to a historic agreement that will help developing countries deal with losses and damages from the impacts of climate change, the conference ultimately failed to secure consensus from Parties to cut greenhouse gases in line with the agreed global goals.¹

¹ United Nations Framework on Climate Change. 2022. "COP27 Reaches Breakthrough Agreement on New 'Loss and Damage' Fund for Vulnerable Countries." 2022. <u>https://unfccc.int/news/cop27-reaches-breakthrough-agreement-on-new-loss-and-damage-fund-for-vulnerable-countries</u>.

It did not escape our attention that at least 636 lobbyists from the oil and gas industries registered to attend last year's COP—an increase of more than 25% over the previous year. When the number of attendees representing polluting corporate actors, which have a vested financial interest in maintaining the status quo, is larger than the delegations of nearly every country in attendance, it is easy to see how their presence could obstruct climate action.² Moreover, corporate entities that are nominally "climate friendly" frequently maintain, particularly but not exclusively through trade associations, a political stance on climate action that is hostile, powerful, and unreported.

As you know, there is no time to waste in sharply cutting carbon pollution on a global scale. The latest Intergovernmental Panel on Climate Change (IPCC) Report states that to limit warming to 1.5 °C, global emissions must halve by 2030.³ The planet has already warmed over 1.2°C, and our ability to reach the 1.5 °C goal is fast moving out of reach, with the IPCC pegging the current probability at just 38%.⁴ Maintaining the status quo would lead to a catastrophic 2.8°C temperature rise by the end of the century.⁵

In this moment of great urgency, we must lift the barriers that have kept us from advancing strong global collaboration to address climate change. One of the largest barriers to strong climate action has been and remains the political influence and obstruction of the fossil fuel industry and other major polluting industries. We have seen their negative influence in our home institutions; oil companies and their industry cheerleaders have spent billions of dollars lobbying both the European Parliament, other European institutions and Member States, and the U.S. Congress and various executive agencies in order to obstruct or water down climate policy for years.⁶ While we acknowledge that engaging with industry can play a role in policy development, we must consider this particular industry's track record on climate. Since at least the 1950s, the fossil fuel industry has known about the dangers of climate change posed by its products and, rather than supporting a transition to a clean energy future, has instead chosen to promote climate denial and spend billions of dollars to spread disinformation.⁷

⁴ Intergovernmental Panel on Climate Change. 2022a. "Mitigation of Climate Change Summary for Policymakers Climate Change." <u>www.ipcc.ch</u>.

⁵ United Nations Environment Programme. 2022. "Emissions Gap Report 2022." <u>https://www.unep.org/resources/emissions-gap-report-2022</u>.

⁶ Laville, Sandra. 2019. "Fossil Fuel Big Five 'spent €251m Lobbying EU' since 2010." The Guardian. <u>https://www.theguardian.com/business/2019/oct/24/fossil-fuel-big-five-spent-251m-lobbying-european-union-2010-climate-crisis;</u> InfluenceMap. 2022. "EU Green Deal at Risk from Pro-Gas Lobbying." 2022. <u>https://influencemap.org/pressrelease/EU-Green-Deal-at-Risk-from-Pro-Gas-Lobbying-17523;</u> InfluenceMap. 2022a. "Big Oil's Real Agenda on Climate Change 2022." <u>https://influencemap.org/report/Big-Oil-s-Agenda-on-Climate-Change-2022-19585;</u> Sayki, Inci and Cloutier, Jimmy. 2023. "Oil and Gas Industry Spent \$124.4 Million on Federal Lobbying Amid Record Profits in 2022." Open Secrets. https://www.opensecrets.org/news/2023/02/oiland-gas-industry-spent-124-4-million-on-federal-lobbying-amid-record-profits-in-2022/.

⁷ Hall, Shannon. 2015. "Exxon Knew about Climate Change Almost 40 Years Ago." Scientific American, 2015. <u>https://www.scientificamerican.com/article/exxon-knew-about-climate-change-almost-40-years-ago/;</u> Center

² Michaelson, Ruth. 2022. "'Explosion' in Number of Fossil Fuel Lobbyists at Cop27 Climate Summit." The Guardian. November 10, 2022. <u>https://www.theguardian.com/environment/2022/nov/10/big-rise-in-number-of-fossil-fuel-lobbyists-at-cop27-climate-summit.</u>

³ Intergovernmental Panel on Climate Change. 2022. "The Evidence Is Clear: The Time for Action Is Now. We Can Halve Emissions by 2030." 2022. <u>https://www.ipcc.ch/2022/04/04/ipcc-ar6-wgiii-pressrelease/</u>.

Over a half century later, not one of 39 major global oil and gas companies, with collective market capitalization of \$3.7 trillion, has adopted a business strategy that would limit warming to safe levels.⁸ Several independent analyses agree that the sector is still not taking meaningful action to avoid the worst impacts of the crisis.⁹

Even more outrageous, the global oil and gas industry is expanding amid blockbuster profits to the tune of \$4 trillion last year.¹⁰ The sector has poured \$160 billion into exploration for new fossil reserves since 2020, even as the IEA has stated that no new fossil fuel projects are compatible with limiting warming to 1.5°C.¹¹ In short, in the words of UN Secretary General Antonio Guterres, "We seem trapped in a world where fossil fuel producers and financiers have humanity by the throat."¹² It is time to alter this dangerous course.

At the end of this month, world governments will gather in Dubai for COP28. It is essential that we seize the opportunity to take actionable steps to address and protect climate policy from polluting interference by adopting concrete rules that limit the influence of the fossil fuel industry and its lobbyists in the UNFCCC decision-making process.

Accordingly, as you receive input from and engage in consultations with various stakeholders, we urge you to consider—and eventually include in your report—a recommendation that the UNFCCC adopt new policies for corporate participation at COPs and

for Climate Integrity. 2019. "Documentary Evidence of Oil and Gas Companies' Knowledge of Their Products' Role in Causing Climate Change and Their Subsequent Deception Campaign."

https://climateintegrity.org/uploads/media/DeceptionBinder_September2019.pdf; Paddison, Laura. 2023. "Exxon Accurately Predicted Global Warming from 1970s but Still Cast Doubt on Climate Science, New Report Finds." CNN, 2023. https://www.cnn.com/2023/01/12/business/exxon-climate-models-global-warming/index.html; McGreal, Chris. 2021. "How a Powerful US Lobby Group Helps Big Oil to Block Climate Action." The Guardian, 2021. https://www.theguardian.com/environment/2021/jul/19/big-oil-climate-crisis-lobby-group-api; "Big Oil vs the World Tells the 40 Year Story of How the Oil Industry Delayed Action on Climate Change." 2022. BBC. 2022. https://www.bbc.com/mediacentre/2022/big-oil-vs-the-world; McMullen, Jane, Gesbeen Mohammad, and Robin Barnwell. 2022. "The Power of Big Oil ." PBS Frontline. https://www.pbs.org/wgbh/frontline/documentary/thepower-of-big-oil/; Franta, Benjamin. 2018. "On its 100th birthday in 1959, Edward Teller warned the oil industry about global warming." The Guardian, 2018. https://www.theguardian.com/environment/climate-consensus-97-percent/2018/jan/01/on-its-hundredth-birthday-in-1959-edward-teller-warned-the-oil-industry-about-global-warming.

⁸ Climate Action 100+. 2022. "Net Zero Company Benchmark." Climate Action 100+. September 2022. <u>https://www.climateaction100.org/whos-involved/companies/?search_companies&company_sector=oil-and-gas</u>.

⁹ "Implied Temperature Rise - MSCI." 2023. MSCI. 2023. <u>https://www.msci.com/our-solutions/climate-investing/implied-temperature-rise</u>. Tong, David, and Kelly Trout. 2022. "Big Oil Reality Check: Updated Assessment of Oil and Gas Company Climate Plans." Washington, D.C. <u>www.priceofoil.org</u>; Oxford Net Zero, NewClimate Institute, Data-Driven EnviroLab (DDL), and Energy & Climate Intelligence Unit (ECIU). 2021. "Net Zero Tracker." September 28, 2021. <u>https://zerotracker.net/#companies-table</u>.

¹⁰ Adomaitis, Nerijus. 2023. "Oil and Gas Industry Earned \$4 Trillion Last Year, Says IEA Chief." Reuters, 2023. <u>https://www.reuters.com/business/energy/oil-gas-industry-earned-4-trillion-last-year-says-iea-chief-2023-02-14/</u>.

¹¹ <u>https://www.iea.org/reports/net-zero-by-2050;</u> Carrington, Damian. 2022. "Oil and Gas Firms Planning 'Frightening' Fossil Fuels Growth, Report Finds." The Guardian, 2022. <u>https://www.theguardian.com/environment/2022/nov/10/oil-and-gas-firms-planning-cop27-climate-crisis-frightening-fossil-fuels-growth-report-finds</u>.

¹² Freedman, Andrew. 2022. "UN Secretary-General António Guterres Warns on Climate Action." Axios. <u>https://www.axios.com/2022/06/17/un-secretary-general-guterres-climate-white-house</u>. other UNFCCC processes. As set out in greater detail in a recent letter submitted by leading U.S. environmental groups, those recommendations should include, among other things, a requirement that participating companies submit an audited climate policy influencing statement disclosing climate-related lobbying, campaign contributions, and funding of third parties active on energy and climate issues.¹³ Those audited statements should be reviewed, publicly disclosed, and scrutinized prior to any engagement in UNFCCC climate policymaking processes. The UNFCCC should also consider additional measures to establish a robust accountability framework to protect against undue influence of corporate actors with proven vested interests that contradict the goals of the Paris Agreement; such a framework was proposed last year with broad-based international support from over 450 organizations and millions of people.¹⁴ These reforms would bring much-needed transparency to corporate climate-related political influencing activities around the world, and would help restore public faith that the COP process is not being abused by companies as an opportunity to greenwash.

To that end, as U.S. and EU elected representatives, we take this opportunity to reiterate our call to domestic and international leaders to support measures to address the corporate capture of public decision-making processes by the fossil fuel industry and its enablers.

Thank you for your attention to this important issue and for your ongoing dedication to building global support for reducing carbon pollution and combatting climate change. We welcome the opportunity to meet with you as you engage in individual consultations with stakeholders as you prepare your report.

Sincerely,

Sheldon Whitehouse United States Senator

Jared Huffman Member of Congress

¹⁴ See, e.g., Corporate Accountability. 2022. "Joint Civil Society Submission on Establishing a UNFCCC Accountability Framework to Protect Against Undue Influence of Polluting Interests." <u>https://corporateaccountability.org/wp-content/uploads/2022/08/Joint-civil-society-submission-on-COI-Aug-17-2022_.pdf</u>; Corporate Accountability. "Who We Are." Kick Big Polluters Out. Accessed May 9, 2023. <u>https://kickbigpollutersout.org/who-we-are</u>.

¹³ Letter from U.S. Environmental Organizations to the United Nations Framework Convention on Climate Change Consultation on Net Zero Recognition and Accountability Framework (Nov. 7, 2023), https://www.lcv.org/media-center/us-environmental-organization-letter-to-the-unfccc-on-corporate-transparency-at-cop/.

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The Honorable Wopke Hoekstra, Commissioner for Climate Action, European Commission

Mr. Antonio Guterres, Secretary-General, United Nations Secretary-General

Mr. Simon Stiell, Executive Director, United Nations Framework Convention on Climate Change