

Climate Action Against Disinformation's Response to the Senate Inquiry on Greenwashing

Attn:

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The [Climate Action Against Disinformation](#) (CAAD) coalition is a growing and unprecedented effort by over 50 organisations to tackle one of the largest barriers to addressing the climate crisis: misleading content that perpetuates false narratives on environmental trends and drowns out evidence-based discussion on climate policy. CAAD engages decision makers at the national and international level to enforce accountability and bring greater political awareness to the problem. From [reports](#) on platforms' failure to adopt an expert-informed definition of [climate mis- and disinformation](#), and/or enforce related policies in a consistent and transparent manner, to creating [COP Intelligence Units](#) to monitor the most dangerous falsehoods perpetuated around the annual global climate summit, CAAD pursues accountability and a good-faith dialogue on climate change and its solutions. The following submission utilises CAAD's work on disinformation and greenwashing in advertising, and evidence has been made specific to Australia where possible.

Greenwashing and Climate Mis/Disinformation

Greenwashing [is](#) "the act or practice of making a product, policy, activity, etc. appear to be more environmentally friendly or less environmentally damaging than it is in reality", and has typically been addressed through its impacts on misleading consumers. CAAD suggests the Senate consider greenwashing as part of a broader framework - that of climate dis- and misinformation.

Climate dis- and misinformation refers to deceptive or misleading content that is typically used by vested interests to mislead its audiences about climate science and climate solutions. CAAD has [defined](#) climate dis- and misinformation as deceptive or misleading content that:

- Undermines the existence or impacts of climate change, the unequivocal human influence on climate change, and the need for corresponding urgent action according to the IPCC scientific consensus and in line with the goals of the Paris Agreement;
- Misrepresents scientific data, including by omission or cherry-picking, in order to erode trust in climate science, climate-focused institutions, experts, and solutions; or
- Falsely publicises efforts as supportive of climate goals that in fact contribute to climate warming or contravene the scientific consensus on mitigation or adaptation.

CAAD recommends the inquiry consider this broader framework to properly understand and account for how vested fossil fuel interests use greenwashing to continue to mislead consumers, with the final bullet point being most relevant to 'greenwashing'.

Research increasingly points to the fact that key actors from the oil and gas industry were aware of the impacts of fossil fuels on climate change as far back as the 1960s, but rather than work with governments to address the issue, they chose to deny the science. Outright climate denial is no longer a tenable position for major public companies to promote. In its place, researchers have charted the rise of ‘discourses of delay’, which accept the existence of climate change, but justify inaction or inadequate efforts to address the issue. One of the core ways the fossil fuel industry does this is through promoting its business, its products, and its interaction with climate action as positive, while continuing to invest overwhelmingly in polluting fossil fuels and lobby against climate policies. This behaviour is also known as greenwashing. These efforts can impact consumers in their decision-making, for instance buying diesel from a particular oil company on account of being told it was ‘low-emissions’. Critically, however, it impacts consumers as citizens, having to experience the worsening effects of increasing global warming. This is having negative impacts on the human health and well being of Australia’s citizens.

Research shows these efforts occur across advertising and marketing materials, corporate reporting, including investor materials, and in advocacy to policymakers. Below, CAAD provides evidence of misleading environmental and sustainability claims from research produced by some of CAAD’s members.

Evidence of deceptive or misleading claims: Supporting Action on Climate Change

InfluenceMap released research on the greenwashing by Big Oil in its report ‘[Big Oil’s Real Agenda on Climate Change 2022](#)’. In the report, InfluenceMap assessed nearly three and half thousand communications from 5 oil majors (BP, Shell, ExxonMobil, TotalEnergies, and Chevron), and found that 60% of these contained ‘green claims’, claiming support for emissions reductions – including net zero by 2050 -, support for transitioning the energy mix, and supporting fossil fuels as a clean/green energy source for the energy transition – an instance of disinformation. In contrast, InfluenceMap found only 12% of the 5 oil majors’ 2022 capital expenditure was dedicated towards ‘low carbon’ activities, while none of the groups were lobbying for climate policies in line with net zero by 2050, in many instances lobbying directly against them.

Evidence of deceptive claims: Fossil Gas as Green

In February 2023, McKie et al (2023) published [their paper](#) on ‘Climate Obstruction and Facebook advertising: how a sample of climate obstruction organizations use social media to disseminate discourses of delay’, using InfluenceMap’s earlier report on [the US Oil and Gas Industry’s Digital Advertising Strategy](#).

Under the frame Climate Solutions, ads frequently cited fossil gas as “green” or “clean” (27% of total ads, 6782 individuals ads), promoting fossil gas as a solution to climate change. This is an example of Lamb et al. (2020) labeled as a form of fossil fuel solutionism, construing fossil fuels not as a cause of environmental harm but rather a social good. This claim, however, is misleading.

McKie et al cite an ad paid for by the American Petroleum Institute that claims: “We can all agree we need strong climate solutions – and with natural gas a dominant energy source, US carbon emissions are the lowest in a generation.”. This ad is misleading/inaccurate on two counts. Firstly, it omits critical information regarding the makeup and emissions of fossil gas. Fossil gas is primarily made of methane, which [often leaks](#) into the atmosphere. Methane is a highly potent greenhouse gas, which

needs to be rapidly and significantly reduced [according to the Intergovernmental Panel on Climate Change](#) (IPCC). Moreover, the amount of methane leaked from fossil gas is so great, some studies have indicated fossil gas production can be [as polluting and harmful for the environment as coal](#).

This speaks to the second misleading/inaccurate point. Fossil gas is often promoted as a climate-friendly alternative to coal. However, the IPCC called fossil fuel to fossil fuel switching (i.e. switching coal for fossil gas) a “[potentially dangerous](#)” option for reducing emissions. Rather, the IPCC stated fossil fuels, including both coal and fossil gas, must significantly decrease to avert catastrophic climate change. Accordingly, statements promoting fossil gas as a climate solution are misleading in their omissions of critical information, and misleading in their portrayal of fossil gas in relation to climate change.

Evidence of deceptive claims: Google ads bought on sustainability search terms

In 2022, the Center for Countering Digital Hate (CCDH) published “[Greenwashing on Google](#)”, a report investigating Google’s role in greenwashing the world’s biggest oil producers. Using the data analytics tool Semrush, CCDH found that 40% of the \$27.3 million spent on Google search ads by oil and gas companies targeted search terms on environmental sustainability. The five companies studied in CCDH’s report, ExxonMobil, British Petroleum (BP), Chevron, Shell, and Aramco, spent \$10.9m to target US Google Search users with greenwashing ads in the last two years. These ads were viewed an estimated 58.6 million times. CCDH found many deceptive claims. For example, the oil companies targeted users searching for “eco friendly” companies, placing ads on searches for “small eco friendly companies”, “eco friendly companies”, “eco friendly energy sources” and “eco friendly energy”. Four of the five – Shell, BP, ExxonMobil and Aramco – advertised under the search term “low carbon footprint”. This is not just deception by association, by promoting the worlds’ biggest oil companies alongside sustainability search results. The advertisements themselves often claimed that the companies were committed to netzero, suggesting that the goal could be reached through using carbon capture technology and investment in renewables. Internal memos obtained by the [House Oversight Committee in 2022](#) underscore just how intentionally misleading these ads are: ads placed by Shell promote a commitment to “net-zero emissions” while the company privately instructs employees that net-zero is “not a Shell business plan”; ads placed by BP claim “carbon capture... can cut CO2 emissions”, while the company privately plans to use carbon capture to “enable the full use of fossil fuels across the energy transition and beyond”. By allowing fossil fuel giants to advertise on searches like “How to reduce greenhouse gas emissions?”, “eco-friendly companies”, and “net zero”, Google facilitates consumer deception around climate change.

Impact on Consumers

In November 2022, CAAD and Conscious Advertising Network [published a survey](#) on the impact of climate misinformation on public perception, including 1,203 respondents aged 18+ from Australia who were interviewed a month prior. Climate disinformation statements were tested across a number of different categories including the role of oil and gas, renewable energy, electric vehicles and heat pumps. Participants were also surveyed on their understanding of net zero misinformation. The survey results are a sobering reminder of how prevalent misperceptions and misinformation about climate change and related policies remain in Australia. For instance:

On Net Zero: 29% believe that “Australia cannot afford to reach the target of net zero emissions by 2050” and 28% of them say that “the main reason our bills are increasing is due to climate and net-zero policies.”

On Fossil Fuels: The data indicates that in Australia, two in five people believe that oil and gas are essential components of our national economy, and it would be impossible for us to do without them (43%) and that fossil gas is an essential and important fuel needed to be utilised for the low-carbon energy transition (42%).

On Renewable Energy: In Australia, 37% of the public believe the misinformation claim that renewable energy is more expensive than fossil fuels.

On Electric Vehicles: 37% believe that the batteries from electric vehicles cannot be reused or recycled and will pollute the environment.

Research into how disinformation impacts consumer behaviour directly is limited and CAAD recommends the Inquiry conduct research to this effect. What is clear, however, is that mis- or disinformation in corporate advertising materials are having a negative impact on public perceptions of climate change and climate solutions.

Legislative options to protect consumers:

CAAD recommends the Government adopt and enforce the definition of climate disinformation, dealing with specific greenwashing claims identified above within this framework.

Adoption:

At COP26, CAAD presented the following [definition](#) of climate disinformation, with ‘greenwashing’ falling under the second and third bullet points in particular:

Climate disinformation and misinformation refers to deceptive or misleading content that:

- Undermines the existence or impacts of climate change, the unequivocal human influence on climate change, and the need for corresponding urgent action according to the IPCC scientific consensus and in line with the goals of the Paris Climate Agreement;
- Misrepresents scientific data, including by omission or cherry-picking, in order to erode trust in climate science, climate-focused institutions, experts, and solutions; or
- Falsely publicises efforts as supportive of climate goals that in fact contribute to climate warming or contravene the scientific consensus on mitigation or adaptation.

The definition has been supported by a range of corporations, tech platforms, and advertising agencies including Virgin Media O2, Havas Media, Dentsu, Omnicom Media Group UK, and Patagonia, while Pinterest, Alphabet, and TikTok have all introduced policies covering parts of the definition of climate disinformation.

The definition has also found support from policymakers, most notably the European Parliament’s special committee on foreign interference in democratic processes, including disinformation [emphasized](#) “the urgent need to address climate mis- and disinformation; welcomes the efforts at COP26 to adopt a universal definition of climate mis- and disinformation and to outline actions to address the matter; calls for models such as the Intergovernmental Panel on Climate Change to be built on to create a global code of conduct on disinformation, a process that would provide a basis for a Paris Agreement on Disinformation.”

Enforcement:

CAAD recommends the Government develop and implement a plan to tackle the use of climate disinformation (including greenwashing) in marketing materials. This will send a clear signal to advertisers that the Government is serious about addressing and preventing the spread of climate disinformation and greenwashing.

This can include measuring the scale of the problem and setting targets to reduce climate mis/disinformation in marketing materials. CAAD also recommends the establishment of transparent advertising libraries, which can be accessed by vetted researchers to track the issue of greenwashing and climate disinformation.

CAAD recommends prioritising the climate mis/disinformation in marketing materials from big polluters due to:

- The prevalence of climate mis/disinformation in marketing materials from big polluters, as evidenced by research from InfluenceMap and CCDH discussed above.
- Consumers attitudes towards big polluters: A 2023 [study](#) in the Journal of Management studies examined how consumers around the world responded to firms in stigmatised industries like oil and gas that are found greenwashing. The study found that while consumers financially penalised firms for greenwashing, unless the firms were stigmatised as 'dirty'. The researchers concluded that consumers have a "boys will be boys" attitude for greenwashing by dirty firms, even expecting it, and subsequently, the market penalty for greenwashing is much weaker for firms that are regarded as dirty. As such, the researchers suggest governments and international organisations should focus their limited resources on dirty industries.
- The [UN High-Level Expert Group on the Net Zero Emissions Commitments of Non-State Entities](#) states "regulators should develop regulation and standards starting with high-impact corporate emitters, including private and state-owned enterprises and financial institutions."

Thank you for your time and consideration on this critical issue. CAAD would be happy to answer any further questions the Committee may have.

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