

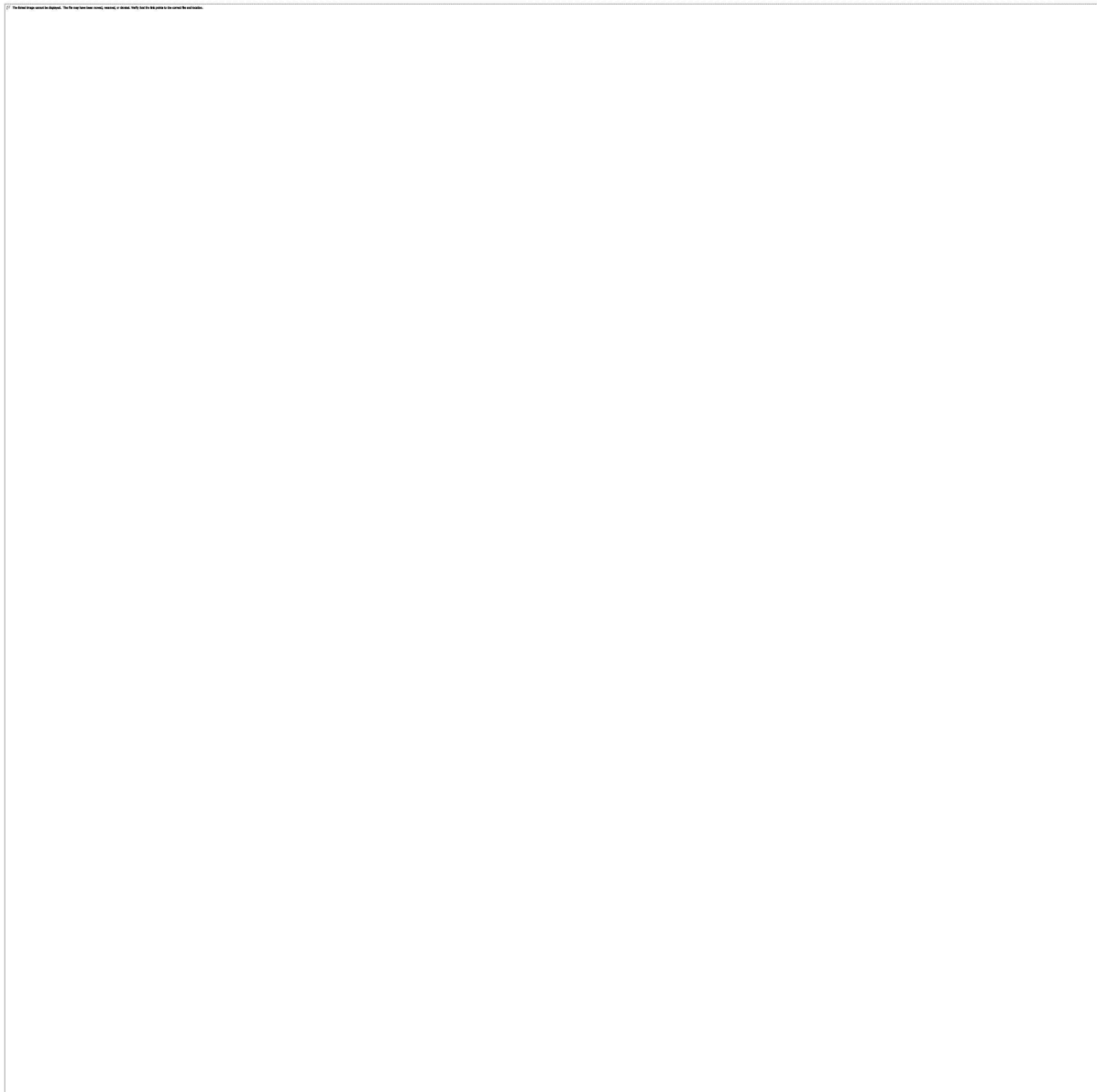
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Subject: Shell ordered to slash emissions in 'mind-blowing' Dutch verdict



Shell ordered to slash emissions in 'mind-blowing' Dutch verdict

BY AMERICA HERNANDEZ, ELINE SCHAART , KALINA OROCHAKOFF | 05/26/2021
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The verdict will have a big impact on the way Shell does business. | Scott Barbour/Getty Images

BRUSSELS — Courts are coming after fossil fuel companies.

A Dutch court on Wednesday said Royal Dutch Shell helped drive “dangerous climate change,” and ordered the company to cut its own CO2 emissions as well as from its suppliers and customers by a net 45 percent by the end of 2030 compared to 2019 levels.

Shell said it would appeal what it called a “disappointing” verdict.

Wednesday’s verdict marks the first time a Dutch court has imposed emission reduction requirements on a company; until now such verdicts — issued in cases in the Netherlands, France and Germany — had aimed at getting governments to boost their climate efforts.

The judgment is “mind-blowing” by “basically changing... what Shell is at the core. That’s huge,” said Joana Setzer, assistant professor at the Grantham Research Institute at the

London School of Economics and Political Science, adding: “The court is telling the company they have to make financial sacrifices and shift their behavior.”

Shell said in a statement that: “Urgent action is needed on climate change which is why we have accelerated our efforts to become a net-zero emissions energy company by 2050, in step with society, with short-term targets to track our progress.”

The company last month laid out its [Energy Transition Strategy](#), which calls for cutting the carbon intensity of its products by 20 percent by 2030 and to become net zero on emissions by 2050; it was backed by shareholders last week. The company is also investing billions in electric vehicles, hydrogen, renewables and biofuels.

But the court found fault with that roadmap.

It acknowledged that Shell had enhanced its plans but said that “seeing as the policy is not concrete, has many caveats and is based on monitoring social developments rather than the company’s own responsibility for achieving a CO2 reduction, the court finds that there is an imminent breach of the reduction obligation.”

The highly watched suit — filed by NGOs including Friends of the Earth Netherlands and more than 17,000 citizen co-plaintiffs in 2018 — [argued that Shell’s annual emissions](#), accounting for about 3 percent of the global total, constituted an unlawful danger that the courts must stop to avoid global warming.

Green groups asked the court to force the company to cut emissions in line with the Paris Climate Agreement — something Shell argued could only be done by governments. The judges disagreed. The court was also unpersuaded by Shell’s argument that its competitors would boost oil and gas production and emissions if Shell was forced to pull back.

“It is generally accepted that companies must respect human rights. This is an individual responsibility of companies, which is separate from states’ actions. This responsibility also extends to suppliers and customers,” the verdict said.

Roger Cox, a lawyer for Friends of the Earth Netherlands, said Wednesday’s ruling was a “turning point in history... because it is the first time a judge has ordered a large polluting corporation to comply with the Paris Climate Agreement. This ruling may also have major consequences for other big polluters.”

The verdict will have a big impact on the way Shell does business, said Mike Coffin, senior analyst at Carbon Tracker. To achieve the new court-mandated targets, Shell would “have to rapidly accelerate the pace of their renewable energy business rollout, to bring down the fraction of emissions per unit of energy, but they will likely also need to commit to oil and gas production reduction,” he said.

The ruling is a huge boost for climate campaigners increasingly turning to lawsuits to force governments and companies to speed up their emissions cuts. Sara Shaw from Friends of the Earth International said the NGO hopes “this verdict will trigger a wave of climate litigation against big polluters, to force them to stop extracting and burning fossil fuels.”

The ruling also comes just a week after the International Energy Agency — once the world's leading lobby for fossil fuel users — warned that investments in new oil and gas developments needed to end immediately to keep warming to 1.5 degrees Celsius.

Fossil fuel companies are increasingly under attack from courts and activists.

On Wednesday, two directors nominated by climate-activist investor Engine No. 1 were elected to ExxonMobil's board by shareholders.

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