

# E&E Energywire

## **CEO: Clean energy to be 50% of Shell's business in a decade**

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Shell CEO Ben van Beurden. José Cruz/Agência Câmara/Wikipedia

Royal Dutch Shell PLC, one of the world's biggest oil companies, could get more than half its business from clean energy within 10 years, the company's CEO said this week.

CEO Ben van Beurden said, though, that the company will likely be drilling for oil and gas for the foreseeable future, and he declined to commit to specific cuts in oil and gas production. And while he cheered the Biden administration for rejoining the Paris Agreement, he cautioned the U.S. against adopting policies that are "clear, simple and wrong."

Van Beurden, who has led Shell since 2014, made the remarks during an interview for "Axios on HBO" broadcast Sunday. The CEO pledged last year to reduce the company's carbon dioxide emissions to the equivalent of zero by 2050 by expanding production of renewable power and also offsetting greenhouse gas emissions.

When asked when Shell would reach 50% clean energy, van Beurden said: "If we do not make that type of [progress] by the next decade, we have a problem. Not just as a company but as a society."

The remarks were significant because Shell began turning a profit this year after losing billions of dollars during the pandemic and recession. Some observers have questioned whether large oil companies would have the discipline to keep their clean energy promises as oil prices recovered ([Energywire](#), May 3).

BP PLC, one of Shell's rivals, has also pledged to cut its emissions and has said it will cut its oil production 40% in the next 10 years.

Rather than set a similar target, van Beurden said it's better for companies and governments to work on solutions that will reduce the use of oil and gas, rather than focusing on cutting the supply.

"If you want to get rid of hydrocarbons in the mix, you have to do something about the use of it, not the production of it," he said.

Asked about American energy policy, he said, "What I really applaud is that the U.S. is back in the frame of the Paris Agreement.

"What I also see," he added, "is the government is flirting with popular ideas that are clear, simple and wrong, which is, 'Let's ban the production of oil and gas in our country.'"

The Biden administration hasn't proposed any bans, despite pressure from climate activists. It has paused new oil and gas leases on federal property but hasn't made any proposals limiting drilling on state or private property, which accounts for the bulk of production.

At the same time, van Beurden said, the world "needs more ambition" to prevent the worst consequences of climate change.

"We have a much more invasive and complex transition we have to manage. I think that is beginning to be realized," he told "Axios." "It will require every ounce of coordination and collaboration that this world can muster at a level that we have never seen before."

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