

Public inquiry into anti-Alberta energy campaigns final report

Key findings

Overview

The report confirms the existence of well-funded foreign interests that have been waging a decade-long campaign of misinformation with the goal of landlocking Alberta's oil and gas.ⁱ

The inquiry used Vivian Krause's materials as a foundation, or starting point for conducting its workⁱⁱ. As part of its undertaking, as instructed by the commissioner, Deloitte – who provided forensic accounting analysis to the inquiry – reviewed material gathered by Krause in respect of financial assistance from foreign organizations and assessed the materials' accuracyⁱⁱⁱ. According to Deloitte, its research led them to find there were actually several additional entities beyond what Krause provided^{iv}. As a result, the final inquiry report provides a one-stop shop for piecing together the full picture of what was happening over the last decades, and demonstrates this isn't just about one or two campaigns, but a broader movement of which all Albertans and Canadians should be aware.

The report provides significant and wide-ranging evidence of these campaigns. For example:

- After years of targeting oil and gas infrastructure projects, and the financial and insurance companies which backed them, beginning in 2012 proponents claim it has achieved more than 1,000 divestments representing \$8 trillion.^v

- This includes seven campaigns specifically targeting divestment in the Alberta oil sands. For example, the SumOfUs campaign targeted the Trans Mountain Pipeline, Keystone XL, and the Teck Frontier Mine.^{vi}

The report identifies that there are large amounts of foreign funding flowing into Canada, which has the potential to influence matters of public interest to Albertans and Canadians.^{vii}

- In 2018, registered Canadian charities received almost \$2.5 billion in foreign funding.^{viii}
- According to Deloitte, it appears millions of foreign dollars is received in Canada and held and/or re-granted with no ability to trace its ultimate destination. It appears that once

this funding arrives in Canada, it loses its character, and certain aspects are no longer traceable.^{ix}

The commissioner found that, in terms of reporting and accountability, there is an uneven playing field between not-for-profits and charitable organizations compared to regulated public companies.^x Industry is highly regulated, closely monitored, and must be open and transparent, but many of the same requirements do not exist for not-for-profits or charities.

- Total foreign funding of “Canadian-based” environmental initiatives was \$1.28 billion between 2003 and 2019. The commissioner states that these figures are likely significantly understated. This includes:
 - \$925 million in foreign funding reported by Canadian charities for “environmental initiatives”
 - \$352 million in foreign funding of “Canadian-based” environmental initiatives, such as anti-pipeline campaigns, that remained in the U.S.
 - Of this funding, grant descriptions specifically prescribing funds for “anti-Alberta resource development activity” was \$54.1 million.^{xi}

Foreign funding of Canadian-based environmental initiatives is likely understated for a number of reasons^{xii}, including:

- There are many charitable organizations and not-for-profits that receive foreign funding for environmental initiatives, but only the 31 largest ENGOs (by total revenue) and six Envirolegals were considered by Deloitte.
- It is possible for Canadian ENGOs to either:
 - Re-grant funds they receive from foreign sources, or
 - Maintain them as donor advised funds for distribution in subsequent years.

When these funds are re-granted, they are not accounted for by the recipient entity as foreign funds received. These funds have essentially “lost their character” as foreign funds, which means the total foreign funding to Canadian ENGOs is likely more widespread than is reflected in either U.S. or Canadian open-sourced materials.

The commissioner references a “broader campaign” and says that networks of ENGOs seem to work in concert, collaboratively advancing an agenda. They function “like an industry,” attracting various sources of funding and employing large personnel and capital to promote their objectives.^{xiii}

While many ENGOs are driven by honest concerns, the commissioner found they are also focused on their own financial sustainability, which is ensured by adapting to emerging markets and trends and jumping from cause to cause.^{xiv}

The commissioner identifies several attempts to influence decision makers – including those in federal and provincial governments – in a way that could constitute an attempt to directly or indirectly delay or frustrate the development of Alberta’s oil and gas resources.^{xv} For example:

- LeadNow’s 2015 Vote Together campaign “connects people who want change with the tools and information they need to select and support the best local candidates to defeat the Harper conservatives.”^{xvi}
- In 2016, the Corporate Ethics website stated: “This strategy is successful to this day. All the proposed pipelines in Canada have effectively been blocked, as have the proposed in the U.S... The Tar Sands Campaign... also played a role in helping to unseat the Conservative Party in Alberta and nationally.”^{xvii}

Following the money

The commissioner identifies three categories as participating in an anti-Alberta energy campaign: participants, funders, or re-granters.^{xviii}

Participants are defined as being determined to have participated in anti-Alberta energy campaign, a campaign designed to delay or frustrate Alberta’s oil and gas industry.

Funders are organizations that made grants to various participants (as identified above) and others where the commissioner has identified individual grants, the description of which contains language that indicates support of an effort to delay or hinder the development of Alberta’s oil and gas resources in a broad and general sense. For example:

- In 2016, the Georgia Strait Alliance received \$30,000 from Global GreenGrants to “focus its efforts on its goal of delaying/stopping progress of the Kinder Morgan pipeline expansion by demonstrating community opposition and lack of social license.”^{xix}

The Commissioner notes that, of those entities he found as funders, all but one are headquartered in the U.S.^{xx}

Re-granters, where funding is not always provided by a foundation directly, but oftentimes goes through a re-granting or intermediary organization. For example:

- In 2011, the Tides U.S. Foundation provided \$380,000 to Corporate Ethics International “for expenses associated with coordination, meetings, advertising contracts with vendors and with small groups involved in the Tar Sand Campaign.”^{xxi}

The role of the re-granter may involve much more than a consolidation of funders. As the Deloitte report noted, certain ENGOs that received foreign funding appear to act as an intermediary and the funding – or a portion of the funding – was either re-granted to other Canadian ENGOs or charities, or the funds are retained as “donor advised funds” to be distributed in the future based on the instructions of the granters.^{xxii}

- The Commissioner identifies 21 participants, 13 funders and two re-granters.

Participants

U.S Participants

- Corporate Ethics International
- National Resources Defence Council
- ForestEthics (now Stand.Earth)
- 350.org
- Oil Change International

Canadian Environmental Non-Government Organizations

- Pembina (Pembina Foundation and Pembina Institute)
- The David Suzuki Foundation
- Greenpeace Canada
- Equiterre
- Western Canada Wilderness Committee
- Sierra Club Canada Foundation
- Sierra Club of British Columbia Foundation
- Raincoast Conservation Foundation
- International Institute for Sustainable Development
- World Wildlife Fund Canada
- Makeway, formerly Tides Canada
- West Coast Environmental Law and Research Foundation
- Environmental Defence Canada
- EcoJustice Canada Society
- Dogwood Initiative
- LeadNow

Funders

- Rockefeller Brothers Fund
- Gordon and Betty Moore Foundation

- Pew Charitable Trusts
- William and Flora Hewlett Foundation
- David and Lucille Packard Foundation
- Oak Foundation
- Wilburforce Foundation
- The Marsla Foundation
- Global Greengrants Fund Inc.
- Sea Change Foundation
- Energy Foundation

- Brainerd Foundation
- The Bullitt Foundation

Re-granters

- New Venture Fund
- Tides U.S. Foundation

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