**Powerful energy key players**

**Investigating the increasing economic and political power of selected energy TNCs and producer groups**

**Energy TNCs e.g. Shell**

Historically, the energy industries have been dominated by large multi-national companies such as Shell. Now the power of the TNCs has been challenged by OPEC and recently national energy companies. This is due to the fact that TNCs have come under attack from environmental groups and companies like BP have had to work hard to establish a positive public image through investments in renewable energies. Shell consists of a global group of energy and petrochemicals companies with a strategy to reinforce their position as a leader in the oil and gas industry in order. One of their focuses has been to explore for new oil and gas reserves.

**Key Facts:**

* Produce 2% amount of world’s oil
* Produce 3% amount of world’s gas
* 3.1 million barrels of gas and oil every day
* $2 billion spent on carbon reduction/ renewable energy technologies over the last 5 years.
* In 2009 greenhouse gas emissions were approximately 35 per cent below 1990 levels.

**The Organization of the Petroleum Exporting Countries**

OPEC is a permanent intergovernmental organization of 12 oil-exporting developing nations OPEC was formed in 1960 to protect the interests of oil-producing companies and have formed what some view as a Cartel. Its sets oil production quotas for its members in response to economic growth rates and demand-and-supply conditions. It therefore aims to ensure fair and stable prices for its members. At the end of 2006, the OPEC members had over 78% of the world’s total oil reserves and they produce around 45% of the world’s crude oil and 18% of its natural gas. OPEC has been criticised that it controls the price of oil, it is apparently worried that increasing the supply of oil would mean investors would stop investing causing a collapse in the price.

**Over to you:**

Research in 30 minutes for your given TNC:

* The size of proven reserves, amount abstracted etc. in the HQ country
* Oil and gas reserve locations
* Key company statistics from Forbes.com i.e. employees, profits, assets
* Any negative environmental impacts – current or future
* Future plans for energy production or alternatives such as solar, hydrogen…

