South America

ANALYSIS

Overall findings for the South America region in this study include research results from respondents living in Argentina, Peru, Colombia, Brazil, Ecuador, and Venezuela.

In an effort to set the operating context for perceptions of the industry's reputation, respondents were asked to rate their level of favourability towards seven key sectors: Automotive companies, Banking companies, Oil companies, Mining companies, Electricity utility companies, Natural gas companies, and Water utility companies.

Respondents in the South America region continue to have more favourable perceptions towards all industries tested than the rest of the global respondents – with the exception of mining, where opinions are consistent. Results are notably higher than the global favourability measures for banking (9 percentage points higher), natural gas companies (8 points higher), electricity (7 points higher), water utility companies (8 points higher), and oil companies (4 points higher). Compared to 2017, impressions of oil companies have declined marginally (5 points lower), while opinions of mining companies have improved (4 points higher).

Impressions of oil and natural gas companies differ considerably within South America. Respondents in Ecuador, Brazil and Venezuela are more favourable towards the oil industry, while impressions of the natural gas industry are strongest Peru, Colombia and Ecuador (again). Respondents from Argentina are less favourable towards both industries.

On the question of trust, respondents were asked to focus on two industries specifically; oil and natural gas. Respondents in the South America region express higher trust ratings compared to the global measures for the natural gas industry (6 percentage points higher) and are more likely to trust the sector than in 2017 (3 points higher). Results for the oil industry remain on par with global measures and are unchanged year over year. As with industry favourability, there are differences of opinion within the region. Respondents from Ecuador and Venezuela express higher trust towards the oil industry, while those from Columbia, Peru, or Ecuador (again) are more trusting of natural gas companies. Compared to 2017, impressions of both sectors have improved in Ecuador and Brazil, while respondents from Colombia are more trusting of natural gas companies. Those from Peru are less trusting of oil companies than in the 2017 study.

On the question of industry regulation, most respondents both globally and in the South America region feel that there is currently the right amount of regulation governing most industries, with the exception of the mining and oil industry. At six in ten, the majority of those in the South America region say that there is too little regulation of the mining industry (19 points higher than the global average) while nearly half say the same of the oil industry (8 points higher). Compared to 2017, respondents from the South America region are more likely to think there is too little regulation in several industries including: mining companies (8 percentage points higher), oil companies (6 points higher), electricity utilities (4 points higher) and natural gas companies (4 points higher).

As part of exploring perceptions about the energy sector globally, respondents were asked to compare each industry across 13 key factors of influence. A key difference between the 2017 and the 2019 studies was that oil and gas were separated and measured individually as "oil" and "natural gas."

1. Industry Reputation and Regulation

FAVOURABILITY BY INDUSTRY

INDUSTRY	FAVOURABLE				NEUTRAL				UNFAVOURABLE			
	SOUTH AMERICA		GLOBAL		SOUTH AMERICA		GLOBAL		SOUTH AMERICA		GLOBAL	
	2017	**2019**	2017	**2019**	2017	**2019**	2017	**2019**	2017	**2019**	2017	**2019**
BANKING COMPANIES	60%	**59%**	48%	**50%**	27%	**28%**	43%	**32%**	13%	**13%**	20%	**18%**
AUTOMOTIVE COMPANIES	54%	**55%**	52%	**52%**	37%	**36%**	28%	**38%**	9%	**9%**	9%	**10%**
OIL COMPANIES	47%	**42%**	40%	**38%**	34%	**33%**	40%	**38%**	19%	**25%**	21%	**24%**
WATER UTILITY COMPANIES	60%	**60%**	50%	**52%**	26%	**24%**	37%	**35%**	14%	**16%**	13%	**12%**
NATURAL GAS COMPANIES	53%	**55%**	45%	**47%**	36%	**31%**	42%	**40%**	11%	**14%**	13%	**14%**
ELECTRICITY UTILITY COMPANIES	58%	**56%**	47%	**49%**	24%	**23%**	34%	**32%**	18%	**20%**	19%	**18%**
MINING COMPANIES	27%	**31%**	28%	**31%**	43%	**40%**	52%	**47%**	30%	**29%**	20%	**21%**

REGULATION BY INDUSTRY

INDUSTRY	TOO MUCH				ABOUT RIGHT				TOO LITTLE			
	SOUTH AMERICA		GLOBAL		SOUTH AMERICA		GLOBAL		SOUTH AMERICA		GLOBAL	
	2017	**2019**	2017	**2019**	2017	**2019**	2017	**2019**	2017	**2019**	2017	**2019**
BANKING COMPANIES	24%	**22%**	21%	**19%**	45%	**46%**	47%	**49%**	31%	**32%**	32%	**32%**
AUTOMOTIVE COMPANIES	23%	**21%**	17%	**18%**	52%	**52%**	60%	**57%**	26%	**28%**	23%	**25%**
OIL COMPANIES	19%	**17%**	17%	**17%**	40%	**36%**	49%	**44%**	41%	**47%**	33%	**39%**
WATER UTILITY COMPANIES	17%	**16%**	14%	**15%**	50%	**48%**	59%	**58%**	32%	**36%**	27%	**28%**
NATURAL GAS COMPANIES	17%	**17%**	16%	**16%**	50%	**47%**	57%	**54%**	33%	**37%**	27%	**30%**
ELECTRICITY UTILITY COMPANIES	17%	**19%**	17%	**18%**	48%	**43%**	53%	**50%**	34%	**38%**	31%	**32%**
MINING COMPANIES	13%	**14%**	13%	**14%**	33%	**28%**	51%	**46%**	50%	**58%**	36%	**39%**

Respondents in the South America region share similar views about the oil and natural gas industries and despite generally higher overall favourability tend to be more critical of each industry than the global average. For the oil industry, the gap between respondents in South America and the global average were widest for the following attributes: is well managed (6 percentage points lower), is responsive to consumer needs (5 points lower) and makes sure high safety standards are met in all places (4 points lower). For the natural gas industry, the gaps compared to the global measure are widest for: is well managed (4 points lower), and has a strong track record of financial performance (3 points lower), is innovative (3 points lower). Opinions towards both industries remain consistent with the 2017 study.

Within the South America region, respondents from Peru, Ecuador, and Columbia provide the most positive results for companies in the oil or natural gas industry across all measures. Respondents from Argentina and Venezuela provide lower ratings for each industry.

It is important for industry to understand how much credibility and trust citizens have in the various voices regularly discussing issues related to the oil and gas sector.

The top-rated sources among respondents in the South America region are the same as those who are valued globally - a university professor who is an expert in oil or natural gas issues and a scientist or engineer who is an expert on oil or natural gas issues. Respondents from the region are generally more likely to feel each source is credible, including those who work in the oil and natural gas industry (7-10 points higher than the global average). Other notable differences include higher credibility for environmental activists (10 points higher), journalists (7 points higher), native leaders and religious leaders (6 points higher for both).

Globally and in the South America region, one half or more respondents continue to have favourable views towards all prominent energy sources tested. The exception in the South American region is burning wood which is only viewed favourably by a minority. Renewables (solar and wind) and hydroelectric continue to be viewed most positively, with more than ninety percent favourability both globally and in the South America region. In the South America region, nearly nine in ten (87%) respondents say that they have a favourable view about natural gas as an energy source (5 percentage points higher than the global average), and more than six in ten (64%) feel favourable towards oil (7 points higher). Impressions of both sectors have remained consistent since 2017. Respondents from South America have a less favourable view towards either burning waste (8 points lower) or burning wood (10 points lower) than the global measure.

2. Industry Attributes

GLOBAL PERSPECTIVES ON KEY INDUSTRY ATTRIBUTES

INDUSTRY	OIL				MINING				NATURAL GAS			
	SOUTH AMERICA		GLOBAL		SOUTH AMERICA		GLOBAL		SOUTH AMERICA		GLOBAL	
	2017	2019	2017	2019	2017	2019	2017	2019	2017	2019	2017	2019
HAS A STRONG TRACK RECORD OF FINANCIAL PERFORMANCE	33%	37%	38%	40%	29%	30%	26%	29%	30%	32%	34%	35%
HAS A POSITIVE IMPACT ON THE ECONOMY IN…	38%	41%	39%	40%	29%	31%	30%	32%	37%	38%	39%	38%
PROVIDES HIGH QUALITY PRODUCTS OR SERVCES	29%	31%	32%	33%	22%	23%	24%	27%	31%	34%	34%	35%
IS WELL MANAGED	24%	26%	31%	32%	19%	19%	22%	24%	28%	29%	31%	33%
IS INNOVATIVE	25%	28%	30%	31%	20%	19%	21%	23%	26%	29%	32%	32%
CONTRIBUTES TO SOCIOECONOMIC DEVELOPMENT IN COMMUNITIES WHERE IT OPERATES	31%	32%	32%	34%	23%	24%	26%	28%	31%	34%	32%	35%
MAKES SURE HIGH SAFETY STANDARDS ARE MET IN ALL PLACES	27%	27%	31%	31%	18%	19%	23%	25%	31%	33%	34%	35%
IS AN INDUSTRY THAT I TRUST	26%	26%	29%	29%	18%	20%	21%	24%	29%	34%	32%	34%
IS RESPONSIVE TO THE NEEDS OF CUSTOMERS	25%	24%	28%	29%	18%	19%	20%	22%	26%	31%	39%	32%
HAS A STRONG TRACK RECORD OF BEHAVING RESPONSIBLY*	25%	26%	27%	28%	19%	19%	20%	23%	28%	29%	29%	31%
WORKS ETHICALLY WITH POLITICIANS AND GOVERNMENT OFFICIALS	20%	20%	21%	21%	17%	17%	17%	18%	20%	22%	23%	23%
CARES ABOUT THE PLANET AND OUR ENVIRONMENT	19%	19%	22%	22%	15%	15%	18%	19%	27%	27%	29%	30%
CHARGES A FAIR PRICE FOR THEIR PRODUCTS/SERVICES	25%	24%	24%	24%	20%	18%	20%	22%	29%	32%	27%	29%

**statement changed from 'Has a strong track record of corporate social responsibility' in 2017 to 'Has a strong track record of behaving responsibly' in 2019.*

Four in ten (40%) respondents in the South America region agree that their lives are better today because of what oil and gas have made possible (5 percentage points lower than the global measure). The same proportion (42%) agree that it is possible for oil and gas development to balance economic benefits and environmental impacts (consistent with the global measure). Notably, respondents in the South America region are more likely to think it is feasible and practical that in ten years they will use almost no oil and natural gas in their day to day lives (39%, 5 percentage points higher than the global average). Globally and in the South America region, respondents remain divided when it comes to the industry being sincerely committed and working hard to reduce the amount of greenhouse gases it produces. In the South America region, respondents are more likely to disagree than the global measure (6 points higher).

A key objective of this research initiative was to track global interest in Canadian oil and natural gas, as well as assessing measurements for the industry's messaging about safety and environmental innovation.

Respondents were asked if they would like to see more, less or the same amount of energy from a series of top producing countries (excluding their country of residence). Opinions remain consistent with 2017. Globally, Canada ranks as the top country for receiving more oil and natural gas, while it ranks second out of eleven countries for natural gas in the South America region and third for oil. Respondents from South America are more favourable towards oil or natural gas from the US (4-6 points higher) and China (3-4 points higher) compared to the global average. Compared to 2017, respondents from South America are more open to oil and natural gas from the US (5 percentage points higher for both).

In line with the comparatively strong ranking for Canada, respondents in the South America region are more likely to agree with a statement about Canada's environmental record (5 points lower compared to the global measure) though impressions of safety are on par (1 point higher).

OIL AND NATURAL GAS

POSITIVE IMPACT ON THE ECONOMY

WELL ABOVE/SLIGHTLY ABOVE AVERAGE

	OIL		NATURAL GAS	
	2017	**2019**	2017	**2019**
TOTAL SOUTH AMERICA	38%	41%	37%	38%
ARGENTINA	24%	**29%**	21%	**23%**
PERU	46%	**43%**	50%	**50%**
COLOMBIA	38%	**44%**	42%	**48%**
BRAZIL	31%	**40%**	29%	**33%**
ECUADOR	50%	**54%**	47%	**50%**
VENEZUELA	42%	**35%**	34%	**23%**

HAS A STRONG TRACK RECORD OF FINANCIAL PERFORMANCE

WELL ABOVE/SLIGHTLY ABOVE AVERAGE

	OIL		NATURAL GAS	
	2017	**2019**	2017	**2019**
TOTAL SOUTH AMERICA	33%	37%	30%	32%
ARGENTINA	24%	**36%**	20%	**24%**
PERU	35%	**37%**	32%	**38%**
COLOMBIA	36%	**45%**	41%	**43%**
BRAZIL	29%	**34%**	22%	**29%**
ECUADOR	45%	**46%**	38%	**39%**
VENEZUELA	30%	**24%**	24%	**16%**

PROVIDES A HIGH QUALITY PRODUCT OR SERVICE

WELL ABOVE/SLIGHTLY ABOVE AVERAGE

	OIL		NATURAL GAS	
	2017	**2019**	2017	**2019**
TOTAL SOUTH AMERICA	29%	31%	31%	34%
ARGENTINA	18%	**23%**	19%	**20%**
PERU	32%	**31%**	37%	**45%**
COLOMBIA	27%	**33%**	42%	**48%**
BRAZIL	22%	**29%**	23%	**28%**
ECUADOR	40%	**42%**	41%	**42%**
VENEZUELA	33%	**25%**	27%	**21%**

3. Trust

TOP 2 BOX
A GOVERNMENT OFFICIAL

SOUTH AMERICA

27% 2017

27% 2019

GLOBAL

28% 2017

28% 2019

TOP 2 BOX
A CELEBRITY (ACTOR, MUSICIAN)

SOUTH AMERICA

29% 2017

27% 2019

GLOBAL

25% 2017

26% 2019

TRUSTED SOURCES OF INFORMATION - BELIEVE MOST/SOME OF WHAT THEY SAY (TOP 2 BOX)

	SOUTH AMERICA		GLOBAL	
	2017	2019	2017	2019
A UNIVERSITY PROFESSOR WHO IS AN EXPERT ON OIL / NATURAL GAS ISSUES*	75%	73% / 72%	69%	66% / 67%
A SCIENTIST AND ENGINEER WHO WORKS FOR AN OIL / NATURAL GAS COMPANY*	68%	66% / 67%	59%	56% / 58%
AN ENVIRONMENTAL ACTIVIST	67%	64%	56%	54%
A NEIGHBOR OR FRIEND WHO WORKS IN THE OIL / NATURAL GAS INDUSTRY*	54%	53% / 53%	52%	49% / 50%
A JOURNALIST	52%	49%	43%	43%
A RESPECTED LOCAL COMMUNITY LEADER	51%	53%	45%	45%
A NATIVE OR ABORIGINAL LEADER	49%	47%	43%	41%
AN OIL / NATURAL GAS COMPANY EXECUTIVE*	46%	45% / 47%	39%	38% / 40%
AN INDUSTRY ASSOCIATION THAT REPRESENT OIL / NATURAL GAS COMPANIES*	45%	44% / 47%	40%	39% / 41%
THE LEADER OF YOUR COUNTRY	38%	36%	37%	35%

**statements asked separately for oil and natural gas in 2019*

PERSPECTIVES ON TRUST IN INDUSTRY

	INDUSTRY	TRUST		NEUTRAL		DISTRUST		DON'T KNOW	
		SOUTH AMERICA	GLOBAL	SOUTH AMERICA	GLOBAL	SOUTH AMERICA	GLOBAL	SOUTH AMERICA	GLOBAL
2017	OIL AND GAS	31%	31%	32%	34%	32%	29%	6%	6%
2017	NATURAL GAS	38%	34%	33%	36%	23%	22%	6%	7%
2019	OIL	32%	29%	27%	32%	34%	32%	6%	7%
2019	NATURAL GAS	41%	35%	29%	35%	25%	23%	5%	7%

TRUST BY COUNTRY (TOP 2 BOX)

TRUST A GREAT DEAL/TRUST A LITTLE

OIL COMPANIES	2017	2019
ARGENTINA	19%	18%
PERU	38%	31%
COLOMBIA	32%	30%
BRAZIL	23%	31%
ECUADOR	32%	41%
VENEZUELA	39%	39%

TRUST A GREAT DEAL/TRUST A LITTLE

NATRUAL GAS COMPANIES	2017	2019
ARGENTINA	26%	27%
PERU	46%	47%
COLOMBIA	50%	57%
BRAZIL	26%	33%
ECUADOR	37%	46%
VENEZUELA	40%	38%

4. Global Energy Literacy and Perceptions

GLOBAL ENERGY PERSPECTIVES (TOP 3 BOX) EXTREMELY/VERY/SOMEWHAT FAVOURABLE

	SOUTH AMERICA		GLOBAL	
	2017	2019	2017	2019
SOLAR	96%	97%	96%	95%
WIND	94%	93%	94%	93%
HYDROELECTRIC (INCLUDING DAMS)	92%	92%	92%	93%
NATURAL GAS	85%	87%	82%	82%
OIL	63%	64%	57%	57%
COAL	56%	53%	49%	45%
NUCLEAR	51%	53%	54%	56%

5. Energy Perspectives

PERSPECTIVES ON TRUST IN INDUSTRY

INDUSTRY	AGREE		NEUTRAL		DISAGREE		DON'T KNOW		
	SOUTH AMERICA	GLOBAL	SOUTH AMERICA	GLOBAL	SOUTH AMERICA	GLOBAL	SOUTH AMERICA	GLOBAL	
I AM MORE LIKELY TO SUPPORT MY COUNTRY IMPORTING ENERGY FROM COUNTRIES THAT HAVE A PLAN TO FIGHT CLIMATE CHANGE	25%	43%	25%	27%	42%	20%	9%	10%	2017
IT'S POSSIBLE FOR OIL AND GAS DEVELOPMENT TO BALANCE ECONOMIC BENEFITS AND THE ENVIRONMENTAL IMPACTS IN A WAY THAT PEOPLE LIKE ME CAN AGREE WITH	37%	40%	29%	31%	24%	17%	9%	12%	2017
OUR LIVES ARE BETTER TODAY BECAUSE OF WHAT OIL AND GAS MAKES POSSIBLE	39%	46%	28%	28%	26%	17%	7%	9%	2017
IT'S FEASIBLE AND PRACTICAL THAT IN TEN YEARS I WILL USE ALMOST NO OIL AND NATURAL GAS IN MY DAY-TO-DAY LIFE	40%	34%	28%	29%	24%	27%	9%	11%	2017
THE OIL AND NATURAL GAS INDUSTRY IS SINCERELY COMMITTED AND WORKING HARD TO REDUCE THE AMOUNT OF GREENHOUSE GASES IT PRODUCES	27%	28%	28%	31%	36%	29%	10%	13%	2017
I AM MORE LIKELY TO SUPPORT MY COUNTRY IMPORTING ENERGY FROM COUNTRIES THAT HAVE A PLAN TO FIGHT CLIMATE CHANGE	27%	41%	25%	27%	39%	21%	9%	11%	2019
IT'S POSSIBLE FOR OIL AND GAS DEVELOPMENT TO BALANCE ECONOMIC BENEFITS AND THE ENVIRONMENTAL IMPACTS IN A WAY THAT PEOPLE LIKE ME CAN AGREE WITH	42%	40%	27%	30%	23%	17%	8%	12%	2019
OUR LIVES ARE BETTER TODAY BECAUSE OF WHAT OIL AND GAS MAKES POSSIBLE	40%	45%	29%	29%	24%	17%	7%	10%	2019
IT'S FEASIBLE AND PRACTICAL THAT IN TEN YEARS I WILL USE ALMOST NO OIL AND NATURAL GAS IN MY DAY-TO-DAY LIFE	39%	34%	25%	28%	27%	28%	8%	11%	2019
THE OIL AND NATURAL GAS INDUSTRY IS SINCERELY COMMITTED AND WORKING HARD TO REDUCE THE AMOUNT OF GREENHOUSE GASES IT PRODUCES	28%	29%	28%	30%	34%	28%	10%	13%	2019

MANY COUNTRIES IMPORT OIL, WOULD YOU PREFER TO GET MORE OR LESS ENERGY FROM THIS COUNTRY?

	SOUTH AMERICA		GLOBAL	
	2017	2019	2017	2019
VENEZUELA	22%	25%	19%	21%
UNITED STATES	20%	25%	21%	21%
CANADA	21%	24%	24%	26%
UAE	22%	22%	21%	21%
SAUDI ARABIA	19%	21%	22%	21%
RUSSIA	18%	19%	18%	20%

	SOUTH AMERICA		GLOBAL	
	2017	2019	2017	2019
CHINA	17%	19%	16%	16%
KUWAIT	17%	16%	21%	22%
IRAN	16%	16%	16%	17%
IRAQ	16%	16%	18%	19%
NIGERIA	15%	16%	17%	18%

GLOBAL ATTITUDES ABOUT CANADIAN OIL AND GAS

INDUSTRY	AGREE		NEUTRAL		DISAGREE		DON'T KNOW		
	SOUTH AMERICA	GLOBAL	SOUTH AMERICA	GLOBAL	SOUTH AMERICA	GLOBAL	SOUTH AMERICA	GLOBAL	
GIVEN THE CHOICE, I WOULD CHOOSE CANADIAN OIL AND GAS IMPORTED FROM ANOTHER COUNTRY	25%	31%	35%	35%	22%	15%	18%	19%	2017
CANADA'S OIL AND GAS IS THE SAFEST AND MOST RESPONSIBLY PRODUCED IN THE WORLD	25%	26%	35%	35%	15%	12%	25%	27%	2017
CANADA'S OIL AND GAS IS INVENTING AND USING LEADING EDGE TECHNOLOGIES TO MINIMIZE ENVIRONMENTAL IMPACT	36%	33%	28%	31%	15%	11%	22%	25%	2017
CRITICS VIEWS ABOUT CANADA'S OIL AND NATURAL GAS INDUSTRY TEND TO BE MORE ABOUT POLITICAL CONFRONTATION AND DON'T REALLY REFLECT THE REALITY OF WHAT'S GOING ON	29%	27%	33%	36%	17%	13%	22%	25%	2017
GIVEN THE CHOICE, I WOULD CHOOSE CANADIAN OIL AND GAS IMPORTED FROM ANOTHER COUNTRY	28%	32%	34%	33%	21%	16%	17%	19%	2019
CANADA'S OIL AND GAS IS THE SAFEST AND MOST RESPONSIBLY PRODUCED IN THE WORLD	28%	27%	33%	34%	15%	13%	24%	26%	2019
CANADA'S OIL AND GAS IS INVENTING AND USING LEADING EDGE TECHNOLOGIES TO MINIMIZE ENVIRONMENTAL IMPACT	39%	34%	27%	30%	14%	11%	20%	24%	2019
CRITICS VIEWS ABOUT CANADA'S OIL AND NATURAL GAS INDUSTRY TEND TO BE MORE ABOUT POLITICAL CONFRONTATION AND DON'T REALLY REFLECT THE REALITY OF WHAT'S GOING ON	30%	28%	33%	35%	17%	13%	21%	24%	2019