

# **The Big Shift: Why the banks need to stop investing OUR money in fossil fuels**

Joe Ware

7th December, 2016

**The world's poorest and most vulnerable countries are doing their bit to promote the expansion of renewable energy. The least we can do in the developed world is to ensure the money in our bank account helps rather than hinders their efforts, writes JOE WARE**

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One of the under-reported outcomes from the recent COP 22 climate summit in Morocco in November was how the developing world is leading the way in the promotion of renewable energy. Despite not having the historical responsibility of industrialised nations for the changing climate these countries are now facing, these poorer states are the ones pushing the transition to a zero-carbon world, which will ultimately save the planet.

In Morocco we had the Least Developed Countries Renewable Energy and Energy Efficiency Initiative, the Marrakech Global Partnership on Renewable Energy and the Initiative for Renewable Island Energy announced by the world's small island states.

The 48 countries most vulnerable to climate change - known as the Climate Vulnerable Forum - also pledged to switch entirely to 100% renewable energy by 2050. These nations may be small in terms of

GDP when compared to the wealthy countries of the EU and America, but they are titans when it comes to global climate leadership.

Labelled the 'Renewables COP', Marrakech delivered on this promise. But if we're going to see the move from dirty to clean energy accelerate fast enough to stave off the worst impacts of climate change it's vital that we shift global investment flows away from the cause of climate change and into climate solutions.

For those of us in the developed world, a good place to start would be our own savings accounts.

It's a scandal that while *Ecologist* readers may take the time to buy low impact goods, eat local to reduce food miles, support groups which tackle climate change and maybe even protest against the fossil fuel industry, the money we hold in our current accounts is ploughed back into the very fossil fuel companies creating the climate chaos we're working to fix.

The money we earn and save doesn't sit passively in our bank account, it is invested for good or ill on our behalf. That money can do harm if it is funnelled towards dirty energy companies or it can do good if it is invested in firms promoting sustainable, renewable energy.

It's time we held our banks accountable for how they use our money and ensure they use it to solve the world's greatest crisis not make it worse. As Greenpeace [uncovered](#) this month, UK banks HSBC, Barclays and RBS have bankrolled the company behind the Dakota Access Pipeline to the tune of more than \$800m.

A new campaign by Christian Aid hopes to start asking the banking industry some inconvenient questions about where they are investing our money. *The Big Shift* is urging the public to [email their bank](#) to demand they shift our cash away from dirty energy and asking them what plans they have in place to ensure this shift takes place.

Not only is it an environmental and moral outrage that our own money is being used in opposition to our values and wishes, it's also financially irresponsible to keep pouring money into companies and industries which rely on the burning of fossil fuel reserves that the world has agreed must stay in the ground.

The Paris Agreement, signed by virtually every country in the world, agreed to limit global warming to well below two degrees and to aim for a rise of less than 1.5 degrees. To do that, much of the coal, oil and gas reserves currently inflating the share price of fossil fuel companies, will become stranded assets.

None of these banks have committed to phasing out even financing for coal-fired power plants, something French banks have recently committed to. If French banks can do this why not our own banks in the UK?

The global divestment movement has put this issue on the agenda of major investors, fund managers and sovereign wealth funds and has moved more than \$3.4 trillion out of dirty energy. But it's time we took the fight to the [High Street](#) and the trillions under management by the big four banks: Barclays, HSBC, Lloyds and RBS.

The signs are there that this is a good time to throw our weight behind such a campaign. A few weeks ago Legal & General, the UK's largest asset manager, launched a new FTSE climate index of stocks tilted towards companies that contribute to a low carbon future.

At a divestment event at COP 22, Reverend Fletcher Harper of Green Faith said: "Is it morally acceptable to profit from companies whose core business destroys life on such a titanic scale?"

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#### **This Author**

*Joe Ware is a writer and journalist and a New Voices contributor to The Ecologist. He is on twitter at @wareisjoe.*

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