**Go Fossil Free - University Divestment Campaign**

August 2014



**Introduction to People & Planet**

People and Planet is a national student campaigning organisation, encompassing local groups at universities and colleges all over the UK. The organisation has forty years of experience in empowering student activists and generating global citizenship. Read more here: http://peopleandplanet.org/aboutus/

**Summary of current campaign**

Leading campaigners have called for international divestment from the fossil fuel industry as the strongest action to combat global emissions in the absence of progressive governmental policies on climate change. We are calling on the University to join a growing number of higher education institutions around the world in divesting from the top 200 fossil fuel companies. The fossil free campaign is backed by the National Union of Students, the World Council of Churches, Archbishop Desmond Tutu, the IPCC, the UN climate chief, and Sheffield Students’ Union itself. Only days ago, the University of London SOAS joined the University of Glasgow in agreeing to move its investments away from fossil fuels.

**Ethical perspectives and social responsibility**

There is no longer any scientific dispute about the human contribution to global warming. By accepting the most recent IPCC report on climate change, governments all over the world agree that climate change is happening, and that our actions are causing it. The world has repeatedly agreed that limiting global warming to 2 degrees above pre-industrial levels should be our utmost priority (Copenhagen Accord 2009). With global temperature rises already approaching 1 degree above pre-industrial levels, we are running out of time. In order to stay below this target, around 80% of the known fossil fuel reserves must not be burnt. As a leading academic institution, we have a social responsibility to vastly reduce emissions, both domestically in our operations, and publicly, through our investments. It is wrong for fossil fuel companies to profit from the destruction of the climate. Severing the University of Sheffield's financial ties to this industry would be a powerful statement about our commitment to a bringing about a better future.

**The Carbon Bubble**

The stockmarket value of fossil fuel companies is based on the outdated assumption that fossil fuel extraction and use can continue without limit. Given that global governments have agreed to the 2 degrees limit of warming, and the simple nature that fossil fuel supplies are not infinite, this assumption is clearly wrong. Energy production will see a significant switch towards renewable sources as fossil fuel production dies out - either through environmental regulation or large scale divestment from the industry. The carbon bubble will soon burst, making immediate divestment the most sensible decision both socially and economically.

**Financial Implications**

The U.N. Environment Program Finance Initiative’s analysis of twenty academic studies on the effect of incorporating environmental, social and governance factors in the investment management process - “Demystifying Responsible Investment Performance” - found no evidence of poorer performance. Furthermore, the two reviewed studies that focused specifically on environmental factors (Derwall et al. 2005; Van de Velde et al. 2005) found consideration of those factors actually enhanced performance.

**What do you want them to do?**

We ask the University of Sheffield to undertake the following action points:

* Make an immediate statement of principle, expressing its intention to divest its holdings in fossil fuel companies within five years,
* Immediately stop new investments in the industry,
* Instruct its investment managers to wind down the university’s existing holdings in the fossil fuel industry over the next five years.