

# DIVEST FROM CRISIS

# INVEST IN OUR FUTURE

## Divest Brent

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- What is Divestment? Most pensions have a broad portfolio of investments - normally including oil company shares, particularly, in the UK, those of Shell and BP. Divestment simply means selling investments - for example those in oil companies. See “More information” below for a more detailed explanation.
- Why divest from oil companies? The majority of oil and gas (and almost all of coal) reserves must stay in the ground for us to have any chance of limiting global warming to a safe level. Yet oil and gas companies continue to extract reserves which will see temperatures soaring above safe levels.
- But are fossil fuel companies not a good investment? Currently the companies are cashing in on Putin’s war on Ukraine - but once the world wakes up to the full extent of the threat to our way of life posed by global warming we will move to cheap renewable energy. This transition has already started with massive investment in wind and solar and rapid increases in electric vehicles. Fossil fuel share prices will then crash as people realise that they depend on continued sales of reserves which in practice will never be burnt. Share prices for renewable companies have grown over 7 times as much as for fossil fuels over the past decade.
- Are the companies not already moving from fossil fuels to renewable energy? Both BP and Shell are investing in renewable energy but still the bulk of their investment is going into oil and gas. In the last quarter of 2022 Shell paid out more than £5bn to shareholders – around five times more than its investments in renewables and energy solutions. BP has spent about \$3.2bn on clean energy since 2016, and \$84bn on oil and gas exploration and development over the same period.
- What is Divest Brent calling for?:
  1. Brent Council should immediately freeze any new investment in the top 200 publicly-traded fossil fuel companies with largest known carbon reserves (oil, coal and gas)
  2. Brent Council should divest from direct ownership and any commingled funds that include fossil fuel public equities and corporate bonds in the top 200 list and shift these funds to lower risk, ethical investments before the May 2026 Council elections
- The Divest Brent campaign has been endorsed by:
  1. all 3 Constituency Labour Parties based in Brent;
  2. Brent TUC
  3. Brent NEU
  4. Brent Friends of the Earth
  5. Clean Air for Brent
  6. Transition Town Kensal to Kilburn
  7. Wembley Central & Alperton Residents’ Association.
- How much is Brent Pension Fund’s investment in fossil fuels?:

The value of fossil fuel investments in Brent Pension Fund at 31.3.20 was £25,806,937\*, 3.09% of the then Pension Fund value of £835,270,701\*; the Pension Fund value is now (March 2023) over a billion pounds.

\* See “Divesting to protect our pensions and the planet (An analysis of local government investments in coal, oil and gas)” by Friends of the Earth/Platform.

# **More information**

Overview of divestment: <https://www.divest.org.uk/what-is-divestment/>

[Information for councillors](#)

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Contact your Brent Councillor at:

<https://www.brent.gov.uk/the-council-and-democracy/council-representatives/find-your-local-councillor>