

**NOTICE OF MOTION****GREEN GROUP AND LABOUR & COOPERATIVE GROUP****PENSION FUND DIVESTMENT**

That council agrees to request that officers contact the East Sussex Pensions Committee in order to:

- 1) Congratulate the East Sussex Pensions Committee (ESPC) on the moves it is making to reduce the exposure of the Pensions Fund from 4% to 2%;
- 2) Highlight the overcapacity and fragility of the fossil fuel system, and the prospect of big near-term losses for investors like the East Sussex Pensions Committee, as a result of analysis which shows that demand for fossil fuels has likely already peaked; [1] and further, wishes to stress to the ESPC that rapid and unprecedented action is going to be necessary in order to keep global warming to 'well below 2°C' and that such action is incompatible with continued investment in giant oil and gas companies like Shell and BP;

Council therefore also requests, through contact with the East Sussex Pensions Committee:

- 3) That the ESPC commit now to a complete phase-out of the Fund's investments in fossil fuels, in line with the declarations made by both Brighton and Hove City Council and East Sussex County Council of a 'climate emergency,' and associated climate change mitigation targets.

Proposed by: Cllr Druitt

Seconded by: Cllr Yates

**Supporting information**

[1] Analysis by energy consultancy groups and think tanks has shown that it is likely that fossil fuel demand has peaked, posing a significant risk to dependent financial markets. Carbon Tracker said financial markets faced a "systemic risk" from a reduction in value to the fossil fuel industry's \$25tn (£19tn) worth of assets, due to demand peaking. <https://www.bcg.com/publications/2020/have-we-passed-peak-demand-for-fossil-fuels>

