

## Fossil Fuel Divestment Overture

The White Plains Presbyterian Church and Advocacy, Education and Network Team moves the Presbytery of Hudson River to concur with the Presbytery of San Francisco to refer the following proposed overture 12 to the 222<sup>nd</sup> General Assembly (2016) asking it to do the following:

1. Express its profound concern about the destructive effects of climate change on all God's creation, including a disproportionate impact on those living in poverty and in the least developed countries; the elderly and children; and those least responsible for the emissions of greenhouse gases. The 222<sup>nd</sup> General Assembly (2016) thus recognizes the moral mandate for humanity to shift to a sustainable energy regime in a way that is both just and compassionate. This mandate compels us to action as a denomination to divest from the fossil fuel industry even as we reduce our use of fossil fuels and shrink our carbon footprint.
2. Call upon the Board of Pensions and the Presbyterian Church (USA) Foundation to:
  - a. Immediately stop any new direct investment in fossil fuel companies
  - b. Work to ensure that within three years, none of the Board's or the Foundation's directly held or commingled assets includes holdings of either equities or corporate bonds in the fossil fuel companies identified in the Carbon Underground 200 list\* by:
    - i. Working with current and prospective asset managers to develop and implement institutional fossil free investment options
    - ii. Establishing within one year fossil free investment options for fund participants
    - iii. Actively seeking out and investing in renewable and energy efficiency related securities
    - iv. Notwithstanding the above provisions, retaining or acquiring minimal sufficient investment in fossil fuel companies to participate in shareholder engagement activities
    - v. Notwithstanding the above provisions, taking no action inconsistent with fiduciary duty or principles of sound investment, including the real and substantial risk of stranded carbon assets
  - c. Incorporate into public financial reports regular updates detailing progress made towards these ends
3. Call upon the Stated Clerk of the PC(USA) to inform affected fossil fuel companies and the larger public of the passage and implementation of this resolution
4. Call upon, and provide instructional materials to assist all levels of the denomination (presbyteries, congregations, and individual members) in taking action to slow climate change, including: divestment of fossil fuel holdings; shareholder activism; investments in

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\* <http://fossilfreeindexes.com/the-carbon-underground-2014/> or current equivalent (accessed 06-17-2015)

renewable energy; advocacy at local, state, and federal levels for policies to reduce greenhouse gas emissions; and local efforts to reduce carbon footprint consistent with the 2006 call<sup>†</sup> for denominational carbon neutrality, and the 2008 “Power to Change” recommendations.<sup>‡</sup>

## **Fossil Fuel Divestment Overture Rationale**

In 1981, our church made clear through the document “The Power to Speak Truth to Power”<sup>1</sup> the importance of transitioning away from a fossil fuel-based economy.

In 2008, our church made clear through the document “The Power to Change”<sup>2</sup> that the catastrophic effects of climate change make this transition essential to the preservation of human life and God’s good creation.

Our church has voiced support for legislation encouraging a fossil-free economy, but has no power to enact it. Our church has voiced support for taxes on carbon emissions,<sup>3</sup> but has no power to levy them. Our church has asked us and our institutions to cut carbon emissions,<sup>4</sup> and we have,<sup>5</sup> but that is not enough to shift the course of the economy or the climate.<sup>6</sup>

Our church also invests hundreds of millions of dollars in fossil fuel companies.<sup>7</sup>

We, as Christians, have the privilege, responsibility and obligation to speak with moral authority on issues of great importance. This is such an issue.

As we work to mitigate the climate crisis, we must shed the burden of our investments in climate destruction. This act will speak more loudly and more clearly than any prophetic declaration.

This overture asks us to sever our financial ties to the fossil fuel industry as a means of social witness in the world. When we join the worldwide divestment movement, our voice will amplify the voices of others as we collectively say that it is wrong to profit by harming creation.

### **Biblical and Theological Rationale**

This action is rooted in the foundational theological and biblical principles of our Presbyterian identity. In Genesis 1 and 2, God gave humanity our vocation as stewards of creation. In Matthew 25: 31-46 Jesus calls on us to care for our fellow human beings, including “the least of these.”

Human caused climate change is destroying creation and creating a reality in which more and more people are hungry, thirsty, homeless and devastated by diseases, wars and civil unrest.<sup>8</sup> This destruction and the suffering it creates are directly at odds with our vocation as stewards and with what Jesus commanded.

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<sup>†</sup> <http://www.pcusa.org/resource/guide-going-carbon-neutral/> (accessed 06-17-2015)

<sup>‡</sup> [http://www.pcusa.org/site\\_media/media/uploads/acswp/pdf/energyreport.pdf](http://www.pcusa.org/site_media/media/uploads/acswp/pdf/energyreport.pdf) (accessed 06-17-2015)

## **Climate Change Rationale**

Most world governments<sup>9</sup> – and the PCUSA<sup>10</sup> – agree that we must hold global warming below a 2°C increase.<sup>11</sup> To do so, we must stay within a carbon budget that was estimated in 2011 to be 565 gigatonnes (GT) of CO<sub>2</sub> equivalent.<sup>12</sup> By the 222<sup>nd</sup> General Assembly, we will have less than 400 GT – around 10 years – left in our carbon budget.<sup>13,14</sup> Meanwhile, fossil fuel companies have nearly 3,000 GT<sup>15</sup> of CO<sub>2</sub> equivalent, or seven times our remaining budget, buried in fossil fuel reserves they intend to produce,<sup>16</sup> and they spend hundreds of billions of dollars a year<sup>17</sup> looking for more.

## **Denominational Rationale**

Our denomination has long recognized a moral obligation to be faithful stewards of God’s creation. We have acknowledged the realities of climate change and its impacts on the “least of these,” and the need to take action. Previous General Assemblies (1981,<sup>1</sup> 1990,<sup>18</sup> 1996,<sup>19</sup> 1998<sup>20</sup>, 1999<sup>21</sup>, 2003,<sup>22</sup> 2006,<sup>4</sup> 2008<sup>2,23</sup>) have passed overtures, resolutions and reports warning us of the dangers of climate change and calling on us to reduce our energy consumption and transition away from fossil fuels. Divestment is the logical next step in accomplishing these ends.

## **Divestment Rationale**

Divestment has a long history in our denomination as part of a strategy for pursuing mission objectives of the church in the world through socially responsible management of the church’s assets.

The 196th General Assembly approved the report “Divestment Strategies: Principles and Criteria,”<sup>24</sup> noting that we can use our investments as a powerful tool to bring about social change. Divestment is contemplated only after persistent shareholder efforts to persuade a company to change have failed.

For more than two decades,<sup>25</sup> our church’s Committee on Mission Responsibility through Investment has engaged in shareholder action with fossil fuel companies.<sup>26</sup> This approach can continue to provide a seat at the table to engage with the industry, but it has had no impact in addressing climate change.<sup>27</sup>

The divestment principles and criteria also recognize the importance of working with the ecumenical community and acting in solidarity with other Christian bodies. To date, Episcopalians, Unitarians, Lutherans, Anglicans, Quakers, Methodists, the United Church of Christ, some Presbyterian congregations and the Churches of England and Scotland have committed to divestment.<sup>28</sup>

Divestment also protects our financial interests. In the carbon-constrained world we are entering, the value of fossil fuel companies will decline. The International Energy Agency projects<sup>29</sup> that carbon cuts great enough to stay below the 2°C threshold could leave nearly \$300 billion in fossil fuel investments stranded by 2035.

## **Jobs**

Divestment is a prophetic witness that challenges the country to shift from fossil fuels to renewable energy and energy efficiency as quickly as possible. Job loss in the fossil fuel industry is a serious concern, especially to our brothers and sisters in states where the industry is prevalent. We as church can advocate for sustainable jobs and worker retraining. We as church can reinvest in sustainable industries. We as church must be sympathetic and caring about job losses in a single industry, but must also consider the greater good generated for wage earners, families and all of creation by moving away from fossil fuels. In the end, job losses will be more than offset by job creation in energy efficiency and renewable energy.<sup>30,31</sup>

## **More Than Symbolism**

When people act singly, their impacts may be more symbolic than effective, but when many act in unison, they can bring about massive social and economic changes. Consider the powerful social changes that divestment brought about with Apartheid, tobacco and Darfur.

Some say it is hypocritical to divest from fossil fuels while remaining dependent on them. It is equally hypocritical to gamble on the continued profitability of the fossil fuel industry while urging individuals to use less fossil fuel. Divestment and conservation go hand in hand, and both will work together to make renewable energy and energy efficiency more widely and economically available.

## **Summary**

As Christians, we have the privilege and obligation to speak with moral authority on issues of great importance. The power and clarity of our prophetic voice must not be undermined by the hypocrisy of our investments in fossil fuel companies that amount to nearly two hundred million dollars.

Divestment declares that we are refusing to stay neutral in the fight against climate disruption. We stand united with our brothers and sisters around the world in refusing henceforth to make money from an industry that is harming all of God's creation.

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*“Can we hear the grave warnings in reports like this one [Power to Change] from Christians who have carefully studied these matters? And then can we act as stewards of God's earth, witnessing to Christ in the re-direction of our lives toward a more sustainable future? I pray that we can, and that our church's good work can help in this great change.”*

*- Gradye Parsons, Stated Clerk of the General Assembly, April 2009*

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- <sup>1</sup> 1981. The Power to Speak Truth to Power: A Public Policy Statement on Energy, Its Production and Use. [http://www.pcusa.org/media/uploads/acswp/pdf/power\\_to\\_speak\\_truth\\_to\\_power.pdf](http://www.pcusa.org/media/uploads/acswp/pdf/power_to_speak_truth_to_power.pdf)
- <sup>2</sup> 2008. The Power to Change: U.S. Energy Policy and Global Warming. [http://www.pcusa.org/site\\_media/media/uploads/acswp/pdf/energyreport.pdf](http://www.pcusa.org/site_media/media/uploads/acswp/pdf/energyreport.pdf)
- <sup>3</sup> 2014. Tax Justice: A Christian Response to a New Gilded Age. [http://www.pcusa.org/site\\_media/media/uploads/acswp/pdf/acswp\\_tax\\_justice\\_42.pdf](http://www.pcusa.org/site_media/media/uploads/acswp/pdf/acswp_tax_justice_42.pdf)
- <sup>4</sup> 2006: Resolution for Presbyterians to Live Carbon Neutral Lives. [http://www.climate.org/PDF/PCUSA\\_carbon\\_neutral\\_resolution.pdf](http://www.climate.org/PDF/PCUSA_carbon_neutral_resolution.pdf)
- <sup>5</sup> Barnes, R. Eco-Justice Journey: The Blog of the Environmental Ministries Office of the Presbyterian Church (USA). See posts under the categories “Energy Efficiency” and “Renewable Energy.” <http://www.pcusa.org/blogs/eco-journey/>
- <sup>6</sup> According to the Center for Responsive Politics, oil and gas companies alone spent nearly \$145 million to lobby the U.S. Congress in 2013, or about \$400,000 per day. See: Center for Responsive Politics. Oil & Gas Lobbying, 2013. <http://www.opensecrets.org/industries/lobbying.php?cycle=2014&ind=E01>
- <sup>7</sup> As of 12-31-2014, the Board of Pensions alone held \$160,907,670 in 37 of the top 200 coal, oil and gas companies appearing on the Carbon Underground list [*private communication; also available in the 2014 BOP Annual Report*]
- <sup>8</sup> Intergovernmental Panel on Climate Change (IPCC) Working Group (WG) II. 2014. Summary for Policymakers. In *Climate Change 2014: Impacts, Adaptation, and Vulnerability: Contribution of Working Group II to the Fifth Assessment Report of the IPCC* [Field et al., (eds.)]. Cambridge University Press, New York, NY, USA. [http://ipcc-wg2.gov/AR5/images/uploads/WG2AR5\\_SPM\\_FINAL.pdf](http://ipcc-wg2.gov/AR5/images/uploads/WG2AR5_SPM_FINAL.pdf). pp. 4-8, 12-25.
- <sup>9</sup> United Nations Framework Convention on Climate Change Conference of Parties (UNFCCC COP) Cancun Climate Change Conference - November 2010: [http://unfccc.int/meetings/cancun\\_nov\\_2010/meeting/6266.php](http://unfccc.int/meetings/cancun_nov_2010/meeting/6266.php)
- <sup>10</sup> In “The Power to Change” (ref 2, above), p. 3, states:  
“The Presbyterian Church (U.S.A.) supports comprehensive, mandatory, and aggressive emission reductions that aim to limit the increase in Earth’s temperature to 2 degrees Celsius or less from pre-industrial levels.”
- <sup>11</sup> For a popular summary of the history of the 2°C target, see “Climate: 7 questions on 2 degrees”:  
<http://www.cnn.com/2015/04/24/opinions/sutter-questions-two-degrees-climate/>
- <sup>12</sup> “Unburnable Carbon – Are the world’s financial markets carrying a carbon bubble?”  
<http://www.carbontracker.org/wp-content/uploads/2014/09/Unburnable-Carbon-Full-rev2-1.pdf>
- <sup>13</sup> “Global Carbon Emissions”: <http://co2now.org/Current-CO2/CO2-Now/global-carbon-emissions.html>
- <sup>14</sup> “Assessing ‘Dangerous Climate Change’: Required Reduction of Carbon Emissions to Protect Young People, Future Generations and Nature”:  
<https://www.plos.org/wp-content/uploads/2013/05/pone-8-12-hansen.pdf>

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- <sup>15</sup> “Unburnable Carbon 2013: Wasted capital and stranded assets” Section 2, pp 15 ff.  
<http://carbontracker.live.kiln.it/Unburnable-Carbon-2-Web-Version.pdf>
- <sup>16</sup> “ExxonMobil's Climate Risks Report Should Embolden Policymakers”:  
<http://www.forbes.com/sites/mikescott/2014/04/08/exxonmobils-climate-risks-report-should-embolden-policymakers/>
- <sup>17</sup> “Leading companies invest \$674 billion in potentially worthless fossil fuels”:  
<http://www.theguardian.com/sustainable-business/companies-invest-worthless-fossil-fuels>
- <sup>18</sup> 1990: Restoring Creation for Ecology and Justice:  
<http://www.presbyterianmission.org/ministries/environment/pcusa-environmental-policy/>
- <sup>19</sup> 1996: Hope For A Global Future: Toward Just And Sustainable Human Development:  
[https://www.pcusa.org/site\\_media/media/uploads/acswp/pdf/hope-for-a-global-future.pdf](https://www.pcusa.org/site_media/media/uploads/acswp/pdf/hope-for-a-global-future.pdf)
- <sup>20</sup> GA Minutes > 1998 > SECTION THREE - Overtures, Communications and Resolutions > Commissioners' Resolutions > Commissioners' Resolution 98-5. On Global Climate Change. > [The assembly approved Commissioners' Resolution 98-5. See p. 81.]
- <sup>21</sup> GA Minutes > 1999 > SECTION TWO - Recommendations > 1999 Overtures > Overture 99-70. On Climate Change and the Persistence of Its Causes-From the Presbytery of Susquehanna Valley. > Recommendation > [The assembly approved Overture 99-70 with amendment. See pp. 50.]
- <sup>22</sup> GA Minutes > 2003 > SECTION TWO - Assembly Committee Reports > 11 - Assembly Committee on Global Ministries > Item 11-07. Overture 03-29. On Ratifying the Convention on Climate Change and the Kyoto Protocol-From the Presbytery of Newton. > Recommendation > [The assembly approved Item 11-07. See p. 40.]
- <sup>23</sup> 2008: Presbyterian Church (USA) Policy Brief: Environment and Energy:  
[http://www.pcusa.org/site\\_media/media/uploads/washington/pdfs/policybrief.pdf](http://www.pcusa.org/site_media/media/uploads/washington/pdfs/policybrief.pdf)
- <sup>24</sup> The original version of this seminal document, produced in 1984 by the 196<sup>th</sup> General Assembly of the newly reunited PC(USA) can be found here, specifically paragraphs 25.199 through 25.210:  
[http://www.pcusa.org/site\\_media/media/uploads/acswp/pdf/divestment\\_strategy.pdf](http://www.pcusa.org/site_media/media/uploads/acswp/pdf/divestment_strategy.pdf)  
A more readable format is reproduced as Section 2 (pages 29 ff) of the 1985 report:  
Divestment for South Africa: An Investment in Hope found here:  
[http://www.presbyterianmission.org/media/uploads/mrti/pdfs/1984\\_1985\\_divestment\\_strategy\\_policy\\_south\\_africa\\_policy.pdf](http://www.presbyterianmission.org/media/uploads/mrti/pdfs/1984_1985_divestment_strategy_policy_south_africa_policy.pdf)
- <sup>25</sup> The PC(USA), through MRTI, has been a long-term member of Ceres: <http://www.ceres.org/about-us/coalition/coalition-members> (search on “Presbyterian”) and of the Interfaith Center for Corporate Responsibility (ICCR): <http://www.iccr.org/>, both of whom have been engaged for decades in shareholder action with the fossil industry
- <sup>26</sup> MRTI’s extensive shareholder engagement with ConocoPhillips is documented on the internet at least as far back as 2003: <http://archive.wfn.org/2003/10/msg00077.html>, and likely extends back significantly farther. In 2003, “MRTI celebrated: [...] Urging Conoco/Phillips Petroleum to develop an aggressive program to address greenhouse gas emissions”. In 2013, “MRTI’s shareholder resolution called for setting a corporate-wide reduction goal for greenhouse gas emissions. [...] [T]he resolution received 29.43% of the shareholder vote, up from previous years.”  
<http://www.pcusa.org/news/2013/6/19/mrti-reports-record-proxy-votes-environmental-shar/>

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- <sup>27</sup> Talk to the Hand: Engagement With Fossil Fuel Companies Offers Little Promise:  
<http://www.triplepundit.com/2015/01/talk-hand-engagement-fossil-fuel-companies-offers-little-promise/>
- <sup>28</sup> GreenFaith maintains a comprehensive list of faith groups and divestment activity here:  
<http://www.greenfaith.org/programs/divest-and-reinvest/listing-of-known-religious-divestment-efforts>
- <sup>29</sup> 2015. Rolling Stone. The Logic of Divestment: Why we Have to Kiss off Big Carbon Now:  
<http://www.rollingstone.com/politics/news/the-logic-of-divestment-why-we-have-to-kiss-off-big-carbon-20150114?page=2>. MYTH #2: Fossil Fuels are a Safe Investment
- <sup>30</sup> 2015. The Solar Industry Created More Jobs In 2014 Than Oil And Gas Extraction:  
<http://thinkprogress.org/climate/2015/01/15/3611522/solar-jobs-report-2014/>
- <sup>31</sup> Bread for the World Institute. 2010. Work in a Sustainable Economy. In *A Just and Sustainable Recovery: Hunger Report 2010*. Available online at: <http://files.bread.org/institute/hr10/2010-hunger-report.pdf>. pp. 20 & 33-46.