



Fossil Free Greater Manchester  
c/o Manchester Friends of the Earth  
Green Fish Resource Centre  
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19 March, 2021

Please reply to [fossilfreegm@gmail.com](mailto:fossilfreegm@gmail.com)

*by email*

Sent to:

Cllr Angeliki Stogia, Manchester City Council Executive Member for Environment, Planning & Transport.  
Cllr Mike McCusker, Salford City Council Lead Member for Planning, Housing and Sustainable Development.  
Cllr Sara Rowbotham, Rochdale Council Deputy Leader and Portfolio Holder for Climate Change and Sustainability.  
Cllr Alan Quinn, Bury Council Executive Member for Environment and Climate Change.  
Cllr Sheila Bailey, Stockport Council Executive Member for Sustainability.  
Cllr Joanne Marshall, Lead Member for Greener Wigan.

Dear councillor \_\_\_\_\_,

### **Greater Manchester Pension Fund and divestment.**

We welcome your initiative in writing on 3 March to councillors and members of the GM Pension Fund's Management/Advisory Panel, and particularly the positive emphasis on divestment from fossil fuel firms in your letter.

We also welcome your call for the Fund to move to a 2038 zero carbon target and set out its policies and strategies to achieve that goal. Although the Fund has the stated aim to decarbonise its investment portfolio before 2050, nothing has been published by way of a strategy and, so far as we can tell, there isn't any kind of roadmap showing the steps the Fund will take.

We do want to emphasise that the Fund can and should divest its main fossil fuel assets long before the 2038 Greater Manchester carbon budget net zero date<sup>i</sup>. Firstly, the task of selling dirty investments and purchasing clean ones is much more straightforward than the challenge of decarbonising a whole regional economy. Secondly, early decarbonisation of the Fund's investments will actually help Greater Manchester, and the economies to which it is linked, to meet its emissions reduction commitments. Conversely, failure to do that will increase the likelihood of fossil fuels being extracted and burnt in greater volumes and for longer, and that would in turn mean that there is a smaller available global carbon budget to be shared out. Cumulative emissions are key, so the priority is to make large cuts as soon as possible.

We would therefore suggest that future communication and engagement with the Fund emphasises that the divestment programme should be front-loaded. As you will probably know, our campaigning call is to,

1. Make the fund fossil free within the next 2 years.
2. Immediately move all investments out of the most polluting fossil fuels (coal, tar sands & fracking).
3. Develop a strategy to invest in local climate solutions in Greater Manchester.

To support arguments for urgently beginning an ambitious divestment programme, two further points are worth bearing in mind. Firstly, with a global recession and the switch from hydrocarbons to renewables, and increasing electrification of key sectors, fossil fuels are becoming a riskier investment gamble: the Fund's fossil fuel investments have lost considerable value during the pandemic and this has only amplified a longer term trend of declining performance. Secondly, there is the strong ethical case: the Fund divested its tobacco holdings because making money from products that kill was indefensible: surely the same is true for fossil fuel firms that still, despite their greenwash, seek to maximise the extraction and exploitation of fossil fuels.

We would welcome discussion with you on how we can support each other and work together to persuade the Fund to sever its links with the fossil fuel industry.

Yours sincerely,

Dr. Mark Burton

On behalf of, and content agreed with, the organising group, Fossil Free Greater Manchester

- i South Yorkshire Pension Fund has just committed to a 2030 net zero target for all the impacts of all its investments. <http://meetings.southyorks.gov.uk/documents/s65895/Item%2013%20Net%20Zero%20Appendix%20A.pdf> In her response to you, councillor Warrington suggested that GMPF might make a similar commitment, while apparently maintaining that this could be done without the need for divestment.