UCT must invest for the future and stop investing in fossil fuels

Submission to the UCT Institutional Reconciliation and Transformation Commission from the Fossil Free UCT campaign

June 2018

‘I ask UCT to examine urgently the extent of your investments in fossil fuel companies and to make a strong commitment to phasing them out as soon as possible.’ – Archbishop Emeritus Desmond Tutu, 2015.

‘Have the courage to tell business that it is not only about the profits but about our collective survival and wellbeing.’ – UCT Chancellor Graça Machel, speaking at the 2014 UN Global Climate Summit.

‘As a “leading Afropolitan university”, UCT can show Africa and South Africa true leadership [by divesting].’ – Professor Phoebe Barnard.

‘There is no more conservative group on the planet than an investment committee.’ – Jeremy Grantham.

‘Again, much like clean technology, what started out as a campaign spurred by environmentalism and green campaigners [divestment] became an economic imperative for many companies, institutions, and organisations around the world.’ – Joshua Hill, *CleanTechnica.*

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Introduction

The aims of the Institutional Reconciliation and Transformation Commission (IRTC) include making 'recommendations on institutional culture, transformation, decolonisation, discrimination, identity, disability and any other matters that the university community has raised over the past 18 months, or may wish to raise in the future.'

In the light of this mandate of the IRTC, we offer a submission from the Fossil Free UCT campaign arguing that the University of Cape Town needs to move quickly to ethical and responsible management of its investments. In particular, in the light of the massive human rights crisis posed by climate change, UCT must immediately adopt bold targets for ending its investments in fossil fuel companies.

Summary of recommendations

UCT should become a pro-active and visionary leader on issues of ethical and responsible investment. It must take **specific, urgent measures** (outlined below in our recommendations) to end its tacit support of fossil fuel corporations, and initiate **divestment from fossil fuels**. It should also **address other ethically questionable**

investments, such as those in tobacco, while accelerating work to reduce on-campus environmental impacts.

Continued inaction, especially as the divestment movement grows in SA, threatens to leave UCT looking tardy and unresponsive given how long it has been aware of the issues.

Overview

For five years, alumni, students and staff have been lobbying UCT, an African university that has made strong prior commitments to sustainability (such as signing the Talloires Declaration), that aims to be socially responsible, and is a centre of excellence in climate change research, to <u>stop investing in the fossil fuels – coal, gas and oil – that are overwhelmingly the cause of dangerous climate breakdown</u>.

The university administration has been slow to react, but has also been open to this conversation, and has responded by creating a responsible investment policy. It is the first African university to have done so, which is an achievement to be proud of and *for which we commend the administration*.

We acknowledge that there have been considerable pressures on the administration during this period to address pressing and vital issues of social transformation and access to education that have reduced the time and capacity needed for attending to investment management issues.

But change has also been stalled by a lack of vision and commitment in some quarters, despite determined engagement by the campus divestment movement. With some notable exceptions, there has been very little active support for this movement from the academic community, which is, for an African university in a city on the frontlines of climate change, extremely disappointing.

We urge the university administration and community as a whole to move to active, whole-hearted and outspoken leadership on these issues, as befits UCT's overall claims to social leadership, and to implement the detailed recommendations we offer below.

Who we are

The Fossil Free UCT campaign was initiated by alumni, staff and students in 2013. It has been led by alumni and students from the Green Campus Initiative (GCI) and the Climate Action Project (CAP), with ongoing support from Fossil Free South Africa (an independent divestment campaign which grew out of the Fossil Free UCT campaign). We thank the many individuals who have supported and encouraged this campaign over the past five years.

Campaign milestones

Significant milestones in the campaign to divest UCT have been:

- The initial November 2013 letter from nine staff, students and alumni to then-finance director Enrico Uliana calling for UCT to divest,
- the endorsement of the campaign in 2014 by Archbishop Emeritus Desmond Tutu,
- the appointment of an ethical investment task team by the Vice Chancellor in 2015,
- the overwhelming (non-binding) vote in favour of UCT's divestment by the UCT Convocation in early 2017,
- the divestment thinktank convened in May 2017 with the support of the VC,
- the approval of a draft responsible investment policy by Council in mid-2017,
- and the appointment of the University Panel on Responsible Investment in early 2018.
- More than 800 people have signed the standing petition for UCT to divest – join them at goo.gl/ALRPih.

Climate change

There is almost universal agreement that climate change is one of the most urgent issues facing humanity. It has been described by the UN as the greatest human rights crisis of our time. Extreme weather events are accelerating, the world's women, vulnerable and poorest people are the first and worst affected, the future of our current global human civilisation is at stake, the chances of human-induced climate change being accelerated by natural feedbacks into mounting catastrophe is too great to be ignored.

Cape Town itself remains in the midst of an extreme water crisis that may have been worsened by climate change, while our country is generally threatened by increased droughts, fire and floods (goo.gl/uM6eBp).

But global action to address climate change remains woefully inadequate. Despite the ambition set at the Paris climate talks in 2015 to hold global warming close to 1.5°C degrees by 2100, the world is currently on track for at least 3°C degrees of warming by 2100. In May 2018, an International Energy Agency assessment showed that of 38 different energy sectors, only four are currently on track to meet the Paris targets.

Those who think primarily in financial and economic terms should note that global investment returns are already being reduced by climate change and the many other destructive impacts of the often corrupt fossil fuel industry. Premature deaths due to air pollution in SA have been estimated at costing 6% of GDP by UCT researchers (goo.gl/UYVABx). One study estimates the likelihood that South African GDP by 2100 will be halved by climate change at 81% (goo.gl/xmp5u3).

Continued fossil fuel investment is now not just a threat to the climate, with apparently accelerating visible impacts: in the course of compiling this report, it was reported that 'the rate of melting from the Antarctic ice sheet has accelerated threefold in the last five years and is now vanishing faster than at any previously recorded time' (goo.gl/pF1CZe).

It has now also emerged that fossil fuel investment is likely a profound and urgent threat to global financial stability: recent research published in *Nature Climate Change* indicates that continued fossil fuel investments risk precipitating a financial crisis that would dwarf that of 2008 (goo.gl/zWNUuh).

In a world where the disastrous probable consequences of unfettered climate change are widely understood, and in which there are viable alternatives to fossil fuels even for developing countries (see Costa Rica's ambition for phasing out even transport-based emissions within the next decade), the continuing use of fossil fuels by any major institution *that does not have a clear plan for eliminating them* is tantamount to a crime against humanity.

Fossil fuel divestment

Fossil fuel divestment is the process by which institutions and individuals withdraw equity and bond investments in the coal, gas and oil companies that are primarily responsible for producing the fuels that when burnt are the primary sources of climate-altering carbon dioxide emissions. Ideally, divestment should be followed by *reinvesting* where possible in low-carbon socially and ecologically sustainable enterprises.

Divestment is:

- *pushed* by the knowledge that if fossil fuel companies were to exploit all their declared reserves, 'safe' limits of carbon dioxide emissions would be far exceeded (by some assessments, they already have been) and
- *pulled* by the knowledge that overall global investments in renewable energy and sustainable technologies, while now substantial, remain inadequate (goo.gl/A7nU2D). In other words, divestment should be motivated as much by the need for *reinvestment in* sustainable food and energy systems as it is by the opportunity to stigmatise polluters.

Most credible economic assessments argue that early transformation of the global economy away from dependence on fossil fuels:

- will be far cheaper than delaying action;

- will help avoid massive climate damage;
- will bring multiple ancillary benefits such as enhanced job creation, reduced deaths due to air pollution, reduced resource-related conflicts, etc; and
- is currently inhibited mostly by social and political factors, rather than by technical limitations, not least the lethal active and passive resistance of the fossil fuel industry to change, including continued lobbying for massive ongoing subsidies, funding climate deniers such as Donald Trump (goo.gl/xGo9jc), active campaigns to undermine climate science and fostering climate change denial.

The global divestment movement, partly inspired by the anti-apartheid divestment movement, was initiated on North American campuses, and has spread to churches, foundations and whole countries. Norway, New Zealand and Ireland, amongst others, have moved to divest sovereign wealth funds, as have leading cities such as New York, London, Paris, Copenhagen, Melbourne and Cape Town. A full list of 889 divesting institutions (by June 2018) is at goo.gl/YJL5Rm.

In December 2017, three of the world's biggest financial institutions — the World Bank, ING, and Axa – announced their plans to divest.

The total value of invested funds that have in one way or another been divested of fossil fuels has far outstripped the expectations of the movement's founders, 350.org, and now exceeds $6 trillion (total global invested assets stand at around $80 trillion). A movement that was initially expected only to have an effect on the social license to operate of fossil fuel companies has come to have an effect as well, in some instances, on the cost of capital for these companies.

While many entities have publicly declared their divestment intentions, many others (such as the Bill and Melinda Gates Foundation) have divested very quietly, leaving those institutions that ignore this movement *ever more at risk of being left as the last ones holding increasingly threatened assets*.

UCT has a special responsibility for leadership on climate change and divestment

- UCT is the top-ranked university amongst Africa's 741 universities, on a continent researchers describe as 'particularly vulnerable to climate change' (goo.gl/AkT37k) while also having contributed least to the problem.
- UCT has acknowledged the importance of research into climate change to the extent of creating the African Climate Development Initiative and appointing a pro-vice chancellor to lead that body. An institution that acknowledges the seriousness of climate change should not also be contributing to the problem.
- Actions speak louder than words. The action of continued investment in fossil fuels speaks louder than rhetorical concern over the impacts of climate change.

By investing in fossil fuel companies, UCT *contributes to an insidious culture of painting corporate human rights violators as normal* and respectable corporate citizens.

- UCT researchers have described the appalling direct health impacts of the fossil fuel industry in South Africa (27,000 early deaths annually, costing up to 6% of GDP: goo.gl/33Jr7Y).
- Because UCT is a 'thought leader', the social impact of its continued fossil fuels investments far exceeds the purely financial impacts of its investments. Conversely, a divestment decision by UCT could resonate in ways that go far beyond the mere value of the assets involved.
- UCT has a fundamental duty of pastoral care towards the students it is educating. To invest in companies that are destroying the current and future global environmental commons is a betrayal of the best interests of students.
- South Africa's history, of our political transformation being partly facilitated by a global divestment campaign, gives all South African institutions that claim social leadership a special responsibility to support other divestment campaigns that aim to further fundamental human rights.
- Besides issues of social responsibility and leadership, there is good reason to believe that an ESG strategy that includes properly addressing climate change issues may in fact improve UCT's financial returns on its investments.

Examples of divestment by other universities

Over 100 universities around the world, mostly in the UK and US, have divested fully or partially. The University of Edinburgh and the School of Oriental and African Studies at the University of London announced in January 2018 plans for full divestment over three years, joining more than 50 other UK universities that have made divestment commitments, mostly full divestment.

Oxford University has divested from coal and tar sands. Stanford University has divested from coal. Universities in Australia, New Zealand, Belgium, Sweden and Denmark have also made divestment commitments.

How other universities explain their divestment decisions

'Durham is a world top 100 university, a research partner of international standing and a significant employer in North East England. We are committed not only to divestment, but to becoming a major partner in the future development of green energy.' – Professor David Cowling, Pro-Vice-Chancellor (Arts and Humanities) at Durham University.

'It is thanks to our students that we became the first university in London to commit to divesting from fossil fuels. SOAS students care about the future of our planet and push the School to live to its values. I am delighted that we have fulfilled our pledge.' – Director of SOAS, Baroness Valerie Amos CH.

'[Divestment] is consistent with the principles that have guided our university since its Land Grant inception and reflects our commitment to take on the environmental challenges that confront us all. Important societal change often begins on college campuses and it often begins with students. I'm proud of the students and the entire University community for putting UMass at the forefront of a vital movement, one that has been important to me throughout my professional life.' – University of Massachusetts President Marty Meehan.

'[Glasgow] University recognises the devastating impact that climate change may have on our planet, and the need for the world to reduce its dependence on Fossil Fuels. Over the coming years we will steadily reduce our investment in the fossil fuel extraction industry, while also taking steps to reduce our carbon consumption.' – David Newall, Secretary of the University of Glasgow Court.

'Today, Université Laval [Canada] commits to taking responsible action to switch its endowment fund investments in fossil energy to other types of investments, such as renewable energy.' – Éric Bauce, Executive Vice Rector in charge of sustainable development.

'At La Trobe we believe economic profitability and environmental sustainability are not mutually exclusive. We are committed to divesting from the top 200 publicly-traded fossil fuel companies ranked by the carbon content of their fossil fuel reserves within five years. In addition, we will disclose the carbon exposure of our investments and provide annual reports of our divestment progress over the next five years. We will do this with clear and realistic targets to achieve our desired return on investment of CPI plus four per cent per annum.' – Vice-Chancellor Professor John Dewar, La Trobe University (Australia).

'Climate change is one of the world's biggest challenges. Over the past few years, we have thought hard about how to respond to that challenge. This change in our investment strategy is a vital step on that journey.' – Charlie Jeffery, senior vice principal at Edinburgh University.

Answering some arguments against UCT divesting

Argument against divestment	Our response
Shareholder engagement with fossil fuel companies is a more effective strategy than divestment.	• The university has no track record of shareholder engagement. It is strange to argue that divestment would prevent the university from doing something it has never done before. • Engagement, *if adopted in all sincerity* and not as a figleaf for inaction on divestment, can be pursued *in tandem* with partial divestment. • Dialogue and engagement can be useful, but only when managed by institutions with the resources, clout and determination to undertake the necessary research and demand the attention of company boards. Even with all due good intentions, UCT is probably not such an institution. The Vice Chancellor has said (at the May 2017 divestment think tank) that UCT does not have and cannot afford the expertise/resources to pursue a meaningful engagement policy of its own. • Engagement, if adopted in all sincerity, *must be outcomes-based and set clear targets for success,* failing which complete divestment should be announced. • There is, sadly, little evidence (goo.gl/mvv67w) that engagement with fossil fuel companies is ever effective.
The university will lose income from divestment.	• It is more likely that the university is losing or will lose money by remaining invested in fossil fuels. For example, over the past five years, typical portfolios based on the JSE Top 100 would have outperformed when decarbonised (research by ET Index Research, London, available on request).

	• The university has not, to our knowledge, yet sought to establish or quantify what income it might lose or assessed whether such losses might be acceptable. There is good reason to think it would have gained financially by divesting sooner, as unpublished research by both ET Index Research and S&P indicates that risk-adjusted returns over the past five years in typical SA portfolios would have been improved by excluding fossil fuels. • Many overseas institutions have divested without loss of income. *The Financial Times* notes that, 'The outperformance of ESG strategies is beyond doubt.' (goo.gl/eL1WdB). Index company MSCI's research showed that its MSCI ACWI ex Fossil Fuels Index outperformed the conventional MSCI ACWI index in five of the six years to January 2018 (goo.gl/X1utAs). • 'Legendary' investor Jeremy Grantham considers it a myth that divestment threatens returns and has compiled research in support of that argument (goo.gl/ePSnvk). • Risk-adjusted investment returns may sometimes look better when fossil fuel companies are included in portfolios, but equity risk assessments do not fully price in objective criteria beyond the horizons of most investors, such as the probability of continuing rapid technological change in the energy sector, new regulations, abrupt stranding of assets, damages caused by accelerating climate change impacts and litigation by victims of climate change (goo.gl/bxQU9q).
There's no point in divesting because other less scrupulous/less engaged investors will just buy up the shares.	• Oil giant Shell has itself conceded the potential efficacy of divestment, noting in its 2017 annual report (p. 13) that: 'Additionally, some groups are pressuring certain investors to divest their investments in fossil fuel companies. If this were to continue, it could have a material adverse effect on the price of our securities and our ability to access equity capital markets. The World Bank has also announced plans to stop financing upstream oil and gas projects in 2019. Similarly, according to press reports, other financial institutions also appear to be considering limiting their exposure to certain fossil fuel projects. Accordingly, our ability to use financing for future projects may be adversely impacted. This could also adversely impact our potential partners' ability to finance

	their portion of costs, either through equity or debt… Further, in some countries, governments and regulators have filed lawsuits seeking to hold fossil fuel companies liable for costs associated with climate change. While we believe these lawsuits to be without merit, losing any of these lawsuits could have a material adverse effect on our earnings, cash flows and financial condition.' • Divestment is as much a social as financial action. If announced publicly, divestment can deal rolling reputational hits to the companies concerned. As a 2013 Oxford Sustainable Finance Programme report on divestment notes: 'The outcome of the stigmatisation process, which the fossil fuel divestment campaign has now triggered, poses the most far-reaching threat to fossil fuel companies and the vast energy value chain.' • Divestment campaigns against slavery, apartheid and tobacco (now the target of renewed divestment efforts) have been part of many social movements that succeeded despite less ethical parties buying up shares. • If funds can be redirected from fossil fuels into cleaner energy (admittedly not always simple), there is an undoubted direct benefit. • In some contexts, divestment is now also having a financial impact on fossil fuel companies (goo.gl/XaYgzd).
Divestment may lead to reduced research funding from Sasol.	• UCT should not allow itself to be held hostage to a human rights-abusing fossil fuel company. • There's no predicting how Sasol might choose to respond to UCT divesting from its shares. But the two are not necessarily related. Sasol funds research because it benefits from doing so. For it to withdraw research funding would be self-defeating. • UCT does not promise every donor that it will invest in them. There is no reason why Sasol should be a special case.

	• Even if Sasol did withdraw research funding, more progressive companies, such as Axa which has both divested and funds the UCT African Climate Risk chair, are stepping in.
The university should decarbonise its own operations and facilities before divesting.	We agree that the university should, while adopting an ethical investment policy, also work to reduce the various environmental impacts of its operations in all dimensions, and have always advocated for this. But efforts to reduce environmental impacts are usually incomplete and imperfect, and action in one domain cannot be predicated on first achieving perfection in another. Decarbonisation efforts in all realms are extremely urgent and must be pursued in parallel: UCT should divest *and* decarbonise its own operations.
We are still dependent on fossil fuels, and so it is hypocritical to divest from them. Also, people will lose their jobs.	• In South Africa, numerous studies now show renewable energy would be a healthier, cheaper option in the electricity sector. Change will be slower in the transport sector, but the time to set clear targets for decarbonisation is now, as even other developing countries are already doing. (No less than 48 developing countries now have targets for 100% renewable energy.) Too many fossil fuel companies play lip service to the Paris climate agreement while in fact doing their best to stall compliance even with existing regulations for controlling air pollution, much less setting their own clear targets for phasing out emissions. Continued investment in any particular fossil fuel company *can only be justified when that company has committed itself to science-based targets for decarbonisation* in alignment with global targets. For examples of companies that have already done this, see sciencebasedtargets.org. • The One Million Climate Jobs campaign estimates that over 20 years, 1.7 million direct and indirect new jobs could be created by decarbonising the SA economy, while 115,000 jobs would be lost. These estimates are consistent with the experience of countries that have already substantially decarbonised. Jobs in the fossil fuel sector are often hazardous and low-paid compared to those in the renewable energy sector, and these jobs are *already disappearing*. Painful job losses can most likely be eased *if fossil fuel companies commit early to a carefully planned 'just transition'*. It has been

	pointed out by the International Trade Union Confederation that 'there are no jobs on a dead planet'.

The onus is on those who argue against divestment to propose alternative strategies for breaking the deadly inertia of the global fossil fuel economy, which continues to grow despite the rapid acceleration of the renewable energy revolution while almost every day, scientists announce new and nasty unexpected consequences of climate change.

The UCT Council has a duty to manage endowed funds in ways that help ensure that the university can meet its needs. But that responsibility cannot be discharged in a way that will add to the misery of Africa's poor; that will compromise, if not actively destroy, future economic and social development; and that may leave some of today's students highly qualified but stranded in a world of ever-increasing inequality and human misery. Using fossil fuels for 'development' has become the equivalent of burning down one's house to stay warm.

The founding leader of 350.org, Bill McKibben, who helped initiate the divestment movement, has described the simple logic of this campaign: 'If it is wrong to wreck the planet, then it is also wrong to profit from the wreckage.'

While some fossil fuel companies such as Denmark's Ørsted A/S have deliberately and successfully transformed themselves into renewable energy companies, the intransigence of many others such as Sasol, BHP Billiton, Anglo American, Exxaro, Xstrata and Shell has led to them being described as corporate killers (goo.gl/iB6J2x). They have known the effects of their business model for decades now, yet still resist whole-hearted change despite earning vast profits that could be deployed into transforming their businesses. Exxon Mobil is now being sued by cities such as New York.

Archbishop Desmond Tutu, long the moral conscience of South Africa and a firm supporter of the international fossil fuel divestment campaign, has called on UCT to divest, saying, 'I ask UCT to examine urgently the extent of your investments in fossil fuel companies and to make a strong commitment to phasing them out as soon as possible.'

During the UN climate summit in New York in September 2014, UCT's chancellor, Graça Machel, urged world leaders to 'have the courage to tell business that it is not only about the profits but about our collective survival and wellbeing'.

UCT should not ignore the clear moral guidance of figures whose stature it is happy to celebrate in other contexts.

In a world where governments were responding quickly and competently with policies that matched the threat of climate change, there would be no need for UCT to divest. Unfortunately, we do not live in that world. All institutions have a responsibility to respond to climate in some ways, and UCT, as a place of learning and privilege, far more than most. Staff, students, and faculty are arguably far better equipped than most South Africans to properly understand the climate issue and the need for action. A university is a place where we begin to create the future, not a place to participate in its destruction.

If UCT is the leading university on the continent most vulnerable to climate change, then we have a particularly urgent responsibility to act, and act swiftly.

Recommendations

1. Transparency: The university should immediately act on its now long-unrealised commitment (made in its draft responsible investment policy) to disclose its full investment portfolios so that stakeholders can meaningfully discuss and engage with UCT on its investment holdings.

2. Transformation needs to be extended to the university structures administering UCT's endowment, the UCT Foundation and the University Joint Investment Committee, to bring in members who are:

- representative of the full range of UCT stakeholders,
- who have either a broad understanding of responsible investment and/or the issues that are material to responsible investment decisions, and
- whose appointment would end the conflicts of interest inherent in having members that also serve on the boards of UCT's financial service providers, especially Coronation Asset Management.

3. Immediate divestment commitments: The University should:

- declare that it will immediately devote a minimum of 10% of its funds under management to a fossil-fuel free fund or funds, and
- commit to phasing out all remaining SA carbon-intensive investments within five years, and all such offshore investments within three years (there is a broader universe abroad and the allocation is smaller). Note that the call for UCT to fully divest over the reasonable period of five years was first made in 2013, and endorsed again by Convocation in early 2017.
- Any investments in other areas of concern such as tobacco, armaments, and human rights-abusing companies should be downscaled and eliminated as far as possible.

- Where the university is invested in opaque offshore instruments that do not reveal their constituent investments to clients, it should seek transparent, responsible alternatives – there are many.

4. Shareholder engagement: If the university is *serious* about pursuing shareholder engagement, such engagements need not preclude partial divestment. If a shareholder engagement policy is to be pursued *as anything other than a smokescreen for further inaction*, the university must:

- formally acknowledge that engagement and divestment are not mutually exclusive;
- pursue some initial divestment to demonstrate seriousness on addressing its fossil fuel liabilities;
- set clear targets, timelines and desired outcomes for the targets of its engagement policy;
- consider lending its proxies to Just Share, the new shareholder activist campaign that aims to engage SA polluters on climate change.

5. Leadership: While we recognise that university officials have already acted in good faith in difficult times to advance the consideration of these issues, we urge even more forthright, outspoken and public leadership on these issues:

- We urge the incoming Vice Chancellor, Professor Mamokgethi Phakeng, to build on the ground prepared by the outgoing Vice Chancellor, Dr Max Price, and to make a serious commitment to ethical management of university funds a pillar of her administration.
- The university must ensure that the newly appointed *University Panel on Responsible Investment (UPRI),* which is intended to advise the Joint Investment Committee on responsible investment issues and which met for the first time this month (June 2018), has the resources and leadership to act quickly.
- The existence of the panel should be more widely publicised to catalyse widespread engagement with the Panel by members of the university community.
- The *Joint Investment Committee* should not consider that it cannot act before receiving the recommendations of the UPRI. Rather, it should aim to get ahead of any recommendations the UPRI may make.
- The university should set clear targets for decarbonising its own operations and facilities, and reducing its environmental impacts in all dimensions.
- We believe there are many academics on campus who are at heart sympathetic to the goals of the divestment movement who have not yet spoken out to support this campaign. We urge them to do so, to become actively engaged, and to also lend their support to efforts to pursue the development of divested and low-carbon options for the *UCT Staff Pension Fund*.

- University publications such as the Monday Paper should give serious coverage to these issues. The university should be proud that it has adopted a responsible investment policy and behave accordingly.
- The university should run an awareness campaign aimed at staff, students, and alumni about the what, why, and how of divestment that includes a 'roadmap' to divestment and reinvestment in clean renewable energy. This campaign should link to global divestment campaigns and awareness days around climate and the environment.
- The University should, in support of these actions *but not as a substitute for them*, join the UN Principles for Responsible Investment and sign the Montreal Pledge to disclose its own emissions. Those affiliations would be no substitute for leadership on campus. We note the reasonable perception of many academics at Cambridge University who argue that, 'the UN PRI is little more than a smokescreen that protects institutions from confronting their ethical responsibilities'. Membership of the UN PRI need not be a smokescreen, but it is in the absence of other specific responsible investment actions.

6. Collaboration with other SA universities: The University should actively seek to collaborate with other SA universities to encourage them to adopt ESG policies and partial or complete divestment strategies. Acting together would build the incentives for South African asset managers to offer fossil-fuel free funds.