

By hand and email

Fossil Free UCT
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UCT Vice Chancellor Professor Mamokgethi Phakeng
Members of the UCT Council,
Members of the Joint Investment Committee
Members of the University Panel on Responsible Investment,
UCT Registrar Royston Pillay

Dear Professor Phakeng, and colleagues

UCT and the opportunity for leadership on fossil fuel divestment in the climate emergency

We were very encouraged indeed when we met with you in November 2018 and you said that you supported the fossil fuel divestment principle.

We ask you now to urgently renew that commitment and adopt the proposal we made in seconding the divestment motion passed at Convocation in December:

- Please ask the Joint Investment Committee to divert R300 million, less than 5% of the current endowment, to seed-fund a new fossil-free and socially responsible investment fund.
- Please work with Wits and UWC and Stellenbosch and UKZN, saying that UCT is committed to seeding at least one very low carbon investment fund – but would like to go a step further and unite to pool R1 billion from your respective endowments and any visionary RFs to seed-fund three or four fossil-free and socially responsible investment funds.
- In your personal capacity as a beneficiary of the UCT Retirement Fund, publicly ask Professor Philip de Jager and his fellow trustees to support this initiative, maybe just 3% of the C Portfolio, that's probably about R100m now.
- Use the stature of your office and profile at a public event to extend the challenge to SA philanthropies, estimated to hold between them anything up to R30 billion. Challenge them to pledge 5% of their respective portfolios to this new asset class.
- Put out a general call to SA asset managers challenging them to compete for a slice of the resulting available capital pool.

It's important to seed several competing funds that are open to the general public for investment. Doing this collaboratively poses very little risk to individual institutions. Further diversifying investment strategies will reduce overall portfolio risk and help mitigate the risk of a carbon bubble.

The case for fossil fuel divestment

... is now overwhelming. Every rand still invested in coal is a rand lost to a vital global transformation. Multiple experts have identified divestment as a social tipping point action

towards rapid global decarbonisation. Even the European Central Bank staff pension fund is 'decarbonising'.

The UN Environment Programme says global emissions now have to drop 7.6% a year to meet the 1.5C climate target. It's vital that institutions like UCT lead in this race for human rights. The risks of inaction far exceed the risks of action. The visible impacts of climate breakdown are outpacing scientific predictions again and again.

UCT's own researchers have shown that most responsible investment initiatives in SA so far have amounted to little more than insubstantial greenwash. UCT's own efforts cannot fall into this trap.

There will be a substantial continuing role for the UPRI in managing further steps towards full divestment. But some initial, decisive and publicly visible action cannot wait any longer. ("What the world needs is not incremental change. It's really transformation." says Anders Wijkman, former vice-president of the Club of Rome.)

We are baffled that climate change STILL does not lead the public discourse in a country that is warming at twice the global average, where whole towns are running out of water, where we emit more greenhouse gases than 182 other countries, where our teetering economy is still being gambled on financially risky and morally indefensible continued investments in fossil fuels.

Other countries far less affected than us are declaring climate emergencies – but South Africa, or at least our minister of energy, declares renewed commitment to coal..

UCT, as a centre of public health and climate research excellence, and principled commitment to human development, can and must help change this together with its peers.

We believe this proposal is modest, do-able, low-risk and potentially transformative. There is an extraordinary opportunity for leadership by this university. So,

- we request an urgent meeting to discuss this with you further, and
- we request opportunities to discuss these proposals with Council, the JIC and UPRI.

regards,



David Le Page, Fossil Free UCT campaign

Sadie Wiseman, Green Campus Initiative

Kaylyn Fabing, Green Campus Initiative