**Disastrous investment**

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The Intergovernmental Panel on Climate Change’s Sixth Assessment shows the world is unnecessarily headed toward climate catastrophe, and all it would take to resolve the crisis is decisive global action. That means no new fossil fuel development or infrastructure.

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How has the world responded? With lots of talk and inadequate, often counterproductive measures. Banks continue to pump billions into coal, oil and gas development, governments are ramping up production and wars are being fought to keep the polluting, climate-altering fuels flowing.

UN secretary general António Guterres called the IPCC report “a litany of broken climate promises.” Within days of the release of Part 3 of the four-part assessment, as well as Canada’s emissions reduction plan, our federal government approved the Bay du Nord offshore oil megaproject in Newfoundland and Labrador – albeit with 137 conditions.

Banks have been increasing investments in fossil fuel developments and infrastructure, and industry lobbyists are using Russia’s invasion of Ukraine to justify calls for ramping up oil and gas production.

A report by Oil Change International found, “fossil fuel financing from the world’s 60 largest banks has reached nearly USD $4.6 trillion in the six years since the adoption of the Paris Agreement, with $742 billion in 2021 alone.” Alberta oilsands financing jumped 51 per cent from 2020 to 2021, to $23.3 billion, much of it from Canadian banks RBC and TD Canada Trust. Banks have also invested heavily in Arctic and offshore oil and gas, fracking, liquefied fossil gas and coal mining and power.

Meanwhile, estimated costs for the Trans Mountain pipeline project, which Canada’s government bought in 2018 for US$4.5 billion, have ballooned by 70 per cent, to $21.4 billion!

Think of what that money could do invested in energy efficiency, renewable sources and protection and restoration of natural areas that sequester carbon.

As Guterres wrote, “So far, high-emitting governments and corporations are not just turning a blind eye; they are adding fuel to the flames by continuing to invest in climate-choking industries. Scientists warn that we are already perilously close to tipping points that could lead to cascading and irreversible climate effects.”

It doesn’t have to be this way. The recent IPCC report, ‘Mitigation of Climate Change’, lays out a viable plan to reduce emissions and forestall the worst impacts of a rapidly heating world. It wouldn’t cost much more than we’re now spending to keep burning fossil fuels. We’d also save enormous amounts by avoiding the health care and infrastructure costs of pollution and extreme weather-related events such as floods, droughts, heat domes and storms.

We have important choices to make, choices that will determine the future for us, our children and grandchildren and those yet to be born.

Along with improved energy efficiency, renewable energy is now the most cost-effective way to power societies. Costs of wind and solar power and battery storage have dropped by up to 85 per cent since 2010.

“It’s now or never, if we want to limit global warming to 1.5 degrees C (2.7 degrees F),” said IPCC Working Group III co-chair Jim Skea in a news release. “Without immediate and deep emissions reductions across all sectors, it will be impossible.”

We have important choices to make, choices that will determine the future for us, our children and grandchildren and those yet to be born. Although much of the onus is on governments, banks and industry to take the big steps, individuals have a role. Ensuring your investments aren’t fuelling the climate crisis is a start, by divesting from funds and banks that support the industry and switching to non-fossil funds.

People can also join the growing movement calling for change, through activism, community engagement, political pressure and voting. Reducing meat consumption, avoiding flying and relying less on private automobiles will also help.

As Guterres said, “Climate activists are sometimes depicted as dangerous radicals. But the truly dangerous radicals are the countries that are increasing the production of fossil fuels. Investing in new fossil fuels infrastructure is moral and economic madness.”

The Sixth Assessment consists of four parts, based on thousands of studies representing the most up-to-date climate science from around the world, with the final part, a synthesis, to be released in September. The first assessment was released in 1990, and the world has since consistently failed to heed the increasingly urgent warnings.

In the face of overwhelming evidence, ignoring the world’s scientists or believing they’re somehow mistaken is an unnecessary, suicidal gamble.

This article was originally published as: ‘Fossil Fuel Funding is a Disastrous Investment’.

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