



## Media Release

For immediate release

### **WWF: NORWAY MISSING EASY WIN ON COAL**

(Oslo, Norway) 28 February 2014 - Today the Government of Norway announced it would be launching an expert committee to do a year-long review on the carbon exposure of the country's Government Pension Fund Global, commonly known as the oil fund. This comes as a response to the opposition party's proposal to end coal investments. While the review offers a broader scope than the original proposal, it now delays clear action on coal.

If the Government of Norway wants to send one clear signal that it is serious about climate change, it would start by relinquishing investments in coal, says WWF.

WWF warns that Norway may be giving up what is a chance to take one concrete step forward.

"While the broader review is necessary and welcome, there is no reason why a clear move away from coal could not be made immediately," says WWF-Norway CEO Nina Jensen.

The energy infrastructure in place by 2017 may make or break climate change, warns the International Energy Agency. Jim Yong Kim, World Bank President, called on all long term investors like pension funds to "recognize their fiduciary responsibility to future pension holders who will be affected by decisions made today," in relation to exposure to climate risk.

This year the World Bank, European Investment Bank and the European Bank for Reconstruction and Development have all committed to virtually end coal investments. Norwegian private pension fund provider Storebrand divested from 29 coal and tar sands companies in the past year because of their obvious carbon exposure.

"A government serious about climate change would not do what we saw today," says Jensen. "These pure coal investments account for half of one thousandth of the fund's value, and yet the impact on the environment would be substantial," she says.



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The review panel must have a mandate with clear climate policy objectives, and that recommendations be followed by action, says WWF. "Of course we welcome any move forward, which this review certainly is. The real decision, though, will come when a true choice is made to end investments in fossil fuels," says Jensen.

"We have been very supportive of the proposal that is being considered by the Standing Committee on Finance that the Fund must withdraw their coal investments. Three quarters of the world's greenhouse gas emissions come from the energy sector, and 45% of these are caused by coal. It is high time that Norway stops investing in the most polluting energy in the world," emphasizes Jensen.

Norway's sovereign wealth fund is the world's largest, with over 700 BN USD in assets, says Samantha Smith, leader of WWF's Global Climate & Energy Initiative. "When Norway acts – either on divestment from coal or investment in renewables – there is no question that it'll set the bar for investors globally to follow suit, she says.

Coal is not only the most polluting source of energy production; it is also the most risky investment in the energy sector. WWF's review of the fund's coal investments shows that the 28 pure coal companies the fund has investments in have lost 28% of their market value in 2013 alone.

As WWF and others have proposed, the government has already promised to consider a mandate to invest directly in renewable energy infrastructure. "By shifting large financial flows, we can stimulate a global restructuring of the energy system away from being dominated by fossil fuel and towards renewable energy. This is necessary to prevent the internationally recognized limit of the Earth's temperature rise of more than an average of 2 degrees," says Jensen.

## **ends**

### **Notes for Editors**

Read and sign the global renewable energy campaign pledge here: [www.panda.org/seizeyourpower](http://www.panda.org/seizeyourpower)

### **For more information, please contact**

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### **About WWF**

WWF is one of the world's largest and most respected independent conservation organisations, with over 5 million supporters and a global network active in over 100 countries. WWF's mission is to stop the degradation of the earth's natural environment and to build a future in which humans live in harmony with nature, by conserving the world's biological diversity, ensuring that the use of renewable natural resources is sustainable, and promoting the reduction of pollution and wasteful consumption.

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