

EXTRACT OF DRAFT STANDING COMMITTEE
ON ENVIRONMENTAL PROTECTION, WATER
AND WASTE MANAGEMENT
MINUTES 12
TUESDAY, 17 NOVEMBER 2020

DIVESTMENT FROM FOSSIL FUELS
AND INCREASE IN SUSTAINABLE ASSETS

ACS2020-OCC-ENV-0008

CITY WIDE

*This report is scheduled to be considered by the Finance and Economic
Development Committee at its meeting of Tuesday, 1 December 2020.*

REPORT RECOMMENDATION:

**That the Standing Committee on Environmental Protection, Water and
Waste Management recommend that the Finance and Economic
Development Committee recommend Council approve:**

- 1. That the Chief Financial Officer and/or Manager, Treasury, be
directed to report back to FEDC at the end Q2 in 2021 with a
summary of barriers to achieving Prudent Investor Status, how
they are addressing those barriers, and a summary of actions
taken to date; and,**
- 2. That, should Council approve a direction to implement prudent
investor standards for the City of Ottawa, staff evaluate the
prudence of divesting of fossil fuels as input to the development
of the Investment Strategy that will need to be approved by
Council. The scope of this review will include an assessment of
the following:**
 - a) no new purchases of stocks or mutual funds with coal, oil,
and gas companies, specifically excluding any new
investment in the 200 largest publicly traded fossil fuel
corporations; and**
 - b) Sell off all fossil fuel holdings from these same companies
over the next five years.**

EXTRACT OF DRAFT STANDING COMMITTEE
ON ENVIRONMENTAL PROTECTION, WATER
AND WASTE MANAGEMENT
MINUTES 12
TUESDAY, 17 NOVEMBER 2020

The Committee heard from Ms Angela Keller-Herzog, Co-Chair, Community Associations for Environmental Sustainability (CAFES), who spoke in opposition to the Motion. She expressed that *Prudent Investor* status is not required for the City to be able to divest itself of funds. She felt the five-year timeframe currently specified is too long, and expressed that divestment from fossil fuels investments should be immediate, along with the divestment of volatile stocks and bonds, preferring that funds be used to establish a Climate Capital Corporation, to invest in local, renewable energy investments and to stimulate local job creation.

Chair Moffatt said he believed the goals of Councillor Menard's Motion were achievable, and suggested that immediate divestment might not be possible.

Responding to questions from the Committee, Ms Isabelle Jasmin, Deputy City Treasurer, Corporate Finance Services, Finance Services Department, provided background information on *Prudent Investor* status and how it could relate to and affect the City's management of its investments.

Additional questions, and Committee discussions, touched upon the points contained in the Motion and upon the logistics of undertaking the work outlined in the Motion's functional clauses. Councillor Brockington suggested that, when the report returns in Q2 of 2021, it include information to provide context on the City's overall investment strategy and objectives. Ms Jasmin said that moving to achieve *Prudent Investor* status would require staff to develop an investment strategy, but that the report could speak to a higher-level strategy that would be incorporated into the overall investment strategy.

Discussions having concluded, the report recommendations were put before the Committee and the Motion was 'CARRIED' as presented, with Councillors A. Hubley and G. Darouze dissenting.

CARRIED, with Councillors A. Hubley and G. Darouze dissenting.