



Banking on Climate Solutions, Not Climate Change

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(700 words)

The impacts of global greenhouse gas emissions and climate change continue to hit closer to home. Here in Arizona, farmers are grappling with [cuts in water delivery](#) from the Colorado River due to historic drought conditions. As the impacts of climate change intensify, the farmers we rely on for our food supply confront increasing risk and uncertainty. Cities are also facing a troubled future, with Phoenix recently [halting residential development](#) due to water shortages. These conditions are not sustainable and require that we stop financing the continued growth of the fossil fuel industry and instead invest everything we can in climate solutions.

Global energy giants such as ExxonMobil, BP, and Shell are often cited as key players in the transition to low-carbon energy systems, yet these same companies continue to spend billions on development of new fossil fuel resources. The world has enough proven reserves of coal, oil, and gas to last [beyond 2050 at current rates of consumption](#). Most of these reserves will have to be left in the ground if we hope to prevent runaway climate change. Until global energy giants eliminate all investment in new fossil fuel development, their low-carbon energy commitments are little more than greenwashing.

The financing of new fossil fuel development is made possible largely by banks, which use our deposits to make loans for all kinds of economic activity – including fossil fuel development. Major banks like JPMorgan Chase, Citi, and Wells Fargo are pouring [billions of dollars](#) every year into the fossil fuel industry. Considering this information, many individuals are pressuring their banks to eliminate all financing to the fossil fuel industry. As the role banks play in financing climate change becomes more apparent, corporations and municipalities, including our City of Flagstaff, are coming under scrutiny for their banking practices.

The City of Flagstaff currently banks with Wells Fargo, which is one of the top lenders to the fossil fuel industry. Recently, members of the community urged City Council to take steps towards finding a new servicing bank that does not actively finance fossil fuel development. Despite tremendous public support for switching, the City Council decided not to pursue a new servicing bank due to limited staff and resources. This decision by Flagstaff City Council is contrary to the City's overall policy goal of reducing greenhouse gas emissions. By renewing its contract with Wells Fargo, the City Council has endorsed the use of Flagstaff taxpayer dollars, our dollars, in supporting further development of fossil fuel projects around the world.

Countless nations, companies, and other municipalities have committed to reducing greenhouse gas emissions and achieving carbon neutrality over the next few decades. Flagstaff is among this group of sustainability leaders with our [Carbon Neutrality Plan](#), which outlines a vision for how our community will reduce greenhouse gas emissions, adapt to climate change impacts, and prioritize justice and equity as we transition to a low-carbon future. Flagstaff is actively working towards this vision by reducing building energy demand, encouraging electric mobility,

expanding housing options for all income levels, and keeping our forests and open spaces healthy.

Unfortunately, the City's current banking practices are inconsistent with our Carbon Neutrality Plan – limiting our capacity to reduce global emissions. Partnering with a new servicing bank, one that prioritizes the environment, would allow our taxpayer dollars to flow into companies and projects that are actively building the infrastructure we need to reduce greenhouse gas emissions and mitigate climate change. This kind of change represents an opportunity for individuals, cities, and companies around the world to mobilize their dollars and proactively invest in a more sustainable, resilient future.

Reducing our dependence on fossil fuels will only happen once we stop investing billions into further development of oil, coal, and gas. This capital must be rerouted into development that improves our resilience in the face of increasing risk and uncertainty from climate change. Our farming communities in Arizona and around the world don't have time to wait – they need solutions now to prepare for an increasingly precarious future. As citizens, municipalities, and corporations, we all have a role to play in the transition away from a fossil fuel economy. It is time to start banking on climate solutions, not climate change.

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