



Save Children's Lives: Climate-Responsible Banking Survival Guide

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Abstract

According to evidence provided by UNICEF (The impacts of climate change put almost every child at risk, 2021), the impacts of the climate emergency put almost every child at risk. Children and youth around the world are marching in the streets and taking action, urging adults to take adequate steps towards solving the climate emergency.

In the meantime, global CO₂ emissions from fossil fuels hit a record high in 2022 (CarbonBrief, Analysis: global CO₂ emissions from fossil fuels hit record high in 2022, 2022). The latest research reveals that 425 “climate bombs” (Garric A and Mouterde P. Global warming: the 425 ‘carbon bombs’ that could thwart the battle against rising temperatures, 2022), spread across 48 countries, could lead to CO₂ emissions that are twice the global carbon budget, thwarting the objectives of the Paris climate agreement and the fight against climate disruption. These carbon bombs are financed by many of the major banks, asset managers, and pension funds.

Children have no influence on the banking choices that allow for these new carbon bombs to put their future at risk. This chapter presents an initiative based on research supported by the Keeling Curve Prize. The goal of this initiative is to scale up an impactful measure which every adult can undertake to accelerate climate solutions and give hope to children: climate-responsible banking. The lever we use the least turns out to be the most powerful tool we have—engaging with our banks to ensure that our own assets are not contributing to global warming.

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1 Introduction

When I was a teenager in Germany 35 years ago, we distributed sun cream with a protection factor of 100 and bananas “grown in Germany” to alert people in an engaging way about global warming. The curve of greenhouse gas emissions has only continued to go up ever since.¹ Today, 75% of children and youth worldwide are scared about global warming, according to a recent report by *The Lancet* [2].

So, being a mother myself today, why do I have hope for children’s future? Because I discovered the massive potential of everyone’s banking choices for an effective response to the climate emergency.

Every bank account holder can request that their assets not be invested in sectors known to accelerate global warming but instead be shifted to the development of renewable energies.

This powerful lever for climate solutions is one that none of the children suffering from eco-anxiety have any influence on. Most of them do not yet have a bank account and cannot undertake stakeholder engagement to defend their right to a future. Children worldwide try to do what they can at the expense of sacrificing school and their right to play.

But we adults can influence the investment choices of our banks. As Valerie Rockefeller summarizes it, “The lever we use the least turns out to be the most powerful tool we have—where and how we choose to bank.”

2 Climate Destruction: A Crime Against Children

Children are the ones who are most impacted by the climate emergency [3]. They are the least responsible for it and have the least influence on decisions to halt global warming. The facts shared by leading scientists in April 2022 are crystal clear: the Inter-Governmental Panel on Climate Change documents that we must make choices permitting CO2 emissions to peak by 2025, and be halved by 2030, to ensure the world remains inhabitable for future generations [4]. Already today, the education of around 38 million children is disrupted each year by the climate crisis [5]. Nearly 90% of the burden of disease attributable to climate change is borne by children under the age of five [6].

In 2015, the World Council of Churches (WCC)² asked me to develop a child rights programme, responding to churches worldwide that witness the suffering of children across the globe. In partnership with UNICEF, we developed the Churches’ Commitments to Children programme [7], anchored in consultations with 245 experts from churches, child rights organizations, and children themselves. It

¹CarbonBrief, “Analysis.” [1].

²The WCC represents over half a billion Christians worldwide through churches in 120 countries. The organization has 70 years of experience uniting Christians, leaders of other religions, and secular partners behind joint solutions for a better tomorrow.

addresses the question, “How can churches best use their influence to improve the lives of children?” The outcome is an action plan with three commitments: child protection, child participation, and climate justice. It was the children themselves who urged us in 2016 to include climate justice as one of the three pillars of this programme. In this commitment, the programme supports churches in 120 countries with tools and know-how to accelerate behavioural change towards reducing greenhouse gas emissions for and with children and young people.

In 2019, when the Keeling Curve Prize was given to the child rights programme, our focus was to scale up churches’ support to children’s and youth engagement for climate solutions. The award enabled us to expand and accelerate existing good practices through education and child and youth activities worldwide. We made available a toolkit entitled *Get Informed, Get Inspired, Take Action* [8]. It helps to build capacity through success stories of teenagers who, through their Sunday schools and summer camp initiatives, managed to influence policies and legislation for a reduction of CO₂ emissions.

Examples range from community-based behavioural change measures to court cases by young people suing adults for putting their future at risk through climate inaction. In Nigeria [9], churches engage schools across the country to support children’s advocacy for climate solutions. In the United States, pastors [10] help teenagers to file a lawsuit against the government for putting their future at risk through lack of climate action. In Australia, a nun [11] supports teenagers in trying to stop a coal mine.

Throughout the implementation of the programme, we observed an alarming level of eco-anxiety expressed by many of the children engaged in climate solutions. The impact of the climate emergency on children’s mental health was confirmed in December 2021 by the leading health journal *The Lancet*.³ It documents that 75% of young people around the world are scared of the future because of the climate emergency, whether they live in countries that are most or least affected by humanitarian disasters resulting from global warming.

You may ask yourself, what is behind this figure? Many of the children and youth have this anxiety because they know that the most vital actions cannot come from children themselves. Young people are discouraged and scared by the absence of progress in halting global warming. Indeed, as documented by the recent update published by the World Meteorological Organization, the United in Science [12] report shows that the world is heading in the wrong direction. Global CO₂ emissions from fossil fuels hit a record high in 2022.⁴ Fossil fuel emission rates are now above pre-pandemic levels after a temporary drop due to lockdowns. The report documents how many of the extreme weather events that we are experiencing have become more likely and more intense due to human-induced climate change.

³Hickman et al., “Climate Anxiety in Children and Young People” [2].

⁴CarbonBrief, “Analysis” [1].

In light of the growing evidence [13] about the physical and psychological impacts of the climate emergency on children, a new appeal was launched in 2022: Climate Destruction is Child Abuse [14].

In parallel, efforts to develop an international Ecocide Law [15] are progressing. The recognition of ecocide as a crime will also increase awareness that climate inaction, and choices which fail to address the climate crisis, are a crime against children [16].

Once appropriate legal frameworks will be in place, those in decision-making roles who have the choice today between investing in renewable energies or investing into new fossil fuel expansion are likely to be held accountable retroactively for their choices, when the children of today will be facing the consequences of inadequate choices and huge swaths of the globe may become uninhabitable [17].

3 Carbon Bombs Fuelled by Our Financial Service Providers

Teenagers engaged in the WCC child rights programme expressed dismay that their efforts and sacrifices responding to the climate emergency are in vain if, at the same time, the banks pour funding into sectors known to accelerate global warming. The hope that many leaders place in the younger generations is experienced by many children as an unrealistic, far too heavy burden on their shoulders. Indeed, the 2023 *Banking on Climate Chaos Report* [18] shows that fossil fuel financing from the world's 60 largest banks has reached USD \$5.5 trillion in the 7 years since the adoption of the Paris Agreement, with \$742 billion in fossil fuel financing in 2021 alone. It includes a league table showing which banks are contributing most to the climate emergency by financing fossil fuels.

The flexibility of the Keeling Curve Prize allowed us to react quickly through an initiative that ensures tangible hope for children through adults' engagement with their banks. The prize enabled us to develop *Cooler Earth—Higher Benefits* [19]. This research paper showcases champions among WCC members and partners who led by example, urging their banks to increase their ambitions to align with the Paris Agreement. It documents the power of climate-responsible banking to bend the CO₂ emissions curve and explains how every adult can influence their banks and pension funds. If we considered the greenhouse gas emissions generated by the average assets sitting in our bank account, our carbon footprint would be double what we think it is [20]. While climate-responsible choices are key to addressing various forms of violence against children fuelled by global warming,⁵ the measures and opportunities presented in the research cannot be undertaken by children. The research thus underlines the urgency for all asset owners to demand transparency on how their assets are invested. Ensuring that assets currently invested in fossil fuels are shifted towards renewable energy investments leads to higher benefits for all.

⁵Seidel, *Facts and Findings* [13].

Asking financial service providers for transparency is essential to strategically defuse carbon bombs. A carbon bomb [21] is a fossil fuel extraction project, such as a coal mine, that can cause over a gigatonne of CO₂ emissions during its lifetime. There are 425 of these carbon bombs worldwide. Collectively, they can unleash over 1000 gigatonnes of CO₂ emissions, which far exceeds the world's carbon budget for staying below 1.5 °C of warming (around 500 gigatonnes in 2017 [22])—the world's agreed target for limiting climate change.

Even though it is now recognized, even by the conservative International Energy Agency (IEA), that to avert catastrophic climate change, no new fossil fuel projects [23] must be built, fossil fuel companies are working on setting off dozens of new carbon bombs [24]. The IEA underlines that *there is no need for investment in NEW fossil fuel for the net zero pathway* [25], despite supply disruptions from Russia's invasion of Ukraine. New projects would take too long to fill the supply gap; the Paris-based agency instead suggests investments to extract oil and gas more quickly from *existing* fields.

A moratorium on new carbon bombs could avoid about a third of potential emissions from carbon bombs.⁶ In the current absence of effective legal frameworks prohibiting new carbon bombs, the most powerful alternative and source of hope for children's future comes from asset owners.

Every individual, institution, and business can help to defuse carbon bombs through their banking. The report "The Carbon Bankroll," [27] through its data, shows how one of the levers we use the least turns out to be one of the most powerful tools we possess to address the climate emergency: where and how we choose to bank and invest. The report documents that corporate cash and investments are a major source of emissions and that for many of the world's largest companies, the carbon footprint generated by their investments and cash held in big banks is a significant source, and sometimes their largest source, of emissions. The new resource "Greening Cash Action Guide" (footnote: <https://exponentialroadmap.org/greening-cash-action-guide/>) is available for every institution, business and individual to reduce their emissions from cash holdings in the bank by engaging with their financial firms to forge systemic climate progress.

In September 2021, the United Nations Committee on the Rights of the Child (CRC) for the first time expressed concern [28] about investments in fossil fuels made by governments' financial institutions and highlighted the negative impact of climate change on children. In Switzerland, the national bank, with its investments into oil, gas, and coal, currently doubles the CO₂ emissions of the entire country. By shifting into renewables, the bank could halve Switzerland's CO₂ emissions [29]. The CRC recommended that the state party of Switzerland ensure that privately and publicly owned financial institutions take into consideration the implications of their investments on climate change and the resulting harmful impacts for children. They asked for evaluations of financial institutions with regard to these investments and recommended adopting binding rules for these institutions. Through these

⁶Garric and Mouterde, "Global Warming" [26].

recommendations, the CRC helped to increase awareness on the impact of financial choices on child rights. But in the absence of effective legal frameworks, the clients of financial institutions play a key role in demanding the implementation of these recommendations.

4 Climate-Responsible Finance: The Most Urgent Child-Protection Measure of Our Times

The recommendations of *Cooler Earth—Higher Benefits* were turned into action by the appeal “Climate-Responsible Finance: A Moral Imperative towards Children”, [30] an initiative developed by the WCC’s Churches’ Commitments to Children Programme with the United Nations Environment Programme [31] and interfaith partners. It started with an appeal in May 2022, urging our financial service providers to align with the Paris Agreement. The United Nations Secretary-General, Antonio Guterres, supported the launch of the initiative, underlining that “It is now time for financial service providers to accelerate the shift to renewables. They have the power—and the responsibility. The scientific and moral imperative is clear: there must be no new investment in fossil fuel expansion”.

As a next step of this initiative, all institutions and individuals who care about children are invited to use the guide “Save Children’s Lives: Climate-Responsible Banking Survival Guide” (footnote: <https://www.oikoumene.org/resources/documents/save-childrens-lives-climate-responsible-banking-survival-guide>) and to help raise awareness about it. Many people in decision-making seats are not yet aware how much their assets contribute to global warming. They do not intend to harm children.

Therefore, the initiative aims to increase capacity building for all on climate-responsible finance as a moral imperative towards children (add new footnote: <https://www.oikoumene.org/news/if-your-banks-dont-care-about-climate-change-ask-them-why>). Resources that are available [32] include a draft letter [33] for broad dissemination to be sent to banks and pension funds. It is available in English, French, German, and Spanish.

5 Conclusion

By engaging with our banks and pension funds, we can help billions of young people worldwide to lift a far too heavy burden from their shoulders. We need to ensure that our assets are removed from investments into drilling for new fossil fuel projects [34] and redirected into sectors accelerating climate solutions, such as renewable energies. It is amazing to see that so many nature-based climate solutions already exist. Most of the green technologies cannot yet be spread broadly due to the lack of investment in innovation research. In Dubai, a school has become a net zero building by converting all energy produced in gym classes into energy. In Canada, the first airplane entirely fuelled by hydrogen has transported passengers.

A sustainable future is possible if all of us use the powerful lever of engaging with our banks and pension funds, ensuring that our assets do not fuel the climate emergency but are invested into climate solutions and research for related innovation.

An effective remedy against the eco-anxiety of children is to reassure them that we, as adults, are doing everything we can to stop global warming by tackling its root causes. The power of climate-responsible banking, which every asset owner can engage in, has remained one of the best-kept secrets for too long. Now it needs to be popularized.

Let us come together and influence how money is invested: family money, an institution's money, a nation's money. We need everyone to take this step for children.

As scientists, your engagement with financial service providers will be particularly impactful. Thanks again to the Keeling Curve Prize for enabling us to launch this initiative.

The children's future is in our hands.

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