

# Is Fossil Fuel Divestment at a Financial Tipping Point for Energy Investors?

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As the cost of renewable energy vs. fossil fuels becomes more competitive, it may be the perfect time for fossil fuel divestment (aka *divestiture*). An article in *The Guardian* argues that energy investors could be at a tipping point when it comes to investment in renewables. Historically, the case for corporate sustainability focused on improving public perceptions rather than on profitable investment returns.



From the article:

"But profitable sustainability is coming of age, at least as far as renewable energy is concerned. With the value of fossil fuel holdings plummeting and the profitability of renewables growing, investors and companies are increasingly looking to sustainable investments for good long-term bets."

Earlier this year, the [United Nations Investor Summit on Climate Risk](#) convened with over 500 global investors representing an estimated \$22 trillion in assets.

"(M)ost of the presenters shunted aside the standard public relations and millennial hire arguments in favor of an old-fashioned look at profits and losses. And, as they made clear, companies and investors that shun sustainable, low-carbon assets stand to lose a lot of money."


Investing in solar energy and other renewables is becoming increasingly viable, a trend the article says could be a potential game-changer for investors. The importance of divestment strategy has traditionally centered on the morality of investments. Now the economic value of divestment is becoming hard to ignore.


**Other Links:**  
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- [Investment in Renewable Energy Is on the Rise](#)
- [The Dawn of the Solar Age and the Greatest Investment Opportunity of all Time: Part I](#)


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