

Shell's losses are clear sign that transition away from fossil fuels is underway, say Greens



Green Party

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- **Jonathan Bartley:** “This is a clear signal that the transition to net zero is underway and that big oil companies will not play a role in our economy in the future”

Green Party co-leader Jonathan Bartley has said the news that Shell has seen an 87% fall in earnings [1] is an indication that the transition away from fossil fuels is now fully underway.

Bartley has now urged the government to step in to help those workers who are being made redundant at Shell and other fossil fuel companies by providing training for the Green jobs of the future.

Green Party co-leader Jonathan Bartley:

“While some of these record losses are the result of Covid, it is clear that policies to transition beyond fossil fuels are impacting the balance sheets of big oil companies as they downgrade some of their reserves as stranded assets. [2]

“This is a clear signal that the transition to net zero is underway and that big oil companies will not play a role in our economy in the future.”

The results come a week after credit ratings agency S&P Global Ratings said it is [considering](#) [3] downgrading a number of major oil and gas producers, including Shell, “to reflect a growing risk to their businesses from the energy transition, price volatility, and future profitability.”

The Green Party will be watching closely as Shell prepares to launch its strategy for a net zero emissions future next week.

Bartley continued:

“As big oil companies go through essential restructuring in the face of the climate emergency, we need the government to step in and retrain their

workers for the new opportunities in the green economy. Such restructuring needs to be at the heart of investment for the post-Covid recovery.

“For decades we have been told that we must support fossil fuel companies because they pay pensions but now we see it is pension funds themselves that are driving the move away from big oil.

“Setting a net zero target means that all those who will be receiving pensions beyond that date must have fossil assets excluded from their funds. Insurance companies, who are bearing the brunt of climate-related loss and damage, are also turning their backs on fossil fuels.”

ENDS

Notes

1

<https://news.sky.com/story/shell-tumbles-to-19-9bn-loss-as-pandemic-hits-energy-demand-12208176>

2

<https://www.theguardian.com/business/2020/aug/14/seven-top-oil-firms-downgrade-assets-by-87bn-in-nine-months>

3

<https://www.spglobal.com/platts/en/market-insights/latest-news/oil/012621-oil-majors-credit-ratings-under-threat-from-growing-climate-risks-sampp-global>

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