

## Oldenburg to re-allocate investments from nuclear weapons

On November 11 2017, the [city of Oldenburg adopted](#) new sustainable [investment guidelines](#), which prohibit the city's fund from '*directly*' financing the nuclear and conventional weapons industry, and which apply environmental, social and governance (ESG-) criteria based on the first sustainability report of the United Nations, the [Brundtland-Commission](#).

In addition to the exclusion of companies producing '*military weapons*' from their investment, important exclusion criteria include use of child labour, nuclear and '*non-sustainable, climate-damaging*' related energy companies, and corruption.

As in some other German cities' divestment decisions, the implementation of the guidelines with respect to weapons systems leaves room for some interpretation as there is no clear legal definition of the term '*military weapons*'. However, a guide for such interpretation could be [Article 26 Section 2 of the German Constitution](#) which defines '*weapons of war*'. This definition includes nuclear weapons and dedicated nuclear weapons delivery systems.

The new guidelines also prohibit the investment in fracking, genetic manipulation of plants and seeds, as well as animal testing for the production of cosmetics.

Although the negative screening of their investments is a very important step, the Left Party and the Pirate Party have been critical that the guidelines only prohibit '*direct*' investment. This could be understood to allow '*indirect*' investments in these kind of companies, for example by investing in banks, funds, and other financial institutions, which impinge on the ESG-criteria.

In January 2018, the Left and Pirate parties introduced [a motion](#) that would have prohibited indirect as well as direct investments. However, this motion failed.

---