Le financement de la transition écologique

« E.T.F. » White Paper

General Commissariat for Sustainable development
(ministry of Ecology)
General Direction of Treasury
(ministry of Finance)

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Main facts (1/2)

- The world economy is in a new heavily investing phase.
- Natural resources and regulations are dangerously damaged, without any economic safeguard.
- Climate adaptation and attenuation, ecosystems maintenance and resources saving are becoming vital.

- Present financial framework don’t fit with these targets nor with flat growth.
- Public authorities don’t have to compensate - and can’t either- : the financial framework has to re-adapt.
...your investment will have to cope with...

If you invest in 2013 in...

- Indium <2030?
- BAU or factor 4?
- Pb, Cu <2050?
- Ge <2020?
- Peak oil < 2020?
- Peak gas?
- Oceans: +0.8 or +0.2m?

2013 Dominique Dron
Main facts (2/2)

- Diversity of investments means diversity of financing:
  - actors (size, governance),
  - modalities (rate, maturity)
  - tools (Ex: Cmarket environmentally sensible, but not Biodivmarket)

- As long as financial return will be the sole information available, ET won’t be correctly financed.

- There is no realistic sustainable scenario with any major country being free-rider.
4 principles, 14 recommendations, 63 measures

1) Framework and tools (ex: prices) to provide better signals concerning ET

2) Complete existing tools to channel public and private resources towards ET

3) Strengthen non-financial ET dimensions (ESG specifications) among financing, investing and emitting actors

4) Update concepts, tools and models (ex: vulnerability diagnosis)
Some proposals of the White Paper

- ET information associated with goods and services, including financial services
- Mainstreamed ET conditionality in public support and procurement, and in public financial institutions (including EIB, EU structural funds...)
- SRI common basis for employee and retirement savings and insurance funds
- ESG/ET reporting requirements extended to all institutional investors (“Grenelle 2” law), with adapted management mandates and transparent voting in general assembly
- Low rate intermediated loans with local saving accounts and guarantee funds (« single desk »)
- ET-related risks integrated in FMA reference frame (management report)
- IFRS adaptation to ET long-term investment
Thank you for listening!

To be consulted at: http://www.consultations-publiques.developpement-durable.gouv.fr/livre-blanc-sur-lefinancement-de-a192.html (till 14/01/14)