

# FINANCING « E.T. » : TOWARDS A NEW WORLD ?

Dominique Dron  
Economy General Council

# Challenge 1: a heavily investing world

- A world economy in a heavily investing phase

Major infras to build worldwide.

Energy, waste, water, buildings, transport...

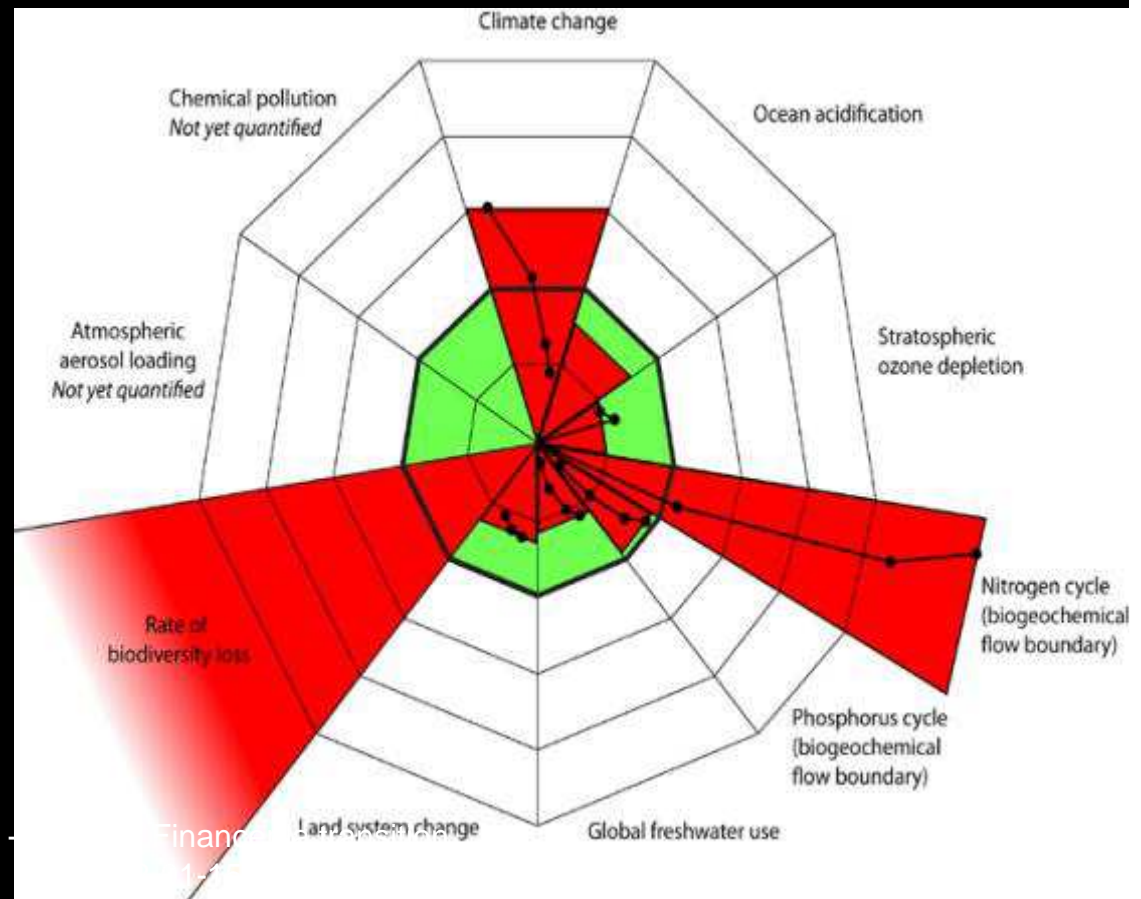
Along with new business models and requirements



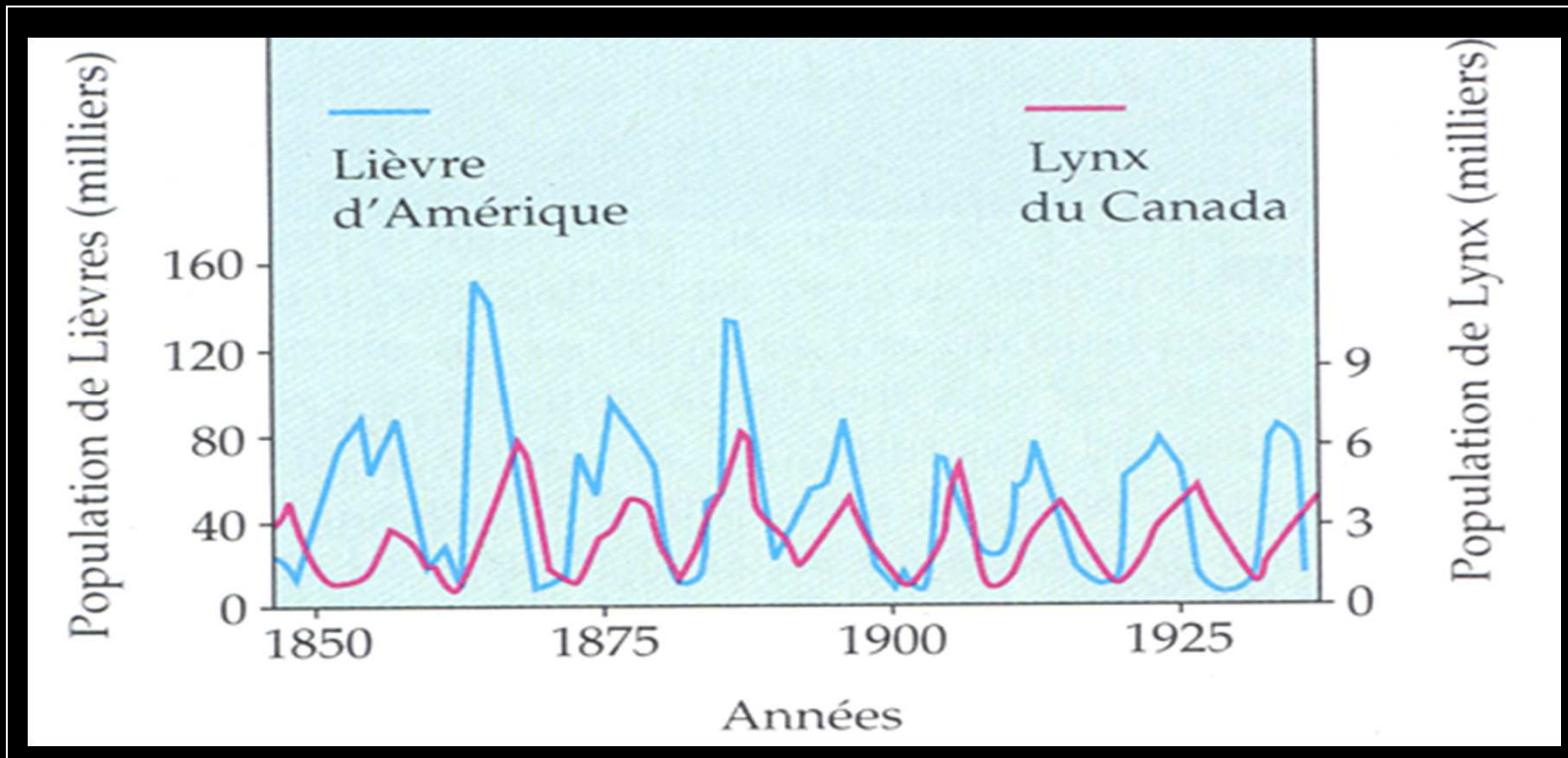
# Challenge 2: environmental tipping points for mankind

- + MAJOR NATURAL REGULATIONS AND RESOURCES AT STAKE
  - + Climate
  - + Ecosystems and living species
  - + Soils and water
  - + Basic and strategic materials

Fig Rockström et al. 2009 D. Dron

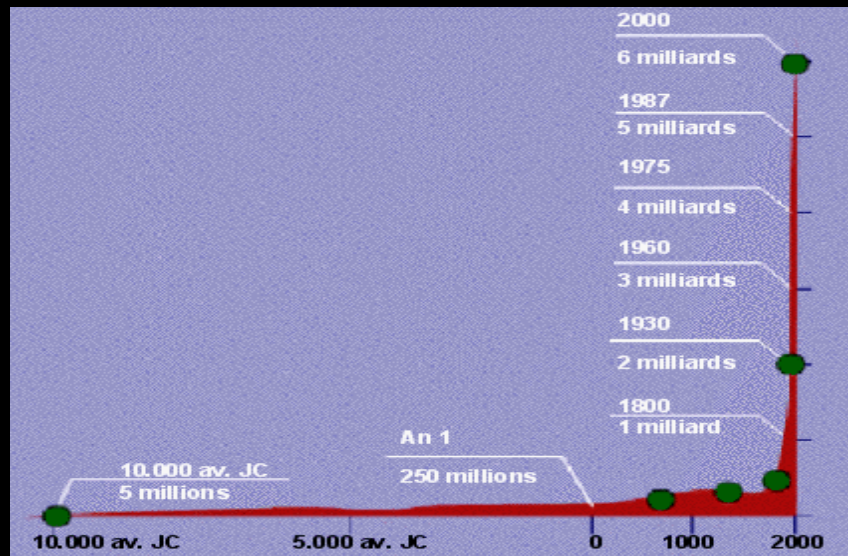


# Ecosystems show internal regulation...

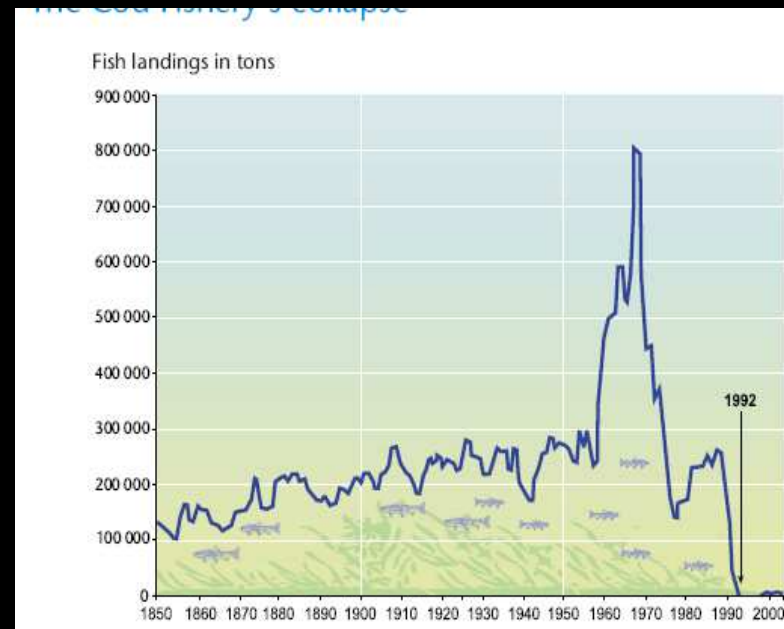


# ... human systems don't really !

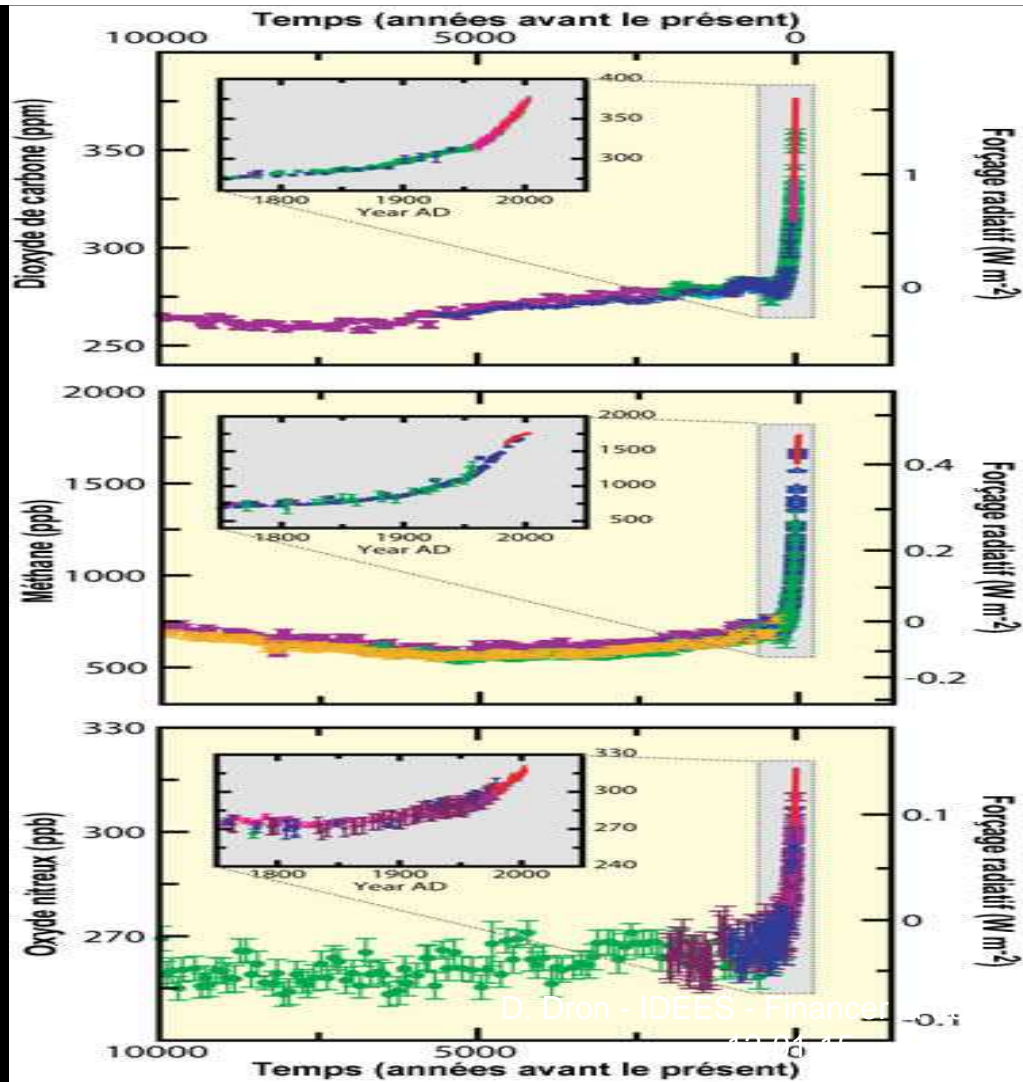
## Demographic sky-rocketing



## Cod overfishing in Terre-Neuve



Source: Millennium Ecosystem Assessment, 2005.



**Three main GHGs' evolution during the past 1000 years (IPCC report)**

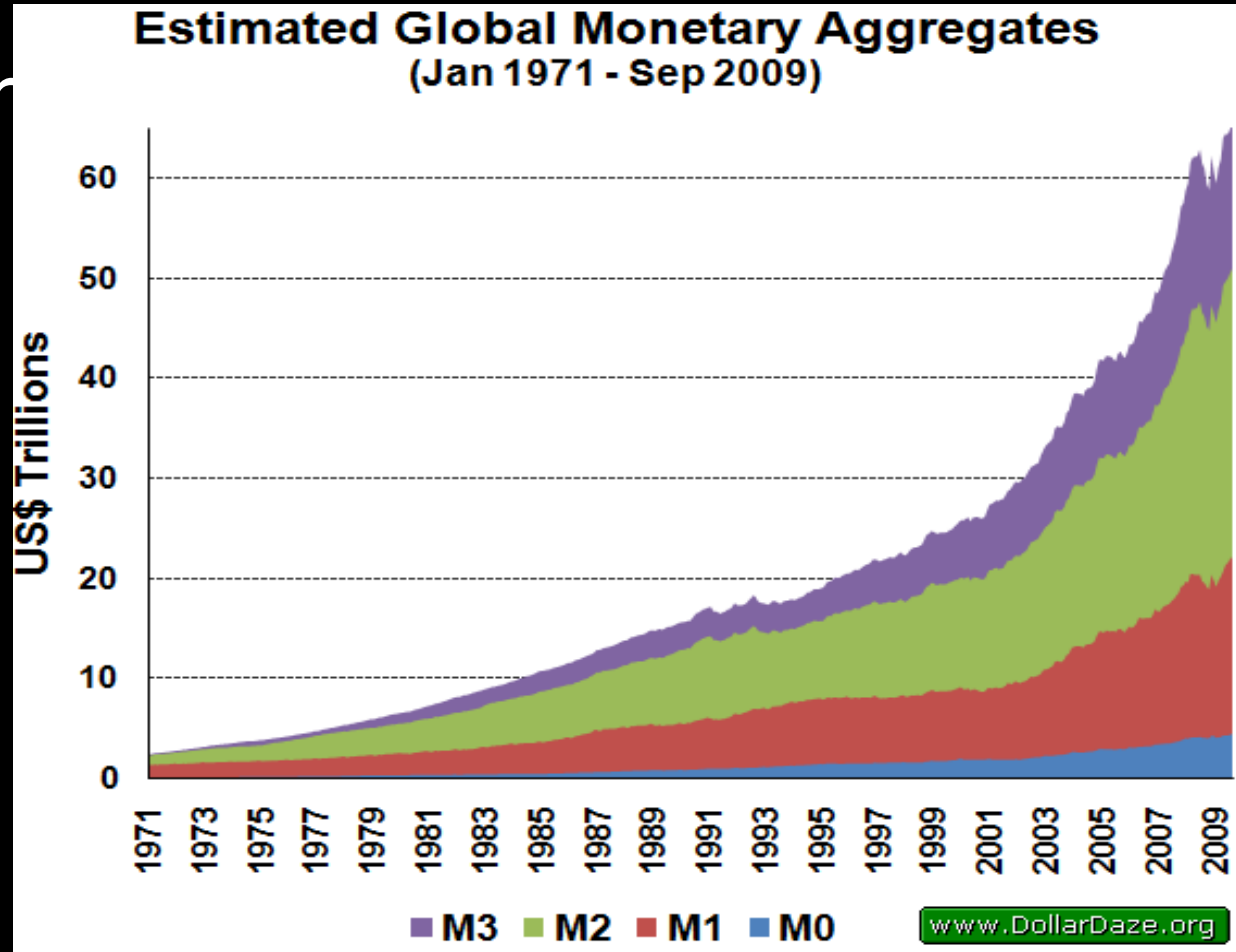
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# Challenge 3: an ill-adapted financing system

- + A TOO SHORT TERM SYSTEM WITH TOO FOCUSED CRITERIAS
  - + OECD works, EU Green Paper, British Kay reports, French White Paper, academic studies and books...
  - + ... are stressing behavioural mimetism.



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# Track 1: reduce uncertainty, thus costs



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- + « PIPES » of PROJECTS
- + GUARANTEE FUND AND TECHNICAL EXPERTISE to foster energy efficiency
  - + Ex:KfW (Germany)
  - + Ex: mutual savings banks with Elena & Cosme EU programs (France)
  - + Ex: White Paper for financing E.T.



# Track 2: boost financing by reducing mimetism

Biodiversité Océanopolis Brest  
viaouest.com



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# Main financial features are mimetic



- + Among them:
  - + No feedback from upper systems, exponential mechanisms (procyclical)
  - + Increasing mimetism (benchmark) and actors' concentration
  - + Competition prevailing

# Track 2: boost financing by reducing mimetism

## + DIVERSIFY BEHAVIOURS AND CRITERIAS

- + Ex: mutual / commercial banks, microfinance, citizens' investing and lending...
- + Ex: SRI, ESG, GSC, long-term fiduciary duty and management mandates
- + cf. French answer to Barnier's Green Paper



# Track 3: adapt finance to the real world

- + TUNE CONCEPTS AND TOOLS WITH REALITY
  - + Integrate risks from real world : vulnerability assessment
  - + Conceive different systems and tools fit for diverse targets
  - + Reflect the limits of biosphere by new metrics



DE LA NAISSANCE DES VILLES...

J.-F. Batellier



... A CELLE DES ESPACES VERTS



... Hayek was right! ...

+ ... but not in a so familiar way...