

Paris, November 28th 2018

Commentary RGREENINVEST

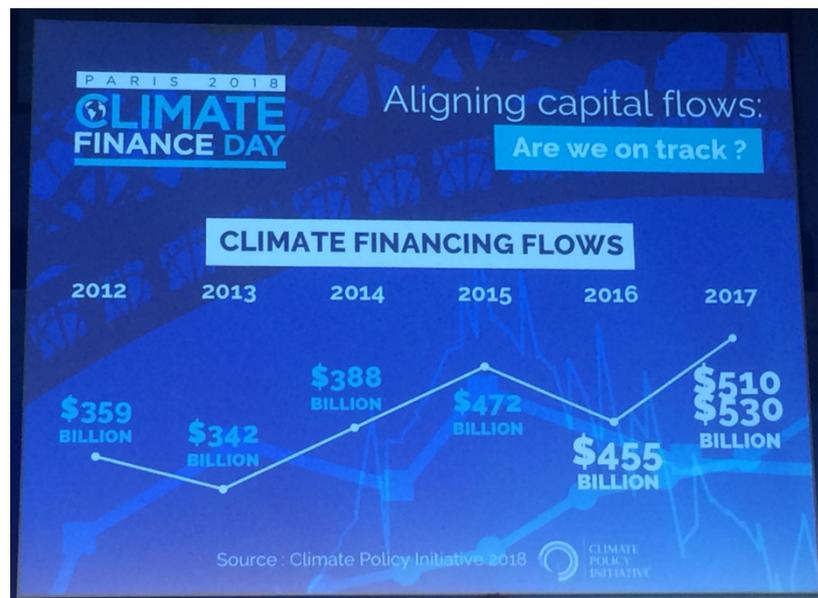
RGREENINVEST was in the room...

From 26 to 28 November 2018, Paris hosted the "3 Days for Sustainable Finance" aiming to strengthen the action of banks, insurers and investors in the field of sustainable finance. Organized by the UNEP Finance Initiative, Finance for Tomorrow and Paris Europlace, these days gave the opportunity to review the progress of the international financial sector, particularly in terms of sustainable development, in the wake of the Paris Climate Agreements.

The institutions concerned and the financial sector have remained very active on this subject and there were a lot of initiatives. For example, the "Principles for Responsible Banking" launched on 26 November by UNEP FI and 28 banks from around the world to define the role and responsibilities of the banking sector in building a sustainable future. We can also mention the release of the new UNEP FI report entitled "Rethinking the impact to finance the MDGs". Bruno Le Maire, French Minister of Economy and Finance, also launched a new roadmap to develop the responsible investment market in France.

The Minister said at the opening of the "3 days for sustainable finance": "I demand to banks, insurers and asset managers to make commitments to stop financing mines and coal-fired power plants". Brune Poirson, Secretary of State to the French Minister of Ecological and Solidarity Transition, who was also present at the event, added: "People are ready to encourage renewable energies but they cannot understand why their savings are being used to finance new petrol pipelines".

The third day of the event was dedicated to market practices development and, after a first round table which highlighted the decisive role of central banks and of their supervisory authorities through the Network of Central Banks and Supervisors for Greening the Financial System (NGFS), Audrey Pulvar asked her guests if we were in the right direction regarding financing flows following the Paris Agreements, which was what the return to growth seemed to indicate:



Then, Gilles Schnepf, Chairman of Legrand Group's Board, reminded through a keynote that manufacturers had a decisive role to play in these matters, highlighting that he was the only one representing them on that day....

But it was the round table entitled "Private Equity for Green" led by Dominique Gaillard, President of FrancelInvest, that caught our attention because the players in this sector are on the front row when they take risks to boost innovations and new technologies that contribute to clean the economy, the cleantechs. It must be noted that there has been a strong growth in the volumes invested (more than double) over the past five years worldwide, according to the CleanTech Group with US\$18.3 billion in 2017. All sectors benefit from this, with the energy transition sector maintaining its level of commitment. And we are witnessing an increase in the sustainable mobility financing, with increased geographical diversification, the latter point echoes perfectly well what RGREENINVEST teams forecasts on the sector.