AFTER COP21

Perspectives for CO2 Valorization

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3 research areas addressing the issues faced by actors involved in the energy and climate transition

INDUSTRY, ENERGY AND CLIMATE

Understanding policies for the low-carbon transition in the industry and energy sectors.

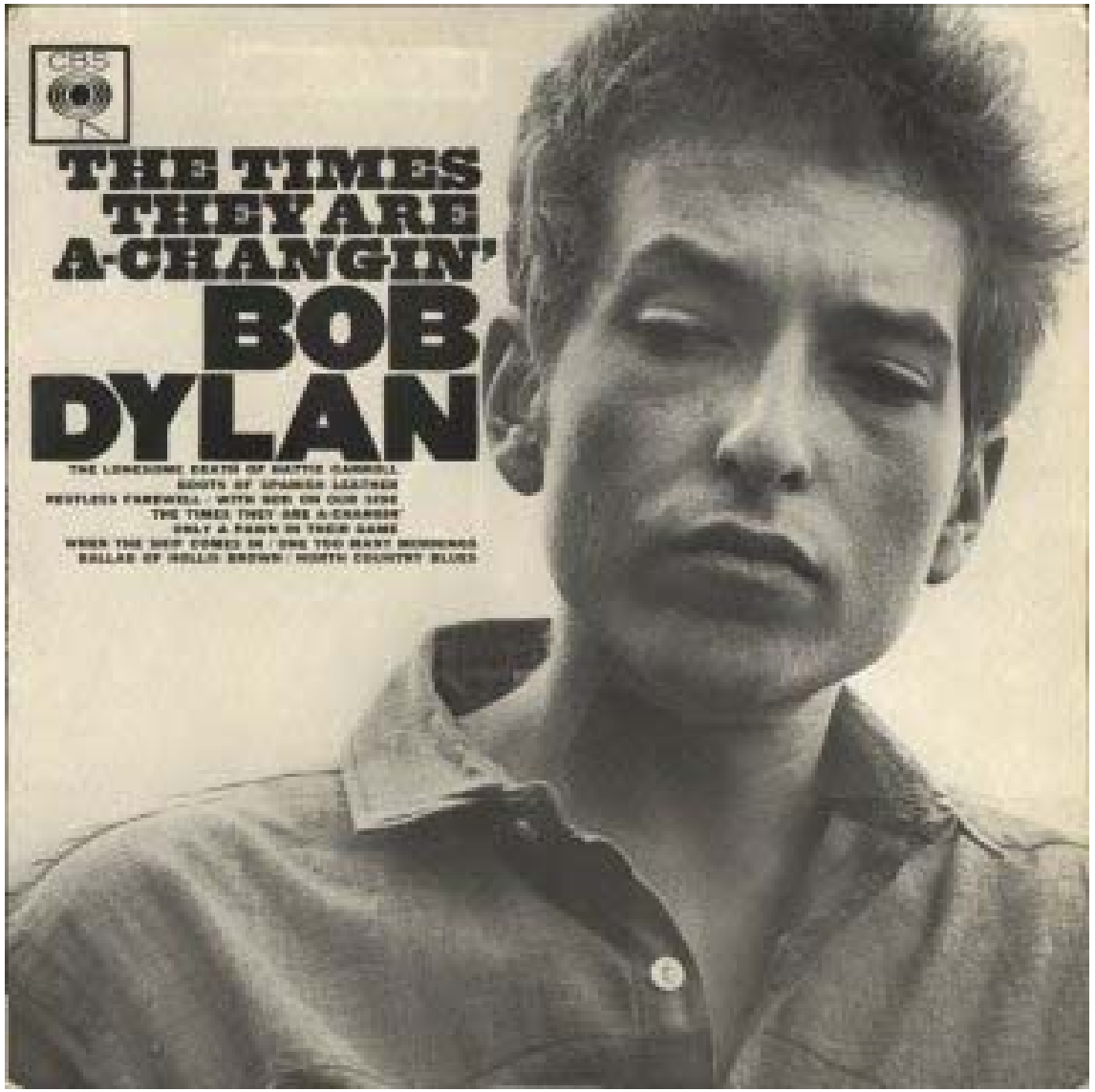
TERRITORIES AND CLIMATE

Identifying and analyzing courses of action in the fight against climate change in the agriculture and forestry sectors as well as urban areas.

FINANCE, INVESTMENT AND CLIMATE

Analyzing the mainstreaming of climate change into financial decision-making by public and private entities.

Bob Dylan was right



A diplomatic success

A revolutionary tryptic

An international agreement in a multilateral framework

- A long-term Agreement
- A COP Decision, immediately applicable

National policies

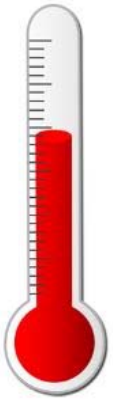
- *Nationally Determined Contributions (NDCs)*

An « Action Agenda »

- Local governments
- Corporates
- NGOs
- etc.

PARIS AGREEMENT

Aligning climate, development and finance

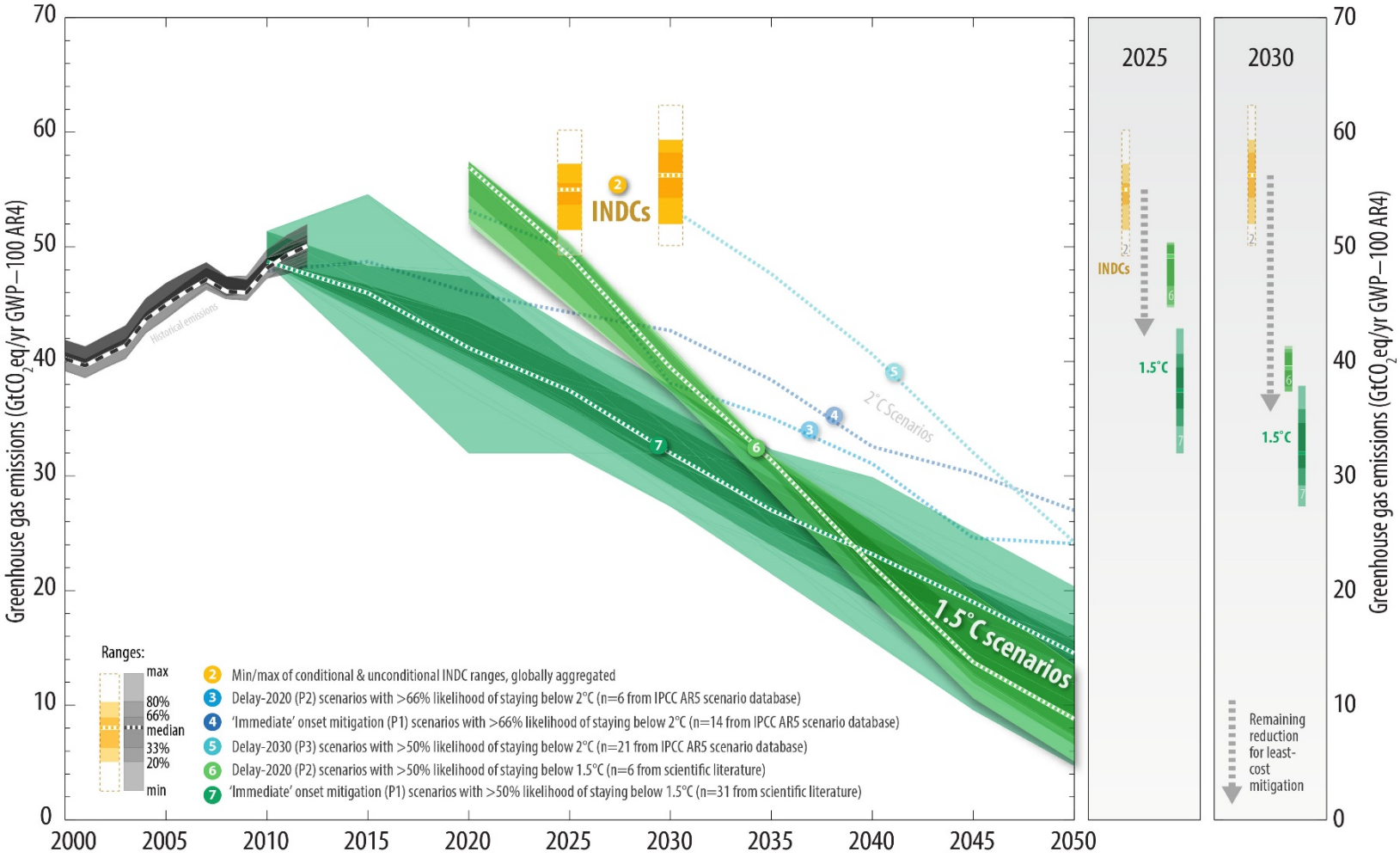


1. Limit global warming well below 2°C while aiming at bringing it to 1.5° with an aim to reach global peaking of GHG emissions as soon as possible" and zero-net emissions by the second half of this century.

2. Increasing the ability to adapt to the adverse impacts of climate change by promoting resilience and low-carbon development, in a manner that does not threaten food production;

3. Making financial flows "consistent" with low-carbon climate-resilient development.

Towards a ‘zero net emissions’ world



Source: UNFCCC, 2015

How to reach ‘zero net emissions’ ?

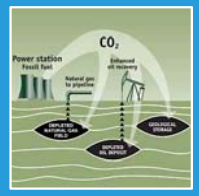
Energy efficiency

Renewables

Fuel switching

Processes (industry, agriculture…)

CCU

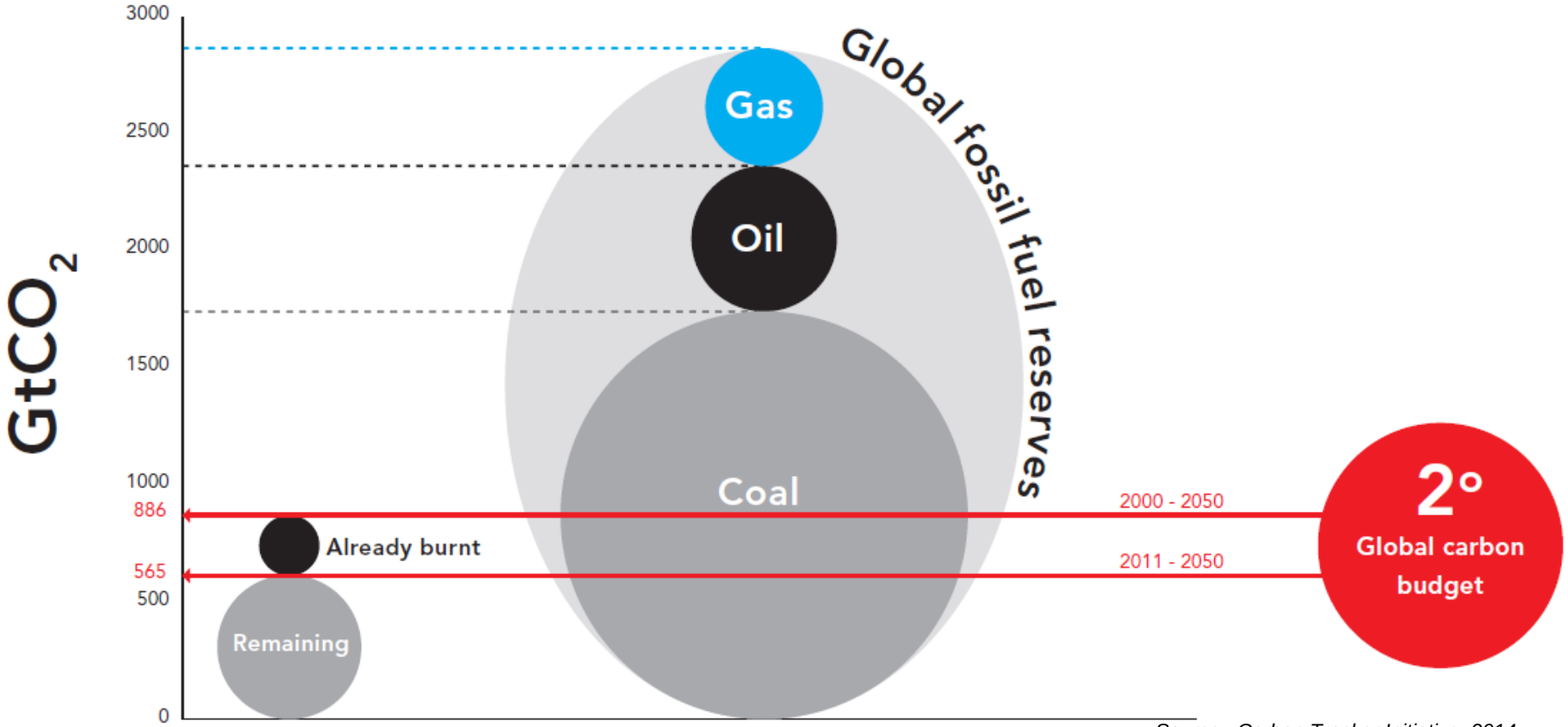


CCS

Agriculture and forestry

?

Leaving carbon underground?

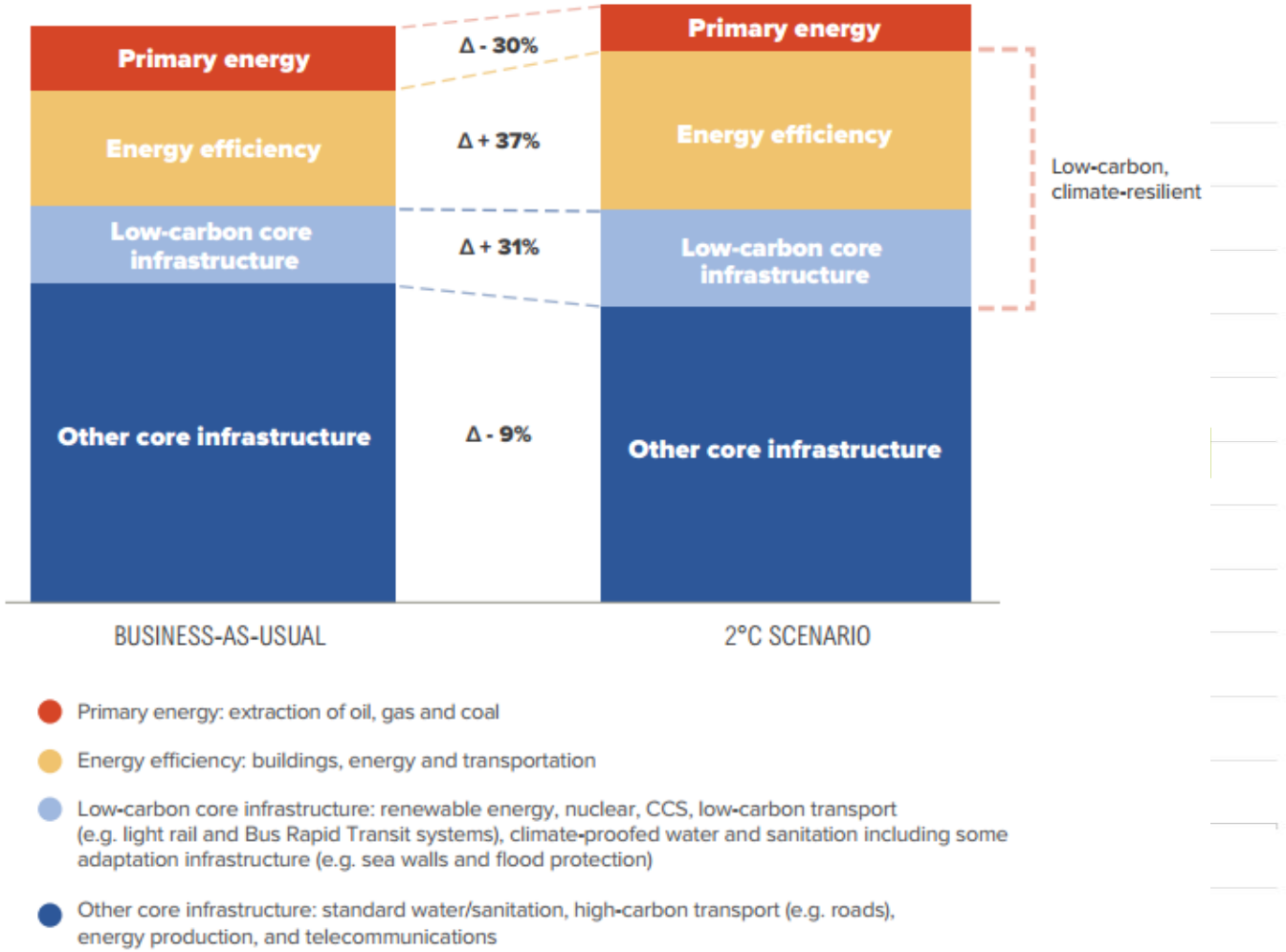


Source : Carbon Tracker Initiative, 2014

ALIGNING FINANCIAL FLOWS

REDIRECTING 5,000 G$ per year of public & private investment

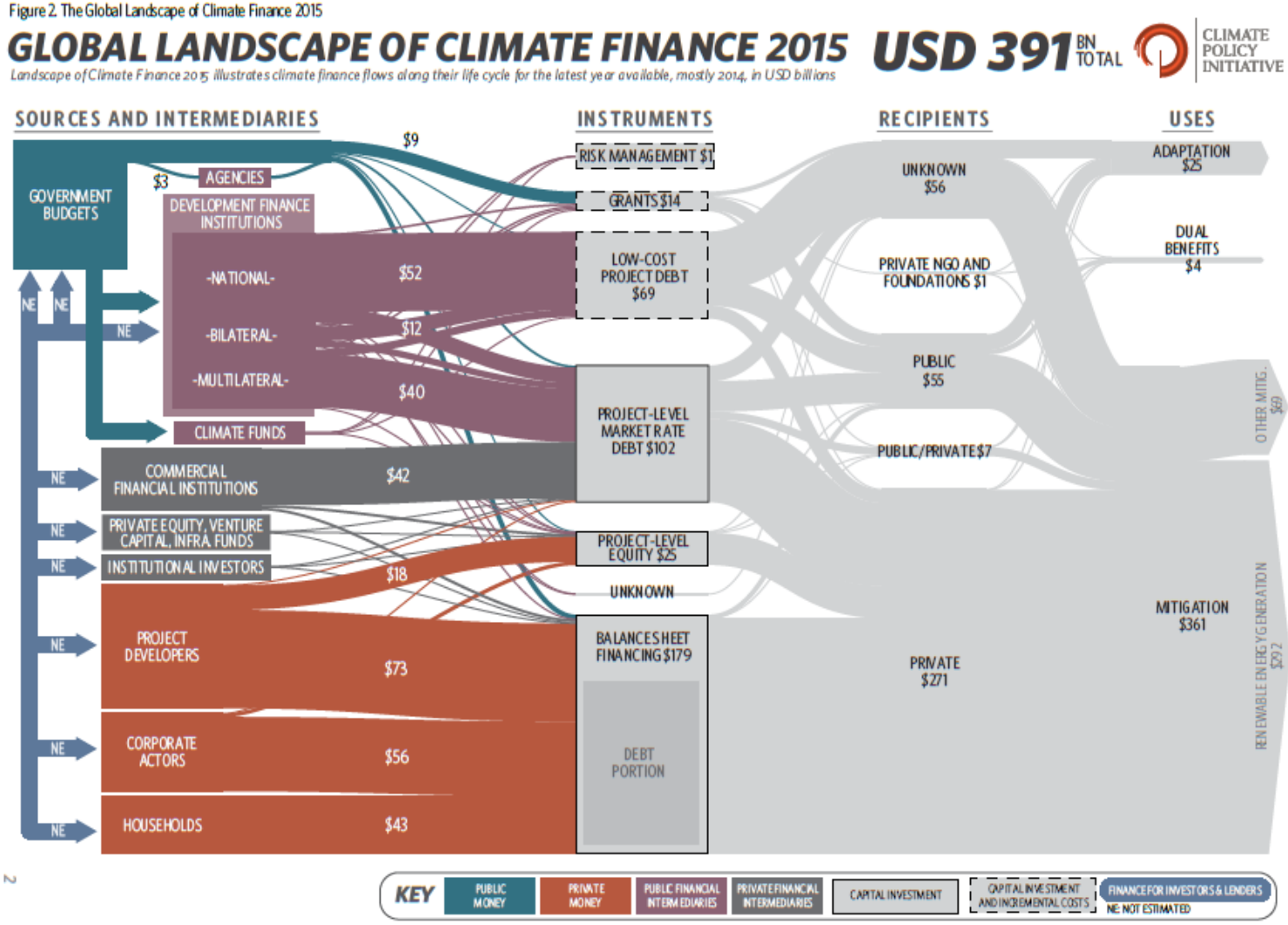
Change in infrastructure spending required for a 2°C scenario
(percentage change in expenditure over 2015-2030 compared to Business-as-usual)



- Primary energy: extraction of oil, gas and coal
- Energy efficiency: buildings, energy and transportation
- Low-carbon core infrastructure: renewable energy, nuclear, CCS, low-carbon transport (e.g. light rail and Bus Rapid Transit systems), climate-proofed water and sanitation including some adaptation infrastructure (e.g. sea walls and flood protection)
- Other core infrastructure: standard water/sanitation, high-carbon transport (e.g. roads), energy production, and telecommunications

Above all a question of redirecting…

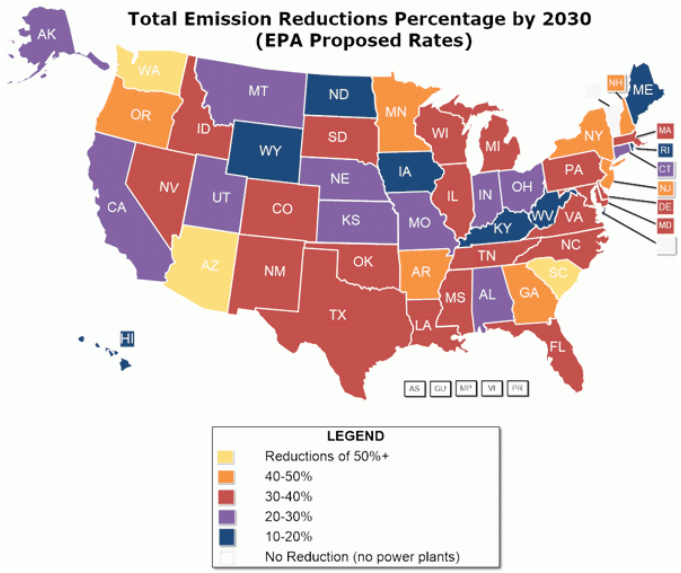
Figure 2. The Global Landscape of Climate Finance 2015

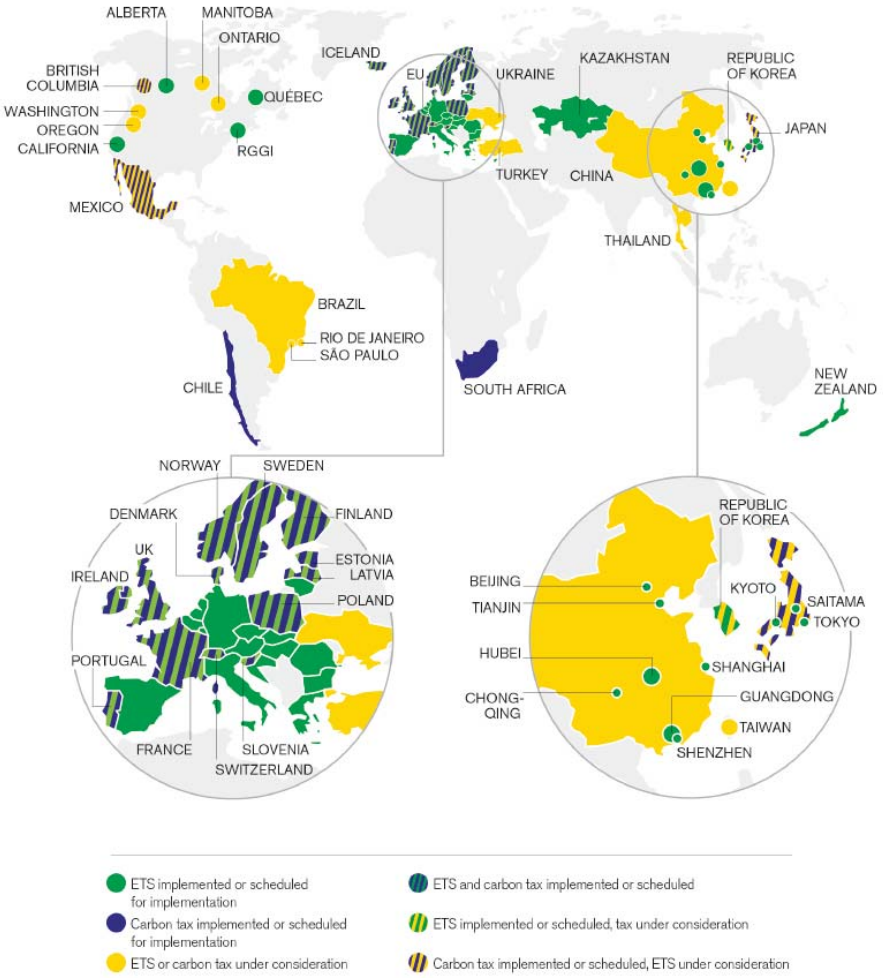


WHAT CAN FINANCE DO ?

Opportunities, and three risks: Transition, climate impact, litigation

Demand-side policies / initiatives





CARBON PRICING LEADERSHIP COALITION

Supply-side policies / initiatives

PRI | Montréal PLEDGE

FSB FINANCIAL STABILITY BOARD

Inquiry: Design of a Sustainable Financial System

IIGCC
Institutional Investors Group on Climate Change

350.org

Portfolio Decarbonization Coalition

TO SUM UP

Take away messages

- Window of opportunity for CO2 valorization
- The bulk of the financing flows towards « zero net » will be domestic and private
- Keep an eye on:
  - National policies / Non-State actors initiatives
  - Demand-side (eg. Carbon pricing) / Supply-side (Finance) policies
- Finance won’t do it all, but nothing will be achieved without finance
- A quiet revolution: Bob Dylan was right

“A vos questions !”

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