

## Notes

### Mobilizing capital towards a low-carbon economy

Bruegel, 27 April 2014

**Participants:** **Kirsty Hamilton**, associate fellow, Chatham House; **Nick Robins**, co-chair, UNEP Finance Initiative Climate Working Group; **Anthony Hoble**, CEO, Carbon Tracker Initiative; **Michael Wilkins**, managing director for infrastructure finance ratings, Standard and Poor's; **Georg Zachmann**, research fellow, Bruegel

Kirsty Hamilton in her speech stated that the most important point would be to match capital with actual investments which would promote the green economy, adding that policy and regulation still remains core to that equation. She said capital is there, but needs to 'land' into actual investments. However, policy uncertainty remains high across the EU, which undermines investments in renewable energy. She highlighted the importance of electricity market design as well as the investment plan.

Anthony Hoble declared that UNEP's interest is "to enable a climate-secure global energy market by aligning capital market actions with climate reality. And to do so, it is necessary to translate climate science and policy into the language of finance in a form which is relevant today." He made the point that global disarmament required counting nuclear weapons, thus global decarbonisation requires tracking fossil fuel capital expenditures. To achieve that it is necessary to follow certain actions on both the investor side and policy-regulation side. He ended his presentation with a vital question: "will other regulators internationally follow suit, particularly global financial and fossil fuel centres such as US, Canada, EU and China?"

Joining the discussion, Michael Watkins said that decarbonisation can be achieved through regulation (like regulation on carbon pricing), carbon mitigation (increasing energy efficiency and renewable energy investment) and managing stranded assets (oil, gas and coal). He further explained that it is very important to proceed to a low-carbon economy, as extreme natural disasters are already a structural threat to economic and financial stability in a growing number of countries. Nick Robins said that 50% of green energy is coming from developing countries. He concluded that it is vital to explore and develop policy options for better aligning the financial system to the needs of sustainable, low-carbon development. Georg Zachmann finalized the discussion by hoping that the event would trigger more collective work across the worlds of finance, energy and climate.

*Event notes by Burak Turkoglu, research assistant*