



How sustainable finance can support a green energy shift

Thina Margrethe Saltvedt (Ph. D.), Chief Analyst, 12 September 2019

What is Sustainable Development?

Brundtland commission's definition:

“Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”





SUSTAINABLE DEVELOPMENT GOALS



Source: UN in collaboration with Project Everyone



STORT RAS: Slik så det ut i Jølster, ikke langt fra Vassenden etter raset had

150 personer ble evak store jordras i Jølster

In Bolsonaro's burning Brazil
all our futures are being const
Eliane Brum

The rainforest might seem a remote place, but it is
the planet - and it is under attack as never before



▲ A fire in the Amazon rainforest near Humaita: 'This month, fires are incinerati
almost certainly part of a scorched-earth strategy to clear territory.' Photograph: Ueslei Marcelino/Reuters

Hurricane Dorian gains strength again as it heads toward Canada

The storm has left at least 43 dead and as many as 70,000 homeless.



The ruins of what was once a neighborhood on Great Abaco Island following Hurricane Dorian. | Brendan

Smialowski/AFP/Getty Images

Norway's \$1tn wealth fund set to cut oil and gas stocks

Big groups reprimanded



There have been incre

Church of England votes to withdraw funds from companies that contribute to climate change

'Today's vote by the Church of England

Josh Gabbatiss Science Correspondent | @joshgabbatiss



Ireland becomes world's first country to divest from oil, peat and gas

Bill passed by parliament



▲ A message to the Irish parliament. Photograph

Climate change risk to monetary policy: ECB

Markets

A \$20 Billion Fund in Denmark Is Dumping 10 Major Oil Companies

By Mikael Holter and Christian Wienberg

3. september 2019 12:51

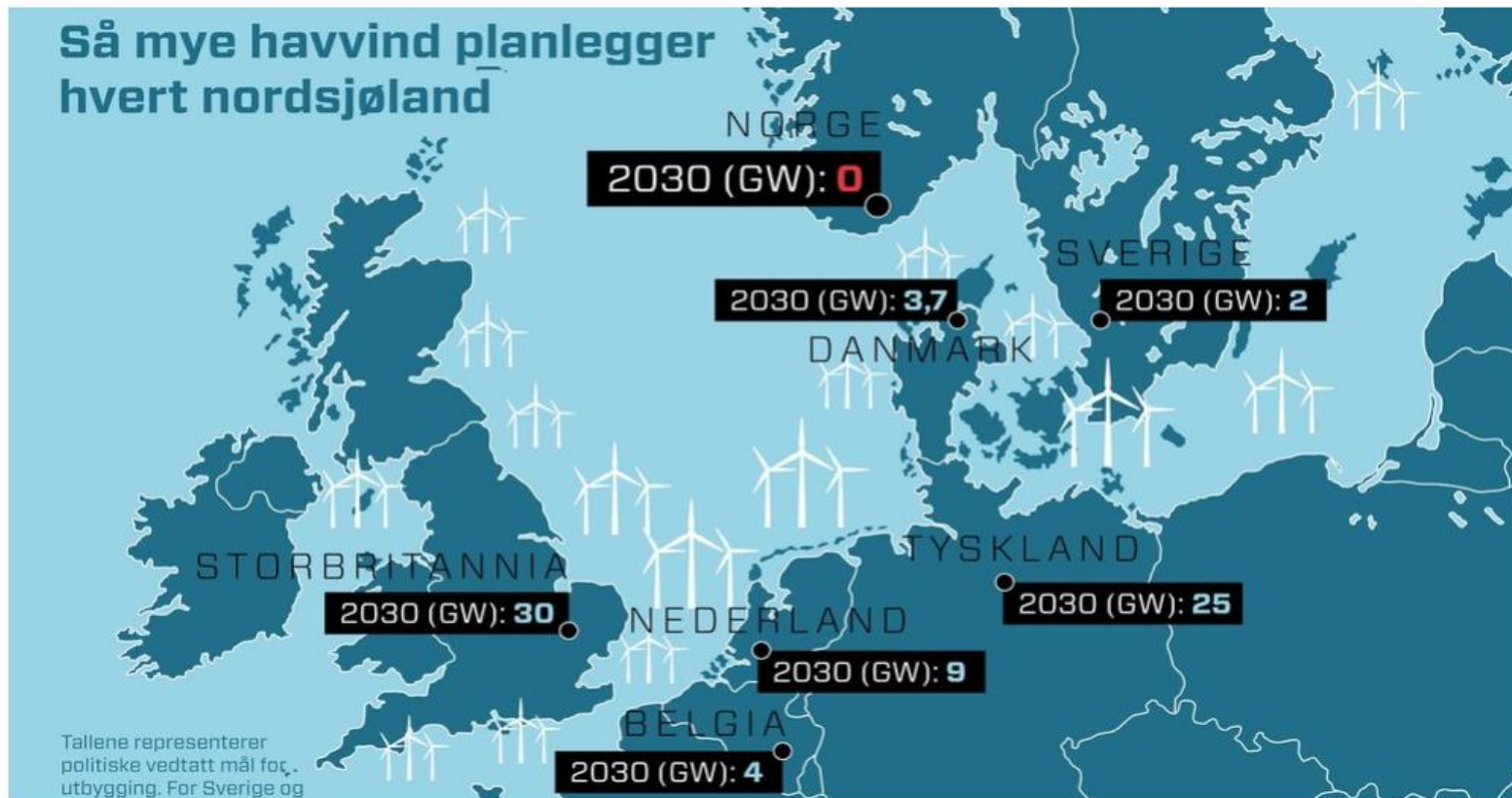


Photographer: Andrey Rudakov/Bloomberg

Er det oljesyken som stopper nye norske industrieventyr?

Norsk olje og gass blir ikke mindre verdte om Norge prøver å ta igjen danskenes enorme forsprang innen vindkraft.

Så mye havvind planlegger hvert nordsjøland



Tallene representerer politiske vedtatt mål for utbygging. For Sverige og

☰ Vis bildetekst



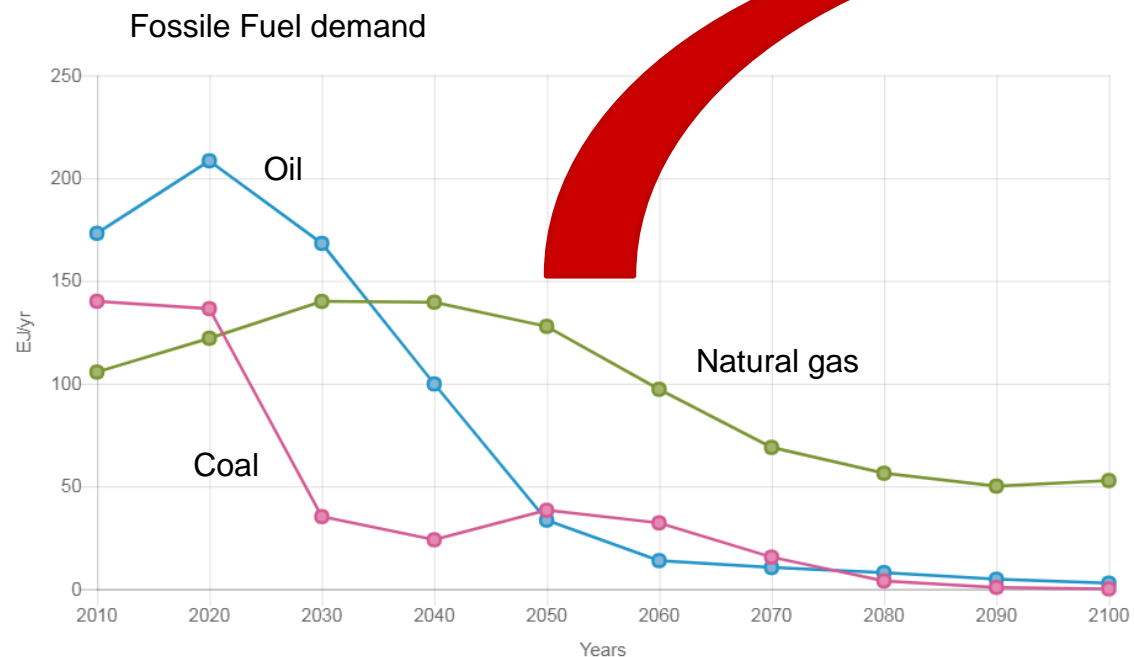
KOMMENTAR

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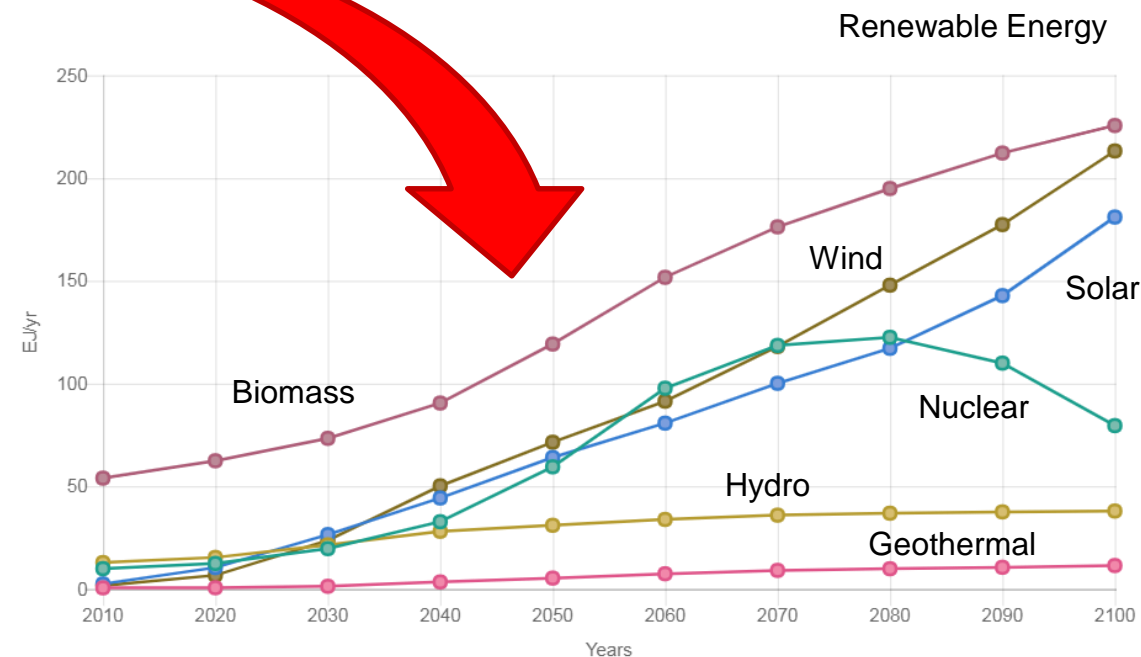
Ole Petter Pedersen

Redaktør

The UN IPCC 1.5 degree scenario (P2 scenario), split on energy source



© IAMC 1.5°C Scenario Explorer hosted by IIASA <https://data.ene.iiasa.ac.at/iamc-1.5c-explorer>



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**Transition Risk moving from fossil to renewable and green energy:
Changes in laws, regulations, markets, investors' & consumers' preferences may lead to unexpected massive movements in capital flows**

Do we need a natural gas bridge to a clean energy future or is gas a bridge backward?

Climate Changed

Gas Plants Will Get Crushed by Wind, Solar by 2035, Study Says

By David R Baker

9. september 2019 12:00

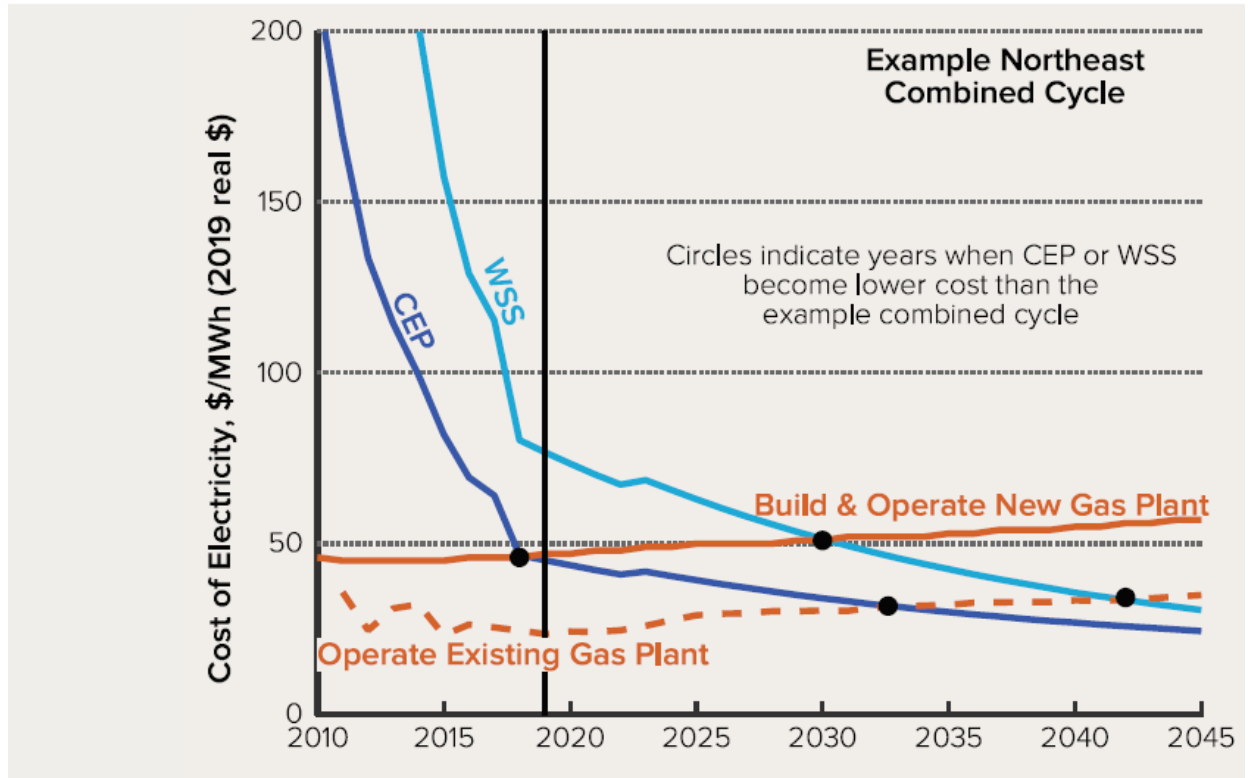
- ▶ Generators now on drawing boards will be left uneconomical
- ▶ Development would be a dramatic reversal of fortune for gas



Photographer: Pablo Blazquez Dominguez/Getty Images

Clean Energy Portfolio outperform natural gas by 2035

2019 represents a tipping point for CEP economics versus new gas-fired power plants



Source: Bloomberg

Global cumulative energy storage

Tesla's Megapack battery is big enough to help grids handle peak demand

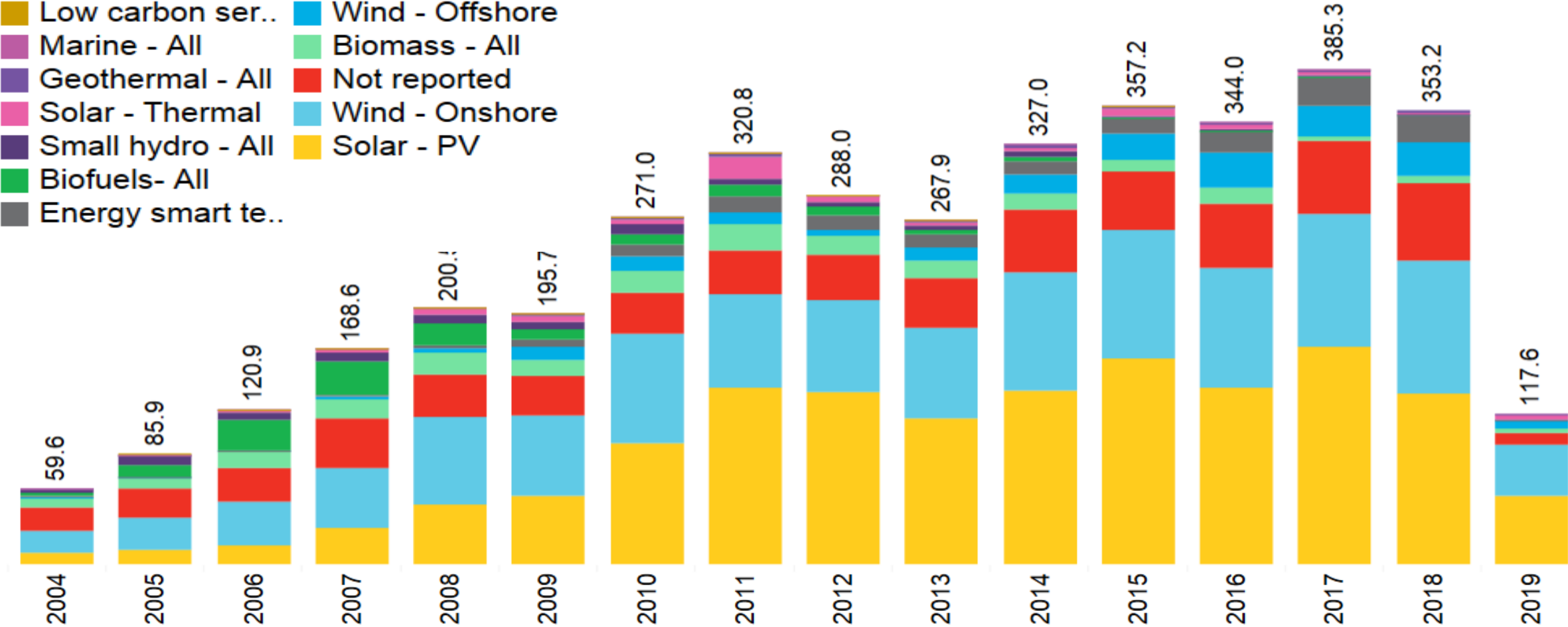
A new industrial storage product coming as the company's lost its lead in home solar

By [Sean O'Kane](#) | [@sokane1](#) | Jul 29, 2019, 6:47pm EDT

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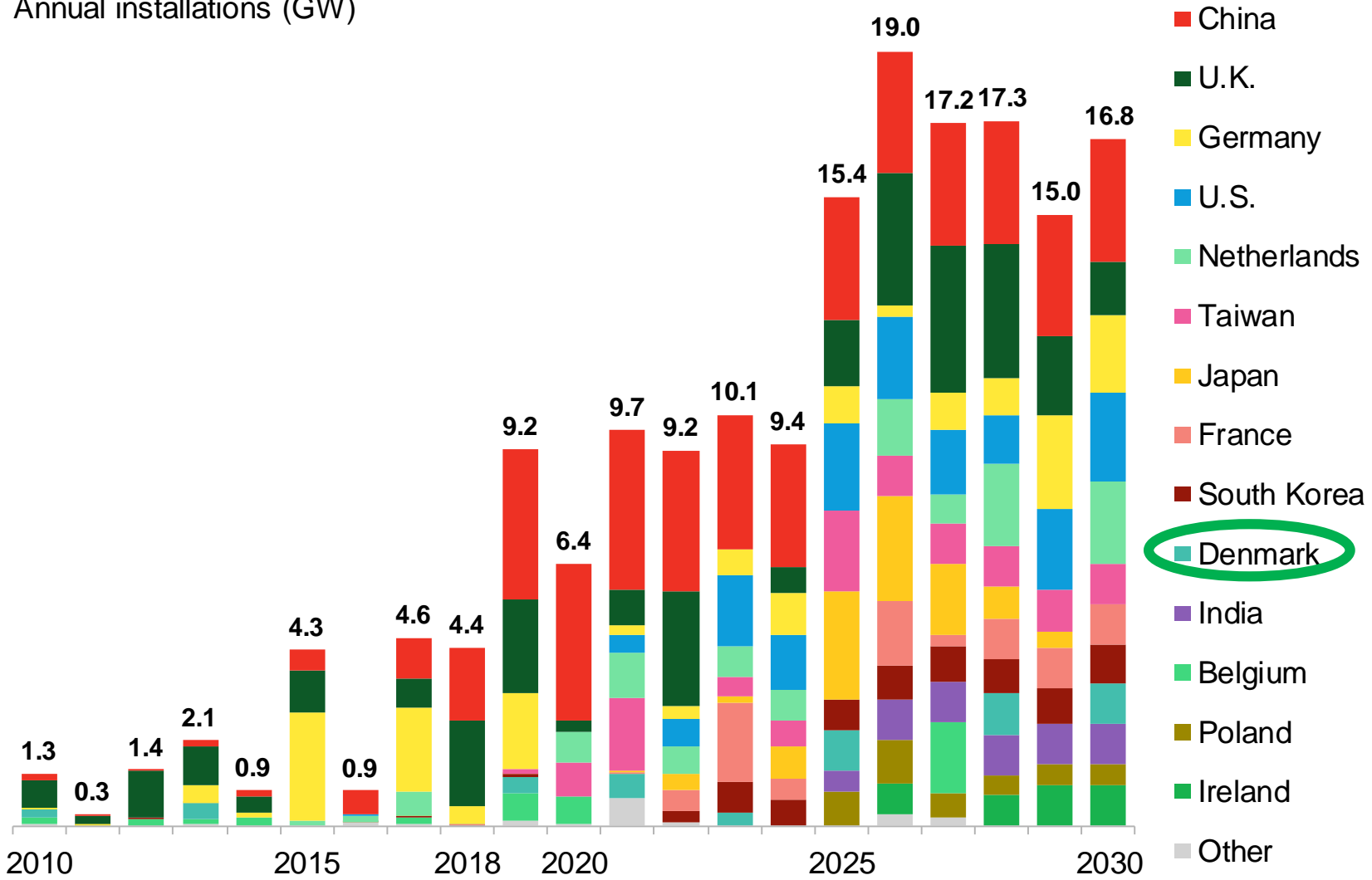


Clean energy investments (in USD bn)



Global offshore wind installations by country

Annual installations (GW)



11 Source: BloombergNEF. Note: 'Other' -- Spain, Portugal, Italy, Finland, Sweden, Norway, Vietnam.

A competitive home market important to develop technology and the industry

FLYTENDE HAVVIND

Equinor vil bygge gigantisk flytende vindpark – tror på stort marked innen 2030


Equinor ønsker å bygge flytende vindpark på opp til 500 MW, men har ikke bestemt seg for hvor.



Aker Solutions utfordrer Equinor på flytende havvind

Aker Solutions utfordrer Equinors lederrolle på flytende havvind, og vil bygge verdens største flytende havvindpark i California.





**We need an accurate PRICE ON
SUSTAINABILITY AND CLIMATE
RISK to avoid misallocation of
capital**

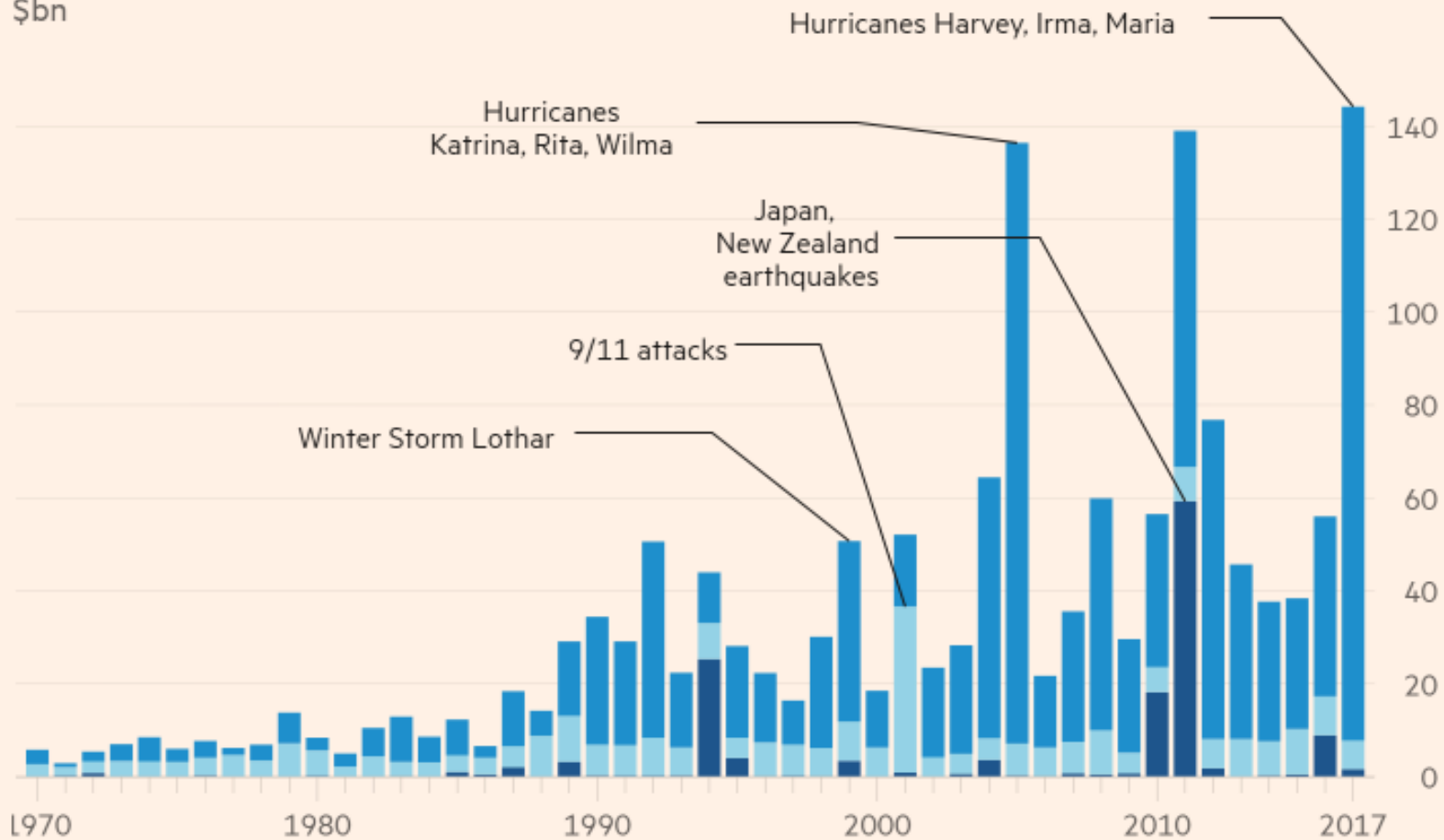
TIPPING POINT

Source: Financial Times, Ingram Pinn, Reuters

The insurance sector is “first line” facing climate changes in the financial sector

Rise in weather-related insured losses

\$bn



© FT

Det er ikke gitt at
ene vil fortsette å
om ligger utsatt til
er.

oli
et
kring
ntiden

Pricing of climate risk (or sustainable risk) will affect the direction in which capital moves.

In the future, a large environmental, social or governance impact could give

Lower credit rating

Worsen credit terms/

More expensive loans

**Limited or no access to capital and
new financing**

Companies with a lower environmental/climate footprint may get cheaper “green loans or financing”

Loves grønn bankrabatt

Bank of Ireland offers lower interest rates for going green

Updated / Thursday, 18 Jul 2019 08:55



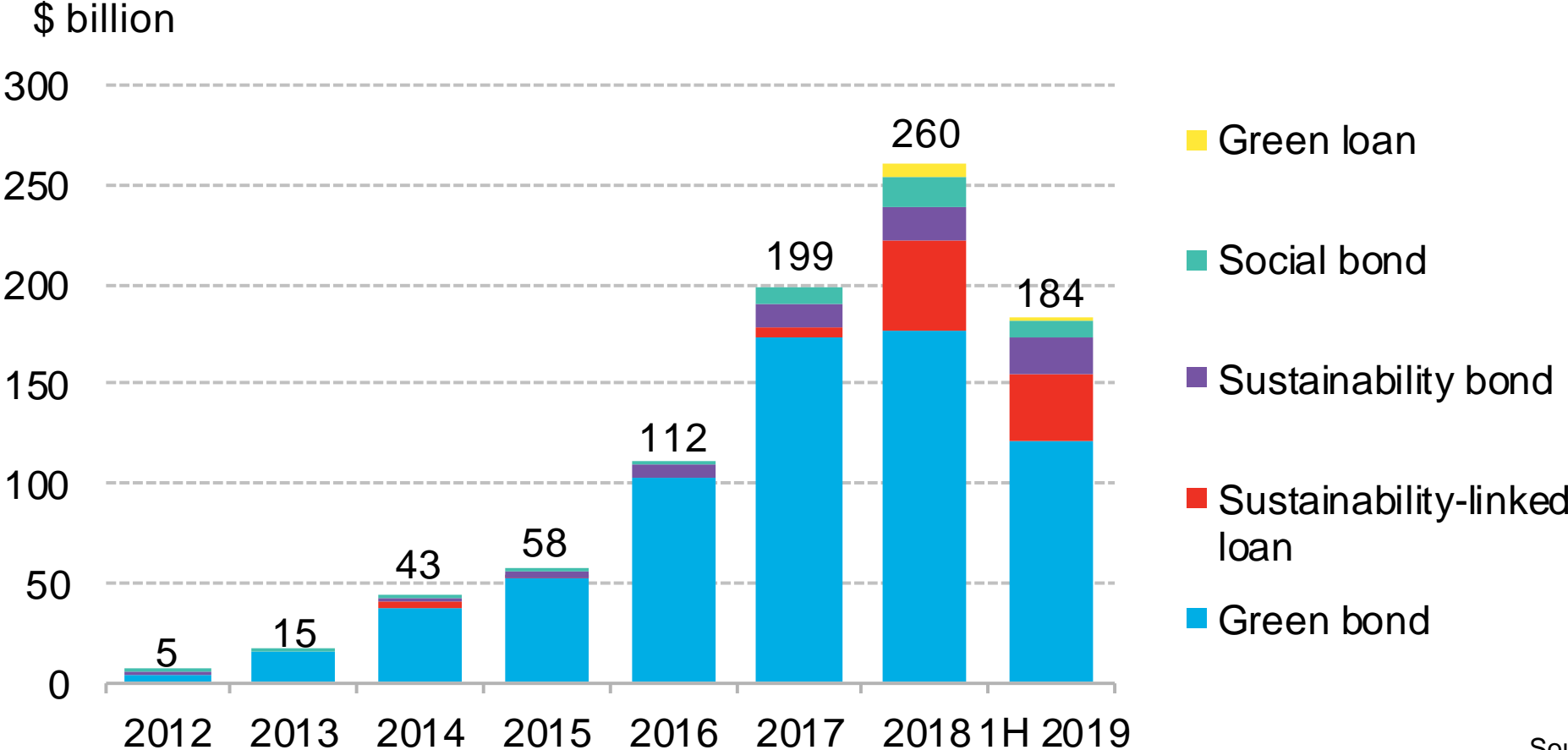
Bank of Ireland is offering green loans and lower interest rates to encourage and reward consumers and businesses to be

Kilde: Finansavisen, rte.ie

Markets for green and social financial products are growing rapidly

Sustainable debt finance annual issuance

Green, Social and Sustainable bond supply by year, including relative share



Source: BloombergNEF

Thank you!

Thina Margrethe Saltvedt (Ph. D.)

Chief Analyst

thina.margrethe.saltvedt@nordea.com

Mobile : +4790634075

Twitter: @ThinaSaltvedt

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