



2019 TRANSITION Forum Conference Overview

TAKING ACTION AT THE TRANSITION FORUM

The second annual TRANSITION Forum ended on the same note that it started – with a strong call to action. “Many people share the same goals, but words do not always translate into actions,” said **Lionel Le Maux**, Chairman, **Aqua Asset Management & Co-Founder**, TRANSITION Forum, during the opening session. “What sets this event apart? It is about action, not just talk,” Le Maux added. In the closing session, **Rinat Guy**, Chief Innovation Officer, Municipality of Tel Aviv, Israel, cited Peter Drucker in saying: “The best way to predict the future is to create it.”

“We need to take strong measures,” said **Christian Estrosi**, Mayor of Nice, President of the Metropolis of Nice Côte d’Azur and Deputy Chairman of the Provence-Alpes-Côte d’Azur Region (France). “We need to take significant actions.”

About 300 participants from over 18 countries took part in the Forum, which focused on four main themes: Food, Mobility, Production & Consumption, and Housing. Participants included entrepreneurs, corporate executives, fund managers, scientists and representatives of civil society.

“The California model shows that the world can improve the viability of the economy while reducing carbon emissions,” according to **Timothy Papandreou**, Founder, **Emerging Transport Advisors** (US).

MUNICIPAL AND REGIONAL INITIATIVES

Estrosi talked about initiatives his administration is taking in Nice and as part of a regional network called the Métropole Nice Côte d’Azur. They include watershed management, incubators for start-ups, a recycling drive, healthy school lunches, a “zero plastic” campaign, the extension of the municipal tramway to the airport, and the creation of a public transportation hub there. Together the last two will help reduce traffic by 20%, eliminate 800 buses, and significantly improve air quality. Superfluous bus lanes will be replaced by trees and bike lanes.

Joining the mayor in the opening session, **Jean Castellini**, Minister of Finance & Economy (Monaco), discussed plans for a maritime shuttle between Nice and Monaco. “Some 40,000 people commute to Monaco every day,” he said. “There would be so many fewer cars with a shuttle in place.” The principality is also investing in electric bicycles and electric taxis. Its national fund (“the equivalent of a sovereign wealth fund”) invests in sustainable energy and has “co-financed a number of green funds,” he added.

In a later session called Disruptive Innovation, **Frédéric Genta**, Country Chief Digital Officer, Principality of Monaco, described efforts to boost the economy through a digital transformation that would include coding classes for all students, smart city initiatives, autonomous buses, and e-governance.

THE FUTURE IS NOW

Three high profile activists helped set the stage for the thematic debates by sharing their reflections on the ecological transition.

“The only way to live an acceptable and dignified life is to do what we do with respect for everything, with love, and with tenderness,” said **Pierre Gagnaire**, the renowned French Michelin Star Chef. Always conscious of avoiding wastage, he says it’s important for chefs to find creative ways to use all parts of a fish or a lamb in their dishes, for example.



"I've witnessed a situation which has deteriorated," he explained. A few decades ago, he was easily able to find fish weighing 15 kilos. "Now a big fish is four or five kilos maximum." But Gagnaire remains optimistic. Scientists are busy in their labs designing better tasting variations of things such as strawberries. "If something tastes good and is affordable, I say long live science," he said. In parallel, passionate farmers are investing in the production of high-quality ingredients.

"We speak about the destruction of the planet, but there is a niche of people who are keeping the land alive," he attests. For example, he recently met a father and son who have a passion for growing rhubarb. "It is wonderful to see that passion. They don't earn much money, but they feed people. And they help produce beautiful meals."

Cool Earth, a UK-based NGO founded by **Johan Eliasch**, who is also Chairman & CEO of **Head**, is dedicated to saving the rainforest. Working on three continents, it supports local communities that can build their livelihoods on forest resources so that "a standing tree is worth more than it is if you cut it down." The communities themselves become nature's guardians. "It is not about saving the planet," he said. "It is about saving the human race. There is still time, but we need action now."

Three key elements shape our current reality, according to **Olivier Mathiot**, President, **The Camp** (France): (1) demography – population growth and urbanization; (2) the ageing North vs. the youthful South and the prospect of generational conflict; and (3) complexity. He gave two examples of the latter. France has relatively low carbon emissions, but that's because it relies on nuclear power. And efforts in that country to impose a carbon tax on gasoline led to social unrest in the form of the **Gilets Jaunes** protests. The Camp provides a gathering place where experts from diverse backgrounds can get together to rethink the long-term and address issues such as the Sustainable Development Goals (SDGs) and mobility. Mathiot quoted Walt Disney: "The way to get started is to quit talking and begin doing."

In a later session, engaged stakeholders shared their "**Visions of a Clean Future**".

Gunter Pauli, Entrepreneur and Author of *The Blue Economy*, described his work on a "seaweed curtain" off the coast of Morocco. The seaweed absorbs microplastics from the water, thereby offering protection to fish and molluscs. Its clean-up job done, the seaweed is harvested for the production of biogas and phosphates. "We can make Morocco self-sufficient in biogas and block microplastics," he said.

Sophie Faujour, France Country Representative & European Corporate Coordination, **European Venture Philanthropy Association (EVPA)**, emphasized the role of the members of this network of foundations, investment funds and companies in impact financing. When they choose where to put their money, the impact is considered first; potential financial returns are secondary. Many of the projects are joint public-private efforts, such as the Toilet Board Coalition that supports sanitation systems. "Systemic change is necessary," she said.

"An impact investor is not a philanthropist," said **Kanini Mutooni**, Board Chair, **Global Innovation Fund** and Managing Director, **Toniic Impact Network** (UK) whose fund has made \$4 billion in climate change-related investments. Impact investors want social and environmental returns as well as financial ones. There can be trade-offs, but the key is that all three are there." Among other things, her fund supports first-time fund managers who want to establish their own impact investment firms. She has also developed Impact Measurement Tools that use the SDGs to help investors figure out how effective their outlays have been.

Her fund supports the empowerment of women and the green economy in Africa, said **Michèle Sabban**, Chairwoman, R20 France and President, R20 Green Fund for Women. One of the projects financed by the Green Fund for Women trains disadvantaged women to become teachers who then educate youth on environmental issues. Another deals with land tenure in forests to help women earn

money while reducing deforestation. “Two words are missing – education and training,” she said. The fund is working to help provide them.

Riaz Siddiqi, Founder & Managing Partner, **Denham Capital** (US), said that the debates on climate change and other key issues need to include greater participation from what he called “two marginalized communities” – women and young people – to make the transition a success. Our fund is working to remedy this.

A YEAR OF HARD WORK

In the spirit of taking action some participants outlined how they parlayed their experience at last year’s Forum to help propel their businesses and initiatives in a session called Debrief 2018:

- **Anne-Claire Abadie**, Fund Manager and Environmental Specialist, **Sycomore Asset Management** (France) – launched, together with Jean-Guillaume Peladan, who spoke at last year’s Forum, the Net Environmental Contribution (NEC) metric to help investors measure the environmental benefits for companies in which they have invested.
- **Denis Baud-Lavigne**, Head of Business Development, **POMA** (France) – continued to garner new contracts for urban gondolas to address transportation needs, notably in South America but also in France.
- **Simon Bernard**, Co-founder, **Plastic Odyssey** (France) – continued to develop a boat that can convert plastic to fuel; efforts will focus on South America, Africa and Asia.
- **Pierre Cannet**, Co-director of Programs, **WWF** (France) – helped recruit more corporations to join the U.N. Global Compact, designed to facilitate private sector contributions to the SDGs, and worked with firms on projects in areas such as renewable energy.
- **Marco Caputo**, President, **Orygeen** (France) – last year the company signed its first power purchase agreement (PPA) based on renewable energy.
- **Julien Dossier**, Energy Transition Consultant, **Armor** (France) – Armor acquired the German firm Opvius to help accelerate the development of its organic photovoltaic film business.
- **Frédéric Flipo**, Co-founder and General Manager, **Evergaz** (France) – last year’s Forum generated contacts that led directly to the biogas firm’s first project in the Netherlands.
- **Natasha Ilic**, General Secretary, **R20 France** – the **R20 Green Fund for Women** has accelerated its efforts to support jobs for women in the green economy.
- **Gilles Lecaillon**, CEO, **Ecocean** (France) – installed one of its fish nurseries on an offshore wind power station.
- **Eric Philippon**, President, **FAMAE** (France) – its innovation competition continues to support initiatives around the world.
- **Justice Swatanter Kumar**, Former Chairperson, **National Green Tribunal** (India) - courts in India are interpreting the constitution as the standard for promoting clean energy and combatting waste.

Both during the Debrief session and another entitled “Disruptive Innovation”, **Graciela Chichilnisky**, one of the creators of the carbon market and currently CEO & Co-founder, **Global Thermostat** (US), described her company’s plan to remove CO₂ from the atmosphere. The United States Congress passed legislation to give what she called “unlimited tax breaks” for schemes like hers. And three major reports cited the need and feasibility of carbon removal: the U.N. IPCC 5th Assessment Report, the National Academy of Sciences Direct Air Capture Commission Report, and the Fourth National Climate Assessment by the U.S Global Change Research Program.

“2018 was a breakthrough year,” she said. The carbon that is captured can be used in desalination plants and greenhouses and in the making of carbon fibers, dry ice and synthetic fuels. The market could be worth USD 3 trillion, she predicted.



FOOD

The production and distribution of food for human consumption has a huge detrimental effect on our environment. "But it is not all gloom and doom," said **Marc André Kamel**, a partner and director with **Bain & Company** in Paris. Advanced and disruptive technologies may be able to help humankind overcome these challenges.

Six key issues need to be addressed, according to **Alexandra Wandel**, executive director of the **World Future Council** (Germany). They are: (1) hunger – about 800 million people don't have enough to eat; (2) food waste – the amount wasted in the United Kingdom, Europe and the United States alone would solve the hunger problem; (3) climate change – added to the carbon footprint of production and distribution is deforestation to clear land for crops and grazing; (4) threats to biodiversity and ecosystem services (benefits to humans provided by the natural environment); (5) water pollution – notably from nitrates used as fertilizer in industrial-scale farming; and (6) health issues, such as the extensive use of antibiotics in fish farms and meat production.

Some solutions are on the horizon. One example is a pilot project to use renewable energy to run a local food processing center in Burkina Faso. It is backed by the World Bank and the African Development Bank. WFP's award for the best policy solutions in agro-ecology is part of a drive to build "a chain of best practices and a roadmap."

MOBILITY

With three billion more people living in cities by 2050, geometry proves that the current model, based on the preeminence of the automobile, cannot last, said **Timothy Papandreou**, Founder, **Emerging Transport Advisors** (US). "You can only fit so much." Incessant road building "is destroying cities," he added. Cars produce three-quarters of urban air pollution and kill 737 people a day, according to Papandreou. "We accept these deaths," he said. "But it is not acceptable."

Papandreou believes that "We can fix all these problems with political will." One quick-fix to peak traffic jams would be to let people work from home more often. "It is not a technological issue," he said. "It is a human behavioral issue." Governments, companies and communities will need to work together. To get people out of their personal vehicles, effective solutions must be "easy, cheap and fun," he added.

A viable future would involve multimodality. It is propelled by three trends: (1) sharing – whether fleets or rides; (2) electric vehicles; and (3) automation. "It would be an incredible opportunity if we can stitch it together," he said. The last kilometer could be left to things like scooters, while

ride sharing schemes akin to BlaBlaCar could fulfill needs for longer trips. Autonomous vehicles may be just around the corner. The whole shebang would be worth USD 10 trillion by 2035, Papandreou predicted.

PRODUCTION & CONSUMPTION

Humankind would need three planets to maintain consumption at current levels, according to respected estimates.

One million species are threatened with extinction, but the plight of primates, our close relatives, may provide special insights into the future of the human race, according to **Sabrina Krief**, Primatologist, Veterinarian and Professor, Museum of Natural History in Paris, France. "It is a problem for the globe and for us," she said. One solution would be to ditch monoculture plantations and replace them with diversified forest production.



Maritime transportation isn't covered by the Paris accord. Even though its relative contribution to greenhouse gases is in decline, leading companies are exploring what they call "green logistics" to reduce the segment's carbon footprint, according to **Michael Adams**, President, **Ocean Assets Institute** (Switzerland). Eighty percent of waste could be eliminated in the design phase, Adams said.

The circular economy could create millions of jobs, according to **Jean-Christophe Laugee**, Inclusive Economy Advisor, **Hyastra** (France).

HOUSING AND SUSTAINABLE CITIES

Each city has its own characteristics, according to **Stéphanie Jannin**, Vice President, **Montpellier Méditerranée Métropole**, France. Her municipality faces three major issues: (1) population growth; (2) a drive to defend biodiversity and natural landscapes; and (3) the need to deal with climate change. The mayor called together cohorts from small towns in the region to develop a joint plan. They agreed, for example, to preserve at least two-thirds of the region's agricultural land for the next 20 years.

Dr. Julian Gold, Former Mayor of Beverly Hills in the US, talked about "smart city" initiatives such as extending fiber optics to all residents.

The expectations of residents were often not taken into consideration by builders in the 1960s, and "now we have places that look like ghettos," said **Cédric Simonin**, CEO, **Trianon Résidences** (France). Expectations of people in the early 21st century include: (1) comfort (e.g. cheap energy); (2) health (e.g. "de-polluting" facades); and (3) security (a home as a long-term investment).

Building materials are important contributors to greenhouse gases, said **Guillaume Carlier**, CSR Director, **Bouygues Bâtiment France & Europe**. When renovations are made, all the old stuff is thrown out. "Maybe one way to fight climate change is to use what we have," he said. Retrofitting the current housing stock for today's standards can make a big contribution, said **Benoist Vercherin**, Innovation Lead, **Climate KIC**, France.

By William Hinchberger, Official Writer for the 2019 Transition Forum

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