



# ClimatSup Finance

## Training Finance Professionals for the Ecological Transition

Presentation of the Report's English Version &  
Workshops for Professors to Share Experiences

January 23d, 2024



THE CARBON  
TRANSITION  
THINK TANK

CLIMATSUP FINANCE:  
TRAINING FINANCE  
PROFESSIONALS FOR THE  
ECOLOGICAL TRANSITION

FINAL REPORT – DECEMBER 2023



# Introduction



**Vinciane Martin**

**Employment & Education Programme Manager**

*The Shift Project*

# Introduction



**Christel Dumas**  
Associate Professor in Finance  
ICHEC



**Laurence Le Poder**  
Associate Professor of Economics,  
Associate Dean of Pedagogy  
*Kedge Business School*



**H el ene Rainelli-Weiss**  
Professor in Finance, General  
manager  
*IGR-IAE Rennes*



**Nolwenn Brossier**  
Project Officer & Co-Author  
*The Shift Project*



**Kelvin Frisquet**  
Project Manager & Co-Author  
*The Shift Project*

# Agenda

12.30

## Introduction & Presentation of the report

**Nolwenn Brossier**, Project Officer & Co-author, The Shift Project

**Kelvin Frisquet**, Project Manager & Co-author, The Shift Project

**Vinciane Martin**, Employment & Education Programme Manager, The Shift Project

12.45 PM

## How to transform a course or a program in finance to integrate ecological issues?

### Ecological Macro-Economics Course

**Laurence Le Poder**, Associate Professor of Economics, Associate Dean of Pedagogy, Kedge Business School

### Asset Management Course

**Christel Dumas**, Associate Professor in Finance, ICHEC

### Finance Programme

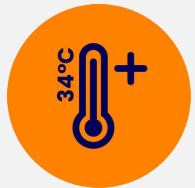
**Hélène Rainelli-Weiss**, Professor in Finance, General Manager IGR-IAE Rennes

1.40 PM

## Workshops

(for those who received a confirmation email)

# The carbon transition think tank



A **think tank** advocating **the shift to a post-carbon economy.**



Since 2010, a non-profit organisation **committed to serving the general interest** through **scientific objectivity.**



We are dedicated to **informing** and **influencing** the debate on **energy transition in Europe.**

# Who finances us

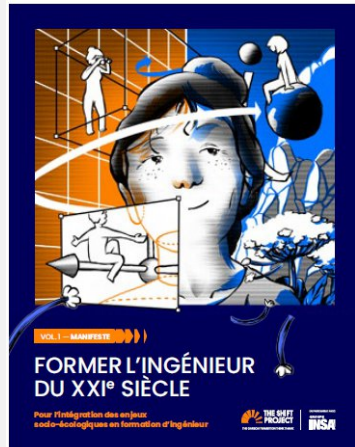
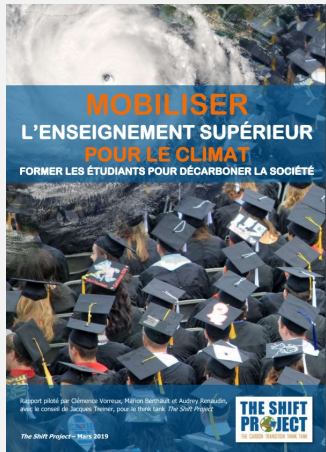
More information on this link (click on « *our sponsors* »): <https://theshiftproject.org/en/governance/>





# The Shift Project & Higher Education

Since 2019, 4 reports published



## Initiatives by The Shifters

- A **collaborative pedagogical platform**: [enseignerleclimat.org](https://enseignerleclimat.org)
- An **observatory of trainings** regarding transition: [education4climate.be](https://education4climate.be)
- A **cooperative of teachers**

## A favourable context

- Strong demand from **students**, but also **alumni, teachers and professors**
- **Institutional acknowledgement in France**:
  - Jean Jouzel Report
  - Climate and Biodiversity Plan of the Ministry of Higher Education and Research

# Project Presentation



**Kelvin Frisquet**  
**Project Manager & Co-Author**  
*The Shift Project*



**Nolwenn Brossier**  
**Project Officer & Co-Author**  
*The Shift Project*



# Why Transform Finance Education?

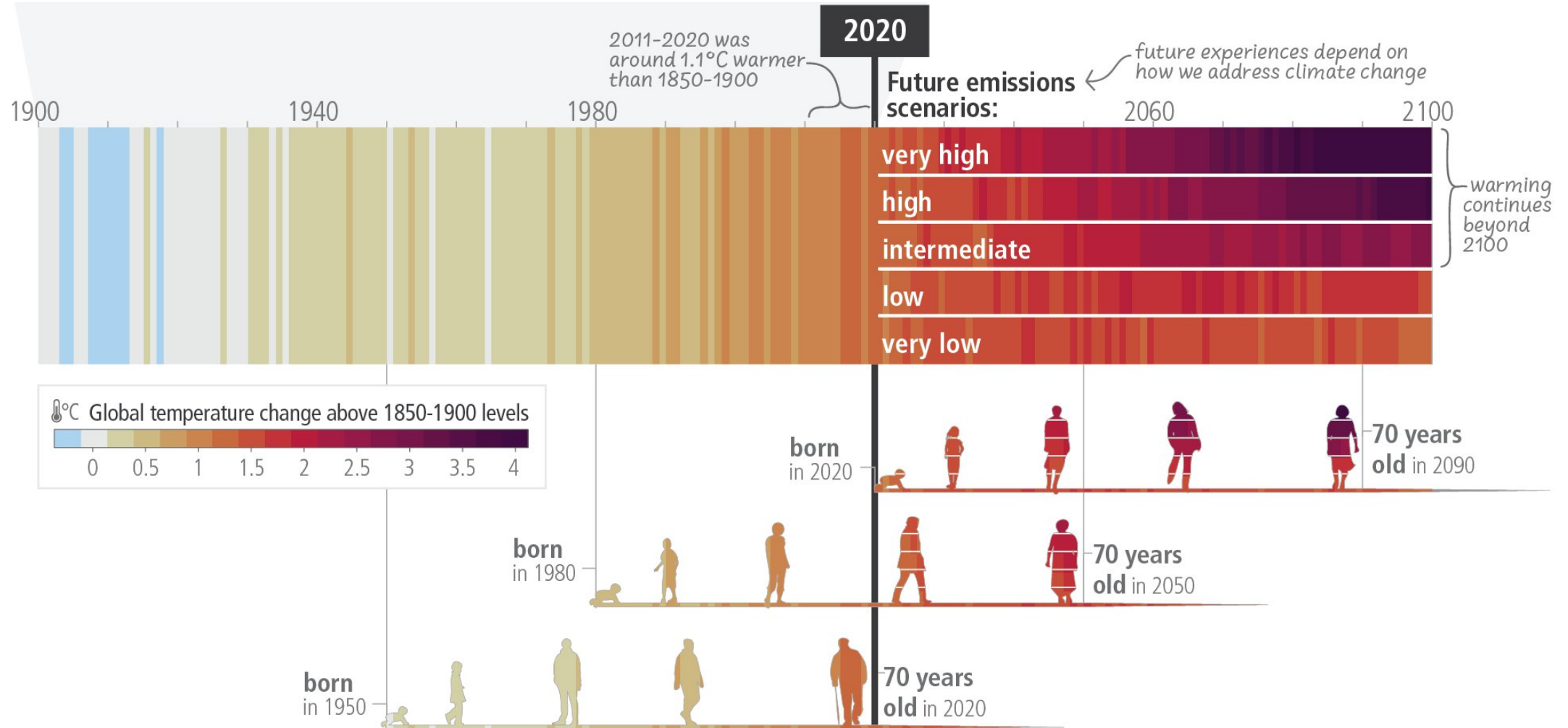
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What should Finance Graduates Know?

-

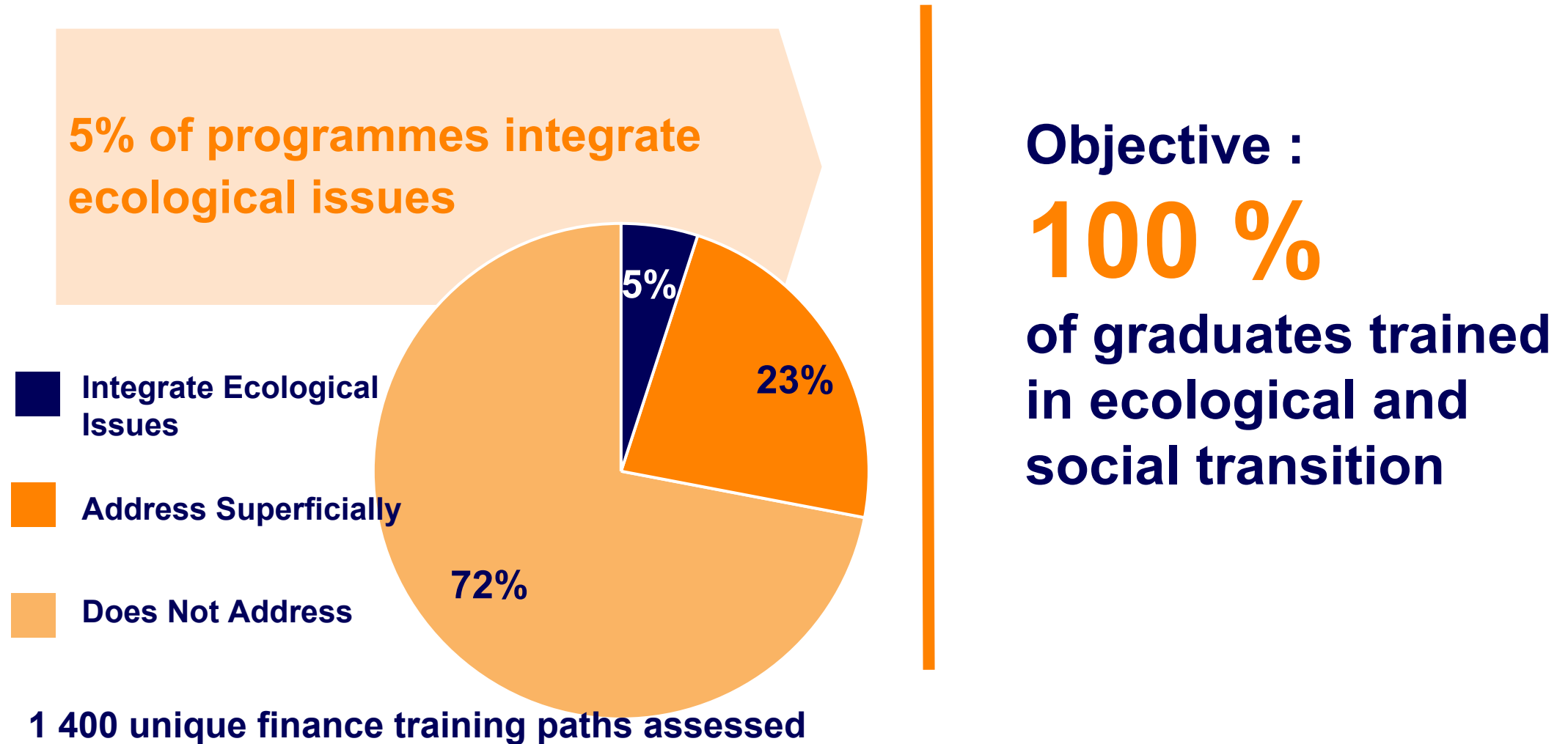
Other Tools Provided by The Shift Project

# Preparing Future Graduates for the World They Will Live In



Source : IPCC

# Finance Training Programs Are Not Yet Preparing Students for the Transition



Why Transform Finance Education?

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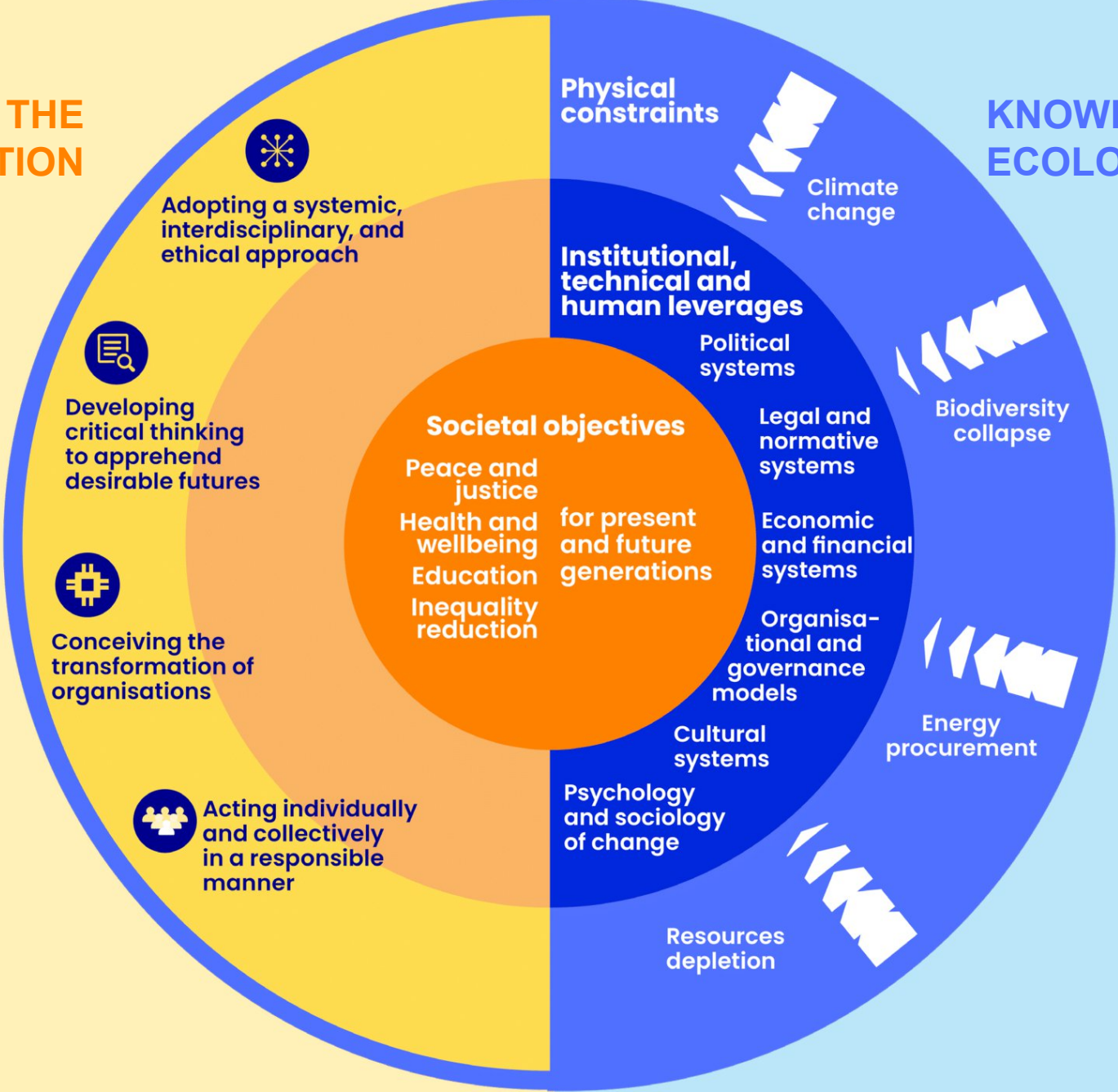
**What Should Finance  
Graduates Know?**

-

Other Tools Provided by The Shift  
Project

# SKILLS FOR THE TRANSITION

# KNOWLEDGE RELATED TO ECOLOGICAL ISSUES



**Societal objectives**

Peace and justice  
 Health and wellbeing  
 Education  
 Inequality reduction

**Institutional, technical and human leverages**

Political systems  
 Legal and normative systems  
 Economic and financial systems  
 Organisational and governance models  
 Cultural systems  
 Psychology and sociology of change

**Physical constraints**

Climate change  
 Biodiversity collapse  
 Energy procurement  
 Resources depletion

Adopting a systemic, interdisciplinary, and ethical approach

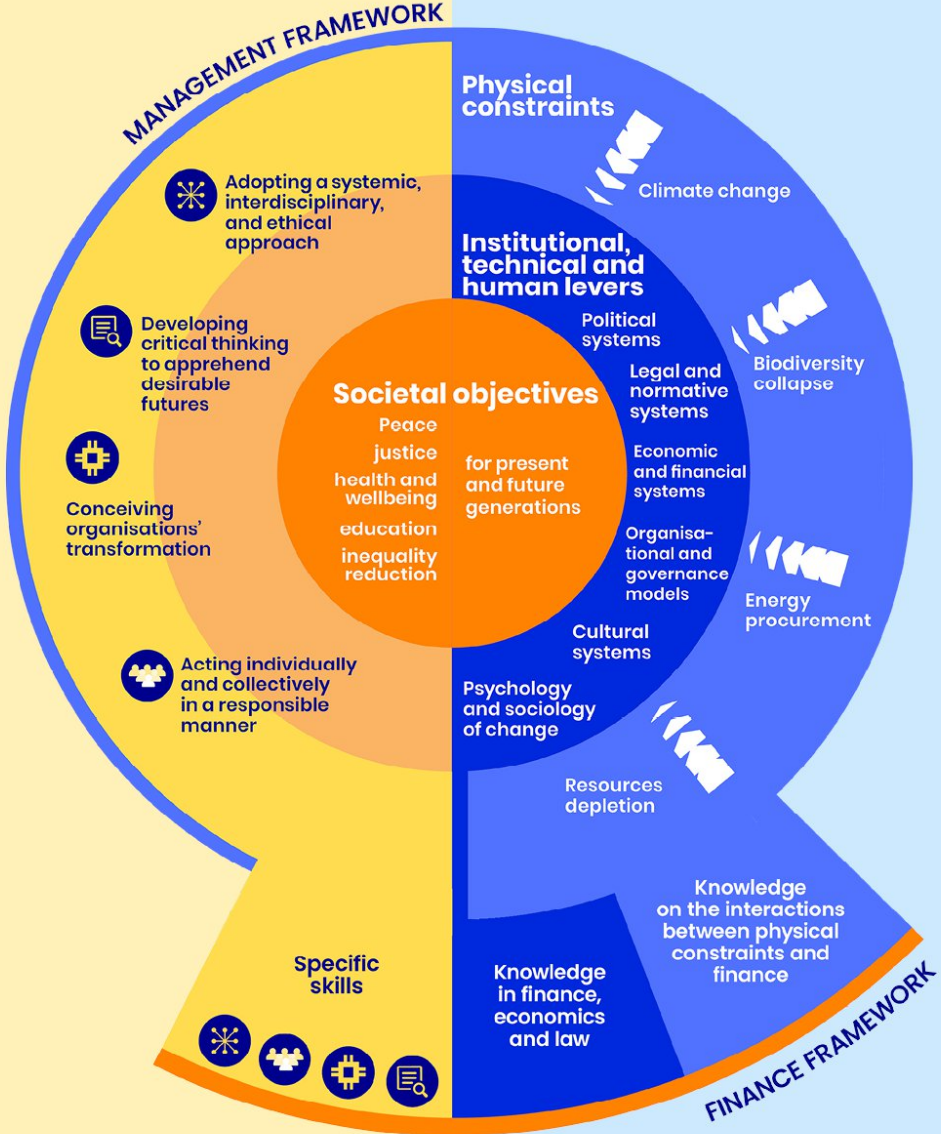
Developing critical thinking to apprehend desirable futures

Conceiving the transformation of organisations

Acting individually and collectively in a responsible manner

# SKILLS FOR THE TRANSITION

# KNOWLEDGE RELATED TO ECOLOGICAL ISSUES



**COMPLETED WITH SPECIFIC KNOWLEDGE AND SKILLS FOR FINANCE STUDENTS**



# What to Teach in Specialisation Courses?

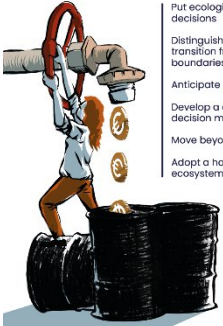
**PROJECTS AND BUSINESSES FINANCING**

**Role in the ecological transition**

- Finance ecological transition
- Decline harmful investments
- Rethink the paradigm of risk vs profitability

**Examples of knowledge and skills**

- Put ecological issues at the heart of financing decisions
- Distinguish an asset that enables ecological transition from one that is harmful to planetary boundaries
- Anticipate new risks
- Develop a critical understanding of investment decision methods
- Move beyond monetary profit as the sole objective
- Adopt a holistic vision of the actor and his local ecosystem




**RISK ANALYSIS**

**Role in the ecological transition**

- Move beyond the business-as-usual looking probabilistic approach
- Adapt to new risks

**Examples of knowledge and skills**

- Understand the risks linked to ecological stakes (climate, biodiversity, resources) and its intersections with classic financial risks (credit, market, liquidity, ...)
- Conduct scenario-based analyses using both quantitative and qualitative, analytical information
- Design and executing climate stress tests that embrace a systemic perspective.
- Integrate the double materiality approach into one's analyses (financial and impact materiality)



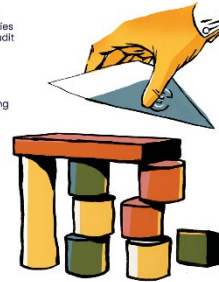
**REGULATION AND COMPLIANCE**

**Role in the ecological transition**

- Assess the tangible impacts of the controlled activities
- Evolve regulation to consider planetary boundaries

**Examples of knowledge and skills**

- Master regulations and best practices regarding ecological issues
- Understand the professions, practices, and financial products, their materialities and their impacts, in order to better audit them
- Shift practices towards respecting planetary boundaries
- Prevent, detect and deter greenwashing




**ASSET MANAGEMENT**

**Role in the ecological transition**

- Aim at social usefulness
- Implement engaged shareholding
- Manage its portfolio towards aligned goals

**Examples of knowledge and skills**

- Master the levers of influence of asset managers for a better integration of planetary limits
- Question the social usefulness of a company, product or services regarding ecological stakes
- Develop a critical understanding of portfolio management methods
- Understand ESG criteria and their limitations



- Role in the ecological transition
- Knowledge and skills to be taught

Why Transform Finance Education?

-

What should Finance Graduates Know?

-

**Other Tools Provided by  
The Shift Project**

# Other Tools Provided by The Shift Project

Table 6: Proposed distribution of academic content by subject taught at L3 level

| Années L3                    |  |                                     |
|------------------------------|--|-------------------------------------|
| Discipline<br>Subject taught | Connaissances du socle finance<br>Academic content from the finance knowledge framework  | Indicative number of hours required |
| Finance                      | Students understands where finance fits in the biosphere, its interactions with biodiversity, climate change and planetary boundaries in general. Understands the principle of embedded finance through the theories of environmental economics and environmental finance.   | 18                                  |
|                              | Is familiar with the notion of double materiality: understands how finance impacts the earth's system, in particular the climate, the biosphere and living organisms, through the financing of fossil fuel-based activities that damage biodiversity or lead to the depletion of resources. Understands the risks financial players face if they fail to respect planetary boundaries: physical risks, transition risks, liability risks, etc. |                                     |
|                              | Understands the usefulness of finance and its limits in the current context marked by the need for a transition that respects planetary boundaries   |                                     |
|                              | Is familiar with the core assumptions and postulates that underlie financial theory, as well as their limitations, e.g. the theory of market efficiency, modern portfolio theory, the Capital Asset Pricing Model, etc.  |                                     |
| Economics                    | Understands the history of "sustainable finance", its impact and its relative importance in relation to traditional finance. Knows about social and solidarity finance and impact finance: their pillars, the actors and their performance in relation to traditional finance. Understands the main approaches used in sustainable finance, according to financial players involved, their impact and limitations.                             | 6                                   |
|                              | Is familiar with the sociological approach to financial markets, which proves the performative nature of financial theory  |                                     |
| Accounting                   | Understands the role of currency in the economy, the principles of monetary creation and the impact of the ecological transition.  | 6                                   |
|                              | Understands how companies can contribute to carbon neutrality  |                                     |
| Accounting                   | Understands cost-effectiveness and cost-benefit analysis practices applied to planetary boundaries (to climate change in particular), their differences and limitations.   | 6                                   |
|                              | Understands carbon accounting methods  |                                     |
| Accounting                   | Understands existing biodiversity indicators and their physical translation in relation to ecological accounting   | 6                                   |

**Example of Application of the Knowledge & Skills Framework in a 3 Year Curriculum (L3 M1-M2)**

**LES PROFESSIONNELS DE LA FINANCE DOIVENT ÊTRE PRÉPARÉS À UN AVENIR INCERTAIN**

Anticiper les nombreuses évolutions potentielles de la finance sous l'effet des crises engendrées par l'urgence écologique est une étape indispensable pour s'y préparer.

Dans une démarche prospective, ce rapport signifie au fonctionnement de la finance et de ses métiers.

Cette réflexion prospective vise à guider les directeurs de programme et enseignants à identifier les connaissances et compétences à développer chez les professionnels pour qu'ils soient en mesure de répondre aux défis auxquels ils pourront être confrontés.

**Un changement de certaines pratiques économico-financières ?**

- Le recours aux investissements publics et à la garantie publique pour financer la transition écologique, soit par la coordination de l'action des banques centrales et des banques publiques d'investissement, soit par la manifestation de la dette publique.
- Une évolution des missions des banques centrales en faveur du financement de la transition écologique, par exemple en intégrant le principe de double matérialité à leur doctrine (élaboration de la politique de crédit), détermination du quantitative easing, changement de sa politique monétaire et macro-prudentielle.
- L'injection de monnaie libre dans l'économie, via le rachat d'obligations de banques par la banque centrale, sous demande de remboursement.
- L'arrêt de la focalisation sur l'aspect de croissance du PIB et les changements de pratiques engendrés par la rigueur de la restriction à répétition.

**Des réglementations renforcées**

- le développement d'une taxonomie claire, avec une norme européenne mandant d'investir dans des secteurs considérés comme préjudiciables à l'environnement.
- l'évolution de la réglementation prudentielle de Bâle III pour introduire des critères quantitatifs, et qualitatifs sur les portefeuilles et les fonds propres des banques, afin qu'elles limitent les risques climatiques ou biodiversité.
- la mise en place d'une politique de gestion de réchauffement d'actifs carbone pour réaligner les flux vers des activités soutenables.
- la généralisation de méthodes permettant de prendre en compte les impacts écologiques, par exemple la comptabilité en triple capital (financier, humain, environnemental) sous l'effet d'obligations normatives.
- L'intégration des risques écologiques au cœur des pratiques des banques et des assurances afin de se prémunir ou mieux contre les risques physiques et systémiques d'insaisissabilité.
- la prise en compte des risques climatiques physiques, de transition et de responsabilité dans le devoir fiduciaire, permettant au gestionnaire d'éviter de prioriser les enjeux écologiques à la rentabilité court terme des placements.
- L'orientation de l'épargne des particuliers vers le financement de la transition énergétique et écologique.

**Potential Developments in Finance That Finance Professionals Must Be Prepared For**

**THE SHIFT PROJECT**

RECUEIL DE RETOURS D'EXPIÉRIENCE D'ÉTABLISSEMENTS

DANS LE CADRE DU PROJET FORMER LES ACTEURS DE L'ÉCONOMIE DE DEMAIN

THE SHIFT PART OF THE TRANSITION BAF-CARBONE

Logos: Audencia, IAE FRANCE, CNDP, MBSJ, Finance Climat, ESSEC, IFCAM, ISG, etc.

**Compilation of Institutions' Experience (only in French)**



- **Numerous references**
- **An Establishment Transformation Guide for Directions & Presidencies (in ClimatSup Business Report)**
- **Recommendations for the State, Accreditation bodies and rankings, certification bodies, and other stakeholders**
- **A YouTube channel with testimonies from Professors**

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## Workshops

(for those who received a confirmation email)

# How to transform a course or a program in finance to integrate ecological issues?



**Laurence Le Poder**  
Associate Professor of  
Economics, Associate Dean of  
Pedagogy  
*Kedge Business School*



**Christel Dumas**  
Associate Professor in Finance  
*ICHEC*



**H el ene Rainelli-Weiss**  
Professor in Finance, General  
manager  
*IGR-IAE Rennes*

**Insérer les presentation des intervenantes**

**Ou mettre leur photo**



# Q&A

# Plenary Session Conclusion

- **ClimatSup Finance report and tools are available for free on the project webpage:**  
<https://theshiftproject.org/climatsup-finance-former-pour-une-finance-au-service-de-la-transition/>
- **For a presentation of the report in your organization, please contact:**  
[kelvin.frisquet@theshiftproject.org](mailto:kelvin.frisquet@theshiftproject.org)
- **To continue the dialogue among peers on ways to better integrate ecological transition into your courses or programmes, please contact:** [nathalie.ferrant@gmail.com](mailto:nathalie.ferrant@gmail.com)
- **To engage qualified adjunct faculty on a temporary basis to deliver specific courses on ecological issues, please contact:** [antoine.capeau@gmail.com](mailto:antoine.capeau@gmail.com)
- **To help The Shift Project:** [Insérer lien Hello Asso]

**A summary email with this information will be sent to you after the event.**

# Workshops

For those who received a confirmation email, please join the virtual room for the topic you are interested in:

- **Ecological Macroeconomics**, co-animated by Laurence Le Poder
- **Asset Management**, co-animated by Christel Dumas
- **International Finance Management**, co-animated by H el ene Rainelli-Weiss