



Breaking the Funding Deadlock: Creating new money to finance the renewable energy transition

Side event at UN Climate Change Conference – COP16

➔ Cancún Messe, Cancún, Mexico
1 December 2010, 16:45-18:15, Room: Águila

The World Future Council demonstrates that it is feasible to finance the renewable energy transition in less industrialized countries by pre-distributing new money instead of redistributing existing funds.

We outline how the \$100 bn per year promised by the Copenhagen Accord can be mobilized immediately through the issuance of new non-repayable Special Drawing Rights of the IMF without increasing debt and inflation.

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The World Future Council presents a mechanism to finance the global renewable energy transition without creating a new debt burden and without drawing funds from already tight government budgets. The expert panelists show that the global book-keeping currency SDR can be utilized to raise \$100 billion of new funds without an inflationary impact - and how these additional funds can be used to spur new sustainable development. An economic model is presented of how the real economy and the monetary system in industrialized and developing countries are likely to react to the SDR-issuing.

The side event also illustrates how to pre-distribute the new money in a way to make sure that renewable energy infrastructure is built at fair prices. The World Future Council proposes that the decision about projects to be financed should be made by a new supervisory body composed of organizations such as UNEP, UNDP, UNFCCC and IRENA as well as national development finance institutions.

Contact

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Programme

Welcome and introduction

Randall Hayes

Director USA Liaison Office
World Future Council Foundation

Founder of the Rainforest Action Network and former President to the City of San Francisco Commission on the Environment



How to create the new funds

Stefan Biskamp

Director Future Finance
World Future Council Foundation

Theoretical Physicist and former Business Editor of Financial Times Germany and WirtschaftsWoche



How to pre-distribute the new funds

Jasper Sky

Project management consultant
on climate finance
World Future Council Foundation

Researcher, Environmental Change Institute,
University of Oxford



Concluding remarks

Questions and answers