

14 September 2021



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pragmatic solutions, boost
investor interest – EV PE**

United Nations
Climate Change

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COP26 is chance to focus on pragmatic solutions, boost investor interest – EV PE

This year's COP26 UN Climate Change Conference will be a catalyst for deepening the investment world's interest in helping to reduce carbon emissions, Einar Gamman and Bettina Bachmann of sustainability-focused EV Private Equity fund tell ClimateTransformed in an exclusive interview. The fund itself is leading the scene in setting top-notch standards for investments in companies which contribute to a cleaner world.

(ClimateTransformed) When it comes to battling climate change, private money is indispensable. It is the channel through which billions committed by public institutions are turned into the trillions needed to truly push climate action forward. May this be through backing innovation and new technologies, adjusting business models, setting ambitious sustainability standards or aiming investments at developing economies to create global impact.

The 26th UN Climate Change Conference of the Parties (COP26), starting on Oct. 31st in Scotland's Glasgow, will be a unique opportunity to involve more of the private sector in finding climate change solutions. Mark Carney, UN special envoy for climate action and finance, has named the conference a "watershed" event for finance and mobilising the financial world in the fight against climate change is one of COP 26's [top four goals](#).

"COP26 will create an even larger interest in the energy transition and carbon emissions space. All eyes will be on that meeting," said Einar Gamman, Senior Partner at EV Private Equity in an interview with Climate Transformed. "Look at what happened at the end of July when the IPCC [the UN's Intergovernmental Panel on Climate Change] report was released. There was tremendous interest from most levels of society, including the investment universe." The IPCC warned in July in its first major climate change review since 2013 of increasingly extreme heatwaves, droughts and flooding due to man-made climate change.

EV Private Equity's own strategy has put cutting carbon emissions at the heart of its investment strategy. Over a ten-year period, the fund is aiming for a one-million-tonne reduction in carbon emissions for every \$300 million it is investing. "Our targeted companies either completely eliminate the use of hydrocarbons or offer technologies and services that substantially reduce greenhouse gas emissions," he said. As a result, the fund is not making any new investments at all in oil and gas extraction and oilfield services. Last year, for example, the total amount of carbon emissions saved through the fund's entire investment portfolio came to 53,249 tonnes, according to its sustainability report.

PRAGMATIC SOLUTION

To Bettina Bachmann, Advisory Board Member at EV Private Equity, COP26 will be an ideal platform to bring all actors to one table and to create tangible results. "The opportunity that CO26 also has is to make sure we focus on pragmatic solutions and not just about sustainability but also the cost and the stability of the [energy]system."

Preparatory sessions over the past year, during which the initial COP26 was postponed, have already shown how important it is to have dialogue and having all actors exchanging opinions. "Not many of us have on a daily basis the opportunity to talk to and hear views from the technology angle, from the political side, the regulatory side, or from the grid specialist who has to distribute the electricity," Bachmann told Climate Transformed. "Having all these different angles presented in panel sessions I find that extremely important for creating awareness of different technologies and connecting suppliers to operators."

Supporting new technologies in the energy transition space is also a key component of EVPrivate Equity's investments, which are centred around the themes of electrification, energy efficiency and renewable energy. The fund takes controlling positions in fast-growing and profitable companies in the lower mid-market ranging from \$20-100 million in valuation based in Europe or North America.

"We do see quite a few opportunities in emerging markets but we have decided that, at least for now, this is not our space," Gamman said, explaining that the fund prefers to stay geographically close to its investments. "That's where we feel we can actually do our jobs best."