



Importance of Green Bonds in Financing Energy Efficiency

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Climate Bonds Initiative

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We know the challenge & what to do

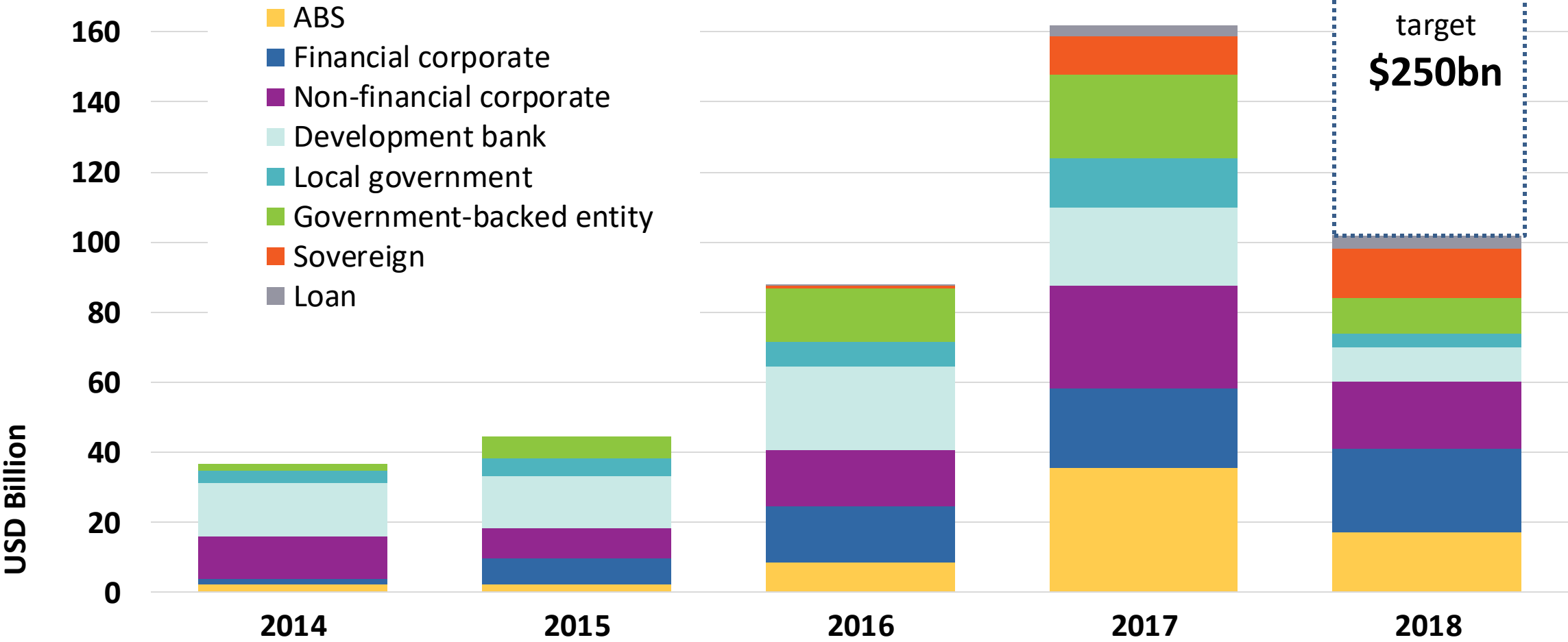


We have the capital and it wants green



- \$60^{tn} at UN Climate Summit
- Insurers x10 climate investments 2020
- G20 and green finance, BRICS Summit
- Central banks: China, England, etc.

Green bonds: a growing market



USD102bn for 2018ytd – as of September 20

It's about mitigation *and* adaptation/resilience



Solar, wind grid
Bioenergy, Geothermal
Hydro, Marine



Low-carbon buildings
Greening industry



Low emission vehicles
Electric Vehicles
Rail, BRTs



Sustainable water mgmt.
Water infrastructure
Storm adaptation



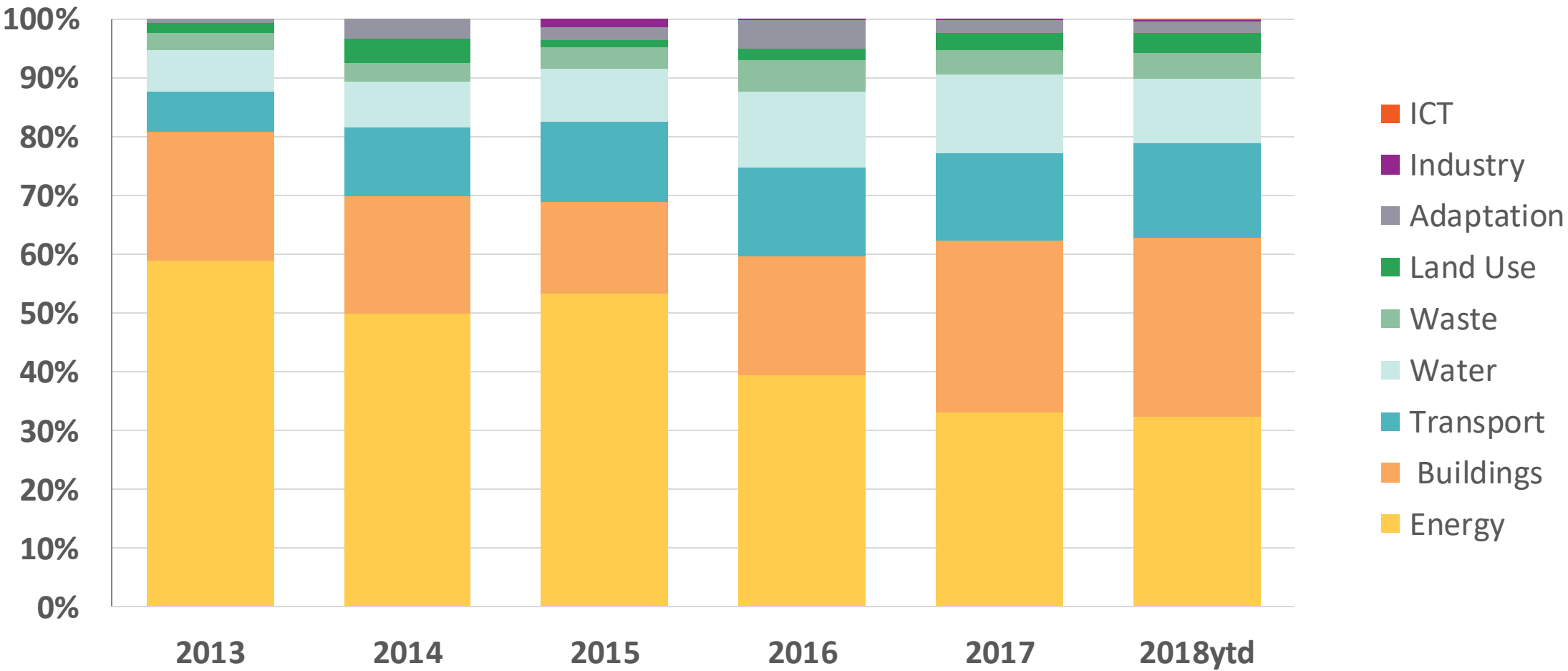
Waste & pollution mgmt.
Methane reduction
Recycling



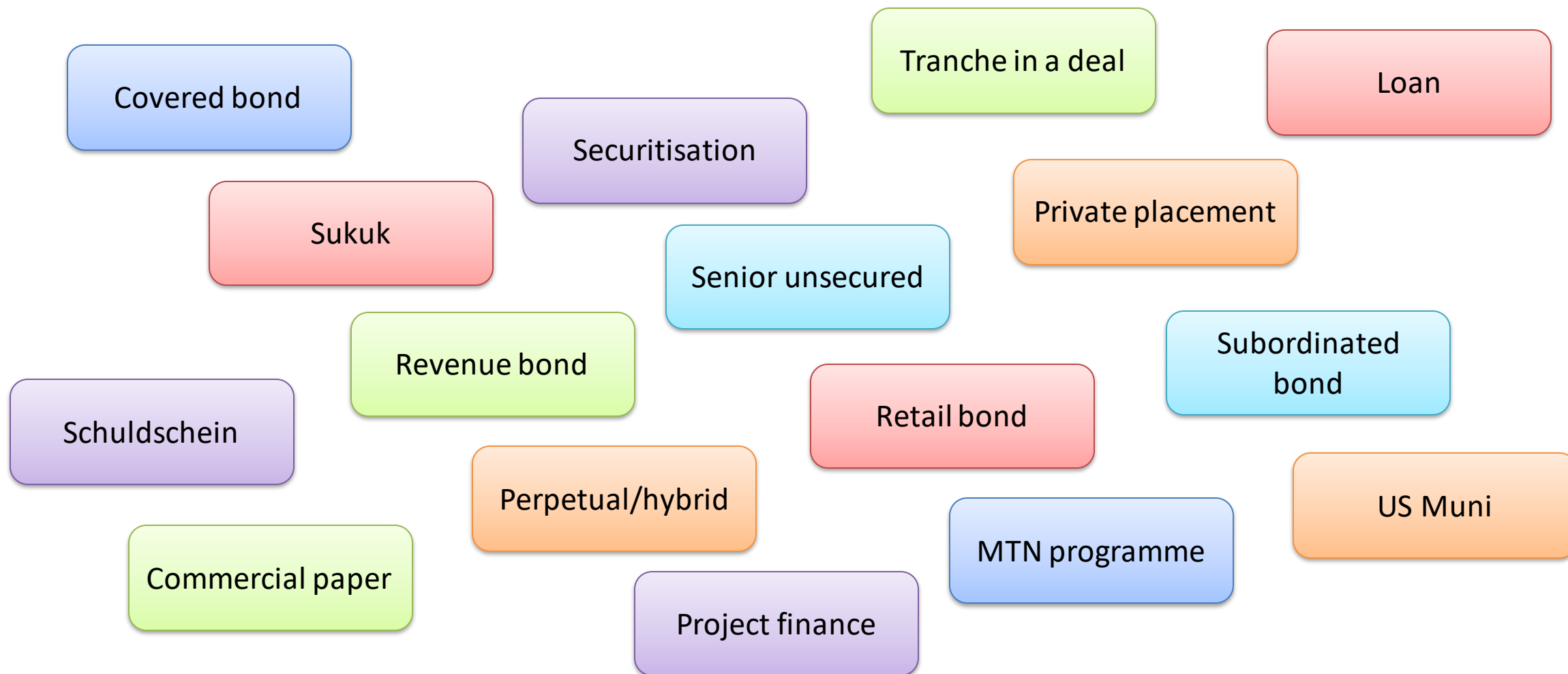
Agriculture
Food supply chain
Forestry, wood, paper

ICT & Broadband

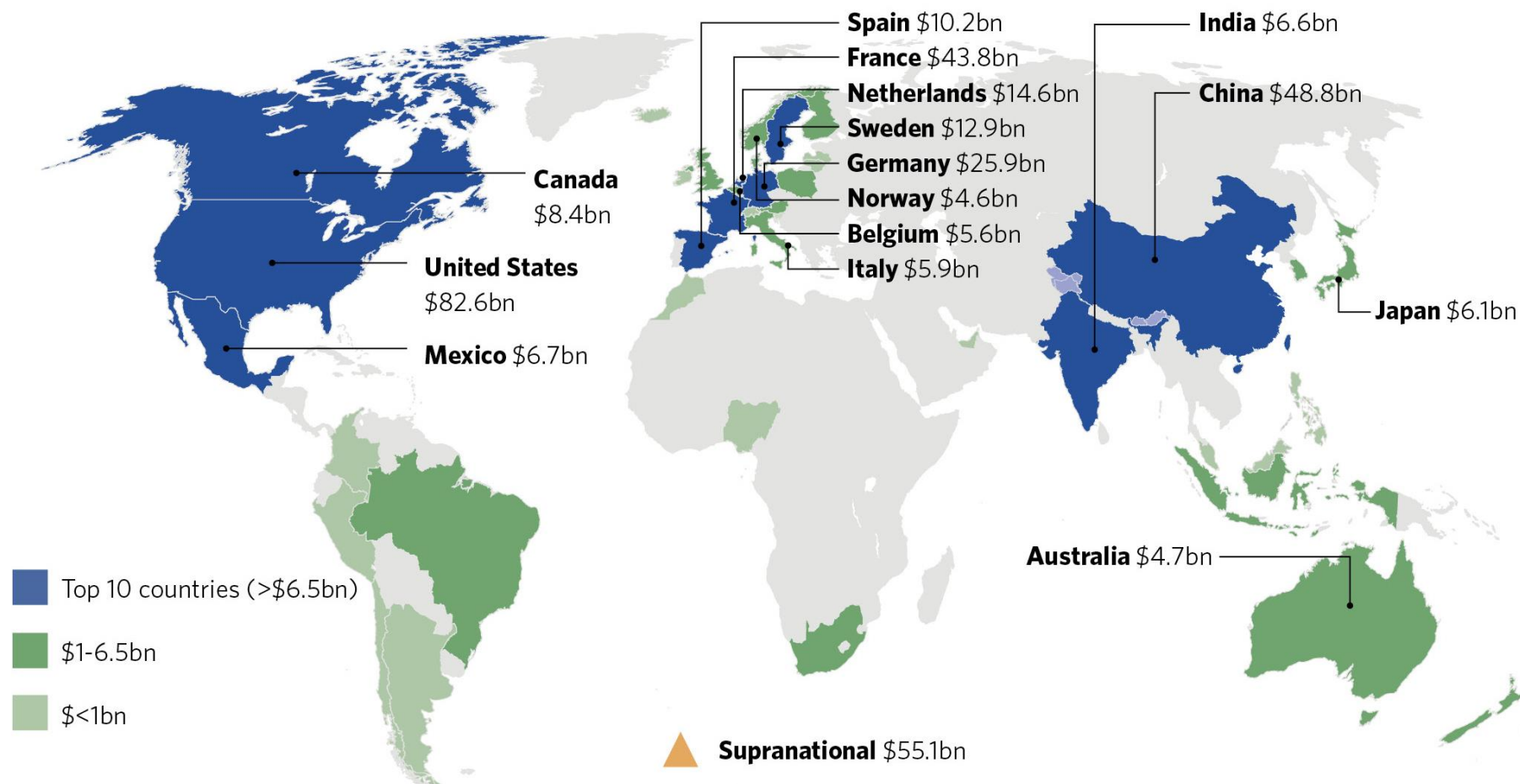
Green bonds: Use of proceeds is diversifying



Use of proceeds bonds work for all debt formats



Green bonds are advancing in emerging markets



Markets thrive on rules

Voluntary rules drive early market growth, with global consistency



Transparency
Reporting protocols
Green definitions
Independent review

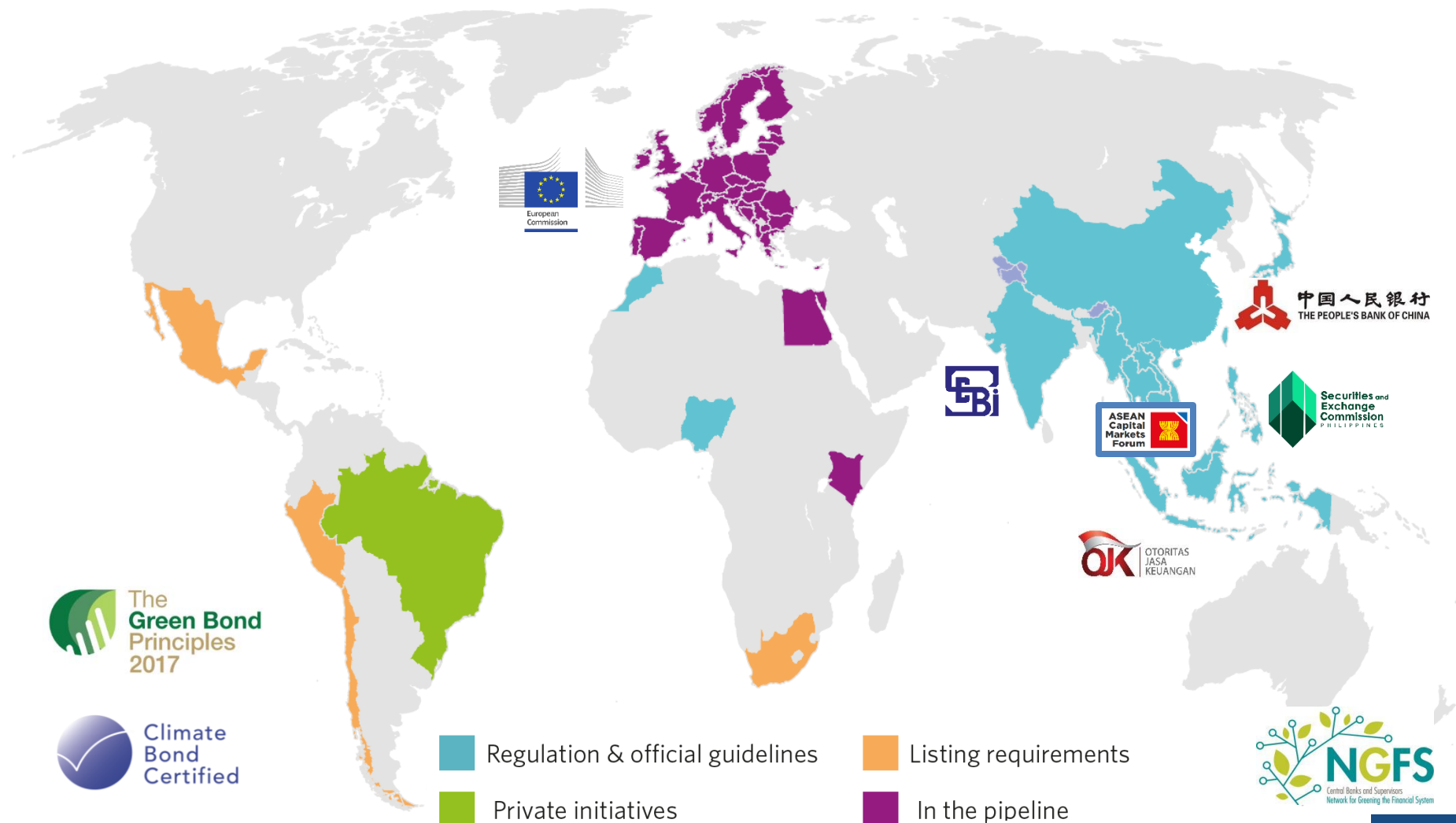
But incentives require regulation

China's regulations & definitions fast tracked a market

Morocco, India, Indonesia, Philippines,
ASEAN









































EU sustainable finance taxonomy & green labels regulation


Existing & Emerging Regulation




Defining Green: the Climate Bonds Taxonomy


- **8 categories** related to climate mitigation
 - Adaptation and resilience are part of each category
 - Energy performance improvement is part of each category
- **CBI green bond database methodology** is based on these 8 categories and adaptation/resilience
- **CBI Climate Bond Certification** is more stringent and is based on sector specific criteria


ENERGY	TRANSPORT	WATER	BUILDINGS	LAND USE & MARINE RESOURCES	INDUSTRY	WASTE	ICT
Solar 	Private transport 	Water monitoring 	Residential 	Agriculture 	Cement production 	Preparation 	Broadband networks
Wind 	Public passenger transport 	Water storage 	Commercial 	Commercial Forestry 	Steel, iron & aluminium production 	Reuse 	Telecommuting software and service
Geothermal 	Freight rail 	Water treatment 	Products & systems for efficiency 	Ecosystem conservation & restoration 	Glass production 	Recycling 	Data hubs
Bioenergy 	Aviation 	Water distribution 	Urban development 	Fisheries & aquaculture 	Chemical production 	Biological treatment 	Power management
Hydropower 	Water-borne 	Flood defence 		Supply chain management 	Fuel production 	Waste to energy 	
Marine Renewables 		Nature-based solutions 				Landfill 	
Transmission & distribution 						Radioactive waste management 	
Storage 							



Climate Bond Certified

Certification Criteria approved 

Criteria under development 

Due to commence 

Financing Green Buildings

BUILDINGS 	Commercial buildings	Including offices, hotels, retail buildings, public buildings, educational buildings, healthcare buildings etc.	●	An emissions footprint in the top 15% of emissions performance in the local market	✓
	Residential buildings	Private dwellings	●	OR A substantial reduction in gCO ₂ /m ² because of upgrade or retrofit	✓
		Multifamily residential buildings	●		✓
	Other building types	Data centres	●	See ICT (pg. 16)	✓
		Stations and related buildings for eligible transport	●	See Transport (pg.7)	✓
		Industrial buildings	●	See Industry (pg.14)	

We need USD1tn a year of green bond issuance by 2020

