

New funding sources

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How much does the Convention cost?

- Secretariat, Convention bodies, Monitoring, Research...
- €20 million/year ? 30 million/year ?

What would we want more money for?

- Providing a more sustainable basis for Convention work
- Advancing current activities
 - Further improving scientific knowledge on air pollution and its effects
 - Understanding air pollution / biodiversity / climate links
 - Improving efficiency of environmental policy
 - Improving dissemination to EECCA countries, via TFICAP ...
 - And so on ...
- Funding pollution controls

New sources of funding

- Green Bonds
 - Climate
 - Nature
 - Pollution
- Climate Bonds
 - Specifically climate actions
- Sustainability Bonds
 - Programmes with significant social objectives

• <https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles-June-2022-060623.pdf>



Green Bond Principles

Voluntary Process Guidelines for Issuing Green Bonds

June 2021
(with June 2022 Appendix 1)



Sustainability Bond Guidelines

June 2021



Green Bonds



Green Bond

[ˈgrēn ˈbænd]

A fixed-income instrument designed to support specific climate-related or environmental projects.

 Investopedia

Variety of names but similar products
France: Green OATS (Obligations Assimilables du Trésor) / Germany: Green Federal Securities / UK: Green Gilts, Green Sovereign Bonds / ...

Avoiding 'greenwashing'

Green expenditures and reporting

In selecting green budget items, the Federal government is guided by established international market standards, such as the United Nations Sustainable Development Goals (UN SDGs) and the Green Bond Principles of the International Capital Market Association (ICMA).

● Council of the EU Press release 24 October 2023 12:20

European Green Bonds: Council adopts new regulation to promote sustainable finance

The Council adopted a regulation creating a European green bond standard. The regulation lays down uniform requirements for issuers of bonds that wish to use the designation 'European green bond' or 'EuGB' for their **environmentally sustainable bonds**.

The Green OATs Evaluation Council defines the specifications and schedule for evaluation reports on the environmental impact of Green Eligible Expenditures financed by France's green sovereign bond. The Council also gives its opinion on the quality of the evaluation reports and the impact and relevance of the findings. All of its work is published on the Agence France Trésor website. The Secretariat of the Green OATs Evaluation Council is provided jointly by the General Commission for Sustainable Development and the Directorate General of the Treasury.

Name	Green expenditure category	Expenditure description	2022 allocation (£ million)			2023 allocation (£ million)		
			2020-21	2021-22	Total	2021-22	2022-23	Total
Expenditures below this line only feature in the 2023 allocation								
Advanced Propulsion Centre	Clean Transportation	Funding for body that provides grants to support the automotive industry in decarbonisation	-	-	-	£75.00	-	£75.00
Air quality transportation projects	Clean Transportation	Consists of Joint Air Quality Unit, Air Quality Worst Cities Fund	-	-	-	£21.56	£21.72	£43.29

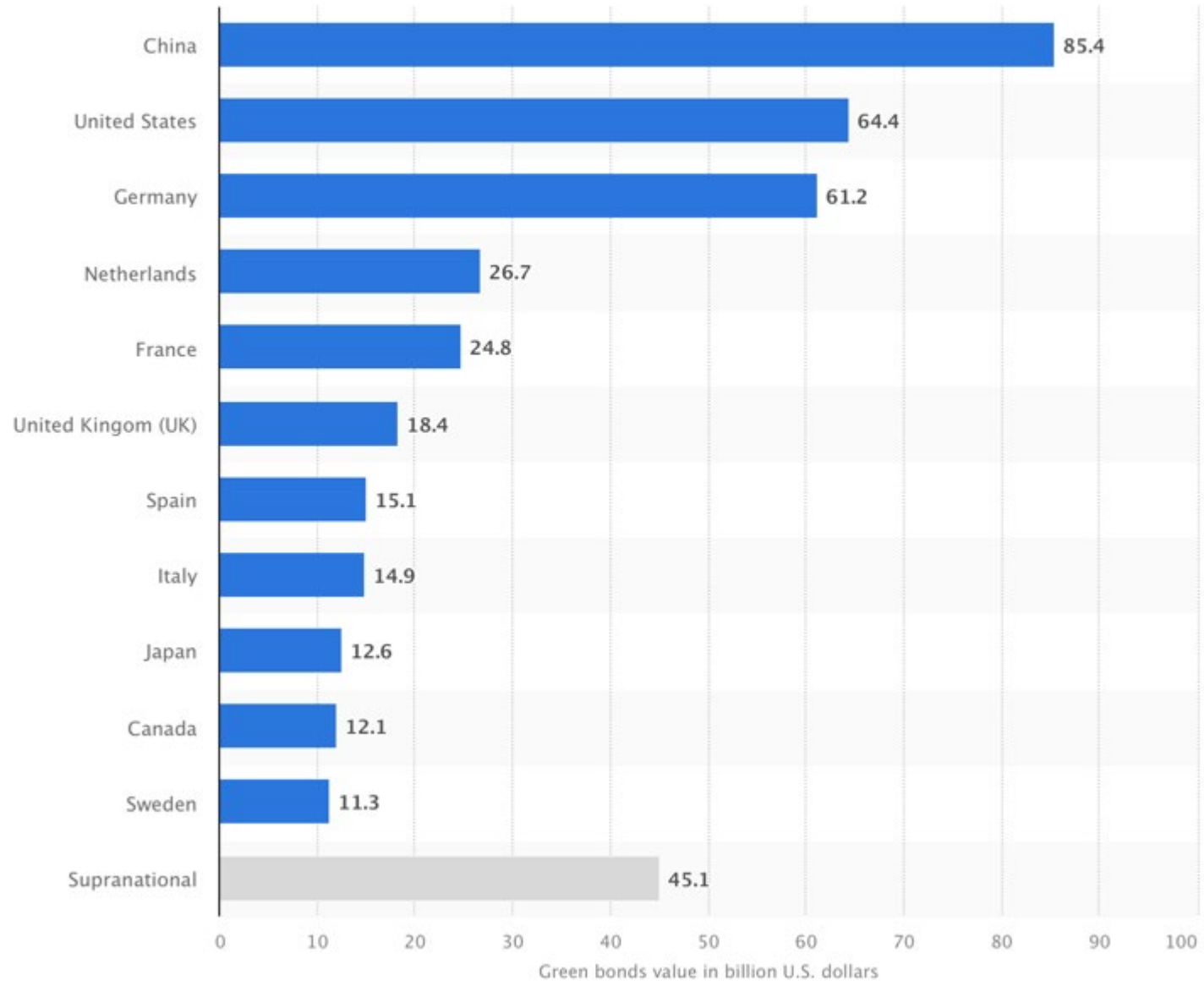
How big are Green Bonds?

Austria, Belarus, Belgium, Canada, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Georgia, Greece, Guernsey, Hungary, Ireland, Italy, Jersey, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkiye, Ukraine, UK, USA.

<https://climatedata.imf.org/datasets/8e2772e0b65f4e33a80183ce9583d062/explore>.

Leading countries in terms of green bonds issued in 2022

(in billion U.S. dollars)

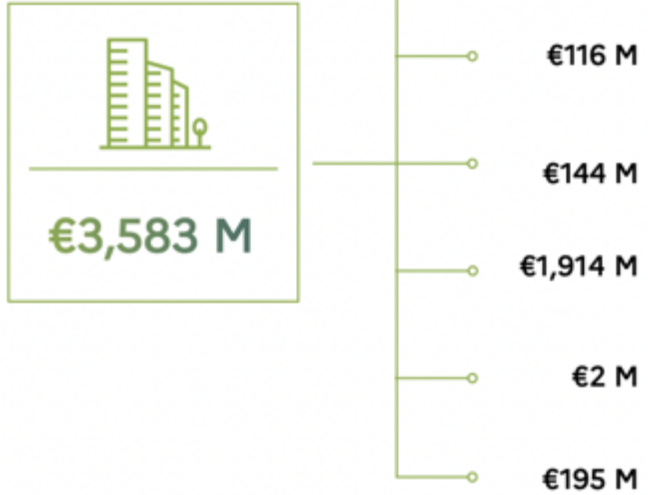


What do they fund?

French example

Council evaluation reports

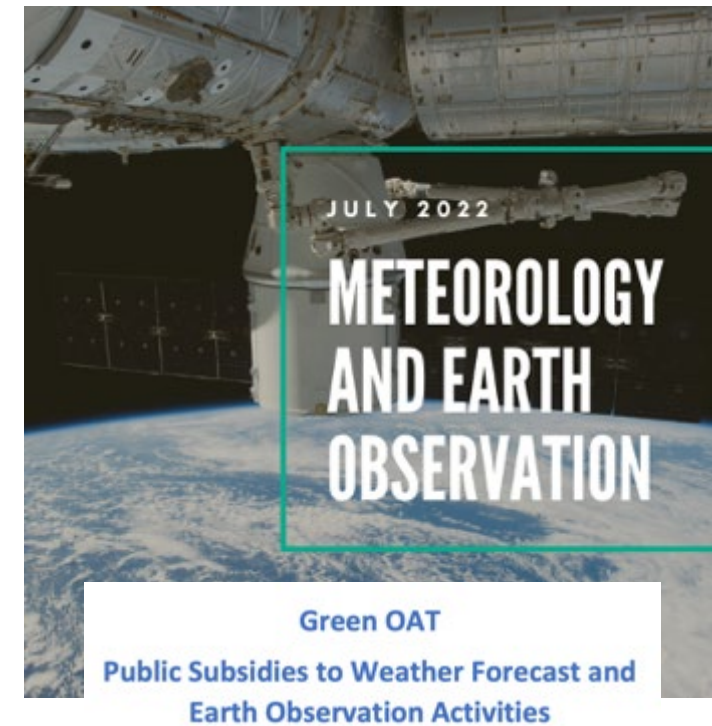




Examples of allocations in France

Science research and monitoring

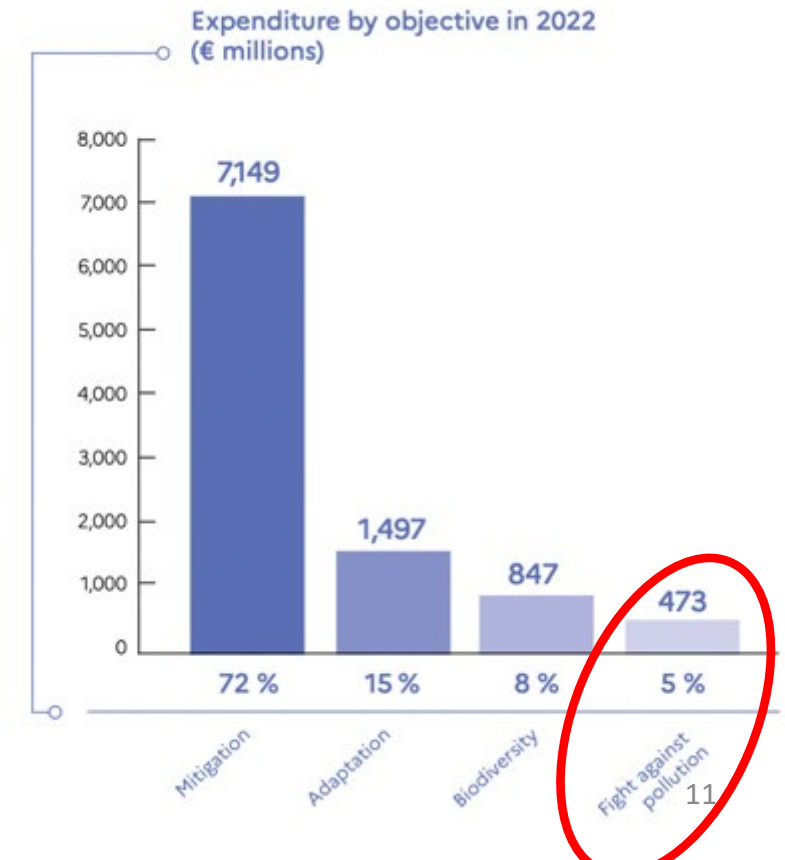
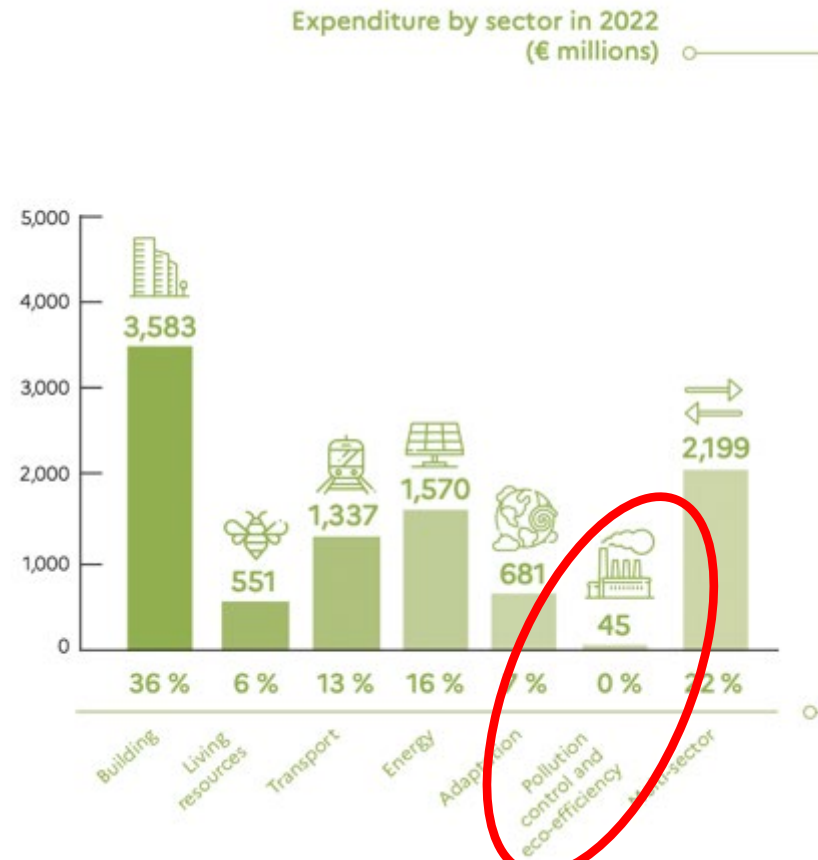
- This report assesses the environmental impact of meteorological and Earth observation activities funded by the Green OAT of France carried out by:
 - Météo-France
 - the European Centre for Medium-Range Weather Forecasts (ECMWF)
 - European Organization for the Exploitation of Meteorological Satellites (EUMETSAT)
 - the European Space Agency (ESA)
 - French national center for space studies (CNES).
- Evaluation was based on the four environmental objectives defined in the Green OAT framework document: climate change mitigation, climate change adaptation, biodiversity protection and pollution reduction.



French Green OAT use



https://www.aft.gouv.fr/files/medias-aft/3_Dette/3.2_OATMLT/3.2.2_OATVerte/OAT_2022_ENG_FINAL_WEB.pdf



UK Green Financing

Allocation and Impact Report

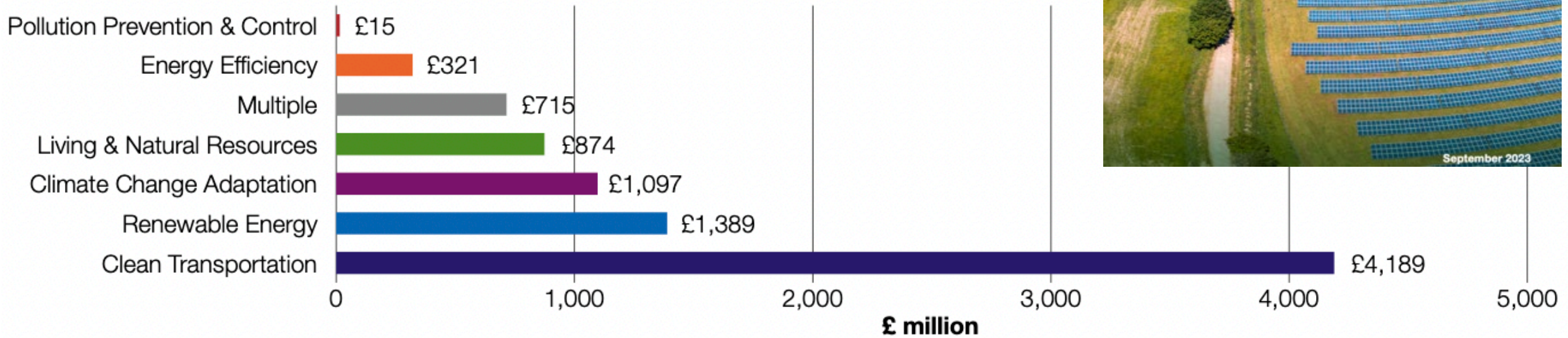
UK Green Financing Allocation and Impact Report	2023 allocation £ million
Cycling and walking fund	£273
Flood and coastal erosion protection	£1,097
Energy efficiency grants for homeowners	£49
Agri-environment schemes	£483
Tree planting and peat restoration	£107
Renewable heat incentive	£1,001
Global Environment Facility	£38
Office for zero emission vehicles	£3
Electrification of S Tyneside rail line	£93

UK Green Bond use

<https://www.dmo.gov.uk/media/egjbgaoop/pr280923.pdf>



Chart 2: 2023 Allocation amount split by category



Why should Green Bonds fund Convention activities?

- The Convention has been successful, but...
- ...air pollution remains a **significant threat to health and ecology**
- We have modelling capability to understand how **air, climate and biodiversity** interact
- Our models enable assessment of **cost-effective solutions** across air, climate and biodiversity
- More funding of the science would **increase effectiveness** of money spent to reduce pollution

Funding abatement measures



Accessing Green Bonds in 5 steps

1. Find out how Green Bonds operate nationally, who to talk to
 2. Consider how core activities could be presented to attract funding (international vs national)
 3. Make a compelling case for funding the science
 4. Make a compelling case for funding action
 5. Share experiences, success and failure
- Recognise possibility of snowball effect – once one country seen to use bonds to fund Convention work others may follow

A last word: how does CCAC raise finance?

HOW TO CONTRIBUTE

The Coalition is a wise investment for a government's climate finance portfolio. We are the only global organisation focused on reducing short-lived climate pollutants – actions which deliver results for developing countries and are imperative to meet the Paris Agreement targets. In 2021, 18 developing country Ministers called for investment in the Trust Fund to support action.

Phase 1 (2012-2021) - US\$96 million raised

- Norway US\$21,853,509
- Canada US\$20,442,219
- United States US\$ 18,244,574
- Japan US\$ 11,167,001
- Sweden US\$ 6,843,478
- Switzerland US\$ 6,173,078
- European Commission US\$ 3,526,049
- Denmark US\$ 1,817,223
- Monaco US\$ 1,130,708
- Germany US\$ 1,164,343
- Netherlands US\$ 870,285
- Italy US\$ 642,850
- Finland US\$ 624,273
- France US\$ 669,297
- Belgium (Walloon Region) US\$ 582,365
- Australia US\$ 148,134
- Luxembourg US\$ 84,830
- Poland US\$ 10,000



DONORS

Donor	2022	2023	2024	2025	Total
Global Methane Hub	3,590,000	4,488,793	1,697,000	-	9,775,793
Switzerland	2,200,000	2,200,000	2,200,000	2,200,000	8,800,000
Canada	7,867,168	-	-	-	7,867,168
United States	2,934,000	3,299,999	-	-	6,233,999
European Commission	-	-	2,698,737	-	2,698,737