

Climate finance: Reconciling investor interest with UNFCCC stalemate

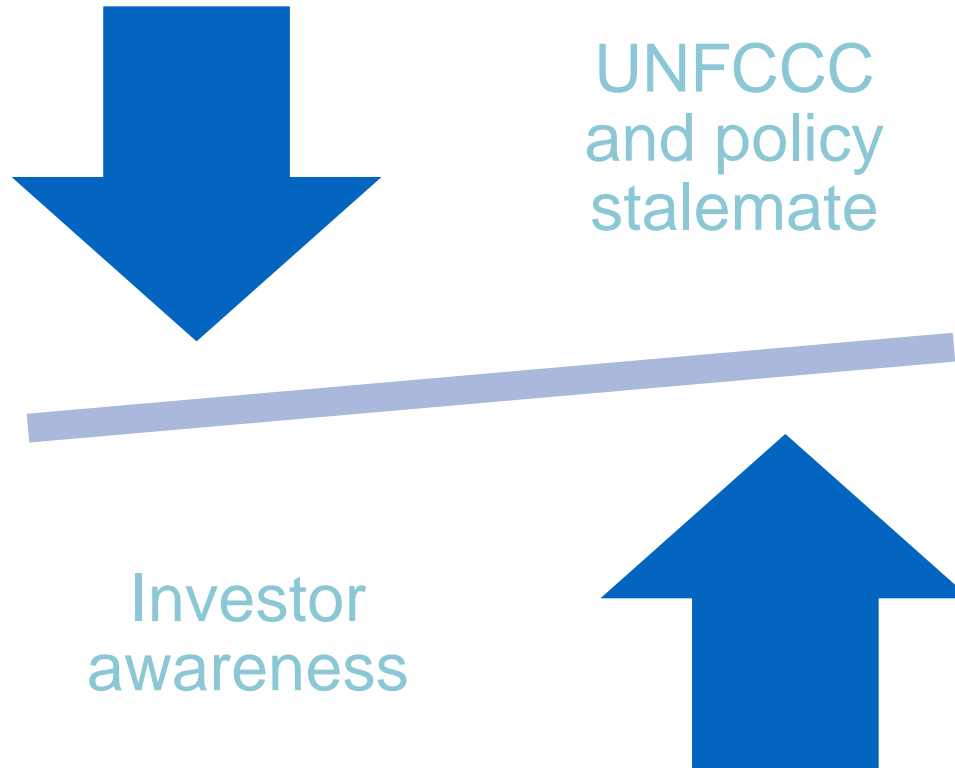
Christa Clapp
CICERO

Global Climate Policy Conference
7-8 May 2014

Outline

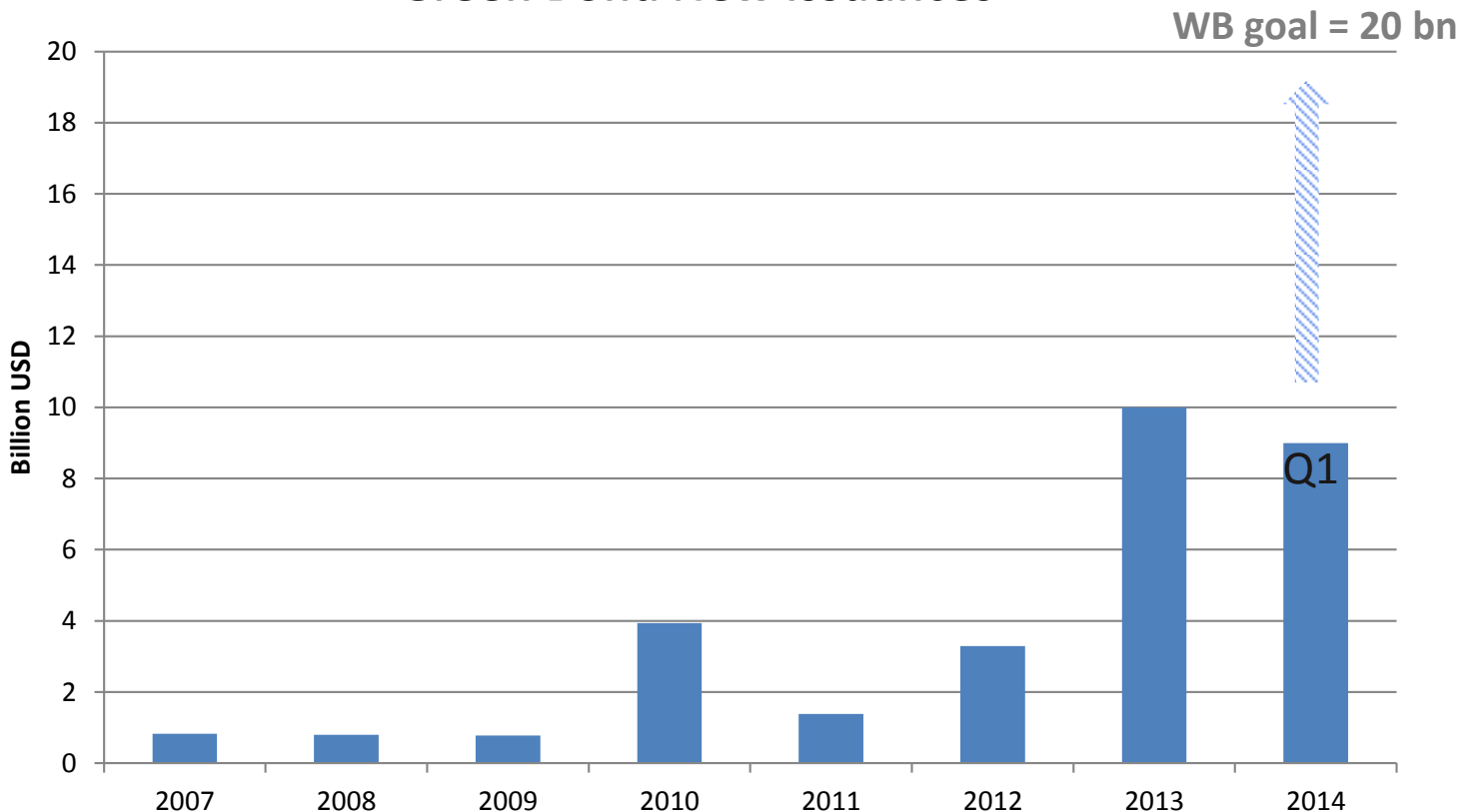
- Counter influences
- Growing investor interest
 - Green bonds
 - Renewable energy in China
 - Divestment campaigns
- Incorporating uncertainty in financial decisions
- Looking forward

Counter-influences

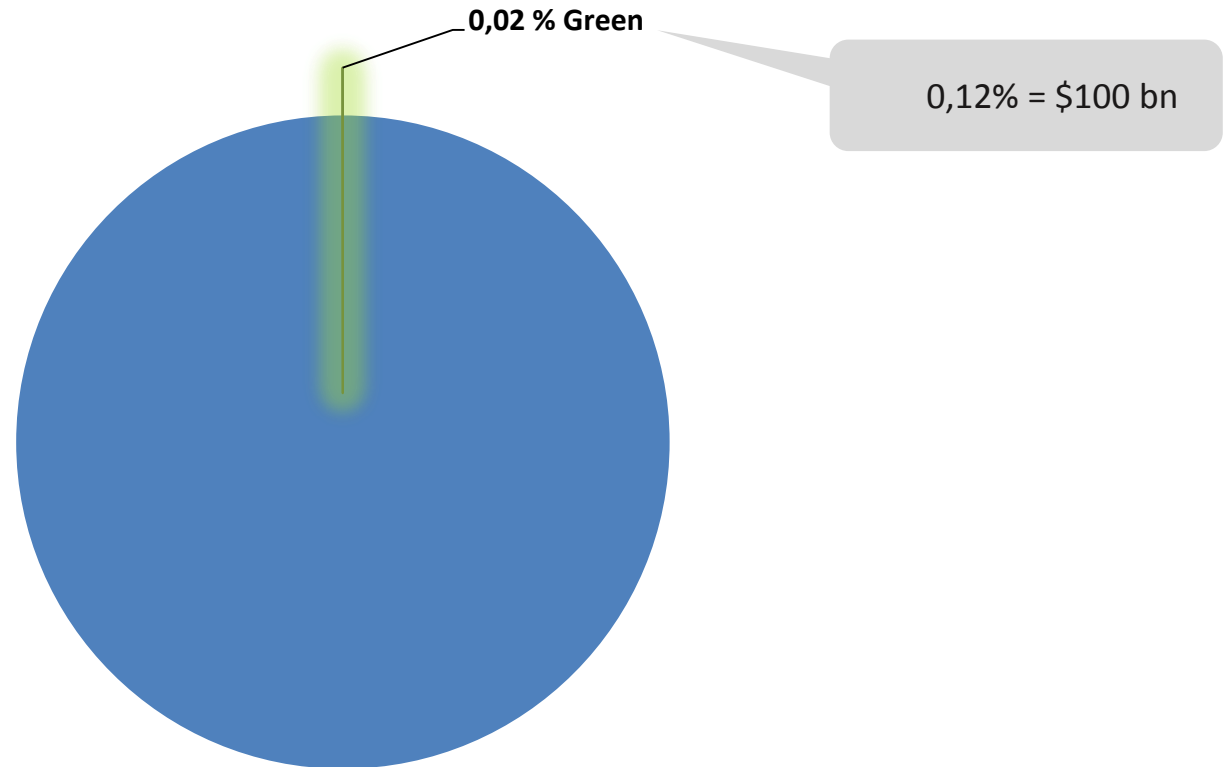


Green bonds on target to double in 2014

Green Bond New Issuances

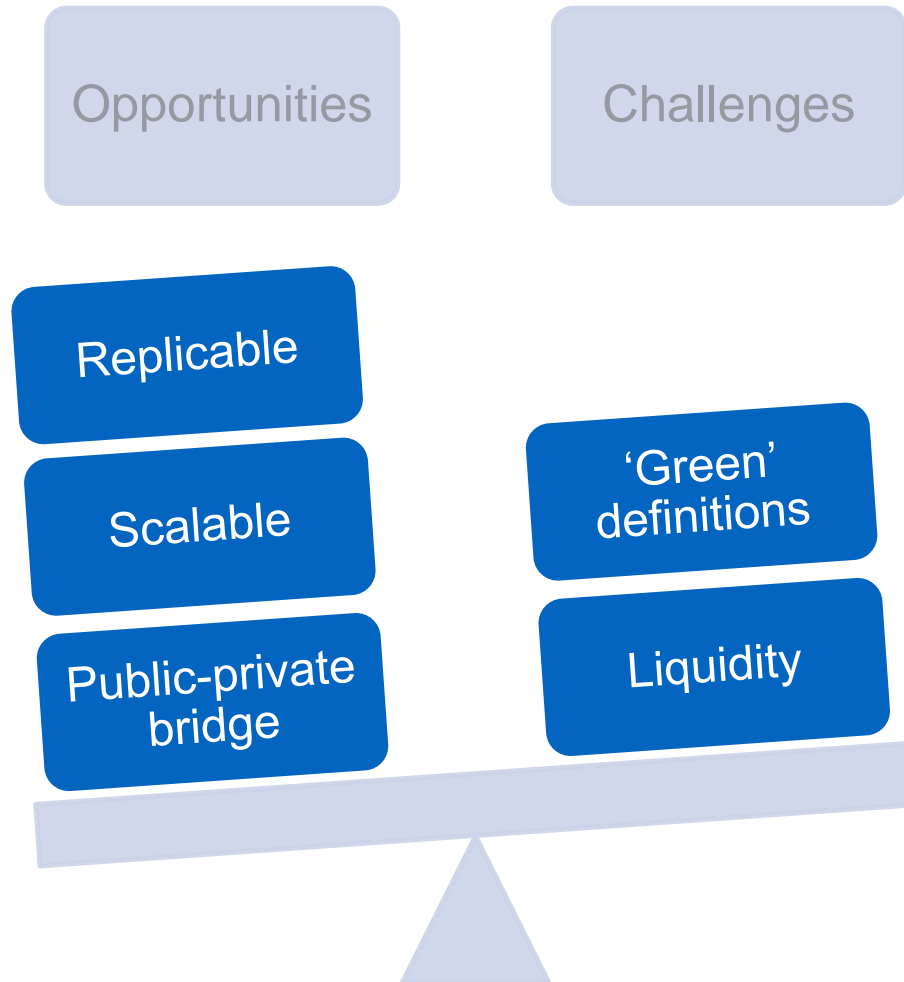


Big green potential



Total bond market = \$83 trillion

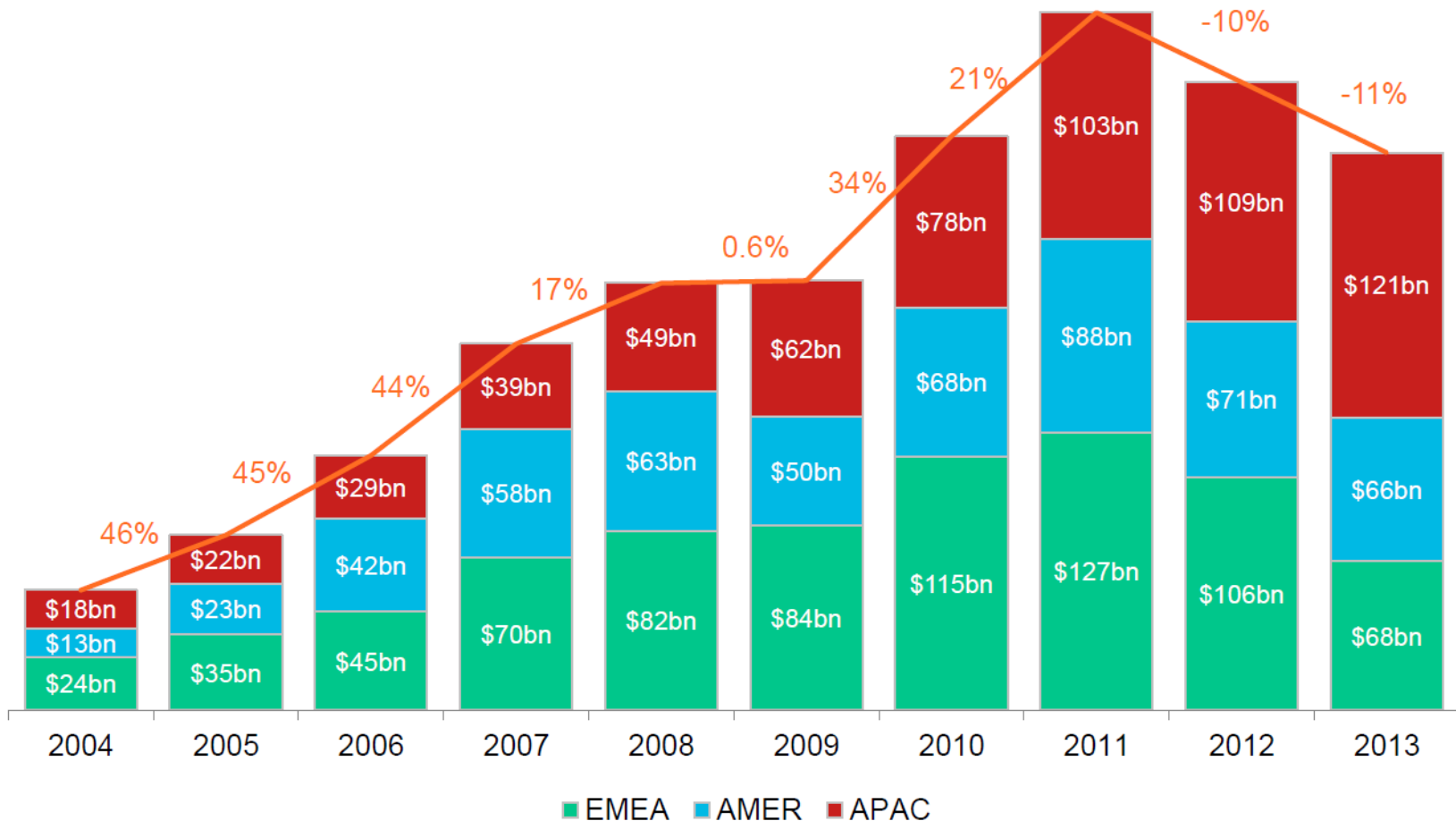
Green bonds can be part of the solution



CICERO second opinions

- Leading provider of second opinions to green bond market since 2007
- Independent environmental quality reviews of green bond frameworks for project selection
- Shifting investment frameworks towards green
- Building investor confidence in green bonds

Global private investment in renewable energy slows... ...but grows in China

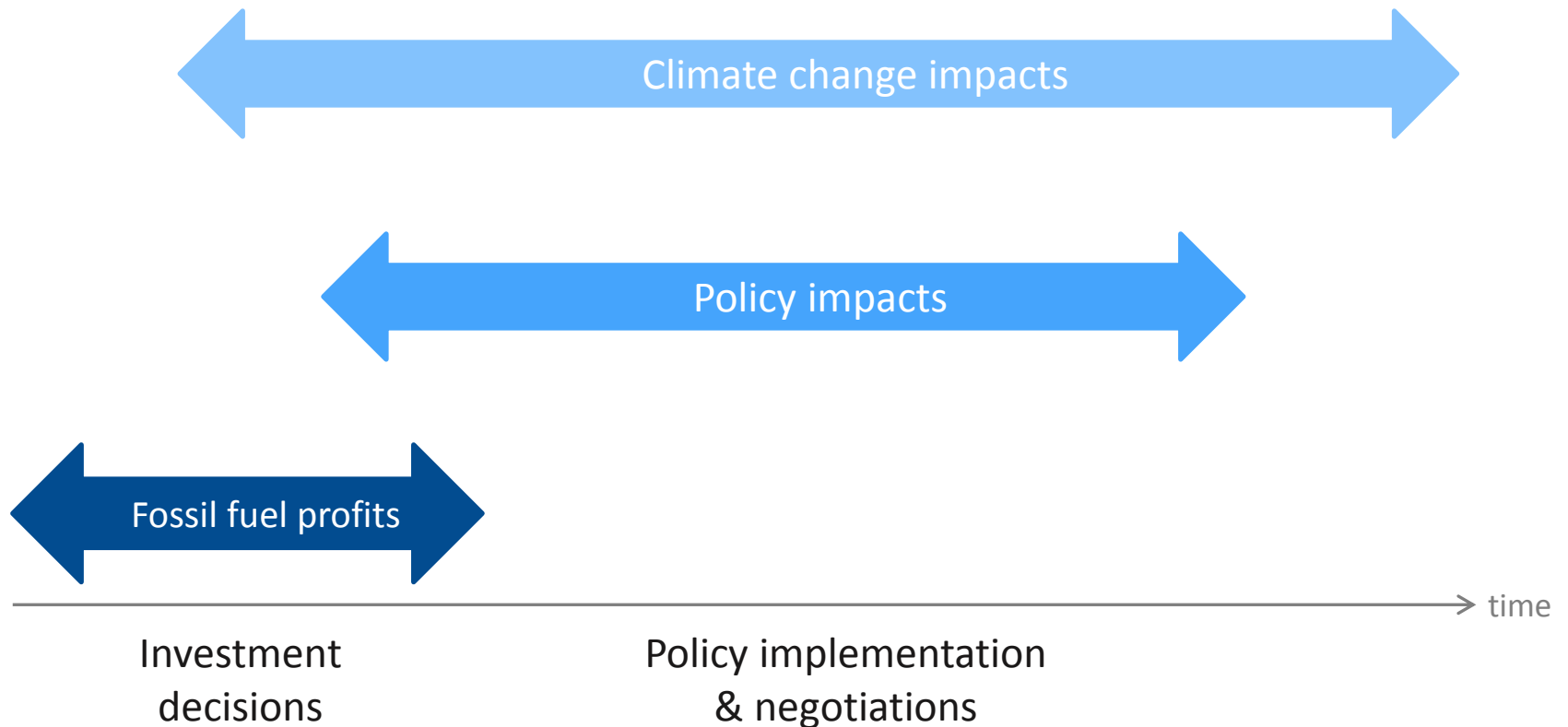


Divestment campaigns and alternative investments

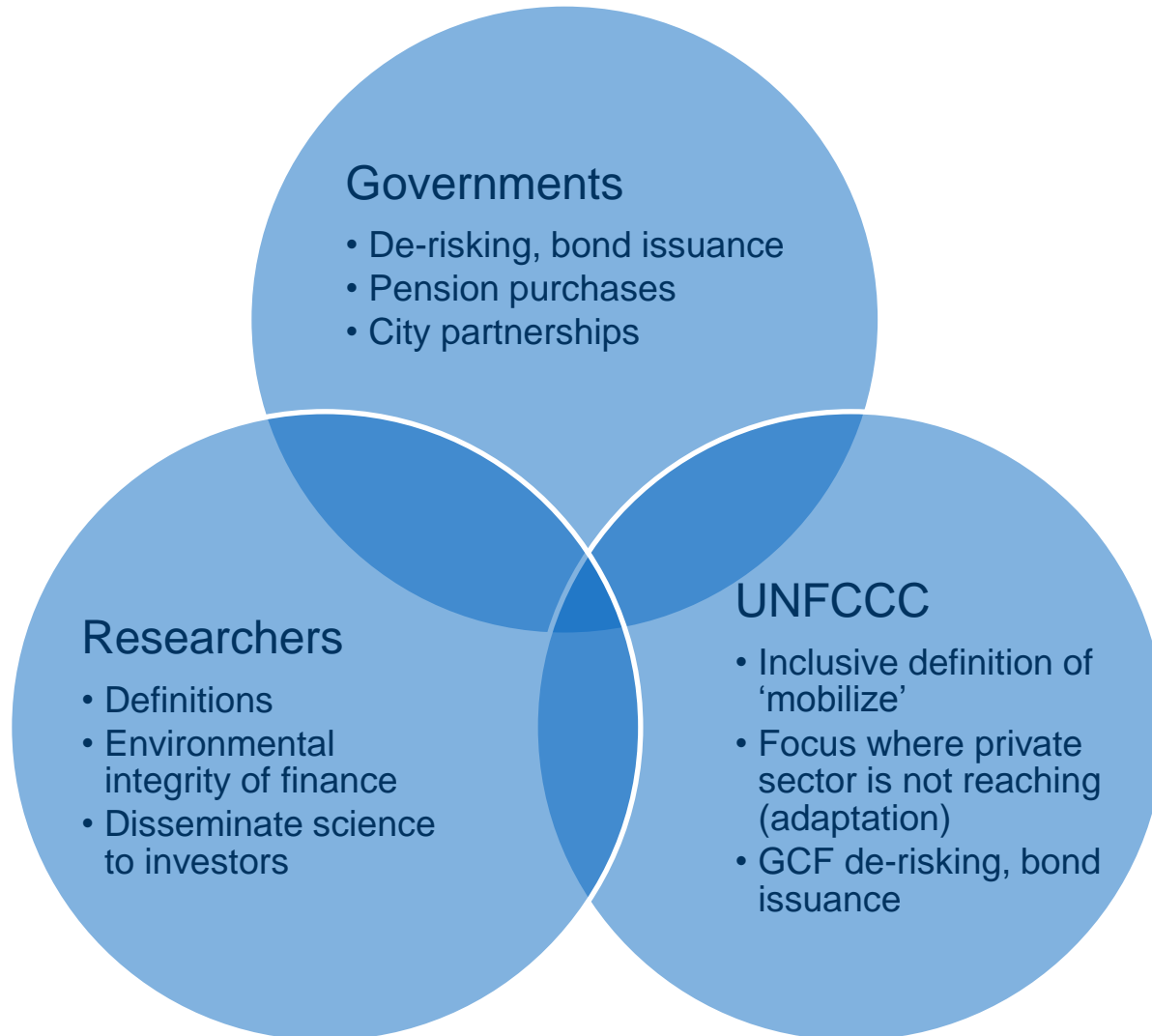
- Risks can have economic impacts on investment portfolios:
 - Climate change impacts
 - Climate policy and regulations
 - Changing behaviors and norms
- Investors and stakeholders raising awareness:
 - Philanthropy initiative – 17 signatories
 - Denmark's pension fund pulled out of fossil
 - Australia's university pension fund UniSuper
 - NY-based TIAA-Cref investing in green bonds



Considering uncertainty & risk over time



Looking forward



Contact information

Christa Clapp
CICERO
Oslo, Norway

Christa.clapp@cicero.oslo.no

+47 913 99 585

CICERO's green bond second opinion website:
<http://www.cicero.uio.no/webnews/index.aspx?id=11984>