



Climate finance: leveraging additional finance for mitigation

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Private capital is ready: BofA has made a USD 50 billion commitment

- A new ten year company-wide environmental business goal to address climate change, reduce demands on natural resources, and advance lower-carbon economic solutions
 - New goal takes effect 1 January 2013
 - Current ten year, USD 20 billion initiative will be exceeded more than 4 years ahead of schedule
- Goal encompasses lending, equipment finance, capital markets and advisory activity, carbon finance, and advice and investment solutions for clients
- Builds on legacy of environmental leadership in the financial sector
 - First financial institution to publicly commit to GHG emission reduction targets (2004)
 - One of the first financial institutions to launch a substantial, formal business initiative (2007)
 - Partnered to build the Bank of America Tower in NYC, the world's first Platinum-certified high-rise office building under LEED core rating system (2009)
- New internal environmental goals for 2015, using 2004 baseline:
 - 20% reduction in water consumption
 - 25% reduction in energy consumption
 - 30% reduction in GHG emissions
 - 70% diversion of global waste from landfills

Potential financial mechanisms for UN Green Climate Fund PSF

Category of Instrument Funding Window	Increasing Returns	Reducing Risks	Transformational
<i>Large-scale clean energy</i>	1. Bankable Power Purchase-Like Agreement for Energy Efficiency 2. Subsidised Renewable Feed-in Tariff	3. Mezzanine Debt Enhancement 4. Clean Energy Loan Guarantee 5. Mono-Line Insurance Mechanism for First Loss	
<i>Bio-carbon</i>	6. Advanced Market Commitment for REDD+	7. Political risk insurance mechanism for climate-related investments	
<i>Energy access</i>	8. Emission Reducing Under-writing Mechanism to Purchase for CERs from LDCs	9. Public-private fund to absorb potential first loss from high-risk investments in LDCs	10. Revolving fund for low-carbon social enterprise focusing on energy access 11. Pooled fund for small-scale venture capitalists to promote low-carbon social enterprises in least-developed countries (LDCs)
<i>Adaptation</i>	12. Vulnerability Credit Mechanism		