

1. Allocation of proceeds to a dedicated Treasury portfolio

2. Transparent reduction of the dedicated Treasury portfolio by amounts matching eligible disbursements following issue date  
(Treasury portfolio = performance indicator)

3. Issuer's accountability vs. external stakeholders on eligible disbursement flows (quantitative accountability) and expected impacts of eligible projects (qualitative accountability) via systematic reporting in financial-, sustainability- and ad hoc reports

- This approach can be applied to any area of Climate Action
- Where the “line is drawn” depends on the issuer
- EIB Climate Awareness Bonds currently focus on **RE** and **EE**, in line with art. 194 c) of the Lisbon Treaty and the Energy Action Plan adopted by the European Council in 2007

# Green Bonds as process

## Transparency/accountability of environmental finance

EIB EUR Green Bond issuance

### DRIVER: ISSUERS

### DRIVER: INTERMEDIARIES/INVESTORS

### DRIVER: POLICY

UNFCCC COP 21 in Paris

Pillar: „Transparency, accountability, compliance“

EUR inaugural CAB – first ever Green Bond

First European Public Offering of Securities in all EU-Countries

6bn EUR CABs issued in “ECoop-minibenchmark” format

First CAB benchmark due 11/2019

First EIB-issue via LuxCSD and dematerialised, first capital settlement in CB-money

Second CAB benchmark due 11/2026

CAB Issuance becomes autonomous strategic goal on EIB's issuance side

**GBP-OBS.**

- Policy makers/regulators
- Assurers (consultants ex-ante verifiers, auditors, ex-post verifiers)
- Stock exchanges
- NGOs

**GBP-MEM:**

- Investors
- Banks
- Issuers

Shared taxonomies/multiple assesment standards

Due diligence on CAB-eligibility criteria/administration and Implementation of new first-class CAB-administration

RE lending target 2007: EUR 800m

RE lending in 2013: EUR 6.5bn

- 2015/16**
- 27/03/2015:**
  - 2015 edition of Green Bond Principles (**minimum requirements**)
  - Harmonised framework proposal for Green Bond impact Reporting** by AfDB, EIB, IBRD and IFC, then circulated to the GBP-members and observers by ICMA on 18/5/2015
  - 2014 CAB Newsletter:** Full disclosure of EIB's practice Impact Reporting – first use of MDBs' proposed impact reporting template
- 2/10/2015:**
  - First semiannual CAB Newsletter:** First report on individual CAB allocations to individual CAB-projects

**2/12/2015:** Revised Proposal for GB impact reporting-harm. (11 IFIs)

Market and policy framework

2007

Financial Services Action Plan 2005-2010

Prospectus Directive – EU passporting mechanism

2013

Market push towards benchmarking

Law on Dematerialised Securities in Luxembourg

- 2014**
- 9/09/2014:** Joint MDB Statement on climate finance, including commitment “to foster the sustainable development of the green bond market”
- 20/9/15:** UN SG Climate Summit in NY, explicit mention of “climate bonds”

EU Energy Action Plan

**24/10/15:** EU 2030 Climate and Energy Package

**13/01/14:** First edition of Green Bond Principles (GBP)