Using Green Investment Banks to Finance Low-Carbon Pathways

By: Robert Stewart

Green Investment Banks (GIBs) are institutions that finance low-carbon economic development by mobilizing private financial capital for low-carbon investments. This paper reviews how GIBs work internationally and recommends that The Atmospheric Fund and other members of the Low-Carbon Cities Canada (LC3) Network work to expand the GIB model across Canadian cities.

Recommendations to extend the GIB model across Canadian cities:

- The Low-Carbon Cities Canada (LC3) Network should expand the GIB model across municipalities, catalyzing low-carbon investments and building institutional capacity for low-carbon economic development.
- The LC3 Network should coordinate a Canadian GIB consortium which would support knowledge transfer between GIBs, identify best practices, and find opportunities for innovation and improvement.
- The GIB consortium should build strong relationships with policy makers to attract political and social support for low-carbon policies and targets.
- GIBs should engage financial institutions in their work to identify barriers to low-carbon financing and design financing arrangements to reduce them.
- A new energy-efficiency retrofit fund or aggregator could group smaller municipal projects into larger assets to attract institutional investors.

Read the full paper: https://uoft.me/IMFG-GIBs