

SURGE IN GREEN BOND ACTIVITY WITH NEW PROGRAMS AND RECENT ISSUANCES

Major development banks launch green bond programs while a UK solar farm issues first certified climate bonds

French development bank, Agence Française de Développement issued a €1 billion, 10-year bond verified by ESG ratings provider, Vigeo. Underwriters include Bank of America Merrill Lynch and Credit Agricole CIB. Furthermore, World Bank's [International Finance Corporation](#) (IFC) has launched a new program that allows individual investors to buy triple-A rated IFC "green" bonds. These bonds—called IFC Impact Notes—will finance renewable energy and energy efficiency investments in developing countries.

Meanwhile, a [UK solar farm](#) issued Europe's first certified climate bonds this week. The "Big60Million" Solar Bonds were developed to finance Willersey Solar Farm in the Cotswolds. The bonds allow UK residents to invest in the solar farm and receive fixed 7 percent annual returns for five years. The bonds are certified under the Climate Bond Standards and Certification Scheme. The bonds proved popular. "Over £3.4m of the £60 bonds have been purchased and reserved since they went on sale at the end of July with an average of £9,000 per investor."

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OCEANS MAKE HEADLINES AGAIN

The link between oceans and climate change is getting more and more coverage. A [recent study](#) found that ocean life may be more resilient to climate change than previously thought. One type of microscopic algae can still thrive in warmer ocean temperatures and higher acid levels.

Meanwhile, the Sustainable Seafood Coalition has published two new codes of conduct outlining their policies guiding environmental labeling and sourcing this week.

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COMPANIES INCORPORATING CARBON PRICING INTO BUSINESS STRATEGIES

Firms anticipating a global carbon price

The [CDP](#) reported this week that approximately 150 large listed companies are incorporating an internal carbon price ranging from USD 6 - USD 80 per tonne of CO₂. Companies may be following the lead of governments and policy-makers. Close to 40 nations have already

established or plan to establish carbon pricing via taxes on emissions or through emissions trading schemes.

The CDP report found that over 630 companies report that regulations related to carbon pricing (cap and trade as well as carbon taxes) present an opportunity for their businesses.

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DESPITE SOME RESISTENCE, CHINA SETS ROBUST ENVIRONMENT STANDARDS

The government bans dirty coal; Green building standards set for new housing developments

This week, the Chinese government announced plans to ban the use of the [dirtiest coal](#) in order to help combat the smog and pollution problem. According to the National Development and Reform Commission, “the government no longer will allow sales or import of coal with 40% or more of ash content and 3% or more of sulfur content.” The new regulations will become effective starting January 1, 2015.

In 2013, China’s state council made a commitment that by 2020 fifty percent of new buildings should meet [high standards of green](#)

[housing](#). Recently, China’s ministry of Housing and Urban-Rural Development (MOHURD), Chen Rong, said the country will launch its new standards for green building in 2015. “The Chinese government is promoting using environmental and energy-efficient construction material and technology, including wood,” said Chen.

However, residents in Guangdong Province took to the streets last week to protest a proposed waste-to-energy plant. [The residents are skeptical](#) of the government’s ability to manage the project and keep them safe. The proposed incinerator would be able to burn 700 metric tons of waste a day.

STAT OF THE WEEK

12,000 farming households across 27 villages north of Delhi, India are working with scientists from the Consultative Group on International Agricultural Research (CGIAR) to pilot climate smart techniques aimed at sustaining one of the country’s most fertile belts.

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G8 LAUNCHES NEW REPORT WITH RECOMMENDATIONS ON IMPACT INVESTMENTS

UK study calls for USD 1 trillion for social investments

The G8 Social Impact Investment Task Force released its first report this week, asking [governments to support the market](#) for investments that generate social and environmental benefits along with financial

returns. The report calls for governments to make tax and regulatory changes that will catalyze the opportunity for “impact investing”. The report argues that there should be more “payment-for-outcomes” programs like social impact bonds.

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BELIEVE IT OR NOT

This week 40 million viewers watched the very first all-electric Grand Prix in Beijing.

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