



Accelerating local government climate action through green loans and green bonds

Björn Bergstrand, Head of Sustainability, Kommuninvest
Fores Green Bond Seminar, Stockholm, 28 March 2017



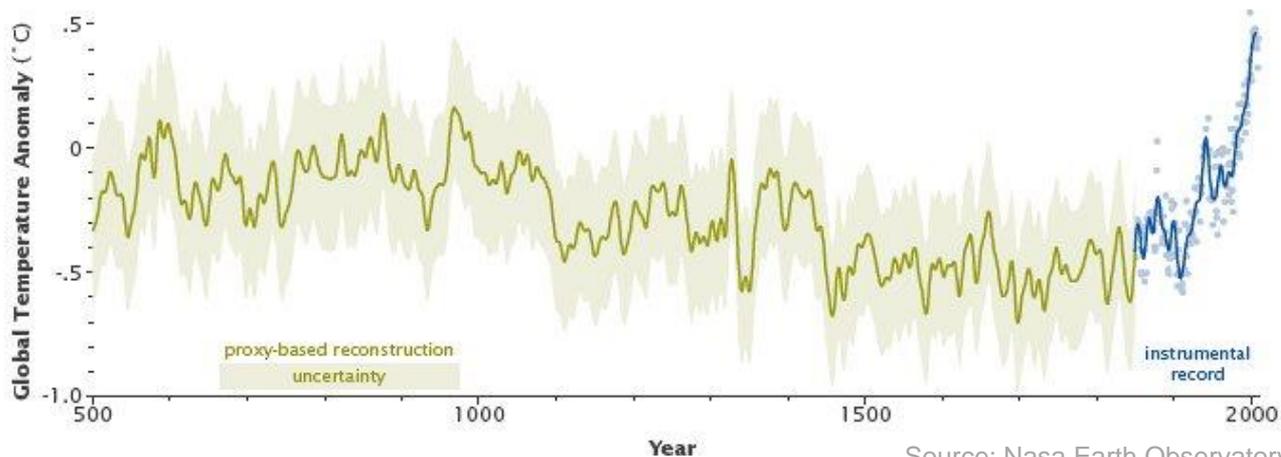
The promise (Article 2)



- 1) Global average temperatures at well below 2 °C above pre-industrial levels, striving for 1.5 °C
- 2) Increase ability to adapt to the adverse impacts of climate change, foster climate resilience and low greenhouse gas emissions development, in manner that does not threaten food production
- 3) Make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development**



The challenge



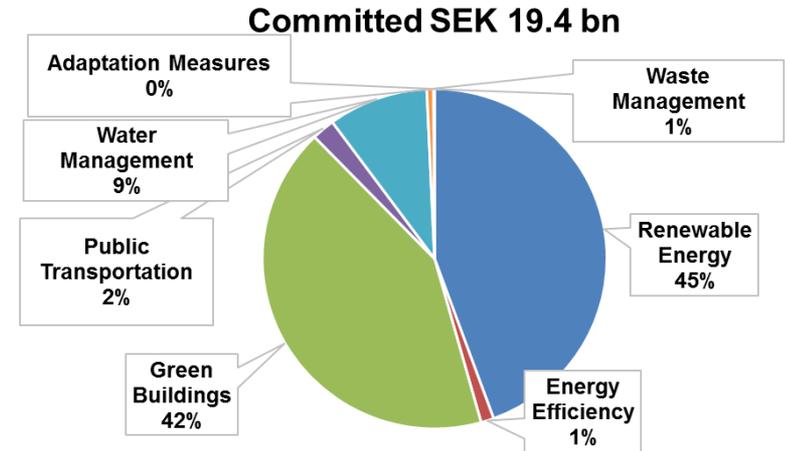
Massive transformations required

- Consumer behaviour
- Lifestyle preferences
- Sustainable business practices
- Transport and logistics solutions
- Sustainable cities
- Sustainable agriculture
- Energy infrastructure
- Housing and real estate
- Environmental management
- Adaptation measures
- Public transport



Our green story so far (March 2017)

- SEK ~20 billion in Green Loan commitments
- ~95 projects in seven different project categories
- >50 municipalities across Sweden
- Pricing incentive for maturities >3 yrs
- Inaugural \$600m Green Bond issued in March 2016, largest Green Bond to date from Nordic issuer.
- SEK 5 bn Green Bond issued in October 2016, largest Green Bond to date denominated in Swedish krona.
- First impact report to be published end-March 2017.



GlobalCapital

Sustainable & Responsible Capital Markets awards 2016, nominations for:

- **Most impressive Government Bond Agency Green/SRI issuer**
- **Public sector Green/SRI Bond Deal of the Year**



Environmental Committee reviews projects



AREAS OF EXPERTISE

- Energy and climate strategy
- Urban development and planning
- Waste management and circular economy, ecological economics
- Environmental management
- Environmental engineering
- Sustainability reporting

TASKS

- Audit and final approval of Green Loan applications
- Advisory board
- Review and decide on Green Loan reporting
- Review and approve Impact Reporting
- Participate in development of Green Bonds framework



Impact Report, December 2016

Renewable energy | SEK 8.6 bn, 27 projects

→ 1.7 TWh of annual renewable energy generation through financing new and existing renewable energy infrastructure | ~ 400,000 tonnes in CO₂ emissions avoided annually.

Green buildings | SEK 6.6 bn, 41 projects

→ 14.8 GWh of energy savings through construction of low-energy residential and commercial property | ~ 2,000 tonnes in CO₂ emissions saved annually.

Energy efficiency in energy systems | SEK 0.2 bn, 3 projects

→ ~ 21,000 tonnes in annual CO₂ emissions savings through energy efficiency measures in local energy systems.

Water/wastewater, public transport, waste | SEK 2.4 bn, 10 projects | broadbased impact, including:

→ reduction in harmful substances from wastewater treatment + expansion of access to municipal wastewater for additional 23,000 people (PEs)

→ increased capacity of local public transport networks, 6 million car kilometres avoided

→ improved waste mgmt & energy extraction by optical sorting.



Our Green Bonds Impact Report, including a description of the methodology for calculating climate impact, is available for download at:

kommuninvest.se/greenbonds