

### Metropolitan Transportation Authority Issues Inaugural Certified Climate Bond for Low Carbon Transport

**LONDON: 11/02/16 13:00GMT:** In a series of firsts, the giant New York based Metropolitan Transportation Authority ([MTA](#)) has broken new ground for public transport authorities with its [latest](#) USD 500m bond issuance.

This will be:

- The first green bond issued by the MTA
- The first US municipal bond to be certified under the Climate Bonds Standard new Low Carbon Transport criteria for investment in transport infrastructure compatible with a 2°C warming outcome
- The largest US certified green bond to date

In addition to seeking interest from institutional investors, MTA will today launch a retail investor advertising campaign aimed at New Yorkers, emphasizing the green credentials and certification of the bond to potential investors amongst the general public under the banner of "[Invest in the Planet, Invest in the MTA](#)"

Proceeds from bond sales will be allocated for capital investments in MTA's electrified rail assets and supporting infrastructure. International research and analysis firm [Sustainalytics](#) has provided [verification of conformity](#) with the Climate Bonds Standard V2.0. MTA will report annually to confirm the pool of funded assets are consistent with the Climate Bond Standard's transparency and disclosure requirements in its [MTA] 15c2-12 Annual Combined Continuing Disclosure filings.

#### **Pat M<sup>c</sup>Coy, Director, Finance MTA:**

"We are very excited to be the first US issuer of a Certified Climate Bond. MTA's transportation network is the lifeblood of the New York Metropolitan Region and vital to its economy. We know that our network of electrified rail services is efficient and directly results in carbon avoidance. To be recognized for this by the investment community reinforces the essentiality of having a large and robust transportation infrastructure in this dense urban region."

#### **Justine Leigh-Bell, International Standards Manager, Climate Bonds Initiative:**

"Having a large public authority like MTA issue their first green bond certified against the Low Carbon Transport Standard is clear vote of confidence that the Climate Bonds Standards are applicable, relevant and usable for the international bond market."

"MTA are leading by example with this Climate Bonds Certified bond issuance; they pave the way for other public authorities internationally to issue certified climate bonds for low carbon transport."

"We must see a modal shift towards low emission mass transit infrastructure if we are to limit global warming to 2°C. Green bonds, such as this one, help fund the new levels of capital investment required to achieve our climate goal."

"MTA have a multitude of assets and future funding proposals that are eligible for Climate Bonds Certification. We hope that this initial certified green bond issuance will be the first of many to come."

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**Doug Sims, Board Member, Climate Bonds Initiative and Director at the Center for Market Innovation in the Urban Solutions program at the Natural Resources Defense Council:**

“New York City's MTA has for years been pivotal in allowing New Yorkers and surrounding residents equal access to jobs, services, and opportunity, while affording the city one of the lowest carbon footprints in the world per capita. These green bond investments will only improve and expand this rich history.”

“This groundbreaking action opens the way for investors to fully align their mission and values – and it will help New York become more prosperous, more active in response to climate change, healthier, and stronger financially.”

**ENDS>**

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**Notes for Journalists:**

**About Climate Bonds Initiative:** The [Climate Bonds Initiative](#) is an investor-focused not-for-profit, promoting large-scale investment in the low-carbon economy. Information regarding certification of this MTA bond can be found [here](#).

**About MTA:** MTA is responsible for developing and implementing a unified public mass transport system for the New York metropolitan area. It is the largest regional public transportation provider in the Western Hemisphere serving a region of approximately 14.6 million people spread over 5,000 square miles (13,000 km<sup>2</sup>) in New York State and Connecticut. This includes commuter rail routes, subway routes, rapid transit and bus routes. More information [here](#).

**About the Low Carbon Transport Standard:** A Technical Working Group convened by the Climate Bonds Initiative and comprising 12 internationally recognised academics and experts developed the Standard. A full list of Low Carbon Transport Technical Working Group Members can be found [here](#).

**About Climate Bonds Standard V2.0:** Climate Bonds Standard V2.0 is an overarching multi-sector standard that allows investors and intermediaries to easily assess the environmental integrity of bonds labelled as green and or funding low carbon development. There are pre-issuance requirements, post-issuance requirements and a streamlined certification process to match the tempo of the mainstream debt capital markets.

Being certified under the Climate Bonds Standard also means that the issuer is fully aligned with the Green Bond Principles, they will report regularly on the credentials of the bond, and an independent third party assurance has been provided.

**Background to Climate Bonds Sector Standards:** The [Climate Bonds Sector Standards](#) are developed by Technical Working Groups of academics and experts relevant to the sector.

Sector specific standards for [solar](#), [wind](#), [low carbon buildings](#) and [low carbon transport](#) are fully functioning.

Standards for [bioenergy](#), [agriculture & forestry](#) and [geothermal](#) are awaiting board approval having undergone public consultation. Standards for [water](#) are currently under public consultation.

**[ENDS]**

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