

Joint Media Release

BAM - A big step for best practice in US green muni bond issuance

Build America Mutual becomes a Climate Bonds Approved Verifier

LONDON/NEW YORK 26/11/2018: Build America Mutual – BAM, the mutual bond insurance company operated for the benefit of its members’ cities, states and municipals, is the latest American institution to be approved as a Climate Bonds Verifier.

The Climate Bonds Standard & Certification Scheme allows investors and intermediaries to assess the environmental integrity of bonds. Climate Bonds Certification ensures assets and projects are consistent with the 2 degrees Celsius warming limit as detailed in the 2015 Paris Agreement.

BAM will verify green muni bonds under the Low Carbon Commercial Buildings, Water Infrastructure and Low Carbon Transport Criteria of the Climate Bonds Standard V2.1.

Build America Mutual plays a pivotal role in the municipal market being the first mutual bond insurer and has guaranteed more than USD50 billion of U.S. municipal bonds for more than 3,000 issuers since its launch in 2012.

BAM is licensed in all 50 states and helps make essential public infrastructure – including water and sewer utilities, schools, roads, and government buildings – more affordable. BAM estimates that it has saved its member-issuers more than USD500 million.

Sean W. McCarthy, Chief Executive Officer of Build America Mutual:

“BAM was created to help our issuer members access the capital markets efficiently and transparently. The BAM Green Star initiative to identify qualified green bonds and Certified Climate Bonds is a natural extension of that mission.”

“Partnering with the Climate Bonds Initiative as an Approved Verifier aligns our efforts with the leading international standards for the sector and will enhance our ability to explain the benefits of green bond financing and sustainable capital planning to issuers and investors.”

Sean Kidney, CEO of Climate Bonds Initiative:

“It’s a significant step for such a prominent US player to join the CBI network as an Approved Verifier and reflects the growing interests in green finance at a sub national level in the US.”

“BAM already supports the growth in the green muni market and its new role as a Verifier will build confidence amongst those issuers, the utilities, cities and states considering their green infrastructure options and the benefits of CBI Certification. Their market knowledge and experience are well known across the sector.”

Ends

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Notes for Journalists:

About Build America Mutual (BAM): BAM is a mutual bond insurance company operated for the benefit of its members – the cities, states and other municipal entities that use BAM’s financial guaranty to lower their cost of borrowing. BAM is the National League of Cities’ preferred provider of bond insurance for its members. Through September 28, 2018, BAM has insured more than \$50 billion of municipal securities for more than 3,000 municipal issuers nationwide. Learn more at <http://buildamerica.com/mission/>

About the Climate Bonds Initiative: The Climate Bonds Initiative is an investor-focused not-for-profit, promoting large-scale investment in the low carbon economy. More information on [our website](#) here.

Approved Verifiers: An Approved Verifiers role is to ensure that the bond’s features and assets meet the Climate Bond Standard’s environmental and financial guidelines and eligibility under the Climate Bonds Standard & Certification Scheme. More information on verifiers is [available here](#).

Climate Bonds Certification: US Certified issuers include New York MTA, San Francisco PUC and NY State HFA. A full list is [available here](#).

2013 – 2017 Development of Municipal Green Bond Market: Massachusetts was the first state to enter the green muni market [in 2013](#) with an [USD100m green bond](#). Issuance in New York and California started in 2014, the first CA issuer being California State (USD300m) and the first NY issuer, New York State Environmental Facilities raising USD213.6m.

Overall Muni Top Ten 2017

Repeat green issuance from New York MTA totalling \$5.52bn (all Climate Bonds [Certified](#)) helped push New York State into overall first place. California, Massachusetts, Washington, Connecticut, Iowa, Indiana, Colorado, District of Columbia, and Illinois filled out the remaining See our full 2017 [review here](#).

Climate Bonds latest US Municipal briefings are available [here](#) and [here](#).

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Certification under the Climate Bond Standard only reflects the climate attributes of the use of proceeds of a designated debt instrument. It does not reflect the credit worthiness of the designated debt instrument, nor its compliance with national or international laws.

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