

CLIMATE BONDS INITIATIVE

For Immediate Release

Climate Bond Standard includes solar assets open for certification

LONDON, 15 August 2013 – The Climate Bonds Initiative has today issued proposed eligibility criteria for solar assets under the Climate Bond Standard and Certification Scheme. The criteria are added to those for wind energy to become the second batch of eligible assets for bond certification.

According to Climate Bonds CEO Sean Kidney, "Solar energy seems like a straightforward fixed asset to include in our definition of a low carbon economy. But we needed an expert working group to address questions around potential environmental impacts, fossil fuel back up and supply chain manufacturing to make sure we have all bases covered."

He added, "certification will be most useful for utilities and banks looking to issue corporate bonds where the proceeds are then allocated to solar assets. Solar eligibility criteria confirm assets that can be counted in pools qualifying for Climate Bonds labeling. The rest of the Climate Bond Standard provides assurance for investors around the proper use of proceeds."

The Solar Technical Working Group convened at the beginning of the year to examine the best way to formulate the eligibility criteria for solar energy. The group includes experts from:

- Imperial College
- The International Energy Agency (IEA)
- SolarPACES research consortium
- The US National Renewable Energy Laboratory (NREL)
- Greenpeace
- Bloomberg New Energy Finance
- Semiconductor Equipment and Materials International (SEMI)
- Solarcentury,
- The European Photovoltaic Industry Association (EPIA)
- Wolfeaware, and the
- Desertec Industrial Initiative (DII)

Working group member Jenny Chase, Solar Analyst at Bloomberg New Energy Finance, said, "Bond finance is becoming increasingly relevant for solar project financing, particularly in the US. This criteria will allow investors to incorporate solar bonds into their environmentally mandated portfolios and signal their eagerness to finance a transition to a low carbon economy."

Matthew Hale, Managing Director, Environment Executive at Bank of America Merrill Lynch, welcomed the criteria saying, "This will be a very useful tool for us to apply with bond issuing clients who want to be recognised for their contribution to a low carbon economy." The project has received funding from the Bank of America Foundation.

The first set of criteria released by the working group for public consultation relates to fixed assets for solar power generation, or for transmission infrastructure to deliver such electricity. The criteria specifies the amount of non-solar fuel back-up or hybridization allowed for projects such as concentrated solar power plants at 15%. Criteria for manufacturers in the solar supply chain will follow in the Autumn. The criteria and background paper are available on the website, www.standards.climatebonds.net

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Note to editors:

The Climate Bond Standard is a screening tool for investors and governments to support investment in delivering a Low Carbon Economy - was developed by the Climate Bonds Initiative.

Bonds complying with the Standard will be certified as 'Climate Bonds', a mark that assures their contribution to the delivery of a Low Carbon Economy.

The Standard is supervised by a board comprising:

- > The California State Teachers Retirement System (CalSTRS)
- > The Nature Resources Defense Council
- > The Carbon Disclosure Project
- > The Ceres Investor Network on Climate Risk
- > The (Australian) Investor Group on Climate Change
- > The State Treasurer of California, Bill Lockyer

The Climate Bonds Initiative is an investor-focused not-for-profit, promoting large-scale investment in the low-carbon economy. www.climatebonds.net

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