

Jovanoska, Violeta

HSBC Bank Australia

Mobilising finance to deliver a low carbon economy

Key words: Finance, Low Carbon Economy, Green Bonds

Abstract:

As average global temperatures continue to climb, urgent action is needed to reduce carbon emissions and halt global warming. HSBC analysts estimate world governments will need an additional USD300billion a year – about the size of Singapore’s economy- to ensure new infrastructure projects meet sustainability standards. Green bonds are one way to bridge the funding gap. The debt securities raise money specifically for projects that benefit the environment. HSBC is at the forefront of developing the global sustainable finance market, as a founding member of the Green Bond Principles Executive Committee, and having committed over USD1 billion to green, social and sustainable bonds. This funding has been used to finance renewable energy projects, efficient buildings, clean transportation and sustainable water management globally. As a leading international bank, HSBC has a crucial role to play in the transition to a low-carbon economy. These deals are just an example of how the banking industry can help bridge the gap between government and business, mobilising funds to help nations meet their climate commitments.