HKIQEP – 22nd April 2026:
The Case for an International Green Bank

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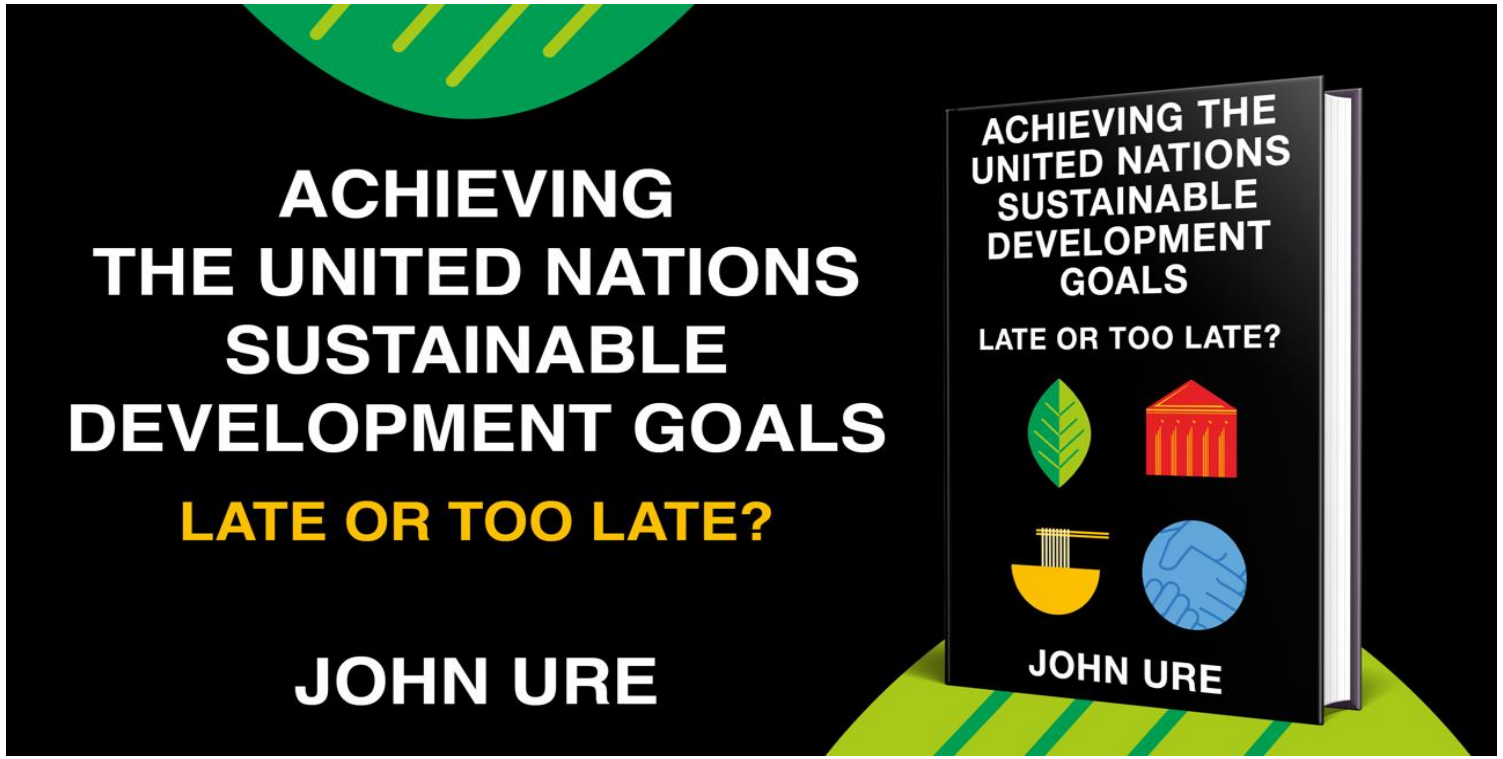
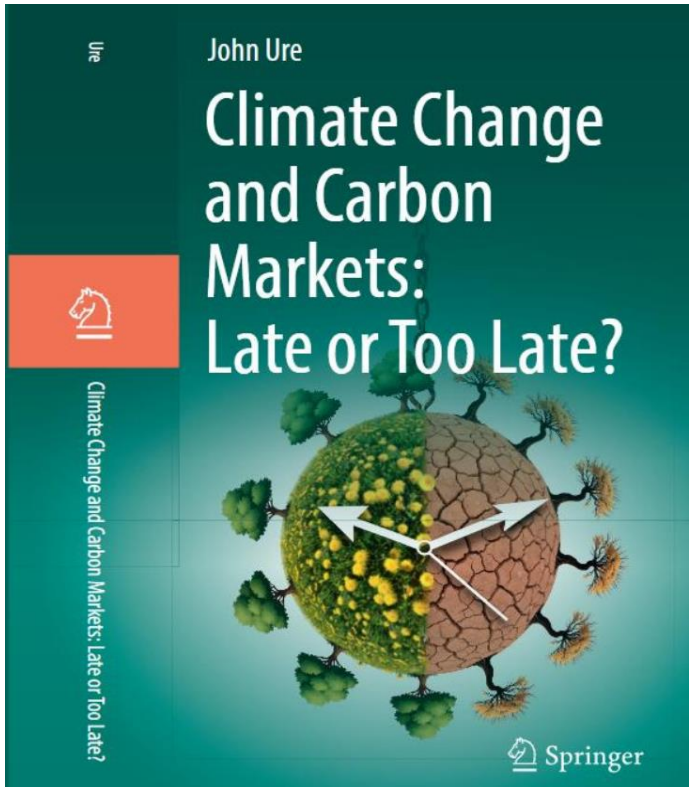
Most recent books (Oct 2024 and Jan 2026)

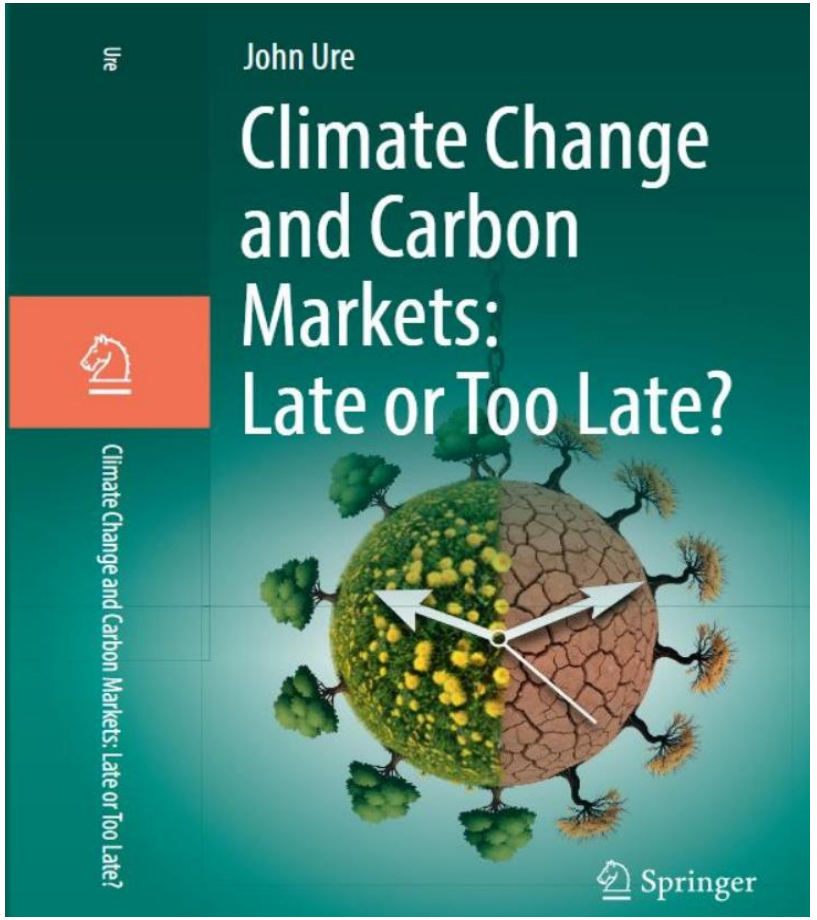
See paper https://johnure.net/wp-content/uploads/2026/02/igb-and-mrv-concept-note-13th-feb-2026.docx





Why an independent International Green Bank (IGB) is needed

- The Problem – no more than **14% of $1.8 trillion** global finance goes to where it is most needed and would be most effective = the Global South
- Current models are insufficient: **(i)** Catalytic models have not worked; **(ii)** Financial vs Economic/Social returns = market failure; **(iii)** cost of capital too high for EMDEs
- Geopolitics fragments capital at scale
- See paper https://johnure.net/wp-content/uploads/2026/02/igb-and-mrv-concept-note-13th-feb-2026.docx

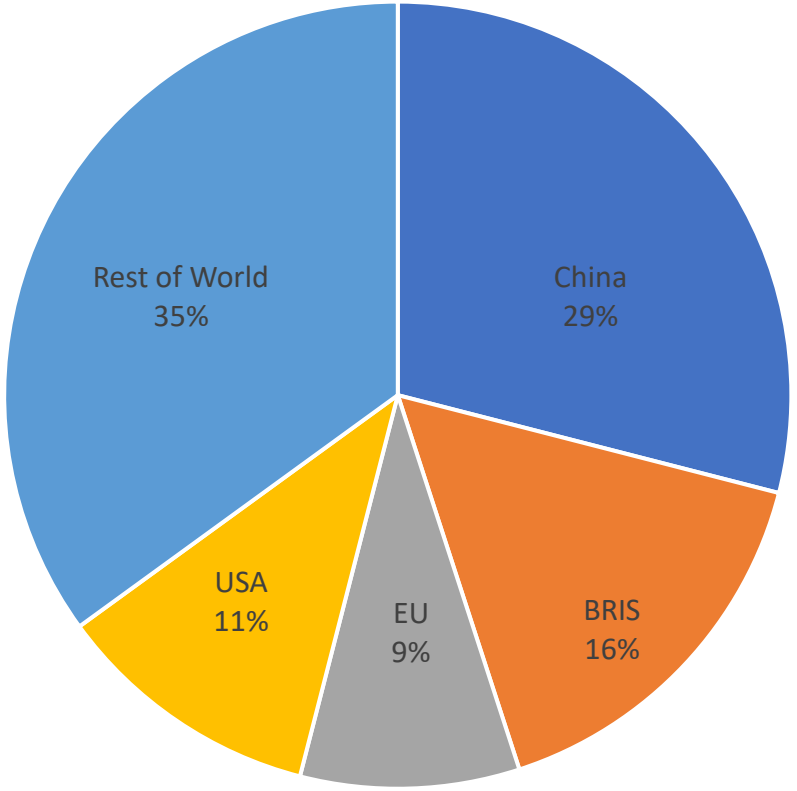


IHLEG (International High-Level Expert Group) + CPI

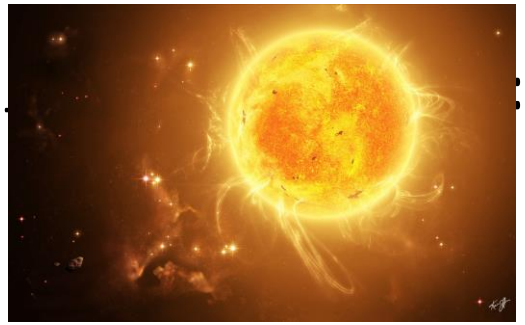
By 2030 EMDEs will need **$2.4 trillion, *including $1 trillion from external sources***

- $1.6 trillion clean energy and just transition
- $250 billion adaptation and resilience
- $300 billion loss and damage
- $300 billion natural capital and sustainable agriculture

Shares of GHG emissions 2022



The ‘Energy budget’ problem in my simple arithmetic



$$= \propto E + (1 - \propto)\Delta T$$

Where: ∝ = Earth’s albedo (% of E); E = potential energy returned to space to maintain an equilibrium; and ▲T = the *rise* in the Earth’s average surface temperature

See also ***State of the Global Climate 2025*** (WMO)

https://library.wmo.int/viewer/69807/download?file=WMO-1391-2025_en.pdf&type=pdf&navigator=1

Billions

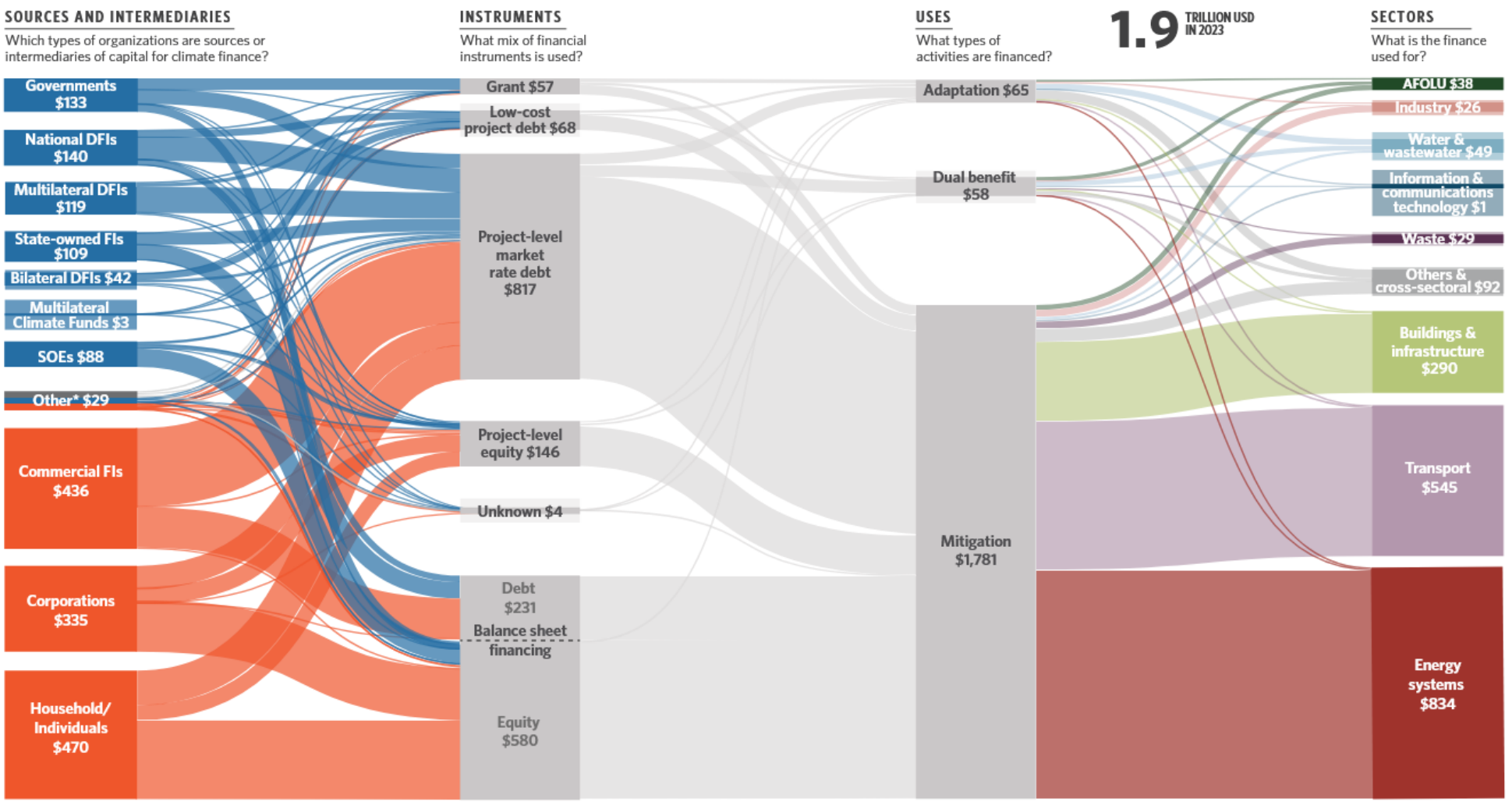
Public
$662

Private
$1,244

LANDSCAPE OF CLIMATE FINANCE IN 2023

CLIMATE POLICY INITIATIVE

Values are in USD billion



	Corporates & FIs – Production & Commerce	Households - consumption	VCM	EMDEs
ESG Emissions reductions + renewables	✓	Heat pumps, EVs, building insultation, solar panels	MRV = Monitoring, Reporting, Verification	Policies – e.g., carbon taxes, cap & trade, renewables
Bonds – climate, green, catastrophe, sustainability, transitional, etc.	✓	×	×	✓
Climate mitigation/ biodiversity projects/ Debt-for-Nature Swaps	✓	Charity & Philanthropic private investors	Project owners/ agents/Standard bodies/ buyers	Availability + Cost of Capital constraints
Carbon credits	✓	Private traders	✓	Article 6 Credits?

The Staircase to Heaven Missing a Step (an IGB)

https://johnure.net/2025/12/11/critical-review-of-lowering-the-cost-of-capital-for-emdes-columbia-center-for-sustainable-development-2025/

The "ten-steps-to-heaven" from the Columbia Centre for Sustainable Development

1. "Improve the credit risk management of the EMDEs
2. Improve the credit risk rating methodologies of the rating agencies
3. Improve the methodology of the IMF/World Bank Debt Sustainability Framework (DSF)
4. Shift EMDE financing to long-term maturities
5. Ensure a lender of last resort to reduce credit risk
6. Build capital markets in EMDEs
7. Enhance guarantees and special treatment for climate and SDG financing
8. Increase financing by development banks and specialized funds
9. Use blended finance and other innovative legal and financial innovations to de-risk EMDE finance and scale private finance
10. Change the risk behaviours of major investor pools to take on a larger proportion of assets at sub-investment grade."

An Independent International Green Bank Its Purpose

1. To mobilise and allocate funds exclusively to EMDEs for climate mitigation, adaptation and related biodiversity projects
2. Transcend geo-politics and collaborate with local green banks and in-country UN agencies, etc., for due diligence.
3. Governance = (i) donors (e.g., China, India, Nigeria, Brazil, OECD) (ii) private sector, (iii) NGOs, IPLCs, etc.
4. Scale expertise
5. To adopt and align green investment taxonomies across EMDES (cf Multi-Jurisdiction Common Ground Taxonomy = China, the EU, SG) to build local capital markets and multi-layered FIs.
6. Promote climate/renewable technologies and skill sets (engineering, risk management, etc)
7. Promote profession MRV in-country training
8. No sovereign lending = no in-country government debts

An Independent International Green Bank Its Finances

1. Donor countries: loans, grants, issue sovereign bonds + donate part of NDCs + NCQGs (New Collective Quantified Goals – COP29)
2. Beneficial/Mutual Funds: national wealth funds, pensions, insurance, etc., into green investments
3. Corporate bonds issued < Treasury rates? (cf Brazil's TFFF COP30)
4. Civil Society: cross-border taxes, surcharges, philanthropic, charity…
5. Green Funds: consolidate some of the 99 GFs and channel via IGB
6. Buy-down MDB loads: collaboration with MDBs to lower interest
6. Carry-Trade: borrow low and invest high
7. Article 6: carbon credits controversial… but if highly regulated?
8. Technology Transfers: donors to subsidise/fund via IGB

Getting an IGB on the Agenda?

- Recognition of the urgency involved
  - IPCC forecasts for global average temperatures (depending upon mitigation) f
    - 2030 ~ 1.4C ~ 1.6C above pre-industrial levels
    - 2040 ~ 1.6C ~ 2.0C above pre-industrial levels
    - 2050 ~ 1.7C ~ 1.8C (with mitigation) or ~ 2.3C ~ 2.7C (High emissions) => ~4.0C by 2100
- Watch the ocean sink, not just the clouds! (90% C02)
  - Ocean currents dramatically change climate zones (esp. El Nino)
- China and HK (SAR) can play leading roles in promoting an IGB by reaching out to finance climate-related projects in the Global South
- Collaboration with like-minded specialists

Appendices

- History of climate change action
- Catalytic model of the UN FCCC
- Early history of carbon credits

Preparing to combat climate change: the background

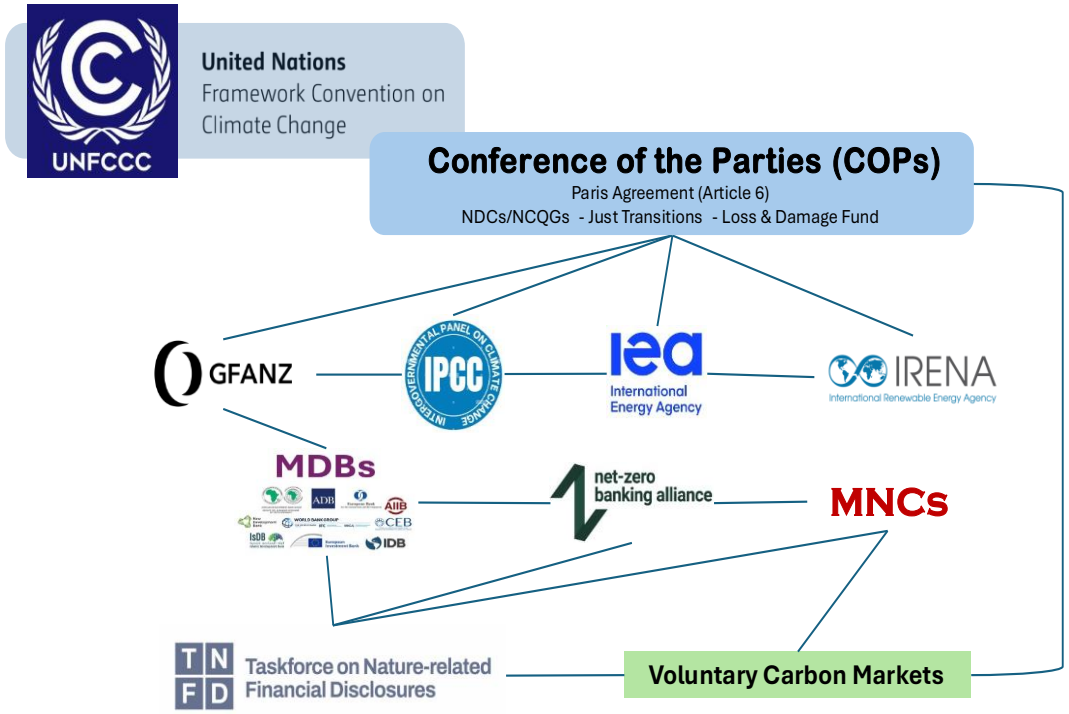
- The Protocol
  - 1987: **The Montreal Protocol** template for action **"common but differentiated responsibilities" (CBDR) = North vs South**
- The Science
  - 1988: Creation of the **IPCC** (Intergovernmental Panel on Climate Change) – modelling scenarios;
  - Note: the **IEA** (Int. Energy Authority) and **IRENA** (Int. Renewable Energy Authority) model pathways
- The Architecture
  - 1992: **UNFCCC** (Framework to Counter Climate Change) to counter GHG emissions [See Next Slide]
- The Scope
  - 1992**: Rio Earth Summit** pillars of common concern: **climate change, biodiversity, desertification**
  - COP 1 (Climate) Berlin 1995 ….. COP 1 (Biodiversity) Nassau 1994
- The Operationalisation
  - 1997 **The Kyoto Protocol** legally binding **developed countries** to quantified emissions reductions to operationalise, enforced 2005 (not USA)
- The Paris Commitment
  - 2015 (COP21) **The Paris Agreement** set a **target (2C, ideally 1.5C > preindustrial) ; all countries; bottom-up self-determined NDCs (Nationally Determined Contributions x 5 years)**
  - **Financial support for mitigation, adaptation, capacity building, technology transfer**

UN Financial Architecture

Catalytic Model led by the private-sector

GFANZ (Glasgow Financial Alliance for Net Zero) from COP-26 (2021)

UN FCCC



IHLEG

- Nationally Determined Contributions (NDCs) = country commitments to climate mitigation and adaptation
- New Collective Quantified Goals (NCQGs) = collective commitment by countries to finance climate mitigation and adaptation globally

Appendix on Carbon Credits History

- **Early efforts to privately finance climate mitigation and adaptation – the Voluntary Carbon Market**

- **Pre- 2003**: Voluntary Carbon Markets (VCM) = 'Over-the-Counter' (OTC)
- **2023**: Chicago Climate Exchange (CCX) initiated a carbon cap-and-trade market
  - Offered a more organised approach – CCX members committed to an annual 1% reduction in emissions – those exceeding !% could trade their credits
  - Some offsets allowed, mainly Western farm prpjects
- **2010**: CCX closed due to (i) insufficient demand; (ii) over-supply of poor-quality unsubstantiated credits; (iii) penalties for non-compliance were negligible; (iv) credits trading at just 5C per mtC02