INTRODUCTION TO DRAFT OECD REPORT: Mapping channels to mobilise institutional investment in sustainable energy

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1. **Understand and compare** different investment channels available in practice and in theory;

2. **Illuminate** where investment is or is not flowing;

3. **Highlight** potentially promising channels

4. **Target** and undertake data collection

5. **Fit** channels to economic geography

UK Greencoat Wind Yieldco Deal

UK Green Investment Bank advises on deal and co-invests

UK Dept for BIS provides cornerstone stake in IPO

Greencoat Wind Yieldco *pools* projects for diversification

Yieldco (fund) lists on an exchange and issues shares (instrument)

Shares invested in by institutional investors

Techniques

Tools

Instruments & funds (matrix)

Institutional Investors
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2. **Illuminate** where investment is or is not flowing;
3. **Highlight** potentially promising channels
4. **Target** and undertake data collection
5. **Fit** channels to economic geography

Report: Mapping channels to mobilise institutional investment in sustainable energy – what does it do?

7 policy options for addressing the investment challenges and mobilising institutional investment in green infrastructure

- **Weak & uncertain environmental, energy and climate policies**
- **Regulatory policies with unintended consequences**
- **Lack of suitable financial instruments and funds**
- **Lack of information and data to assess transactions and underlying risks**

- Ensure a stable and integrated “investment grade” policy environment
- Address market failures (incl. lack of carbon pricing & remove fossil fuel subsidies)
- Provide a national infrastructure road map & pipeline
- Facilitate the development of appropriate liquid financing vehicles or de-risking instruments
- Promote market transparency, standardisation and improve data on infrastructure investment
- Reduce the transaction costs of green investment
- Establish a “green investment bank” or refocus existing public finance institutions