Invest with purpose.

We tie financial performance directly to verified environmental performance.
What is the fund?

Climate Trust Capital, an independent firm of the mission-driven nonprofit The Climate Trust (The Trust), has launched a first-of-its-kind investment fund to commit $5.5 million into innovative, U.S. based carbon offset projects in forestry, grassland conservation, and livestock digesters. As our investment fund scales, we plan to incorporate additional sectors; deploying an additional $10 million over 2017-2018.

The need | Lenders heavily or completely discount the future revenue conservation projects can generate by selling carbon offsets, given the complexity of carbon markets and the perceived uncertainty around the future of carbon pricing. This significantly reduces the ability of carbon markets to mobilize capital for conservation projects.

While the market currently undervalues carbon, Climate Trust Capital’s patient finance model was built with the conviction that carbon prices will continue to increase, and aims to unlock that value over a 10-year investment term. The Trust has almost two decades of experience working in domestic carbon markets, and is in a unique position to manage the risks associated with investing in carbon projects. We are structuring a portion of our existing $22 million of program funds to guarantee project developers and investors a minimum value for future carbon credits that also caps downside risk.

Backed by this risk mitigation, as well as a Program-Related Investment from the David and Lucile Packard Foundation and grant funding from the Natural Resources Conservation Service, U.S. Department of Agriculture, we have launched Fund I to provide upfront capital to conservation projects in return for partial ownership of the resulting carbon credits. After demonstrating the success of Fund I, Climate Trust Capital will scale the next series of carbon investment funds to the $100 to $250 million level to appeal to institutional and impact investors.

Why we care

We are committed to preventing a disastrous rise in global temperatures by funding quality projects that accelerate the pace of carbon mitigation. To expedite the pace of project development, we have found that early-stage finance is critical—offering greater potential for impact and supporting a vital stage of project development. Climate Trust Capital is assembling additional impact investment dollars into the first of a series of funds (Fund I) to make these crucial early investments.

Advancing conservation finance

By using The Climate Trust’s existing programs to mitigate the policy and market risks associated with emerging environmental markets, Climate Trust Capital’s investment fund will demonstrate how limited, but precious, public support can be used to mitigate risks in order to leverage the investment of private capital at scale.

Because investments are repaid through credits that represent a verified reduction in greenhouse gas emissions, Fund I will tie financial performance directly to verified environmental performance. Not only will this create a new source of capital for conservation projects, we believe that making environmental credits a financeable asset class can result in paradigm shifts to help restore and protect our planet.
About The Climate Trust

The Climate Trust mobilizes conservation finance to maximize environmental returns.

**Trusted partner** | For almost 20 years, The Climate Trust has played an integral role in climate finance. Under the mandate of the Oregon Carbon Dioxide Standard, The Trust has been responsible for acquiring carbon offsets, and selecting and managing pollution reduction projects on behalf of regulated utilities. Since its inception, The Trust has managed approximately $43 million and retired 3 million tons of carbon dioxide across a broad array of sectors.

With our years of experience investing in projects, The Trust is well positioned as an investor and carbon manager. Our success is based on our technical proficiency with offset protocols and emerging carbon market policies, as well as our track record commercializing carbon credits in both the voluntary and compliance markets.

In 2016, The Climate Trust took the next step in its evolution, establishing Climate Trust Capital, an independent firm managing a first-of-its-kind investment fund for innovative, U.S. based carbon offset projects. As we assemble additional impact investment dollars to scale the fund, there are plans to offer further rounds of increased project financing, allowing us to work with more sectors and developers.

For further information please contact:

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