

Developers rushing to issue green bonds?

Climate change is the biggest challenge of the 21st century.

Green bonds work like different types of bonds in the market. A company or the government can issue them or a promise to repay the amount in future with the interest in exchange for the money that can be used today in investing in income generating activities.

Green bonds work the same way but instead of investing in any activity they only fund those projects or businesses that are green.

For example an organization may require to finance the latest solar power by issuing of green bonds.

The market for green bonds is growing at a rapid rate as investors around the world look to invest their money responsibly.

Many organizations are seeing the benefits as green bonds offer a way to finance projects that might have taken years to invest. Green bond financing can attract new types of investors that are looking at the long term. Both the government and the organization need to make a concentrated effort to address the problems caused by climate change.

Green bonds will increasingly be part of the solution. As they benefit the issuer by enhancing their reputation and

also by showcasing their commitment to sustainable development.

They also provide access to specific set of global investors to invest in the green ventures which will help to increase green investments and also in reducing the cost of capital. From evolution to revolution developers are rushing to issue green bonds not only because of its benefits but also due to the liquidity in the financial markets is continuously stretching which makes the developers to issue green bonds.