

From: [Thomas Marois](#)
To: [info](#)
Subject: "Sustainability Policy"
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Dear NIB,

I have had a chance to review your updated Sustainability Policy, which opened for public consultation on 30 September 2021. I have two brief comments.

1. The much strengthened exclusion list that prohibits funding of most everything connected to fossil fuels and carbonised energy is very welcome. This should set an example for many other public investment banks.
2. However, I do not see that the 2019 Mandate Rating Framework is being updated at the same time. As I understand, and as I have argued in academic research (see [Marois 2021, Chapter 6 'Decarbonisation'](#) with the NIB as a case study), the NIB places "productivity gains and environmental benefits" within its mandated lending on equal footing. Consequently, productivity lending can outweigh environmental benefits (as the NIB reports on in its Annual Reports). However, I believe there is a strong case for the NIB instead to establish a binding policy hierarchy where productivity must follow environmental gains. The Finnish Climate Fund shows a stronger framework in this regard ([see this Opinion](#) on the Fund).

Should NIB staff wish to review a pre-publication copy of my Chapter on the NIB, I would be happy to share it with them (as NIB staff gratefully provided interviews). I am also more than happy to discuss my comments further with NIB should you like to. I have been in contact with Luca De Lorenzo on these matters in the past and would be pleased to continue discussion.

Thank you kindly,
Thomas

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Books

- [Public Banks: Decarbonisation, Definancialisation, and Democratisation](#). Cambridge University Press. (2021)
- [Public Banks and Covid-19: Combatting the Pandemic With Public Finance](#). McDonald, D.A., Marois, T., and Barrowclough, D.V. (Eds.). Municipal Services Project (Kingston), UNCTAD (Geneva), and Eurodad (Brussels). (2020).

Articles

- [A Dynamic Theory of Public Banks \(and Why it Matters\)](#). *Review of Political Economy*. Online March 2021.
- [Public banks + Public water = SDG 6?](#) (w/ D.A. McDonald and S. Spronk) *Water Alternatives*. 13(3): 1-18 (Feb. 2021)
- [A US green investment bank for all: Democratized finance for a just transition](#). (w/Ali Riza Güngen). The Next System Project/Democracy Collaborative. 09/2019.
- [China's Asset Management Companies as State Spatial-Temporal Strategy](#). (w/ Sarah Ho). The China Quarterly. 2019.