Bond Case Briefs

Municipal Finance Law Since 1971

Banks Claim They're Still in the Climate Fight. Are They?

Having fled a major climate alliance, some worry Wall Street giants may lose their stomach for financing a low-carbon transition.

The exodus of Wall Street's biggest firms from prominent climate groups has been greeted with triumphant cheers from Republicans in the US who accuse such coalitions of colluding to boycott the fossil-fuel industry. It could prove to be a hollow victory, though.

That's because, almost without fail, every lender that's recently left the Net-Zero Banking Alliance (NZBA), including JPMorgan Chase & Co., Bank of America Corp., Citigroup Inc. and Morgan Stanley, has taken great pains to claim that quitting the group wasn't the same as quitting their net-zero goals (or helping their clients achieve their targets). BlackRock Inc. for example said its departure last week from the Net Zero Asset Managers initiative "doesn't change the way we develop products and solutions for clients or how we manage their portfolios."

The question to ask therefore is whether the willingness of departing firms to finance a low-carbon transition and pivot their business towards net zero will wane, since they're no longer part of groups that encourage such practices. And perhaps also whether their public claims that they will stay the course are meant to mollify clients and the broader public, both of which may not be as interested in preserving the fossil fuel industry as Big Oil and the ascendant American right.

Continue reading.

Bloomberg Green

By Alastair Marsh

January 14, 2025

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com