



## UNIVERSITY OF VICTORIA NEWS RELEASE

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# Transitioning to a Green Economy: the Climate Finance project

A project aimed at expanding the potential of the finance and investment sector to support the transition to a climate-friendly, low-carbon economy has been announced today by the University of Victoria hosted and led Pacific Institute for Climate Solutions (PICS).

*Climate Finance: Integrating Climate Change Mitigation and Adaptation Considerations into Investment Decisions* is a three-year, \$180,000 research project led by the UVic Peter B. Gustavson School of Business in partnership with British Columbia Investment Management Corporation (BCI) and PICS. The project is funded by PICS.

The project partners will co-develop decision-making tools and frameworks for integrating climate change risk evaluation and climate mitigation opportunities into investment portfolios. The work will leverage and build on BCI's existing climate change scenario risk analysis and valuation framework, and incorporate the best available academic and applied research.

The project will also evaluate global government stimulus and green recovery packages in response to the COVID-19 pandemic, and their potential implications for investment management approaches supporting the transition towards a net-zero future.

Michael King, Lansdowne Chair in Finance at UVic, who is project co-principal investigator with Basma Majerbi, UVic associate professor in finance, says large asset owners such as pension funds, play a critical role in supporting the transition to a net-zero emissions future through their portfolio choices and investment activities. But he says there are obstacles to overcome.

"Barriers to unlocking this potential include a lack of access to expertise, data and research as well as tools for integrating climate change modelling into investment decisions," he says. "This project will help address these gaps for a broad range of stakeholders including the business sector, educators and policymakers."

Institutional investors need to protect their clients' financial interests as well as identify strategically-sound investments during the transition to a low-carbon economy.

"Acting in the best financial interests of our clients requires us to think long term about the opportunities and risks presented by climate change," says Stefan Dunatov, executive vice president, Investment Strategy and Risk at BCI. "We have made significant headway on climate-related engagement, risk measurement, and portfolio modelling, providing a strong foundation for this project opportunity."

PICS Executive Director Sybil Seitzinger says the financial sector has an enormous role to play in enabling meaningful and scalable climate solutions, as recognized by the focus on climate finance for the United Nations Climate Change Conference (COP26) in November. She says this project will provide the evidence and approaches to support investment managers and others to deliver on this role, as well as build climate finance capacity by engaging experts and training future leaders.

[Click here for FAQs](#) about the Climate Finance project.

The [Peter B. Gustavson School of Business](#) at the University of Victoria is dedicated to providing a non-traditional business education and a dynamic learning environment that develops principled managers and leaders who can drive innovation and social change. Located in Victoria, BC Gustavson is among the one percent of the world's business schools that hold both AACSB (Association to Advance Collegiate Schools of Business) and EQUIS (European Quality Improvement System) accreditation. Gustavson offers BCom, MBA, MGB, MM and PhD programs, and has 104 international partner universities.

[British Columbia Investment Management Corporation](#) (BCI) is the leading provider of investment management services to British Columbia's public sector with \$171.3 billion of managed assets. With a global outlook, BCI seeks investment opportunities that convert savings into productive capital that will meet clients' risk and return requirements over time. This compels BCI to integrate long-term environmental, social, and governance (ESG) matters into its investment activities. BCI has a Climate Action Plan to assess and manage the opportunities and risks associated with the transition to a low carbon economy.

The [Pacific Institute for Climate Solutions](#) develops impactful, evidence-based climate change solutions through collaborative partnerships that connect solution seekers with experts from BC's four leading research universities. PICS is hosted and led by UVic in collaboration with the University of British Columbia, Simon Fraser University and the University of Northern British Columbia.

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A media kit containing a PDF of the FAQs and high-resolution photos is available on [Dropbox](#).

**Media contacts:**

Robyn Meyer (PICS Communications) at 250-588-4053 or [picscomm@uvic.ca](mailto:picscomm@uvic.ca)

Jennifer Kwan (University Communications + Marketing) at 250-721-7641 or [researchcomm@uvic.ca](mailto:researchcomm@uvic.ca)

**About the University of Victoria**

UVic is one of Canada's leading research-intensive universities, offering life-changing, hands-on learning experiences to more than 21,000 students on the edge of the spectacular BC coast. As a hub of transformational research, UVic faculty, staff and students make a critical difference on issues that matter to people, places and the planet. UVic consistently publishes a higher proportion of research based on international collaborations than any other university in North America, and our community and organizational partnerships play a key role in generating vital impact, from scientific and business breakthroughs to achievements in culture and creativity. Find out more at [uvic.ca](http://uvic.ca). [Territory acknowledgement](#)

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