



Policy Brief

February 2026 | No. 01

The Public Banking Project, McMaster University, has three core aims: to provide theoretically informed and empirically rich understandings; to strengthen the interface between public banking scholars, policymakers, practitioners, and communities; and to train a new generation of public banking scholars.

Local, Efficient, Public: A New Municipal Development Bank for Canada?

Abstract:

This policy brief explores the idea of a new public Municipal Development Bank or system of banks in Canada. Local governments, cities, and towns are facing significant infrastructure deficits, with estimates ranging from \$123 billion to \$570 billion. Most of this money will come from municipal revenues and from provincial and federal transfers. There are shortfalls, which a mix of municipal grant funding and financing helps to address. As a whole, these local- and municipally-focused institutions are many, fragmented, and unlikely to be able to deliver appropriate financing at the pace and scale needed. A new national Municipal Development Bank or system of banks could help to change this by providing long-term, low-cost financing. The already-existing Municipal Financing Authority of British Columbia offers an effective, efficient, and democratic model from which to build on.

Introduction:

Local governments and cities are mobilizing to confront climate change, resilient infrastructure deficiencies, and socio-economic challenges globally, as highlighted by the United Nations' Special Report on Climate Change and Cities, set for publication in spring 2027. In Canada,

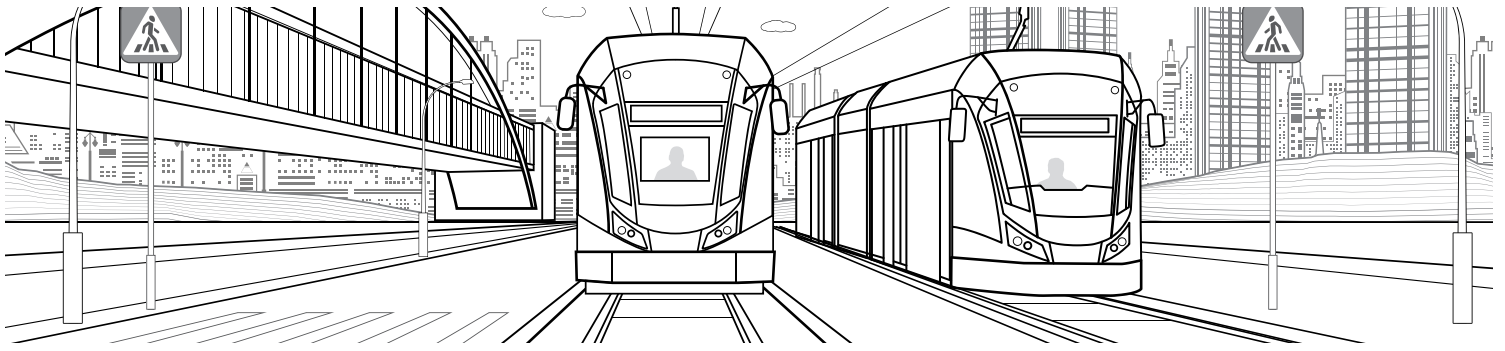
governing authorities recognize that substantial new investment is needed to address the country's infrastructure deficits. From where will the funds originate? The principal sources of revenue are municipal property taxes, user fees, and fiscal transfers from provincial and federal governments, which combined nonetheless remain insufficient to cover current, let alone future, expenses. Over 100 supplementary national and subnational funds and programs exist to bridge the gap. Yet these initiatives frequently operate on a smaller scale, are nationally fragmented and short-lived, and lack the technical assistance capacities required by local governments and municipalities.

Consequently, local governments are compelled to incur debt to finance infrastructure and capital expenditures. The largest municipalities may access bond markets, although most smaller municipalities rely on provincial governments, the Green Municipal Fund, and municipal finance authorities (of which there are seven). The Canadian municipal funding and financing landscape is thus largely fragmented and complex, lacking a clear consensus on the provision of public purpose municipal infrastructure funds and financing at the pace, scale, and conditions needed for rapid climate-aligned, resilient infrastructure development and community prosperity.

This policy brief asks: **Can Canadian local governments and municipalities benefit from a newly established publicly-owned and -managed municipal development bank or system of banks, created by cities for cities?** We believe that they can, if there is a commitment to establishing it as a public purpose entity that is sustainable, efficient, and responsible.

There are different possible organizational forms that a new municipal development bank could take. It might be established as a singular, extensive national financial institution (similar to those in the Nordic nations). It may also use a hub-and-spoke institutional framework, wherein provincial or regional municipal development banks are interconnected through a central coordinating hub, akin to the German Sparkassen system. Numerous municipal banks exist worldwide, presenting a range of potential forms. Canada, too, has an innovative and unique model of municipal infrastructure bank, the Municipal Finance Authority of British Columbia, from which we can learn.

There are good reasons for raising the question. Canadian municipalities serve as the primary providers of essential public infrastructure, including public transportation, water and sewage systems,



roadways, recreational facilities, and social housing, much of which currently requires construction or enhancement that is both cost-effective and climate-resilient (Canada Infrastructure 2019; Statistics Canada 2024a & 2025). The financial difficulties of achieving this are increasing with time. There is a need to generate billions in additional funds. A significant portion of this investment in infrastructure must originate from provincial and federal contributions via transfer payments. However, suitable debt financing for critical infrastructure projects could advance progress by facilitating the earlier execution of necessary initiatives.

Public development banks – a broad-based term that encompasses municipal infrastructure banks as well as other public investment, development finance, and policy banks – have credibly fulfilled this role worldwide for decades. Yet public banks have challenges just as they have accomplishments. Publicly owned financial institutions exhibit no intrinsic superiority or inferiority to private banks (Marois 2021 & 2022). Yet when constructed and governed in innovative, sustainable, and public interest ways, municipal development banks can revolutionize the financing of infrastructure needs in cities and towns by offering expedited, cost-effective, sustainable, and accountable alternatives. This policy brief advocates for the establishment of a new national legacy institution – a municipal public development bank or a system of banks designed by cities for cities. This will require the support not only of local governments but also of provincial and national authorities.

The case is developed in four sections. Section One examines the extent of municipal infrastructure requirements and provides an overview of existing funding

and financing alternatives. Section Two offers a comprehensive examination of Canada's current municipal financial institutions, subsequently delving into the Municipal Finance Authority of British Columbia. Section Three presents the international environment of public municipal banks. Section Four revisits the establishment of a new municipal development bank or system of banks by suggesting five topics for consideration: ownership; financial sustainability; governance; climate, justice, and prosperity; and technical assistance and organizational structure. A brief conclusion follows.

1. Municipal Infrastructure Investment Requirements and the Funding and Financing Landscape in Canada

Municipal governments in Canada are acutely aware of the country's infrastructure deficit in essential public services like roads, bridges, water and waste systems, clean energy, and transit. Estimates vary, but all are large. The Federation of Canadian Municipalities predicts a deficit of \$123 billion. The Canadian Chamber of Commerce puts it at \$570 billion, although this accounts for a broader range of infrastructures (CanInfra 2025). Responsible for some 60 per cent of essential public infrastructure, from roads to transit, this deficit is top of mind for municipalities.

Given the infrastructure deficit, what are the funding sources for Canadian local governments and municipalities? Their principal sources of revenue include property taxes, own-source revenue, such as user fees, development cost charges, and federal and provincial payments/transfers. Property taxes contribute 45 percent of municipal revenue on average, followed by user fees (21 percent), and provincial and federal payments (22

percent). The remaining revenue comes from goods and services taxes (7 percent), as well as other streams such as property income and fines, penalties and forfeitures, and other items (Statistics Canada 2024b). Both per capita municipal appropriations and the proportion of federal and provincial transfers in municipal budgets vary significantly across provinces (Statistics Canada 2024b). From the early 1990s until the early 2010s, federal and provincial transfers, predominantly conditional, have decreased from around 26 percent to approximately 20 percent of revenue (Statistics Canada 2024b; cf. Bojorquez et al. 2009; Slack 2023).

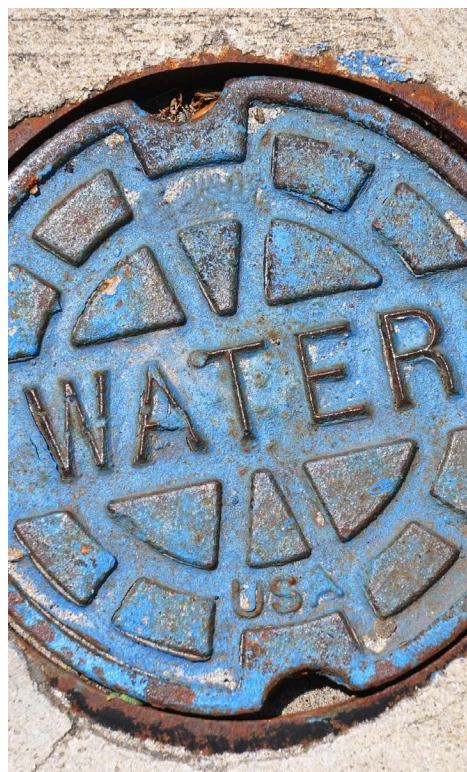
Reflecting the long-term financial challenges of local governments and municipalities, the issue is also one of a rather inflexible revenue base that is highly reliant on property taxes and that cannot respond quickly enough to changing economic conditions and community demands (CFFM 1956). A structural deficit has emerged: over the last three decades municipal own-source revenues have come in at only about half of municipal expenditures (FCM 2024, 10). At the same time, provincial legislation generally forbids towns from having operational deficits (Bird and Slack 2021, 10). When combined with a fall in adjusted local property taxes, municipalities are unable to fund their spending, forcing them to rely more heavily on provincial and federal transfers and to invest less in essential infrastructure. The problems magnify.

In the 2023-24 fiscal year, federal transfers to provinces, territories, and municipalities constituted 19.2 percent of overall federal budgetary expenditures, predominantly allocated for social and health-related spending (Department of Finance Canada 2024). Municipalities have been forced to seek out federal and provincial

government-initiated grants and initiatives to make up the deficit, but these sources are many and fluctuating (Preville 2004; Stoney and Graham 2009). Municipalities then deploy government transfers and funding programs, direct payments from developers, and operating revenue to fund capital investment projects. When government transfers and own-source earnings are insufficient, local governments and municipalities resort to debt financing for infrastructure improvements.

Municipalities can typically incur debt for capital projects under provincial legislation, with long-term and short-term borrowing limitations (Tassonyi 2022). In Ontario, for example, municipalities can use debt financing, but the principal and interest payments on long-term debt cannot exceed 25 percent of municipal own-source income (Government of Ontario 2019). The debt constraints are meant to maintain long-term municipal fiscal stability, but they also make it harder to meet rising infrastructure investment demands. Borrowing restrictions vary by province and city. A 2021 study of the ten largest cities in each Canadian province found differences in municipal debt-to-revenue ratios and the proportion of items used for capital finance (Meloche and Vaillancourt 2021).

Municipalities typically obtain debt financing via issuing municipal bonds (for the largest cities) or, more commonly, directly from provinces or municipal finance agencies. We found no indication that Canadian municipalities borrowed extensively from private commercial banks. In terms of bond financing through the public sector, a 2025 assessment of municipal financing and net-zero climate targets found that “province-backed debt issuers... are able to offer interest rates that are not easily matched by the private sector” (Gonzalez Guerrero and Bazinet 2025, 16). The economic advantages of government-supported municipal debt extend beyond Canada and are observed globally (Güngen 2022; Juuti et al. 2022). Nonetheless, more and better municipal funding and financing are required to address persisting infrastructure deficiencies and to meet climate-resilient infrastructure needs (cf. Gonzalez Guerrero and Bazinet 2025). Our focus is on municipal financial institutions.



2. Canada’s Municipal Finance Institutions

Municipal finance institutions or authorities are publicly owned financial entities or ‘banks’ that offer repayable interest-bearing loans. They do not typically provide non-repayable grant funding. To exist and persist, these municipal banks must be repaid, with interest, to be economically viable. This is the main business strategy of municipal financial institutions both locally and internationally. As discussed later, this business model does not imply that these entities seek to maximize their financial returns.

In Canada, there are seven functioning municipal finance authorities (Table 1). According to their financial disclosures, they supplied more than \$7.4 billion in new loans in 2024 (MFCS 2025, 4; MFA BC 2025a, 3; NBMFC 2025, 10; FQ 2024, 7; IO 2025, 45–46; FPEI 2025; BO 2025). This figure comprises both short- and long-term loans to municipalities, as well as other qualifying organizations and economic actors. To raise the capital needed by municipalities, municipal finance authorities (as well as major cities acting alone) will often go to financial markets. In 2024, municipal finance authorities and cities issued bonds, locally and internationally, totaling \$5.8 billion (RBC 2025, 1).

Despite their financial resources and institutional histories, municipal finance institutions have received little investigation and attention. More comprehensive research is required. Most local finance bodies in Canada were established between the mid-1950s and the early 1980s (Table 1). Their rise coincided with structural reforms that impacted municipal governments during these decades (Higgins 1986, 229–230). With the recent establishment of Infrastructure Ontario and Finance PEI (Prince Edward Island) in 2024 and 2025, all provinces except Manitoba have had a municipal finance institution at some point, albeit for a limited time. Not all local funding authorities have persevered. Between 2019 and 2024, Alberta, Nova Scotia, and Newfoundland and Labrador merged the local funding authorities with the provincial governments, ostensibly to improve efficiency and accountability (Table 1). In doing so, the debts incurred are held on provincial balance sheets. The President of the Treasury Board and Minister of Finance in Alberta hailed the dissolution of the Alberta Capital Finance Authority (ACFA) in 2020 as an efficiency-enhancing plan, stating (Toews 2021):

This decision reflected government’s commitment to make government more efficient and to reduce red tape. Government will continue its policy of low-cost loans to local authorities that previously borrowed from ACFA. In addition, this will improve management of credit risk of the ACFA portfolio for government by integrating the management of loans, debt and cash resources to the Province.

Nova Scotian policymakers note similar justifications with the dissolution of the Nova Scotia Municipal Financing Corporation in 2022 (Henderson 2022). As of 2025, Newfoundland and Labrador, Alberta, Nova Scotia, and Manitoba do not have distinct municipal finance agencies (Table 1). These four, as well as the Yukon, Northwest Territories, and Nunavut, have municipal lending programs or funds established by the governments.

Table 1: Subnational Financing Authorities and Assets (including dissolved entities)

Est.		Assets (\$M CAD)	Data year	Status/ownership
1969	Municipal Financing Corporation of Saskatchewan	379	2024	Provincial crown corporation
1970	Municipal Finance Authority of BC	10177	2024	B.C. regional districts
1983	New Brunswick Municipal Finance Corporation	754	2024	Provincial crown corporation
1999	Financement Quebec (renamed as Financing Fund in 2025)	10334	2024	Provincial crown corporation
2005	Infrastructure Ontario	7524	2025	Provincial crown corporation
2012	Finance PEI	256	2024	Provincial crown corporation
2024	Building Ontario	8000	2025	Provincial crown corporation
1956	Alberta Capital Finance Authority (dissolved in 2020)	16994	2019	Provincial crown corporation
1979	Nova Scotia Municipal Financing Corporation (dissolved in 2022)	804	2022	Provincial crown corporation
1964	NL Municipal Financing Corporation (dissolved in 2024)	6	2024	Provincial crown corporation

Source: ACFA 2019, NLMFC 2024; MFCS 2025; MFA BC 2025a; NSMFC 2022; NBMFC 2025; FQ 2024; IO 2025; FPEI 2025; BO 2025. The Alberta Municipal Financing Corporation was redesigned in 2003 and took the name Alberta Capital Finance Authority. Building Ontario assets include funds backed by the Ontario provincial government. InBC Investment Corporation (a strategic investment fund of \$500 million) is excluded as it primarily invests in companies and venture funds within BC. Provincial crown corporations are established by the provincial governments to provide services and manage resources. Provincial government oversight and control over these entities vary on a case-by-case basis. In Alberta, the provincial government initially owned most ACFA shares, while local governments held the rest until 2019, when the provincial government acquired all remaining shares.

Table 1 shows the subnational financial authorities tasked with providing loans to subnational public bodies, including local governments and municipalities. We omit the Canada Infrastructure Bank, a national public development bank that can make loans to municipalities, and the national Green Municipal Fund, which lends to municipalities with federal funds. We selected the financing authorities identified in Table 1 because they serve subnational local governments, municipalities, local economic actors, and communities and because they are owned subnationally by provinces or municipalities. Despite the similarities, there are distinctions. For example, Financement Quebec (Financing Fund) provides financing to Quebec government agencies by lending out monies borrowed by the Quebec government. Infrastructure Ontario is responsible for contributing to the renewal of Ontario's infrastructure and lending to public sector organizations in collaboration with the private sector. The Municipal Finance Authority of British Columbia is a long-term borrowing agency run by and for local governments (see below).

Along with these subnational financial bodies, Canada has temporary, time-bound federal and provincial support initiatives for municipal infrastructure (Preville 2004; Thompson et al. 2014). This pattern began in Canada's postwar decades of rapid urbanization. Addressing municipal needs became a prominent subject in federal political party election manifestos in the late 1950s and 1960s, including but not limited to the Pearson Plan (Liberal Party of Canada 1958). The

Pearson Plan promised a new Municipal Loan Fund, which was established in 1963. It made low-interest loans totaling \$397 million until 1966 (CMHC 1967). However, the Municipal Development and Loan Fund lacked a permanent capital foundation and eventually expired without parliamentary permission for an extension. In the decades to follow, federal and provincial governments established temporary municipal infrastructure programs (Preville 2004). Canada did not establish a permanent legacy municipal finance organization, even though Nordic countries such as Denmark and Norway had done so decades before (Juuti et al. 2022).

As of 2025, there are more than 20 active Canadian federal government financial schemes for municipalities. If we include local funds and programs established by provincial governments, the total exceeds 100. The allocation of funds varies in size and scope. The majority of federal and provincial grants and programs are based on transfers, with allocations determined by qualifying criteria. The Green Municipal Fund and Low Carbon Cities Canada (LC3) programs are important initiatives based on Federal government financial endowments. LC3, however, cannot spend down its endowment, which has resulted in a stringent and low-risk investment. The largest fund, the Investing in Canada Plan, was created in 2016 as a federal government initiative to address the infrastructure deficit (Housing, Infrastructure, and Communities Canada 2025). Between 2016 and 2028, the federal program expects to spend \$180 billion on transfers to provinces and municipalities,

as well as reimbursement schemes. The Investing in Canada Plan included the Federal Government of Canada's existing programs that pre-dated the Plan (over \$92 billion). New funding of \$95 billion was made available in 2016-2017 (Housing, Infrastructure, and Communities Canada 2025). Within the overall umbrella of the Investing in Canada Plan, \$15 billion was earmarked for the foundation of the new Canada Infrastructure Bank (CIB) in 2017 (as of early 2026, the CIB's total capital capacity, in terms of total available lending, is \$45 billion).

Provincial governments also provide local governments with funds for infrastructure projects. While some, if not all, local governments benefit from these occasional funds, their quantity, diversity, and scale pose issues. Confidential informants point to problems with timing, duration, and eligibility criteria, suggesting that there is a need to better align provincial and local government budget timings, to increase the size of the funding and grant envelope, to simplify the application process, and to support more large-scale and impactful infrastructure. The BC government, for example, sponsors or participates in at least 20 funding programs that target local governments and communities (The Government of BC 2025b). Multiple programs with varied criteria lead to information overload, which necessitates the use of more resources (for example, the creation of the BC Community Climate Funding Guide webpage, which simplifies the search for funding) (The Government of BC 2025c). The ephemeral character of most municipal

funds, as well as federal and provincial efforts aimed at municipalities, results in continually updated lending windows and the development of newer funds that are unpredictable and frequently fail to fulfill demand. Large municipal projects, in particular, have limited solutions available to accommodate their size and cost.

The outcome is a hodgepodge of provincial and federal funding efforts spanning decades. This is unlikely to meet future Canadian communities' infrastructure financing needs at the rate, scale, and on the terms required to support climate-aligned, resilient, and socially equitable essential infrastructure development. What are the choices for steady, efficient, long-term municipal borrowing? The Municipal Finance Authority of British Columbia offers an innovative and efficient solution.

The Municipal Finance Authority of BC

The Municipal Finance Authority of British Columbia (MFA) is a subnational public infrastructure bank established in 1970 to combine the borrowing authority of British Columbia's local governments. Originally, the MFA was only permitted to borrow funds for on-lending specifically for sewage, water, and pollution control projects (MFA BC Act 1970). In response to local government requests, the MFA Act was amended by the Province so that the MFA could broaden its offerings. Over the next decade, the MFA further expanded to provide credit and investment options, as well as instructional support to local governments and other public entities. The MFA demonstrates how a local, public development bank can deliver reliable, effective, efficient, and accountable financial services.

Creation of the MFA

The MFA is entirely owned and administered by regional districts based on cooperative principles (Table 2). There is a history behind this. From 1964 to 1967, British Columbia policymakers formed 28 regional districts as upper-level local governments (Cashback 2001) (note: as of mid-2025, there are 27 regional districts and one regional municipality). Regional districts are

federations of municipalities, electoral areas, and sometimes Modern Treaty First Nations (Government of British Columbia 2025a). Policymakers expected regional districts to foster collaboration between lower-level local administrations and municipalities (Cashback 2001). Hugh Curtis, the MFA's inaugural Chair and then-Mayor of Saanich, indicated that the creation of regional districts in the mid-1960s stemmed from discussions about how to effectively administer municipal operations. However, to effectively handle municipal operations, it became clear that the regional districts "could administer, but didn't have the power to raise the money they needed," necessitating the formation of a municipal finance authority (The Sun 1971a). This sparked debate over what would ultimately become the MFA.

Table 2: Overview of the Municipal Finance Authority of BC (2026)

MFA BC	
Governance	40 member representatives appointed by regional districts (the Members of the Authority) elect the ten-member Board of Trustees.
Mandate	To enhance the financial well-being of BC's local governments. To harness the collective borrowing capacity for cost-effective financial services, design investment options for municipal reserves and educate municipal staff.
Type of Bank (year established)	A blend of co-operative and public infrastructure bank institution (1970); a sub-national municipal development bank.
Ownership	27 regional districts of British Columbia and one regional municipality
Number of Branches	No branch network (headquarters in Victoria, B.C.)
Number of Employees	20

Source: MFA BC 2025a and MFA website, January 2026

First and foremost, to lend to BC local governments a new financial authority, the MFA, would have to borrow. The MFA would not be directly funded by higher levels of government (unlike the Canada Infrastructure Bank). It would raise capital through financial markets (such as the Bank of North Dakota and most public development banks). Disagreements about which financial markets the MFA should borrow from dominated the early years of operation. Then-Minister of Municipal

Affairs, Dan Campbell, introduced An Act to Establish the Municipal Finance Authority of British Columbia to the Legislature to "mobilize the entire credit of the entire Province" by establishing a financing authority that could "be used for the savings of our own people" (Hansard, March 23, 1970). Following this logic, which included providing an investment venue for British Columbians' money as well as cutting borrowing rates for BC municipalities, Campbell proposed that the MFA avoid selling its bonds in international markets. Instead, the MFA should provide British Columbians the choice to invest their funds locally. In other words, if the MFA should sell bonds in British Columbia to assist local governments in the construction of sewerage systems, with the interest paid on the bonds remaining in the province (Victoria Daily Times 1970a). The idea was to retain capital flows inside the province.

Hugh Curtis, the MFA's first Chair, disagreed, saying, "I am not convinced B.C. citizens alone can provide the amount of money MFA will need in the next two, three, and four years." (The Victorian Daily Times, 1970b). Furthermore, discussions between the MFA and Canadian bond dealers did not go well; the MFA's first domestic tender of \$15 million in June 1971 was unsuccessful (The Sun 1971b). However, a bond sale in the United States in September of that year proved successful (The Province 1971). The MFA generated \$25 million by identifying regional district revenues as its financial base and declaring plans to lend bond proceeds to 23 regional districts. Five districts did not request financing (The Province 1971). The MFA had raised the capital it required to begin operations.

Evolution of the MFA

The MFA would evolve, with 1973 serving as a watershed year. The MFA's initial mandate was narrow: "to provide financing of water, sewer, and pollution control and abatement facilities for regional districts and for their member municipalities" (MFA BC Act 1970). Except for Vancouver, all regional districts had given the MFA power to issue securities for these purposes. The Union of British Columbia Municipalities, on the other hand, wanted the MFA to go further. In 1973, the BC Legislature allowed the MFA to borrow for a broader variety of municipal

capital projects (The Province 1973). By 1975, MFA borrowing averaged \$100 million per year (The Province 1976). The MFA had also successfully issued bonds in several markets, for example, Canadian dollar-denominated Eurobonds (MFA BC 2021). In 1995, the MFA introduced equipment financing to its long-term lending and short-term borrowing offerings.

Another moment of transformation occurred in 1988 with the introduction of investment products and services, notably the creation of Pooled Investment Funds. Not only would the MFA lend to municipalities and regional districts, but it could now also invest on their behalf. This investment function was established to serve a larger group of public sector clients. More recently, the MFA introduced the option of making fossil-fuel-free investments (MFA BC 2024a, 16-17). The total value of the MFA BC pooled investment funds and high-interest savings accounts peaked at \$7.2 billion as of 30 September 2025. For its part, the MFA investment function offers a local public alternative for investing reserves in a secure and efficient manner with minimal administrative costs.

The MFA has seen an expansion of eligible member clients. The provincial government, through the MFA Amendment Act in 1992, changed the definition of ‘public institution’ thereby expanding the range of public sector institutions (to, for example, university boards and school districts) that the MFA could offer long-term loans, short-term borrowing, equipment financing, and investment products. The MFA began lending to BC’s Water and Sewer Utilities in 1995, E-Comm in 1998, the Greater Vancouver Transit Authority in 1999, Regional Hospital Districts in 1999, and Capital Region Emergency Services Telecommunications in 2005 (MFA BC 2025c). Legislative reforms in 1997 further enabled the Lieutenant Governor in Council to directly approve institutional eligibility for MFA investment services. Entities ranging from the Greater Vancouver Sewerage and Drainage District to the South Coast BC Transportation Authority can participate in MFA Pooled Investment Funds. In 2025, the MFA collaborated with the First Nations Finance Authority (FNFA), which was founded

in 1995, so that the FNFA could deliver the MFA’s pooled investment products to Indigenous governments.

It is worth noting that although the City of Vancouver is able to borrow from the MFA, it is the only local government entity in BC that does not, raising funds instead through its own bond issuances. Vancouver retains the option to borrow from the MFA and remains part of the joint and several borrowing guarantee as part of the Metro Vancouver Regional District. The City of Vancouver does invest in some of the MFA’s investment products.

The MFA Today

The MFA continues to be a public financial institution with a specified mission under public law. Its purposes are set out in the Municipal Finance Authority Act, the Local Government Act, and the Community Charter. The MFA’s current mandate is to provide “financing, interim financing and lease financing for regional districts and their member municipalities as well as short term investment opportunities for BC public institutions prescribed by the Lieutenant Governor in Council” (Municipal Finance Authority Act, RSBC 1996, C. 325). The MFA defines its objective as improving the “financial well-being, equity, and autonomy of BC’s local governments” (MFA BC 2025a, 21; see also Table 2).

The MFA is democratically administered with regional district representation. The Members of the Authority serve as the principal governing body of the MFA. It is made up of 40 appointed elected local government officials from 27 regional district boards and one

regional municipality (the numbers are proportional to district population). The Members of the Authority appointees meet twice a year to consider funding proposals and to approve the issuing of MFA securities. The Members elect a ten-member Board of Trustees, one of whom serves as Chair (MFA BC 2023a, 4). The Board must have four members from Metro Vancouver, one from the Capital Regional District, and five from the other regional districts (MFA BC 2025a, 4). Between the two Members meetings, the Board of Trustees exercises executive authority and controls normal administrative activities (Interview with MFA BC Board Member, 11 September 2025). The Board regularly interacts with MFA management throughout the year to monitor operating performance and corporate objectives.

MFA Financials

The MFA’s total financial assets exceed \$10 billion and have done so since 2020 (Table 3). Total assets are largely made up of loans and investments. The loan portion includes long- and short-term loans, which totaled \$5.9 billion in 2024 (MFA BC 2025a, 3). Of this, long-term loans comprised \$5.41 billion and short-term loans \$0.51 billion (MFA BC 2025d, 13). While the \$7 billion plus of investment products offered to member clients are off-balance sheet, the MFA’s own federal, provincial, local government, and private bank debt securities account for \$3.9 billion, of which about three-quarters are provincial securities (MFA BC 2025d, 20). The MFA also holds just under \$300 million in a mix of cash, accrued interest, and property assets.

	2019	2020	2021	2022	2023	2024
Total assets (\$Millions)	9,358	10,083	10,490	10,388	10,205	10,177
Total income (\$Millions)	311.6	403	117.8	547.2	268.6	167.9
Credit ratings	S&P: AAA	S&P: AAA	S&P: AAA	S&P: AAA	S&P: AAA	S&P: AAA
	Moody's: Aaa	Moody's: Aaa	Moody's: Aaa	Moody's: Aaa	Moody's: Aaa	Moody's: Aaa
	Fitch: AAA	Fitch: AAA	Fitch: AAA	Fitch: AAA	Fitch: AAA	Fitch: AAA

Source: MFA BC 2021; 2022; 2023c; 2024d; 2025a; 2025d. Total income is presented as the total comprehensive income of the MFA BC in the respective year and is the sum of profits, net change in fair value of financial instruments and reclassified instruments.

Table 4: MFA BC's 2024 Debt Issuance by Borrowing Purpose

Borrowing Purpose	\$ Millions
Water Supply, Treatment and Distribution	316
Storm and Wastewater Treatment and Management	274
Transportation and Mobility	235
Public Parks, Civic Buildings and Land	158
Healthcare and Social Services	111
Public Safety Facilities and Services	86
Solid Waste/Recycling Organics Collection and Management	75
Renewable Energy Systems	36
Affordable/Supportive Housing and Shelters	9
Total	1300

Source: MFA BC 2025a, 9.

The MFA raises the capital it needs for its long-term lending activities by issuing bonds. In 2024, the MFA issued new bonds totaling \$1.3 billion to support lending for water, waste, transportation, parks, health, and so on (Table 4). The weighted average interest rate for its 2024 issuances was 4.123 percent (MFA BC 2025a, 7). And while the MFA's AAA credit rating is higher than the Province of BC's, it still must pay a slight premium. Yet the spread between MFA and provincial issues is very, very tight. This is due to the MFA's high credit ratings and strong safeguards, as well as the fact that its bond reopenings enhance the liquidity of its outstanding bonds (Correspondence, MFA BC Senior Staff, 19 September 2025; Private Bank, Senior Staff, 24 November 2025).

The MFA enables short-term municipal borrowing by issuing commercial paper of one- to six-month terms. In 2024 commercial paper issuances were \$4.05 billion with a weighted annual yield of 4.5 percent (MFA BC 2025a, 12).

Municipalities regularly require short-term loans for short-term and phased projects, equipment loans, and bridge funding in anticipation of long-term borrowing, as well as for qualifying future revenue receipts (that is, for property taxes receivable).

The MFA does not function as a profit-maximizing entity. Rather, it is a policy-maximizing institution. Its public purpose is not to generate higher quarterly returns for shareholders but to support the financial well-being of local government and public institution stakeholders via policy-based financing. The MFA does so by providing low-cost and appropriate high-quality financing guided by public interest. The MFA strategically seeks to hold down its

operational expenses and to maintain strong credit ratings to provide stable, accessible, and cost-effective financing. Staff do not work to push up financial returns to pay out higher dividends. In the words of a Senior MFA Staff person, "Basically our role is to try to provide every product a [private] bank provides at a much, much cheaper rate ... as sort of a cooperative entity.... We try to... basically shrink the margins on our products." (MFA BC, Senior Staff A, 25 July 2025). The MFA thus runs contrary to financialized market logics, and this fundamentally different understanding is reflected in official documents (MFA BC 2025a, 20):

The MFA is not a profit-seeking entity. We operate on a cost-recovery basis, with revenues covering operating expenses and providing essential services with the best interests of local governments in mind.

Provincial legislation supports the bank's public purpose by making the MFA the exclusive long-term lender to municipalities and regional districts. Local governments that opt-in to long-term borrowing are required to borrow from the MFA. As such, the MFA faces no competition in offering long-term loans (MFA BC 2025b). The

success of this approach has justified the MFA lending to a broader range of public sector entities governed in whole or in part by municipally elected representatives, such as the regional hospital districts and transit authorities (MFA BC 2023a, 7). At the same time, the MFA approach institutionalizes financial equality of access – all municipalities, from the smallest to the largest, have the same access to the same low interest rates. This is an approach unmatched by private lenders.

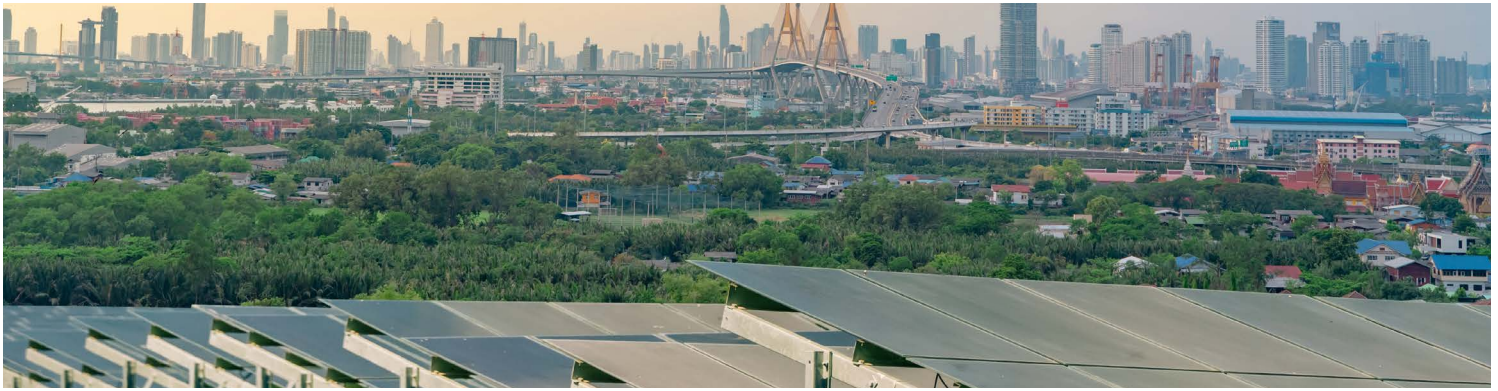


By borrowing for the collective whole, the MFA realizes cost efficiencies. Modelling done by the MFA, illustrated in Table 5, shows that it delivers significant savings. For a sample loan of \$25 million from the MFA to a municipality, the MFA loan generates annual savings in interest payments of over \$112,000 (about 10 percent) versus if that same municipality were to borrow directly, even with an AAA credit rating. The MFA can deliver these savings because it borrows a larger sum (\$1.5 billion) and then proportions it out according to municipal need. The savings are even greater for non-AAA municipalities. Significant cost efficiencies are generated province-wide.

Table 5: MFA Cost-Efficient Financing Example

	MFA	(Savings)	AAA Municipality
Annual Borrowing Amount	\$1,500,000,000		\$25,000,000
Interest rate (bond coupon)	4.60%		4.70%
Annual Interest Cost per \$25mm	\$1,150,000	(\$25,000 interest)	\$1,175,000
Annualized Fees*	\$12,750	(\$87,250 in fees)	\$100,000
Annual Cost per \$25mm Borrowed	\$1,162,750	(\$112,250 difference)	\$1,275,000

*Underwriting, legal, rating agency and other fees. Source: Table reproduced from Ashcroft and Urbanc 2025.



How the MFA functions gives rise to another impressive indicator of financial efficiency: assets/employee. In 2025 the MFA had 19 employees (an increase from nine in 2013) (MFA BC 2024a), and it managed about \$10 billion in assets. This means that the MFA's assets/per employee ratio is over \$500 million per employee, which is among the highest ratios of public banks in the world. Comparative ratios can be drawn from individual data on public development banks, which show typically much lower ratios than the MFA. For example, per employee, Findeter in Colombia is €4.4 million; the Council of Europe Development Bank is €139.4 million; Iller Bank in Türkiye is €1.7 million; and the Fonds d'Equipment Communal in Morocco is €27.8 million (see Marois 2023 for the bank data). Converting CAD\$ to euros, the MFA BC ratio is €308 million/employee as of November 2025. Looking at four Nordic municipal banks (Munifin; Kommuninvest; Kommunekredit; Kommunalbanken) and based on BankFocus data from 2020, the MFA is very much in line with its larger Nordic peers, whose assets/employee ratios are from €266 million to €581 million per employee. These assets/employee comparisons point to the extreme efficiency of public municipal infrastructure banks in Canada and globally.

In the Words of the MFA ...

We estimate that borrowing from the MFA garners direct cost savings of 10% to 20% for a local government relative to the cost of borrowing on their own. Our collective approach means MFA offers more reliable access to funding, saves staff time by centralizing capital market and investing expertise, and takes advantage of economies of scale.

Source: MFA BC 2025a, 3.

Few MFA employees managing large amounts of financial resources has not resulted in risky behavior: the MFA has never had a loan default in its 50-plus years of operation. Research on its Nordic peers identifies similar indicators of high-quality loan performance, with even longer periods of operation with zero defaults (Juuti et al. 2022). Public ownership, public purpose, supportive legislation, and accountable governance undergird the cost-effective financing of the MFA and municipal development banks more broadly.

The MFA is financially sustainable, generating sufficient income to cover operating expenses and potential investment losses. MFA's total annual income in 2019 was \$312 million but \$168 million in 2024 (Table 4). Income in the intervening years was both lower and higher. The variations reflect net changes in the fair value of the sinking funds on the MFA's balance sheet. MFA gains and losses, however, are not realized annually, as the MFA typically holds investments until maturity (it does not employ an originate and distribute model). The MFA is nonetheless required under International Financial Reporting Standards to account for changes in the fair market value of investment holdings in its annual statements. Another measure of MFA income is annual operating returns, which have been relatively stable over past years: \$146 million in 2021; \$157 million in 2022; \$162 million in 2023; and \$159 million in 2024 (Correspondence, MFA BC Senior Staff, 14 October 2025). However measured, the MFA remains solidly in the black.

When returns exceeded expenses, the MFA had tended to redistribute dividends to the regional districts and municipalities based on their participation in MFA borrowing

and investment. The dividends received by municipalities are then used to support municipal budgets. The MFA, however, had no legislation by which it must redistribute dividends. The MFA Board rectified this in 2019 by adopting a new capital adequacy framework. As opposed to redistributing dividends annually, the 2019 framework now guides the MFA to retain the least amount of returns possible while ensuring sufficient capital adequacy vis-à-vis its financial risks. The 2019 framework supports continued AAA credit ratings and, by extension, helps to keep municipal financing costs low (Correspondence, MFA BC Senior Staff, 19 September 2025).

A two-level structure buttresses the MFA's AAA credit rating. This structure against debt default includes: 1) capital reserves, comprised of the debt reserve fund and the retention fund, and 2) a right to levy a tax on British Columbia property.

First, the MFA's debt reserve fund automatically receives one percent of the principal on all long-term loans extended. In other words, the MFA delivers 99 percent of the loan to local governments and public entities but withholds one percent for the reserve fund. In this way the MFA maintains a capital reserve fund that is directly proportional to its loan portfolio. Upon full repayment, the one percent withheld plus interest earned is returned to the client. The reserve fund is bolstered by the retention fund, which is comprised of retained earnings (as discussed above). These two sources of capital reserves backstop MFA capacity to service its debts should clients default. That risk is low, evidenced by its zero default history on any loan or internal investments. As of 2025, total capital reserves exceeded \$250 million (\$124 million held in the debt reserve fund and

\$129 million held in the retention fund) (MFA BC 2025b; Correspondence, MFA BC Senior Staff, 19 September 2025).

Second, the MFA has the legislated authority to levy a tax on all BC properties, which can be exercised at scale should a run of loan defaults suddenly drain MFA capital reserves, putting it at risk of collapse (Moody's 2024). It is worth underscoring that this right of taxation on property for a public development bank is unique in Canada, possibly the world, and it provides a formidable guarantee against bankruptcy. According to MFA staff, "We are a self-funded entity... taxation power... is like a backstop for us" (MFA BC, Senior Staff A, July 25, 2025). The MFA exercises its taxation authority annually by levying a small fraction of a percentage of BC property taxes. In 2025, for example, property owners paid an MFA charge of 0.02 per cent on the net taxable value of residential units and 0.05 per cent on the net taxable value of enterprises (MFA BC 2024c). The percentages are updated annually, with income covering a portion of operating costs. From its earliest days, the levy has been miniscule. In 1977, an average Vancouver household was charged 18 cents (based on a 0.019% levy going to the MFA) (The Province 1977). The MFA property tax levy may be unique, but the use of some form of levy or taxation is often used as a source of permanent capitalization for public banks. The Banco Popular in Costa Rica and IIBank in Türkiye benefit from similar recurrent sources of capital (Marois 2021; Gungen 2022).

It is worth clarifying that the taxation authority of the MFA is not akin to an explicit provincial guarantee against default – where the Province would cover losses should MFA loan defaults become systemic. The MFA has no explicit guarantee from higher levels of government, even though such guarantees are prevalent among public development banks (Marois 2021). For the MFA, taxation power effectively stands in place of explicit government backing (even if implicitly it is unlikely that the Province would allow the MFA to ever go bankrupt). Moreover, once an MFA loan is made to a municipality, that loan automatically becomes a liability of the regional district,

which is referred to as a 'joint and several guarantee' (MFA BC 2025a, 18). All loans are backed by all members, as well as the MFA being backed by its reserves and taxation authority.



It is further worth clarifying that MFA liabilities sit on the balance sheets of local governments, not the Province. According to MFA Senior Staff, the net liabilities of the MFA (that is, its market debt less MFA sinking fund assets) are only represented on the balance sheets of BC local governments. To be even more precise, MFA loans to local government appear on MFA's balance sheet as assets; MFA debt to the market appears as liabilities on the MFA's balance sheet; finally, loans from the MFA to local governments appear as debt on local government balance sheets as debt (that is, as a liability). MFA liabilities are all supported by the local government taxpayer, and so none of it appears on the Province's balance sheet (MFA BC, Senior Staff A, 03 February 2026).

In terms of environmental sustainability, the MFA has also evolved. Since 2021, the MFA has been labelling its bonds as sustainability bonds and disclosing each bond's use of proceeds according to the 2030 Sustainable Development Goals (SDGs) and the Environmental and Social Objectives (ESO) outlined by the International Capital Market Association (ICMA). MFA bonds are mapped according to the UN SDGs and ICMA ESO from its social bond and green bond principles (MFA BC 2023b), which in turn substantiate its claim to be "a key enabler of sustainable infrastructure" throughout British Columbia (MFA BC 2025a, 21). The MFA announced its initial sustainable bond framework in 2022 and made significant enhancements to it in 2024 (MFA BC 2024b). While its sustainability bonds are not independently verified, the published methodology of the MFA provides investors and rating agencies with the means by which to assess the credibility of the sustainability label, use of proceeds determinations, and the adequacy of MFA's bond allocation and impact reporting commitments vis-à-vis its peers, investor expectations, and best practice guidelines. According to a senior private sector Canadian banker, Bloomberg labels the MFA bonds in the investor portal with a yellow sun, which indicates that MFA bonds are in fact classified as 'sustainable' bonds for investors (Private Bank, Senior Staff, 24 November 2025). In a separate interview, MFA Senior Staff stressed that because sustainable finance principles require that the attributes of the issuer, not just the project, be taken into account, the MFA has a significant advantage as an institution whose members are all committed to sustainable social development of local communities: "We're part of the social and solidarity economy... by virtue of ... our governance, our elected officials, our Members." (MFA BC, Senior Staff B, 25 July 2025). Here, too, the MFA supports efficiency. Rather than imposing new and burdensome sustainability reporting requirements on its member borrowers, the MFA collaborates with the provincial government and local authorities to access and, in some cases, augment their annual reporting requirements to the Province on existing climate and sustainability indicators and government financial statistics (MFA BC, Senior Staff A and B, July 25, 2025).

3. The World of Municipal Development Banks

It may come as a surprise, but municipal-scale public banks are the oldest type of public bank. The first was the Taula de Cuitat, a municipal bank established in 1401 by Barcelona officials (Milian 2021). Over the next two centuries municipal-scale public banks emerged in Venice, Naples, Amsterdam, Hamburg, and elsewhere (Roberds and Velde 2014). In 1778, the first Sparkasse bank, a local public savings bank, opened in Germany. The emergent Sparkassen system, composed of many independent local public banks, flourished into the 20th century based on a strict regional mandate to support local communities, residents, and public infrastructure (Francke and Hudson 1984, 57-59; Cassell 2021). The Sparkassen regional principle has been vital to safeguarding its public purpose mandate over the decades (Scherrer 2025, 626).

There is little global data tracking of subnational municipal public development banks. We have come to a 'best estimate' of total numbers and assets via two separate databases: first, from the Institute of New Structural Economics and Finance in Common Summit database and, second, from the Moody's BankFocus database. We found 135 institutions to which, based on our knowledge of Canada, we added seven more subnational public financial institutions missing from the two databases (one of which is the MFA). Excluding the massive system of Sparkassen banks (given their disproportionately large numbers and assets), we arrive at a best estimate of 142 subnational and municipal public development banks globally with just

Subnational and Municipal Public Development Banks	Number of institutions	Total Assets (billion USD)
INSE & FICS Database	116	962
INSE & FICS Database (national operating scope but serving subnational authorities and/or owned by subnational authorities)	6	164
Additional banks from Moody's BankFocus (to identify missing banks in INSE & FICS)	13	712
Banks in Canada (missing from all databases)	7	27
Total subnational municipal public banks (excluding German SPDBs)	142	1,866
German Sparkassen and Landesbanken banks	353	1,671
Total municipal plus German banks	495	3,537

Source: BankFocus and INSE & FICS PDB database (2025), last updated in October 2025, and GSBA (2024). Sparkassen and Landesbanken assets are converted to USD using the European Central Bank 2024 annual average exchange rate. Canadian subnational bank assets are converted to USD using the Bank of Canada's 2024 average annual exchange rate. The decimals (regarding total assets) are rounded to the nearest whole number.

under US\$1.9 trillion in combined assets (Table 6). Adding in the German entities' balloons those numbers to 353 institutions with over US\$3.5 trillion.

There is a diversity of municipal and subnational public development banks, varying in history, region, assets, mandates, and so on (Table 7 provides a sample of six, in addition to the four Nordic municipal banks noted earlier). These public banks support local and regional infrastructure, housing, regional economies, micro-, small-, and medium-sized enterprises (MSMEs), and more. The cumulative impacts of the 2008-09 global financial crisis, the global climate crisis, and the global Covid-19 pandemic have stimulated the interest of researchers, civil society, and policymakers in public development banks and their ability to be policy-maximizing institutions (Romero 2017; UNCTAD 2019; Clifton et al. 2021; Marois 2021; Marodon 2022; UN FSDR 2024; Volz and Lee 2024).

This is nowhere more evident than in the United Nations 4th International Conference on Financing for Development outcome document, the 2025 Sevilla Commitment, which highlights the ability of public development banks to mobilize resources for sustainable development, encourages public development banks to work as a coherent system, and calls on UN Member States to create new ones where needed (UN FfD4 2025).



Table 7: Diversity of Municipal and Subnational Public Development Banks Globally

	Est.	Country	Geographical Scope	Total Assets (\$M USD)	Mandate and Focus
Nordrhein-Westfalen Bank	2002	Germany	Subnational	178,005	General Development
Japan Finance Organization for Municipalities	2008	Japan	Municipal with a National Scope	159,762	Local Governments
Municipality Finance Plc. (MuniFin)	1990	Finland	Municipal with a National Scope	54,904	Local Governments
Ilbank	1933	Turkey	Municipal with a National Scope	5,077	Local Governments
Banco Regional de Desenvolvimento do Extremo Sul	1961	Brazil	Subnational	4,378	General Development
Instituto para el Desarrollo de Antioquia	1964	Colombia	Subnational	883	Micro, Small, and Medium-Sized Enterprises

Source: INSE & FICS 2025 and BankFocus 2025.

Despite recent, renewed interest, public development banks that support municipalities and local governments have received relatively little scholarly or policy attention (cf. Cassell 2021; Smoke 2022; Scherrer 2025). Research on public banks until recently tended to reflect mainstream concerns on efficiency, market imperfections, and competitiveness (Davey 1989; Shah 2006; McMillan 2006). Economists were highly skeptical of decisions to establish or sustain public financial institutions, fearing inherent corruption and political abuse (La Porta et al. 2002; Marcellin and Mathur 2015). The recommendation was to privatize all public banks. Despite this, public banks have persisted and consistently grown in number and stature in recent years (Xu et al. 2021; Marois and Gungen 2024; UN FfD4 2025).

Research has begun to look at how municipal and subnational public development banks can help to address socio-economic and sustainable development challenges, even if this requires improvements in many cases. A study of the Banco Regional de Desenvolvimento do Extremo Sul (BRDE), a regional Brazilian subnational public development bank, suggests that public banks at this scale “provide financial instruments to broaden financing to local and microregional levels” (Lemos 2024, 509). In Bangladesh, the Municipal Development Fund has improved municipal activities, infrastructure, and services (Rahaman et al., 2014). In Türkiye, the Bank of Provinces, İlbank, has a near-monopoly in municipal lending for capital projects and, like the MFA, provides attractive below-market rates, long-term funding, and technical assistance – all of which are beneficial to communities and public infrastructure (Gungen 2022). Relatedly, studies of subnational financial ecosystems highlight their potential as “financial and knowledge platforms” (Suchodolski et al. 2020, 24). More broadly, researchers argue that subnational and municipal finance authorities can and should be more responsive to local economic requirements (Sgouros 2015; Mazzucato 2022; Szafranska et al. 2024). When and where public development banks deliver effective services and meet community needs, they are frequently underpinned by meaningful public purpose mandates, a



supportive political economic landscape, and social forces that push public banks toward accountable and transparent practices (Juuti et al. 2022; Scherrer 2025; Barrowclough and Marois 2025).

4. Thinking about a New Municipal Development Bank for Canada

In the 2025 Sevilla Commitment, UN member states, including Canada, agreed to support the establishment of new public development banks, as needed, “to address local and national development challenges” (UN FfD4 2025, 10). Canada does not have a national public municipal development bank or system of banks operating by cities for cities at the scale and on the terms required to help address local infrastructure demands. But it can establish one. Above we have explored the context of subnational and municipal infrastructure banks in Canada. Building from this, we offer five topics to help motivate discussion: ownership; financial sustainability; governance; climate, justice, and prosperity; and technical assistance and organizational structure.

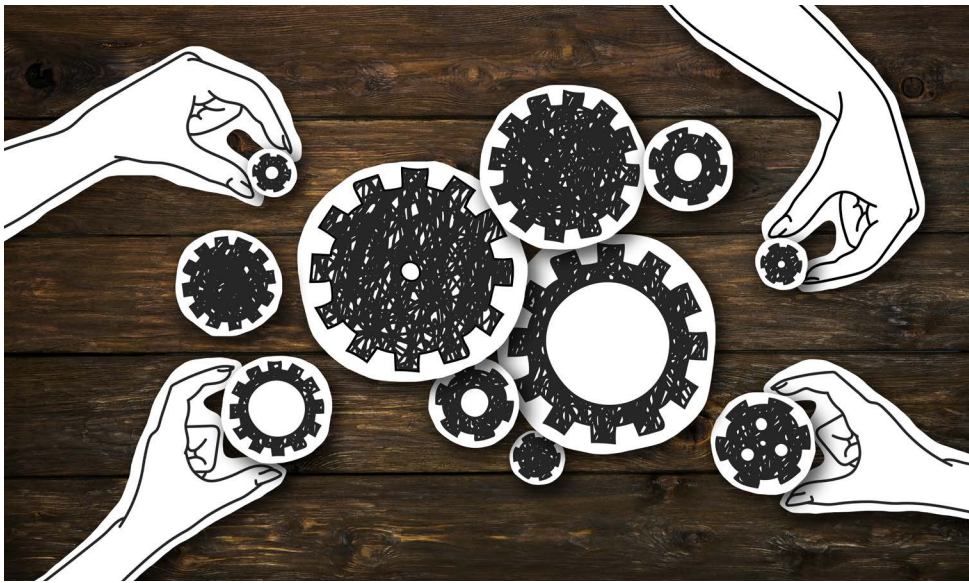
How should ownership be structured?

Public ownership positions a bank within the public sphere, conferring onto its public owners the ability to set mandates, missions, and policy priorities in ways shielded from direct profit maximization and market competition pressures. Ownership can be held at different levels of government: municipal, provincial, federal, or some mix therein. Ownership

might also include other public institutions, like public pension funds or other public banks. The ownership structure influences how decisions are made and by whom. Full ownership by cities should enable a stronger municipal voice, but it may make it more difficult to secure strong credit ratings. Including higher levels of government ownership may help to overcome credit rating barriers, but this may necessitate accommodating additional policy priorities. It may facilitate breaking down silos, nonetheless. Integrating ownership by other public entities can support the sharing of expertise and cross-sectoral collaboration, but care must be taken to protect a public policy orientation. Ownership will have an impact on all aspects of a new municipal bank, as it is ultimately a question of who decides, and this will institutionalize specific power relations and policy priorities within the bank.

How should financial sustainability be approached?

Financial sustainability does not mean maximizing financial returns. It does mean setting the rules, practices, and processes needed to ensure indefinite operation, even during times of economic crisis and financial instability: staff will be paid, loanable capital can be accessed, concessional lending costs addressed, all financial commitments and losses met, and all other operating expenses covered. In this scenario, will the bank be tasked with keeping operating expenses low to pass along the savings to its clients? Should its owners want the bank to assume



non-financial functions, such as capacity building and technical assistance, this will increase operational expenses that will need to be covered. Likewise, will the bank be asked to provide concessional lending and, if yes, will the bank itself or transfers from government support financial sustainability?

What role should society have in governance?

Public banks are not necessarily governed democratically, especially historically. But it is a contemporary aspiration. UN Sustainable Development Goal 16, 'Peace, Justice and Strong Institutions,' tasks Member States with promoting peaceful and inclusive societies, part of which requires building "effective, accountable and inclusive institutions". Many public banks around the world already operate democratically. There are at least six different approaches to public bank governance, with some more and others less democratic (see Marois 2021; Marois and Volz 2024). These approaches include inclusive; representative; mixed centralized/decentralized authority; expertise-based; mixed nominee-based/representative; and nominee-based forms of governance. All six cannot be reviewed here, however, two stand out because of their democratic credentials.

The first is inclusive. It is inclusive because the highest decision-making body is a broad-based Assembly composed of a larger number (think many dozens) of elected representatives from diverse social

groups and representative organizations. Below this sits a smaller (think less than 10) Board of Directors responsible for more regular operational oversight and decision-making. The Assembly establishes the mandate and operational rules, examines Board decisions and Annual Reports, and appoints special commissions to assist the bank in addressing societal concerns. The Costa Rican Banco Popular y de Desarrollo Comunal (Bank of the People and Community Development), founded in 1969, exemplifies inclusive democratic government (Marois and Gungen 2019; Spronk et al. 2025).

The second approach is representative.

In this approach, there is a single Governing Board with legally defined member positions designed to provide a voice for distinct, albeit frequently broad-based, political, economic, and social groups in society. The German public development bank, the KfW (Kreditanstalt für Wiederaufbau), established in 1948, is an important example (Marois 2025). The Supervisory Board of Directors is the highest governance forum, composed of 37 members specified in law: the Federal Ministers of Finance and of Economic Affairs and Energy, plus 35 members from German politics and society (including 14 from the Lower and Upper Houses of government; five more federal ministers; and remaining representatives from the mortgage banks, savings banks, cooperative banks, commercial banks, business credit institutions, municipalities, agriculture, crafts, trades, housing associations, trade unions, and industry).

Christian Seitz (2022), KfW Director in the Executive Board, explains clearly: "The idea behind [the composition of the Supervisory Board] is that the whole of German society should have a voice in our Supervisory Board of Directors – and that's a good thing."

The Municipal Finance Authority of BC illustrates a mixed form of representative and inclusive governance, as its 40 member representatives, appointed by regional districts, constitute the Members of the Authority, which in turn elects the ten-member Board of Trustees. MFA governance does not have dedicated representation from specified social sectors.

How a new municipal development bank or system of banks is held accountable to and by their affected communities is critical, especially for pressing issues of climate, justice, and prosperity.

How can concerns for climate resilience, social justice, and economic prosperity inform operations?

In today's rapidly warming world – wherein municipal infrastructure bears the brunt of climate change – any new municipal development bank must consider climate resilience (not to mention biodiversity) in how it functions. Yet research, civil society, and multilateral forums agree that green transitions will stall or reverse if they are not socially and economically equitable (Ray et al. 2020; Fiorino 2022; UN FfD4 2025). Moreover, since those communities most negatively impacted by a changing climate and loss of biodiversity are those that have typically contributed the least to the problem (that is, lower-income households and marginalized communities within Canada and lower-income countries globally), investments in climate resilience need to centre those people at highest risk. Localized adaptation is best positioned to achieve these equitable outcomes. The question is not whether but how a new municipal development bank or system of banks can promote green transitions and climate adaptation alongside social equity and prosperity through investments in infrastructure resilience and community-scale decarbonization.

This will require tackling some challenging issues and learning new practices. How have public banks elsewhere functioned and lent in ways that not only mitigate the harmful impacts of climate change but also reverse those impacts through biodiversity actions and support for green sustainability projects? To build social credibility, what room is there for municipalities, communities, and Indigenous peoples to co-create specific impact indicators of success? Co-creation is a step toward free, prior, and informed consent as well as the foundation for delivering socially just transformations that support broad-based economic prosperity and environmental sustainability. In a rapidly shifting global economy, a new municipal development bank can help to catalyze domestic capacities for change and accountability.

What are appropriate technical assistance functions? How might scale and organizational structure impact these?

Subnational and municipal public development banks have strategic advantages in understanding local communities, municipal infrastructure, and funding requirements. Leveraging their institutional expertise and knowledge, a new municipal development bank or system of banks can provide high-quality technical assistance for local governments and municipalities. Public development banks are often knowledge hubs that provide governments with training, technical help, and project development support. There is a case to be made for a national municipal development bank to provide these financial, knowledge, and project development functions (Suchodolski et al. 2020; cf. Marois et al. 2025).

However, providing technical assistance, not to mention governance forums, incurs operating costs, which in turn affects financial sustainability. Such expenditures must be weighed against providing cost-effective financing. This must also be considered against potential institutional structures and ownership forms. Can a single national municipal development bank absorb these expenditures more effectively than a system of local or provincial-level municipal development banks? Or should

separate local or regional municipal development banks contribute to a national central coordinating institution capable of generating operational efficiencies that free up local resources for technical, knowledge, and governance assistance (a development bank ecosystem model, not unlike the German Sparkassen system)?

These and further questions need to be asked. Answers should come from broad-based consultation in Canada and should draw on promising public banking lessons at home and abroad.



Conclusion: A New Municipal Development Bank for Canada?

Most Canadians understand the need to better support healthy, prosperous, and equitable communities. The sense of urgency has intensified within today's ruptured world economy wherein political strategies have rapidly shifted around how and for whom Canadians produce goods and services. Greater domestic economic capacity is an ascending policy priority. How communities must not only respond but might thrive needs attention. The role of appropriate financing for essential infrastructure for cities by cities should be front of mind.

Yet financial supports for municipalities remain fragmented, complex, and often not of the scale needed. A new legacy institution – a new national public municipal development bank or a system of provincially- and regionally-constituted public banks – can help to address the finance gap in the public interest. It can achieve this by providing financing that is faster, cheaper, and greener, while still being more equitable and democratic. By doing so, we can build national capacity for delivering patient, not-for-profit, and policy-driven public purpose financing.

There are positive examples of subnational and municipal development banks around the world from which we can draw practical lessons. Canada has one of the most promising public banking institutions already: the Municipal Finance Authority of British Columbia. This municipal infrastructure bank is a highly effective and efficient entity. It leverages its status as a publicly owned institution – backed by legislated taxation authority, prudent financial management, a public purpose mandate, and community – to deliver low-cost financing on appropriate terms to its clients. Local governments, municipalities, and public services benefit from its economy of scale. As much as the MFA is economically efficient, it too is institutionally dynamic. The MFA has evolved in response to the needs of its co-operative member clients, growing in both employee numbers and functions.

At the same time, the MFA, through its lending and investing activities, is supporting its local government members in advancing their climate and other sustainable development goals and objectives, whose actions and contributions are critical to the Province of BC meeting its legislated commitments in the Climate Change Accountability Act and to Canada's Paris Agreement commitments. The MFA, as the municipal infrastructure bank for all BC local governments, is an important model of public municipal development bank in and for Canada. There is real potential to build on the successes of the MFA to create a new national legacy institution that can help Canadian municipalities meet their financing requirements now and into the future.

Cite as: Güngen, Ali Riza and Marois, Thomas (2026). 'Local, Efficient, Public: A New Municipal Development Bank for Canada?' *PBP Policy Brief*. No. 2026/01. McMaster University, Canada. Public Banking Project.

References

ACFA – Alberta Capital Finance Authority (2019). *Annual Report 2019*. <https://open.alberta.ca/publications/alberta-capital-finance-authority-annual-report>.

Ashcroft, A. and Urbanc, P. (2025). "Sustainability and ESG Data, The evolution of sustainability and social finance. Presentation to UBC Okanagan ENGR 305: Engineering Economic Analysis. 23 July 2025.

BankFocus (2025). *BankFocus Database*. Moody's Analytics. Data Update: March 20, 2025.

Barrowclough, D. V., & Marois, T. (2025). Public Banks and Public Purpose: From Pandemic Responses to Future Climate Prospects. *Review of Political Economy*, 37(3), 887–895. <https://doi.org/10.1080/09538259.2025.2472534>.

Bird, R., & Slack, E. (2021). Provincial-Local Equalization in Canada: Time for a Change?. *IMFG Papers on Municipal Finance and Governance*. No. 57. <https://munkschool.utoronto.ca/research/provincial-local-equalization-canada-time-change>

BO – Building Ontario Fund (2025). *Audited Finance Statements for the year ended March 31, 2025*. <https://buildingonfund.ca/wp-content/uploads/BOF-Audited-2024-25-Financial-Statements.pdf>

Bojorquez, F., Champagne, E. & Vaillancourt, F. (2009). Federal grants to municipalities in Canada: Nature, importance and impact on municipal investments, from 1990 to 2005. *Canadian Public Administration*, 52 (3), 439-455.

CanInfra (2025). *Estimates of Canada's Infrastructure Deficit*. CanInfra. <https://www.caninfra.ca/insights-6>.

Canada Infrastructure (2019). *Canada Infrastructure Report Card: Monitoring the State of Canada's Core Public Infrastructure*. The Association of Consulting Engineering Companies Canada (ACEC), the Canadian Construction Association (CCA), the Canadian Parks and Recreation Association (CPRA), the Canadian Public Works Association (CPWA), the Canadian Society for Civil Engineering (CSCE), the Canadian Urban Transit Association (CUTA), the Canadian Network of Asset Managers (CNAM), and the Federation of Canadian Municipalities (FCM). <http://canadianinfrastructure.ca/downloads/canadian-infrastructure-report-card-2019.pdf>.

Cashback, D. (2001). *Regional District Governance in British Columbia: A Case Study in Aggregation*. Institute on Governance, Ottawa. <https://www.slrld.bc.ca/sites/default/files/pdfs/Regional%20District%20-%20Bish%202001.pdf>.

Cassell, M. (2021). *Banking on the State: The Political Economy of Public Savings Banks*. Agenda Publishing.

CFMM – Canadian Federation of Mayors and Municipalities. (1956). *Forecast of Urban Growth Problems and Requirements 1956-1980. A Brief Submitted to the Royal Commission on Canada's Economic Prospects*. Canadian Federation of Mayors and Municipalities. <https://babel.hathitrust.org/cgi/pt?id=mdp.39015078180398&seq=1>.

CMHC – Canadian Mortgage and Housing Corporation. (1967). *Twenty-first Annual Report 1966*. Canadian Mortgage and Housing Corporation.

Clifton, J., Díaz-Fuentes, D., & Howarth, D. (Eds.) (2021). *Regional Development Banks in the World Economy*. Oxford University Press.

Davey, K. (1989). *Strengthening Municipal Government*. The World Bank Policy, Planning and Research Staff Infrastructure and Urban Development Department. Report INU 47. June 1989.

Department of Finance, Canada (2024). *Fiscal Reference Tables 2024*. <https://www.canada.ca/content/dam/fin/publications/frt-trf/2024/frt-trf-24-eng.pdf>.

FCM – Federation of Canadian Municipalities (2024). *Making Canada's Growth A Success: The Case for Municipal Growth Framework*. FCM. <https://fcm.ca/en/resources/making-canadas-growth-a-success>.

FPEI – Finance PEI (2025). *Finance PEI Annual Report 2023-24*. <https://www.princeedwardisland.ca/en/publication/finance-pe-annual-report-2023-2024>.

Fiorino, D. J. (2022). Climate change and right-wing populism in the United States. *Environmental Politics*, 31(5), 801-819. <https://doi.org/10.1080/09644016.2021.2018854>.

Francke, H. H., & Hudson, M. (1984). *Banking and Finance in West Germany*. Routledge.

FQ - Financement-Québec (2024). *Operational Report 2023-24*. https://cdn-contenu.quebec.ca/cdn-contenu/adm/min/finances/publications-adm/rapports_activites_financement_quebec/EN/FINEN_rapann_finqc2324a.pdf.

Gonzalez Guerrero, A. F., & Bazinet, D. (2025). *Empowering municipal climate action: Lessons learned from CAANZero, an innovative program exploring a financing mechanism for local governments*. MaRS Discovery District. <https://www.marsdd.com/research-and-insights/empowering-municipal-climate-action/>.

Government of Ontario (2019). *Understanding municipal debt*. <https://www.ontario.ca/document/tools-municipal-budgeting-and-long-term-financial-planning/understanding-municipal-debt>.

GSBA – German Savings Banks Association (2024). *Financial Report 2023*. GSBA. https://financialreport.dsgv.de/downloads/Financial_Report_2023.pdf.

Güngen, A. R. (2022). 'No one can compete since no one dares to lend more cheaply!': Turkey's İlbank and public water finance. *Water International*, 47(5), 771–790. <https://doi.org/10.1080/02508060.2022.2096251>.

Hansard. Official Report of Debates of The Legislative Assembly (1970). Minutes of Proceedings. 29th Parliament. First Session. Afternoon sitting. Retrieved from the BC Legislative Assembly website: https://lims.leg.bc.ca/hdms/file/Debates/29th1st/29p_01s_700323p.htm#00737.

Henderson, J. (2022, July 26). Crown heads roll. *Halifax Examiner*. <https://www.halifaxexaminer.ca/government/crown-heads-roll/>.

Housing, Infrastructure and Communities Canada (2025). *Funding Delivered Under the Investing in Canada Plan*. Government of Canada. <https://housing-infrastructure.canada.ca/plan/funding-financement-eng.html>.

Higgins, D. (1986). The Processes of Reorganizing Local Government in Canada. *Canadian Journal of Political Science*, 19(2), 219-242. doi: 10.1017/S0008423900053993.

IO – Infrastructure Ontario (2025). *2024-25 Annual Report*. <https://www.infrastructureontario.ca/4a91df/contentassets/31d82b2e91094efa879f4819ac07b4ee/fy25-io-annual-report-final-s.pdf>

INSE – FICS (2025). *Institute of New Structural Economics and Finance in Common Database* (last update October 2025). <http://www.dfidatabase.pku.edu.cn/>.

Juuti, P. S., Juuti, R. P., & McDonald, D. A. (2022). Boldly boring: public banks and public water in the Nordic region. *Water International*, 47(5), 791-809. <https://doi.org/10.1080/02508060.2022.2072149>.

La Porta, R., Lopez-de-Silanes, F., & Shleifer, A. (2002). Government ownership of banks. *The Journal of Finance*, 57(1), 265–301.

Lemos, L. B. de S. (2024). What Makes A Smart Bank? The Case Of Brde, A Last-mile Subnational Development Bank in Brazil. *Revista Direito Publico*, Brasília. 21 (110), 477-513, doi: 10.11117/rdp.v21i110.7691.

Liberal Party of Canada (1958). *Canada's Liberal Path to Prosperity, Progress and Peace: The Pearson Plan*. Liberal Party of Canada. https://www.poltext.org/sites/poltext.org/files/plateformesV2/Canada/CAN_PL_1958_LIB_en.pdf.

Marcelin, I., & Mathur, I. (2015). Privatization, financial development, property rights and growth. *Journal of Banking & Finance*, 50, 528-46. <https://doi.org/10.1016/j.jbankfin.2014.03.034>.

Marodon, R. (2022). Can Development Banks Step Up to the Challenge of Sustainable Development? *Review of Political Economy*, 34 (2), 268-285. <https://doi.org/10.1080/09538259.2021.1977542>.

Marois, T. (2021). *Public Banks: Decarbonisation, Definancialisation, and Democratisation*. Cambridge University Press.

Marois, T. (2023). *The potential of public banks to fund local quality public services: A policy brief for workers and trade unions*. Public Services International. <https://publicservices.international/resources/news/the-potential-of-public-banks-to-fund-local-quality-public-services?id=13851&lang=en>.

- Marois, T. (2025). Public Development Banks as Essential Infrastructure: Covid, the KfW, and Public Purpose. *Review of Political Economy*, 37(3), 1011–1035. <https://doi.org/10.1080/09538259.2023.2298739>.
- Marois, T., & Güngen, A. R. (2019). *A US green investment bank for all: Democratized finance for a just transition*. The Next System Project. <https://thenextsystem.org/green-investment-bank>.
- Marois, T. and Güngen, A.R. (2024). 'The World of Public Banks', *PBP Evidence Brief. No. 2024/02*, McMaster University, Canada: Public Banking Project with Climate and Community Institute.
- Marois, T., & Volz, U. (2024). A Climate Bank for Viet Nam to Catalyze Green and Just Transitions. *UNDP 2024 Policy Brief Series*. https://www.undp.org/sites/g/files/zskgke326/files/2024-05/climate_bank_report_final.pdf.
- Marois, T., Woolford, J., Güngen, A. R., & Marodon, R. (2025). Realizing the Potential of National Development Banks to Boost Sustainable Development Financing with MDB Support. *AFD Research Papers*, No. 345. Agence Française de Développement (AFD). <https://publicbanking.mcmaster.ca/resources/>
- Mazzucato, M. (2022). Inclusive and sustainable British Columbia: A mission-oriented approach to a renewed economy. *UCL Institute for Innovation and Public Purpose*, IIPP Policy Report No. 2022/01. https://www.ucl.ac.uk/bartlett/sites/bartlett/files/ucl-iipp-british-columbia-report-2022_final.pdf.
- McMillan, M. L. (2006). Local Government Organization and Finance: Canada. In Shah, A. (Ed.) *Local Governance in Industrial Countries* (pp. 41-83). The World Bank.
- Meloche, J. P., & Vaillancourt, F. (2021). Municipal Financing Opportunities in Canada: How do Cities Use Their Fiscal Space? *IMFG Papers on Municipal Finance and Governance*. No. 52. https://imfg.org/research/doc/?doc_id=554.
- MFA BC (2016). *Municipal Finance Authority of British Columbia Information Memorandum for Short-Term Promissory Notes*. May 5, 2016. https://mfa.bc.ca/sites/default/files/Investors/Credit%20Reports/cp_information_memorandum.pdf
- MFA BC (2021). *2020 Annual Report (Parts I and II)*. https://mfa.bc.ca/sites/default/files/Investors/Annual%20Report/mfabc_annual_report_2020_pt1_50th_anniversary.pdf and https://mfa.bc.ca/sites/default/files/Investors/Annual%20Report/2020_pt2_financial_statements.pdf.
- MFA BC (2022). *2021 Financial Statements and Related Reports*. https://mfa.bc.ca/sites/default/files/About%20Us/2021_mfa_annual_report_-_financial_statements.pdf.
- MFA BC (2023a). *2022 Annual Report*. https://mfa.bc.ca/sites/default/files/Investors/Annual%20Report/mfa_2022_annual_report.pdf
- MFA BC (2023b). MFA 101. *Presented at the 2023 Financial Forum and Annual General Meeting*. https://mfa.bc.ca/sites/default/files/About%20Us/session_2_mfa_101_2023.pdf
- MFA BC (2023c). *2022 Financial Statements and Related Documents*. https://mfa.bc.ca/sites/default/files/Investors/Annual%20Report/mfabc_2022_financial_statements.pdf.
- MFA BC (2024a). *Annual Report 2023*. https://mfa.bc.ca/sites/default/files/Investors/Annual%20Report/2023_mfa_annual_report_-_web.pdf
- MFA BC (2024b). *Sustainable Bond Framework*. https://mfa.bc.ca/sites/default/files/Investors/mfabc_sustainable_bond_framework_2024.pdf
- MFA BC (2024c). *MFA BC Authority Resolution no. 172*. September 17, 2024. https://mfa.bc.ca/sites/default/files/172_2025_tax_levy_rates_-_certified.pdf.
- MFA BC (2024d). *2023 Financial Statements and Related Reports*. https://mfa.bc.ca/sites/default/files/Investors/Annual%20Report/2023_mfa_financial_statements_-_web.pdf.
- MFA BC (2025a). *Annual Report 2024*. https://mfa.bc.ca/sites/default/files/Investors/Annual%20Report/mfabc_2024_annual_report.pdf
- MFA BC (2025b). Investor Presentation Q2 – 2025. *Municipal Finance Authority of BC*. <https://mfa.bc.ca/investor-relations>
- MFA BC (2025c). History. *Municipal Finance Authority of BC*. <https://mfa.bc.ca/about-us/history>.
- MFA BC (2025d). *2024 Financial Statements and Related Reports*. https://mfa.bc.ca/sites/default/files/Investors/Annual%20Report/mfabc_2024_financial_statements.pdf.
- MFA BC Act (An Act to Establish the Municipal Finance Authority of British Columbia). RSBC 1970. C. 30.
- MFA BC Amendment Act (An Act to Amend the Municipal Finance Authority of British Columbia Act). RSBC 1973. C. 60.
- MFCS – Municipal Financing Corporation of Saskatchewan (2025). *2024 Annual Report*. <https://www.saskatchewan.ca/government/municipal-administration/funding-finances-and-asset-management/funding/municipal-financing-corporation-of-sk>.
- Milian, L. M. (2021). The Taula de Canvi of Barcelona: Success and troubles of a public bank in the fifteenth century. *Journal of Medieval Iberian Studies*, 13(2), 236-253. <https://doi.org/10.1080/17546559.2021.1893896>.
- Moody's (2024). *Municipal Fin. Authority of British Columbia* (Canada) [Moody's Credit Opinion]. Moody's Investors Service. April 24, 2024.
- Municipal Finance Authority Act. RSBC 1996. C 325.
- NBMFC – New Brunswick Municipal Finance Corporation (2025). *2024 Annual Report*. <https://www.gnb.ca/content/dam/GNB3/org/ftb-fct/doc/nb-municipal-finance-corp-annual-report-2024.pdf>.
- NLMFC – Newfoundland and Labrador Municipal Financing Corporation (2024). *Annual Report for the Period April 1, 2023 to March 31, 2024*. <https://www.gov.nl.ca/fin/files/NewfoundlandandLabradorMunicipalFinancingCorporationAnnualReport2023-2024.pdf>
- NSMFC – Nova Scotia Municipal Finance Corporation (2022). *42nd Annual Accountability Report*. https://0-nsleg--edeposit-gov-nb-ca.legcat.gov.ns.ca/deposit/b1045102x_2021-2022.pdf.
- Preville, E. (2004). Infrastructure Programs in the Provinces – 1994 to 2004. *Parliamentary Information and Research Service Economics Division* (December 29, 2004). <https://publications.gc.ca/collections/Collection-R/LoPBdP/PRB-e/PRB0462-e.pdf>.
- Rahaman, K., Dhar, T., & Hossain, S. M. (2014). Bangladesh Municipality Development Fund: A Success Story for Sustainable Urban Development. *Management Research and Practice*. 6(1), 46-64.
- Ray, R., Gallagher, K. P., & Sanborn, C. A. (Eds.) (2020). *Development Banks and Sustainability in the Andean Amazon*. Routledge.
- RBC – Royal Bank of Canada (2025). *Canadian Municipalities and Agencies Fixed Income Primer*. RBC Debt Capital Markets, Royal Bank of Canada. <https://www.rbccm.com/assets/rbccm/docs/uploads/2025/gm-municipal-sector-primer.pdf>.
- Roberds, W., & Velde, F. R. (2014). Early Public Banks. *Federal Reserve Bank of Chicago Working Papers*. WP 2014-03. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2399046.
- Romero, M. J. (2017). *Public development banks: towards a better model*. Eurodad. https://assets.nationbuilder.com/eurodad/pages/225/attachments/original/1597667811/A_better_model_-_PDB.pdf?1597667811.
- Scherrer, C. (2025). Theoretical perspectives on mission drift of public sector banks: The German case. *Competition & Change*. 29(5). 615-631.
- Seitz, C. (2022). Democratic Governance and Public Banks. Conference presentation, *Public Banks in Canada: Building a Progressive Future*. Ottawa, Canada. 14 October 2022.
- Sgouros, T. (2015). Finding clout: Repositioning municipalities in the banking market. *The Journal of Law in Society*, 17 (1), 103-113.
- Shah, A. (2006). A Comparative Institutional Framework for Responsive, Responsible and Accountable Local Governance. In Shah, A. (Ed.) *Local Governance in Industrial Countries* (pp. 1-41). The World Bank.
- Slack, E. (2023). Cities in Canadian Fiscal Federalism: The Forgotten Partner. In Lecours, A., Beland, D., Tombe, T. & Champagne, E. (Eds.) *Fiscal Federalism in Canada: Analysis, Evaluation and Prescription* (pp. 263-283). University of Toronto Press.
- Smoke, P. (2022). Reimagining the Role of Special Financial Intermediaries in Subnational Development Finance. In Jackson, D. (Ed.) *Local Government Finance is Development Finance* (pp. 219-247). United Nations Capital Development Fund.



Spronk, S., Valverde, K., & Marois, T. (2025). Patient Finance: The Banco Popular and Community-Based Water Management in Costa Rica. In McDonald, D.A., Marois, T., & Spronk, S. (Eds.) *Public Banks and Public Water in the Global South: Financing Options for Sustainable Development* (pp. 144-168). Routledge.

Statistics Canada (2024a). *Canada's Core Public Infrastructure Survey: Replacement values, 2022*. (Component of Statistics Canada Catalogue no 11-001-X). <https://www150.statcan.gc.ca/n1/en/daily-quotidien/241021/dq241021b-eng.pdf?st=q6xzuvMA>.

Statistics Canada (2024b). *Table 10-10-0020-01: Canadian Government Finance Statistics for Municipalities and Other Local Public Administrations (x 1,000,000)*. <https://doi.org/10.25318/1010002001-eng>.

Statistics Canada (2025). *Estimated replacement value, required renewal budget and actual renewal expenditures of core public infrastructure assets, by physical condition rating (x 1,000,000)*. <https://doi.org/10.25318/3410028401-eng>.

Stoney, C. & Graham, K. A. H. (2009). Federal-municipal relations in Canada: The changing organizational landscape. *Canadian Public Administration*, 52 (3), 371-394.

Suchodolski, S. G., Junior, A. M., Bechelaine, C. H., & Costa, L. M. B. (2020). From global to local: subnational development banks in the era of Sustainable Development Goals. *INSE and AFD Working Paper no 13*. November 2020.

Szafrańska, M., Satola, L., & Wojewodźc, T. (2024). Cooperative Banks on the Municipal Finance Market (Polish Example). *Scientific Papers Of Silesian University Of Technology. Organization And Management Series*. No. 197, 537-555.

Tassonyi, A. T. (2022). Financing Local Government and Development in Canada in the Aftermath of a Global Pandemic: Continuity and Change. *Canadian Tax Journal / Revue Fiscale Canadienne* (2022) 70 (supp.), 97-132. <https://doi.org/10.32721/ctj.2022.70.supp.tassonyi>

The Government of BC (2025a). *Regional Districts in B.C.* (updated on February 6, 2025). <https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/systems/regional-districts>.

The Government of BC (2025b). *Funding Opportunities*. <https://www2.gov.bc.ca/gov/content/funding>.

The Government of BC (2025c). *BC Community Climate Funding Guide*. <https://communityclimatefunding.gov.bc.ca>. The Province (1971, September 22). Authority's First Sale. p. 21.

The Province (1973, June 5). *Municipal Financing Easier*. p. 45.

The Province (1976, March 20). *MFA Chief see a busy year*. p. 17.

The Province (1977, April 23). *It's final: 8.7 p.c tax hike*. p. 1.

The Sun (1971a, April 21). *Regional districts backed by mayor*. p. 36.

The Sun (1971b, June 25). *Canadian bond tenders unsatisfactory*. p. 26.

Thompson, D., Flanagan, G., Gibson, D., Sinclair, L. and Thompson, A. (2014). *Funding a better future: Progressive revenue sources for Canada's cities and towns*. Canadian Union of Public Employees Research Paper. Available online at: <https://cupe.ca/municipalities>.

Toews, T. (2021). Response to the Alberta Urban Municipalities Association's 2020 resolution dealing with the Continuation of Municipal Bonds in Alberta. (January 28, 2021). <https://www.abmunis.ca/system/files?file=2022-07/Email%20from%20Minister%20TBF%20re%20Continuation%20of%20Municipal%20Bonds%20in%20Alberta.pdf>

UN FfD4 (2025). *Financing for Development Outcome Document*. United Nations Fourth International Conference on Financing for Development. June 30 – July 2, 2025. <https://docs.un.org/en/A/CONF.227/2025/L.1>

UN FSDR – United Nations, Inter-agency Task Force on Financing for Development (2024). *Financing for Sustainable Development Report 2024: Financing for Development at a Crossroads*. United Nations.

UNCTAD (2019). *Trade and Development Report 2019: Financing a Global Green New Deal*. United Nations Conference on Trade and Development.

Victoria Daily Times (1970a, April 23). *Market Money in B.C. Finance Told*. p. 12.

Victoria Daily Times (1970b, May 16). *All or Nothing Voting Bid Lost*. p.2.

Volz, U., & Lee, J. (2024). *Green Investment Banks: Unleashing the Potential of National Development Banks to Finance a Green and Just Transition*. *ADB Policy Brief*. June 2024. Asian Development Bank.

Xu, J., Marodon, R., Ru, X., Ren, X. & Wu, X. (2021). What Are Public Development Banks and Development Financing Institutions? – Qualification Criteria, Stylized Facts and Development Trends. *China Economic Quarterly International*, 1 (4), 271–94.

