



Tribes and Tribal Green Banks Eligible for \$12 Billion in Greenhouse Gas Reduction Money

By Mark Fogarty

Carbon removal isn't the only opportunity tribes have to launch successful environmental ventures in the Inflation Reduction Act era. The IRA specifically makes them eligible to tap a big pot of money for greenhouse gas reduction. And it is available right away.

The IRA establishes a Greenhouse Gas Reduction Fund that provides \$12 billion through 2024 "to make grants for eligible financial entities or entities that would, in turn, provide financial or technical support to establish such financial entities" for low- or zero-emission projects.

"Eligible entities include state, local, regional and tribal programs, according to the language of the IRA law."

This "intermediary" status could make a tribe, or tribal entity, the nexus of a large network of providers, much in the same way the Oweesta Fund of Colorado currently is an intermediary for re-lending money to dozens of members of the Native CDFI Network (NCN).

Eligible entities include state, local, regional and tribal programs, according to the language of the IRA law. Further, tribal programs can act as seed money for "tribal green banks that provide financial support for low or zero emission projects."

Carbon dioxide is only one of four main greenhouse gases, as defined by the Environmental Protection Act, so this fund would expand tribal access to ventures to reduce the other three: methane, nitrous oxide, and fluorinated gases.

In comparison, the IRA provides tribes access to federal carbon removal support through access to the expanded 45Q tax credit. Direct air capture ventures can get more credits for carbon removal under the new provisions.

Tribal or other carbon removal ventures can now go from getting \$50 per ton to \$180 if the carbon is stored, and from \$30 to \$150 per ton if it is used.