



CONSTRUCTION
INDUSTRY COUNCIL
建造業議會



CIC Sustainable Finance Certification Scheme
建造業議會可持續金融認證計劃

CIC Sustainable Finance Certification Scheme (SFCS)

User Guide

October 2021

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1 INTRODUCTION

1.1 BACKGROUND

A goal of the HKSAR Government is to position Hong Kong as a leading sustainable finance hub in Asia and use sustainable finance to achieve carbon neutrality by 2050. An increase in sustainable development has led to increased demand for financial options for funding and investments, particularly in regards to construction, a key component in Hong Kong's gross domestic product (GDP).

Feedback from the construction industry during recent stakeholder engagement sessions has been invaluable. It suggests a strong future demand for sustainable finance instruments industry-wide, including from public and private project owners, contractors and sub-contractors, and suppliers of material and equipment, and projects the strongest demand will be for technologies and research and development (R&D) that alleviate the impacts of construction.

Financing in the construction industry is most often secured through loans and guarantees, but these can be difficult to obtain in Hong Kong. Currently, often only larger companies have the credit rating and track record necessary to secure sustainable financing opportunities at low interest rates. Small and medium-sized enterprises (SMEs) have seen only limited access to these opportunities, due to a lack of credentials or recognised collateral, and yet demand from SMEs for these opportunities has been increasing. The needs of SMEs must be addressed, and a place allowed for them in the sustainable finance market.

1.2 OBJECTIVE

Established in 2007, the Construction Industry Council (CIC) is a statutory body focusing on forging consensus on long-term strategic issues, conveying the industry's needs and aspirations to the government, and providing a communication channel for the government to solicit advice on all construction-related matters.

To support the government's carbon neutrality target, and in response to the growing demand for sustainable finance across the construction industry, CIC developed the Sustainable Finance Certification Scheme (SFCS) in 2021.

The purpose of the SFCS is to provide a common framework and assessment system for the implementation of best practices in sustainable construction, and to serve as a tool to facilitate application for sustainable financing options and borrower certification based on international principles and market norms. The CIC is encouraged by and delighted at the support the SFCS has received from the construction industry and financial institutions during the development stage.

The potential benefits to applicants include:

- increasing green capital with financial incentives (e.g. lower interest rates) provided by financial regulators and institutions, and technical support from the CIC;
- reinforcing the trust of stakeholders via independent third-party conformity assessments;

- expanding market exposure and business opportunities for sustainable finance investors in Hong Kong and the Greater Bay Area; and,
- enhancing the applicant's capability, credibility, competitiveness and reputation to business partners and their value chain.

In this User Guide, the principles of the SFCS, the eligibility criteria for applicants and the certification process are introduced in detail.

1.3 DESIGN PRINCIPLES

The CIC has recognised a number of good practices in the field of sustainable finance and developed the SFCS based on the principles of integrity, internationalism and intelligence, as defined in the table below:

Principles	Descriptions
Integrity	The SFCS has been developed to drive real sustainability impact, with the aim of supporting large companies and SMEs alike in achieving the ultimate goal of decarbonising the construction industry's supply chain, and creating a robust, flexible and effective set of standards. This User Guide includes a clear definition of principles and eligibility criteria to prevent greenwashing.
Internationalism	The SFCS transcends local standards to align with international standards.
Intelligence	The application and certification process have been streamlined, with wide adoption of fintech to help greatly shorten processing time, lower administration costs and produce less paperwork.

1.4 INTERNATIONAL STANDARDS

To meet the expectations of financial regulators and institutions, the SFCS is being developed based on the following international guidelines and principles:

- The International Capital Market Association (ICMA) and Loan Market Association (LMA) – Green Loan Principles (GLP), 2021;
- Loan Syndications and Trading Association (LSTA) – Sustainability-linked Loan Principles (SLLP), 2021;
- International Capital Market Association (ICMA) – Harmonised Framework for Impact Reporting, 2021;
- Financial Stability Board (FSB) – Recommendations of the Task Force on Climate-related Financial Disclosures;

- The People's Bank of China (PBoC), the National Development and Reform Commission (NDRC) and the China Securities Regulatory Commission (CSRC) – Green Bond Endorsed Project Catalogue, 2020;
- Climate Bonds Initiative (CBI) – Climate Bond Standards Version 3.0, 2021;
- International Organisation for Standardization (ISO) 14030 – Environmental Performance Evaluation – Green Debt Instruments (Draft International Standard), 2020;
- European Commission – EU Taxonomy; and
- United Nations – Sustainable Development Goals.

2 ELIGIBILITY

2.1 APPLICANT

The SFCS caters to the following construction stakeholders to obtain certification:

- Project Owner
 - HKSAR Government / Statutory Body;
 - Developer;
- Main Contractor;
- Sub-contractors; and
- Supplier / Manufacturer.

Project owners from other industries are also eligible in participating the scheme if they own a construction operation as defined in Cap. 587 Schedule 1, the full definition can be found in ANNEX 3.

2.2 TYPES OF SUSTAINABLE FINANCE INSTRUMENT

Prior to beginning the application process, the applicant should identify a sustainable finance instrument suitable for their business model and financial needs. There are four financial instruments under the SFCS:

- green loans;
- green guarantees;
- sustainability-linked loans; and
- sustainability-linked guarantees.

The table below presents major characteristics of different instruments:

Sustainable Finance Instruments	Green Loan / Sustainability Loan	Sustainability-linked Loan	Green Guarantee	Sustainability-linked Guarantee
Example of Financial	Trade Loan and SME Loan	Corporate Loan	Green Guarantee, Performance Guarantee, and Surety Bond	Performance Bond and

Instrument				
Certification Level	Project, Company	Company	Project	Company
Project Owner (including the HKSAR Government, statutory bodies and developers)	Yes	Yes	N/A	N/A
Contractor	Yes	Yes	Yes	Yes
Sub-contractor	Yes	Possible but unlikely	Yes	Possible but unlikely
Supplier / Manufacturer	Yes	Yes	N/A	N/A

2.3 ELIGIBILITY

In line with internationally recognised frameworks in place across sustainable finance markets, the applicant shall provide information on the following core components depending on the sustainable finance instrument chosen:

Sustainable Finance Instruments	Core Components
Green Loan and Green Guarantee	Use of proceeds; Project evaluation and selection; Management of proceeds; and Reporting.
Green Guarantee	Purpose of trade instrument; Evaluation of underlying activity; and Reporting.
Sustainability-linked Loan and Sustainability-linked Guarantee	Company's sustainability governance; Target setting; and Reporting.

The SFCS recognises several categories of eligibility for projects, with the objective of addressing key areas of environmental concern, such as climate change, natural resources depletion, loss of biodiversity, and air, water and soil pollution. The list, as set out in the table below, is not exhaustive but is intended to capture the most common types of projects supported by the sustainable finance market.

Project Categories	Descriptions
Renewable energy	Including production, transmission, appliances and products
Energy efficiency	Such as new and refurbished buildings, energy storage, district heating, smart grids, appliances and products
Pollution prevention and control	Including reduction of air emissions, greenhouse gas control, soil remediation, waste prevention, waste reduction, waste recycling and energy/emission-efficient waste to energy
Environmentally sustainable management of living natural resources and land use	Including environmentally sustainable agriculture; environmentally sustainable animal husbandry; climate-smart farm components such as biological crop protection or drip-irrigation; environmentally sustainable fishery and aquaculture; environmentally sustainable forestry, including afforestation or reforestation; and preservation or restoration of natural landscapes
Terrestrial and aquatic biodiversity conservation	Including the protection of coastal, marine and watershed environments
Clean transportation	Such as electric, hybrid, public, rail, non-motorised and multi-modal transportation, infrastructure for clean energy vehicles and reduction of harmful emissions
Sustainable water and wastewater management	Including sustainable infrastructure for clean and/or drinking water, wastewater treatment, sustainable urban drainage systems and river training and other forms of flooding mitigation
Climate change adaptation	Including efforts to make infrastructure more resilient to the impacts of climate change, as well as information support systems, such as climate observation and early warning systems
Circular economy (adapted products, production technologies and processes)	Such as the design and introduction of reusable, recyclable and refurbished materials, components and products; circular tools and services
Green building	Including green buildings that meet regional, national or internationally recognised standards or certifications for environmental performance

The following table shows the most commonly seen sustainable finance instruments for different applicants.

	Green Loan					
	Green Building	Renewable Energy	Energy Efficiency	Clean Transportation	Sustainable and Water Wastewater Management	Circular Economy
Project Owner	✓	✓	✓	✓	✓	Possible but unlikely
Contractor	✓	✓	✓	✓	✓	
Sub-contractor	✓	✓	✓	✓	✓	
Supplier / Manufacturer	--	--	--	--	--	✓

	Green Loan				Sustainability-Linked Loan / Sustainability-Linked Guarantee	Green Guarantee
	Pollution Prevention and Control	Environmentally Sustainable Management of Living Natural Resources and Land Use	Terrestrial and Aquatic Biodiversity Conservation	Climate Change Adaptation		
Project Owner	✓	✓	✓	✓	✓	✓
Contractor	✓	✓	✓	✓	✓	✓
Sub-contractor	✓	✓	✓	✓	✓	✓
Supplier / Manufacturer	--	--	--	--	✓	✓

2.4 INELIGIBLE ACTIVITIES

In addition to the Technical Requirements of the SFCS, the applicant is also required to comply with GLP, SLLP and other relevant sustainable finance principles.

It is worth noting that there are several international and national initiatives on producing taxonomies and nomenclatures, and mapping between them for comparison may be of help to the applicant as to what may be considered green and eligible by investors.

With reference to the IFC Exclusion List (2007), projects that involve the following activities are not eligible for the SFCS:

- Activities considered illegal under the laws and regulations of the host country or international conventions and agreements, or subject to international bans;
- Production or trade in weapons and munitions;
- Production or trade in alcoholic beverages (excluding beer and wine) and tobacco;
- Gambling, casinos and equivalent enterprises;

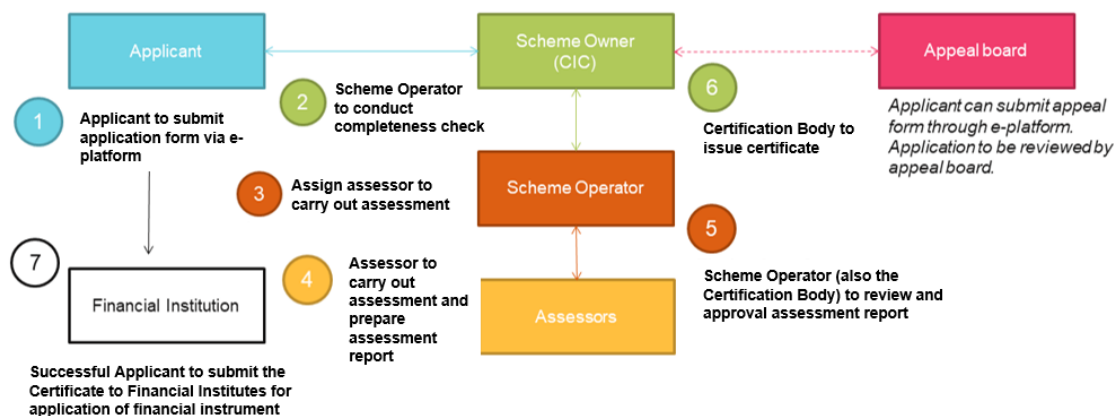
- Production or trade in radioactive materials (excluding equipment in which the source of radioactivity may be considered trivial and/or adequately shielded, e.g. quality control equipment); and
- Production or activities involving harmful or exploitative forms of forced labour or child labour.

2.5 SUBMISSION REQUIREMENTS

The SFCS consists of two stages: the pre-lending stage and the post-lending stage. In the pre-lending stage, the applicant is required to complete and submit an application form along with supporting documents for assessment. In the post-lending stage, the applicant is required to complete and submit an annual impact report, referring to the CIC Carbon Assessment Tool (CAT) and/or other applicable methodologies, dependent on the project's range and the applicant's choice. For details, please refer to section 3: Certification Process.

2.6 MANAGEMENT STRUCTURE

The management structure of the SFCS is illustrated in the figure below. While the CIC is the scheme owner and certification body, a Scheme Operator shall be appointed by the CIC to carry out daily operation and management of the scheme. This role will include coordination of the pre-lending and post-lending assessment processes, provision of support to the CIC as the certification body to review assessment results, issuance of certificates to successful applicants, management of the e-platform and the answering of enquiries. All assessors of the SFCS must hold the relevant qualifications, have attended the assessor training course provided by the CIC and passed the examination. Details of the required qualification for assessors can be found in section 2.7. In addition, to ensure fairness, an independent appeal board appointed by the CIC has been established under the SFCS to handle matters brought forward by applicants who are dissatisfied with assessment results.



2.7 REQUIRED QUALIFICATIONS FOR SCHEME OPERATOR AND ASSESSORS

The table below presents the qualifications for Scheme Operator and assessors:

Scheme Operator	This entity must have experience in Environmental, Social and Governance (ESG) reporting, environmental consultancy and sustainable finance with a range of project references.
Assessors	<p>Individuals must meet the following requirements to be eligible to become assessors:</p> <ol style="list-style-type: none"> 1. A degree or equivalent in architectural, engineering, environmental, or sustainability-related disciplines; 2. A minimum of 8 years of working experience in environmental or sustainability-related fields, with either 2a or 2b; <ul style="list-style-type: none"> 2a) At least 2 years of relevant working experience in sustainable finance or ESG data verification/reporting; or 2b) Full or chartered membership in one of the relevant professional institutions (HKIA, HKIE, HKIQEP, HKIS) or equivalent professional qualification; 3. Attendance and successful completion of the CIC's SFCS assessor training courses.

2.8 TRAINING PROGRAMME

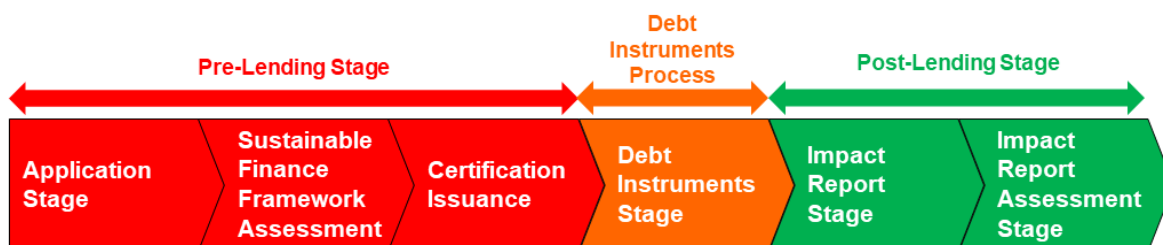
The SFCS provides two training programmes, namely awareness training and assessor training, for industry practitioners and assessors respectively. Both are conducted by professionals in sustainable finance.

	Awareness Training	Assessor Training
Duration	3 hours	8 hours (including awareness training and examination)
Focus area	<ul style="list-style-type: none"> Global trends and standards 	<ul style="list-style-type: none"> Assessor qualification and competence

	<ul style="list-style-type: none"> • Objective, scope and benefits of the SFCS • Management structure • Application eligibility • Application process and fee (with guidelines on how to complete different scheme documents) • Highlights of the Technical Requirements with case studies • Appeal, enquiry and complaint handling procedures • Use of the CIC SFCS e-platform • Q&A 	<ul style="list-style-type: none"> • Detailed workflow for assessment (pre-lending stage and post-lending stage) • Assessment approach and methodology • Case Study: How to prepare an assessment report • Case Study: How to assess submissions for impact reports • Case Study: How to handle potential conflicts of interests • Support from the Scheme Operator and the CIC • Code of conduct and disclaimer for assessors • Validation/renewal of a certified assessor • Examination
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3 CERTIFICATION PROCESS

The SFCS consists of two stages: the pre-lending stage and the post-lending stage. The assessment processes for these stages are illustrated in the figure below:



3.1 PRE-LENDING STAGE

The applicant shall complete and submit an application form on the SFCS website along with relevant supporting documents and information required for a pre-issuance

certification. In the application form, the applicant will be directed to provide the information required to ensure matters including that:

- the applicant has established appropriate internal processes and control prior to issuance or closing of the sustainable finance instruments; and
- the internal processes and controls are sufficient to enable conformance with the SFCS after the sustainable finance instrument has been issued or has closed; and
- the applicant has provided the documents that confirm its conformance with the pre-lending requirements of the SFCS.

Taking into account confidentiality considerations in the loan market, the applicant may opt to make the application form available only to institutions participating in the loan. A summary of the assessment report will be sent to the applicant after the certificate has been issued. The pre-lending stage certificate will be valid only if it corresponds to the application form submitted to the CIC and the institution(s) participating in the loan. The disclosure template can be viewed in Annex 2.

While the CIC and/or Scheme Operator gives no guarantee of the time required to complete the assessment and review of each application, the table below presents the estimated process time for an anticipated typical case.

Item	Activity	Estimated Time	Responsible Party
1	Complete the application form and submit with supporting information	-	Applicant
2	Check the completeness of the submitted documents and conduct a pre-lending stage assessment; if needed, follow up with the applicant for clarification and correction	1 working day	Scheme Operator
3	Provide the requested documents and information Remark: The applicant is required to provide all necessary information, documents and evidence as requested by CIC and/or the Scheme Operator. If the applicant for whatever reason fails and/or refuses to provide all necessary information, documents and evidence in order to enable CIC and/or the Scheme Operator to assess the application within 1 month from the date of request, the application shall be deemed to	1 working day	Applicant

	be rejected and all fees (including but not limited to the application fees) paid by the applicant to CIC and/or the Scheme Operator will be forfeited by CIC and no refund or transfer will be made to the applicant in any event.		
4	Review application form and conduct preliminary review	2 working days	Assessor
5	Provide the requested documents and information, if any	2 working days	Applicant
6	Review responses from the applicant and submit assessment report to the Scheme Operator	10 working days	Assessor
7	Approve the issuance of the pre-lending stage certificate		CIC

Upon successful certification, the applicant will receive a pre-lending stage certificate as well as a summary of the assessment report. Taking into account confidentiality considerations in the loan market, the applicant may decide whether to make the summary available to the public. The certificate at the pre-lending stage is only valid for two (2) years from the date of issuance by the CIC. If the applicant becomes aware that its sustainable finance strategy no longer conforms with the SFCS, the applicant shall immediately both cease using the certificate and inform the Scheme Operator in writing.

3.2 POST-LENDING STAGE

While the applicant shall implement and maintain a management mechanism for proceeds, and record the amount of proceeds allocated to eligible projects (for green loan only), the SFCS focuses on the applicant's environmental as well as social impact from the use of the proceeds/ trade instruments. The applicant is required to complete an impact report annually on these impacts, with relevant supporting documents, in accordance with the Technical Requirements of the SFCS.

An assessment will be conducted (primarily as a document review) to assess the accuracy, environmental protection effectiveness, relevance, completeness, consistency and transparency of the information provided by the applicant and to determine whether the information provided is reliable and credible. A verification report will be provided to present independent opinion on the reliability of the reporting contents if the applicant applies for the post-lending verification provided by the CIC. The CIC and Scheme Operator are entitled to raise inquiries and/or request that the applicant to provide further information, documents and evidence to determine its qualification under the post-lending stage assessment of the SFCS.

The pre-lending stage certificate will be valid only if it corresponds to the application form submitted to the CIC and the institution(s) participating in the loan.

While the CIC and/or Scheme Operator makes no guarantee of the time required to complete the assessment and review of each application, the table below presents the estimated process time for an anticipated typical case.

Item	Activity	Estimated Time	Responsible Party
1	Complete the impact report template	-	Applicant
2	Check the completeness of the submitted documents and conduct post-lending stage assessment; if needed, follow up with the applicant for clarification and correction	1 working day	Scheme Operator
3	Provide the requested documents and information Remark: The applicant is required to provide all necessary information, documents and evidence as requested by CIC and/or the Scheme Operator. If the applicant for whatever reason fails and/or refuses to provide all necessary information, documents and evidence in order to enable CIC and/or the Scheme Operator to assess the application within 1 month from the date of request, the application shall be deemed to be rejected and all fees (including but not limited to the application fees) paid by the applicant to CIC and/or the Scheme Operator will be forfeited by CIC and no refund or transfer will be made to the applicant in any event.	1 working day	Applicant
4	Review impact report and conduct preliminary review	2 working days	Assessor
5	Provide the requested documents and information, if any	2 working days	Applicant

4	Review responses from the applicant and submit verification report to the Scheme Operator	10 working days	Assessor
5	Approve verification report and update the applicant's impact report status on the SFCS website		CIC/ Scheme Operator

3.3 APPLICATION FEE AND APPEAL FEE

The applicant shall pay all necessary fees to the CIC in a timely manner.

If for any reason an applicant fails and/or refuses to provide all necessary information, documents and evidence as requested by the CIC and/or the Scheme Operator for the CIC and/or the Scheme Operator to assess its application within 1 month from the date of request, then the application shall be deemed to be rejected and all fees (including but not limited to the application fees) paid by the applicant to the CIC and/or the Scheme Operator will be forfeited and no refund or transfer will be made to the applicant.

An appeal fee will be refunded to the applicant only if the appeal is found to be valid. Please read the important notes on the appeal form for more details.

Regarding the fee payment, please refer to the CIC SFCS e-platform (<https://www.sfcs.cic.hk>) for further details.

3.4 DISCLOSURE

Upon successful pre-lending stage certification and post-lending stage assessment, the following information for each application will be presented on the SFCS website:

- the certificate number;
- the issue date of the certificate;
- the name of the sustainable finance instrument;
- the name of the applicant;
- a summary of the assessment report (subject to the applicant's consent); and
- the submission year of impact reports (if any).

Annex 2 shows a preview of the disclosures, including the applicant's basic information, certificate and a summary of an assessment report to be presented on the SFCS website. The exact format and content may be subject to updates by the CIC from time to time.

3.5 APPEAL PROCESS

The CIC strives for user satisfaction and continual improvement. Applicants have the right to file appeals against the CIC or the SFCS.

As specified in the Terms and Conditions, in the event that an applicant wishes to appeal against a decision of the CIC resulting from pre-lending/ post-lending stage

assessment, they must submit notification of this within 21 days of the announcement of result by completing the appeal form and paying the associated fee. Late applications and applications with late payment of fees will not be considered.

For all other complaints, they must be submitted in writing by email to sfcs@cic.hk. All cases will be addressed and investigated in accordance with the CIC's complaint handling procedures. For more details, please refer to the Terms and Conditions of the SFCS.

3.6 SUSPENSION AND WITHDRAWAL OF CERTIFICATION

Any of the following situations may lead to the suspension or withdrawal of certification:

- Violation of the Terms and Conditions of the SFCS
- Misleading information provided by the applicant
- Violation of or incorrect self-declaration
- Failure to settle the application or appeal fee
- Failure to conduct a post-lending assessment

3.7 OTHER TERMS AND CONDITIONS

This User Guide shall be read in conjunction with the Terms and Conditions. For other information, including in relation to confidentiality and impartiality, please refer to the Terms and Conditions.

4 ANNEX

4.1 ANNEX 1: TECHNICAL REQUIREMENTS

Technical Requirements

Oct 2021

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1.0 INTRODUCTION

The rationales behind of this technical requirement is to ensure the SFCS captures all the stakeholders in the construction industry and drives the industry goes beyond the minimum legal compliance. Through the measures suggested and the integration of the local requirement including Hong Kong BEAM Plus and Development Bureau technical circular, the CIC SFCS will drive change and innovation in the industry.

1.1 REFERENCE TO INTERNATIONAL GUIDELINES

To ensure the SFCS is welcomed by the international investors and Financial Institution (FIs), it has made reference to including but not limited to the following international standards:

- ICMA Green Bond/ Green Loan Principles and its harmonized framework
- Recommendations of the Task Force on Climate-related Financial Disclosures
- China Project Catalogue
- Sustainability-linked Loan Principles
- ISO 14030 Environmental performance evaluation — Green debt instruments

1.2 APPLICABLE FINANCIAL PRODUCTS

The technical requirement is designed mainly for the construction industry; therefore, our priority is focused on the four financial products at this moment:

- green loan
- green guarantee
- sustainability-linked loan
- sustainability-linked guarantee

1.3. COMMITMENT TO REGULAR REVIEW

The technical requirement will be reviewed regularly to reflect the new financial products and the changes of construction industry, if necessary.

1.4 THE ELIGIBLE GREEN PROJECT CATEGORY

The technical requirement was developed upon the following 10 green project categories:

	Financial product	Green Project category
1	Green Loan / Green Guarantee	Green building
2	Green Loan/ Green Guarantee	Renewable Energy
3	Green Loan/ Green Guarantee	Energy Efficiency
4	Green Loan/ Green Guarantee	Clean Transportation
5	Green Loan/ Green Guarantee	Sustainable Water and Wastewater Management

	Financial product	Green Project category
6	Green Green Guarantee Loan/	Pollution Prevention and Control
7	Green Green Guarantee Loan/	Environmentally Sustainable Management of Living Natural Resources and Land Use
8	Green Green Guarantee Loan/	Terrestrial and Aquatic Biodiversity Conservation
9	Green Green Guarantee Loan/	Climate Change Adaptation
10	Green Green Guarantee Loan/	Circular Economy (adapted products, production technologies and processes)

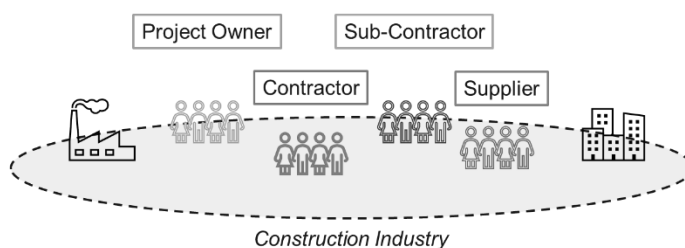
For Sustainability-linked Loan and Sustainability-linked Guarantee under the SFCS, the technical requirement follow the below criterion:

	Financial product	Green Project category
	Sustainability-linked Loan / Sustainability-linked Guarantee	Choose from categories under ICMA Sustainability Linked Loan Principles

1.5 TARGETED TYPES OF APPLICANTS

The SFCS targets the following practitioners in the construction industry who have the need to apply for sustainable finance:

- Project Owner
 - HKSAR Government / Statuary Body;
 - Developer;
- Main Contractor;
- Sub-Contractor; and
- Supplier / Manufacturer.



Project owners from other industries are also eligible in participating the scheme if they own a construction operation as defined in Cap. 587 Schedule 1, the full definition can be found in User Guide ANNEX 3.

CIC reserves the rights to reject SFCS application if the applicant fails to demonstrate relevance to the construction industry.

The table below demonstrates example of the suitable type of financial instruments for the targeted applicants.

Targeted Applicant	Financial Instrument			
	Green Sustainability Loan	Loan/ Sustainability-linked Loan	Green Guarantee	Sustainability-linked Guarantee
Project Owner	✓*	✓	--	--
Main Contractor	✓*	✓*	✓*	✓*
Sub-contractor	✓*	Possible but unlikely	✓	Possible but unlikely
Supplier/ Manufacturer	✓*	✓	--	--

* Pilot projects in discussion

Targeted Applicant	Green Loan					
	Green Building	Renewable Energy	Energy Efficiency	Clean Transportation	Sustainable Water and Wastewater Management	Circular Economy
Project Owner	✓	✓	✓	✓	✓	Possible but unlikely
Main Contractor	✓	✓	✓	✓	✓	
Sub-contractor	✓	✓	✓	✓	✓	
Supplier/ Manufacturer	--	--	--	---	-	✓

Targeted Applicant	Green Loan				Sustainability-linked Loan/ Sustainability-linked Guarantee	Green Guarantee
	Pollution Prevention and Control	Environmentally Sustainable Management of Living Natural Resources and Land Use	Terrestrial and Aquatic Biodiversity Conservation	Climate Change Adaptation		
Project Owner	✓	✓	✓	✓	✓	✓
Main Contractor	✓	✓	✓	✓	✓	✓
Sub-contractor	✓	✓	✓	✓	✓	✓

Supplier/ Manufacturer	--	--	--	--	✓	✓
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1.6 SUBMISSION REQUIREMENT

The technical requirement will be presented in table format for the defined 10 eligible green projects category as per the international guidelines.

The table summarised the following information:

- **Definition** of 10 eligible green projects categories i.e. the Eligibility of the project type
- **Compulsory Requirements** that are beyond compliance and commonly applicable for the HK construction sector, as well as eligible for applicants to provide climate-related disclosures
- **Optional Requirements** that enable applicant(s) to enhance its sustainability performance in accordance with other international standards, e.g., Sustainable Development Goals, EU taxonomy, etc.
- **Documents required** pre-lending stage and post-lending stage
- **Relevant Tools/standards**

2.0 TECHNICAL REQUIREMENT

The below tables summarise the technical requirement of the SFCS under the following topics:

Green Loan / Green Guarantee /

- Green Building
- Renewable Energy
- Energy Efficiency
- Clean Transportation
- Sustainable Water and Wastewater Management
- Circular Economy
- Pollution Prevention and Control
- Environmentally Sustainable Management of Living Natural Resources and Land Use
- Terrestrial and Aquatic Biodiversity Conservation
- Adaptation to Climate Change

Sustainability-Linked Loan / Sustainability-Linked Guarantee

2.1 GREEN BUILDING

Green Loan / Green Guarantee – Green Building						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
Project Owner (i.e., developer, government and statutory body)	New, existing or refurbished buildings which have received at least one of the regional, national or international recognised green building standard	Achieve at least 2 nd highest grade of green building assessment tool(s), e.g., LEED, BEAM Plus, WELL, EDGE, etc.	--	Provide undertaking letter from the management of project owner. Please refer to <i>sample</i>	Provide relevant certification and/ or impact report on: <ul style="list-style-type: none"> - Percentage of energy use reduced/avoided compared with local baseline or building code. - Percentage of water reduced/avoided compared with local baseline. - Waste minimised, reused, recycled in percentage of total waste and/or in tonnes p.a. - Calculate/record the green roof area (square meter). 	The selected green building assessment tool(s) ICMA Harmonized Framework Section 6. https://www.icmagroup.org/sustainable-finance/impact-reporting/
		Carry out carbon assessment by The CIC Carbon Assessment Tool at the design stage and demonstrate the optimal option is selected	--		Provide the carbon assessment result of The CIC Carbon Assessment Tool for the core and shell materials, express as kgCO ₂ /m ²	The CIC Carbon Assessment Tool https://cat.cic.hk/
		Demonstrate early electrification has been considered in the design stage	---		Provide confirmation from the power company	Development Bureau (DEVB) Technical Circular (Works) No. 13/2020 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		Include the site management measures in the tender/contract document which are related to carbon reduction: <ul style="list-style-type: none"> - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--		Provide tender/ contract document	DEVB Technical Circular (Works) No. 02/2015, No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1

Green Loan / Green Guarantee – Green Building						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
		--	Construction materials with creditable certification, e.g. CIC Green Product Certification, Green Seal, Energy Star, Greenguard, etc.	Provide undertaking letter from the management of project owner	Provide tender document to demonstrate the construction materials with creditable certification will be used	The selected green product standard(s) CIC Green Product Certification http://cicgpc.hkgbc.org.hk/
		--	Operational primary energy metric	Provide undertaking letter from the management of project owner	- The annual net primary energy demand during the operational phase of the building lifecycle, expressed as kWh/m ² per year	ISO 14063-3: 2020 Section 5.2.8.1.
		--	SDG Target 11c ¹	Provide undertaking letter from the management of project owner	- Floor space of green real estate - Waste that is prevented, minimised, reused or recycled before and after the project - Number of electric vehicles deployed - Number of electric vehicles charging points installed	United Nation Sustainable Development Goal https://sdgs.un.org/goals
Main Contractor	New, existing or refurbished buildings/fitouts which have received at least one of the regional, national or international recognised green building standard.	Provide project specification to demonstrate green building assessment target rating, e.g., LEED, BEAM Plus, WELL, EDGE, etc.	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report on: - Percentage of energy use reduced/avoided compared with local baseline or building code - Percentage of water reduced/avoided compared with local baseline - Waste minimised, reused, recycled in percentage of total waste and/or in tonnes p.a. - Calculate/record the green roof area (square meter)	The selected green building assessment tool(s) ICMA Harmonized Framework Section 6 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		Conduct carbon assessment by the CIC Carbon Assessment Tool at the construction stage should	--	Undertaking letter from main contractor	Provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool https://cat.cic.hk/

Green Loan / Green Guarantee – Green Building						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
		Implement site management measures to reduce carbon emissions: - Temporary electricity/early electrification or battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators	--	Undertaking letter from main contractor	Provide photo records to demonstrate the implementation	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	Construction materials with creditable certification, e.g. CIC Green Product Certification, Green Seal, Energy Star, Greenguard, etc.	Provide material specification (for project level application only)	- Quantity of the construction material with creditable label or certificate	The selected green product standard(s) CIC Green Product Certification http://cicgpc.hkgbc.org.hk/
		--	SDG Target 11c ¹	Undertaking letter from main contractor	- Waste that is prevented, minimised, reused or recycled before and after the project - Number of electric vehicles charging points installed	United Nation Sustainable Development Goal https://sdgs.un.org/goals
Sub-contractor	New, existing or refurbished buildings/fitouts which have received at least one of the regional, national or international recognised green building standard	Demonstrate contribution to related green building assessment credits, e.g. credits in LEED, BEAM Plus, WELL, EDGE, etc.	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report on: - Percentage of energy use reduced/avoided compared with local baseline or building code - Percentage of water reduced/avoided compared with local baseline - Waste minimised, reused, recycled in percentage of total waste and/or in tonnes p.a.	The selected green building assessment tool(s) ICMA Harmonized Framework Section 6 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate their work contribute to the relevant requirement or credit	--	Undertaking letter from sub-contractor's representative	Provide records including but not limited to photographs, delivery notes of the materials, catalogue, testing reports etc., to demonstrate	The selected green building assessment tool(s)

Green Loan / Green Guarantee – Green Building						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					their contribution to the relevant green building credits	
		If the sub-contractor has control in design optimisation (e.g. temporary work, foundation design or material selection, etc.) then carbon assessment by the CIC Carbon Assessment Tool at the construction stage should be carried out	--	Undertaking letter from sub-contractor	If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool https://cat.cic.hk/

Noted:

- SDG Target 11c – Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials

2.2 RENEWABLE ENERGY

Green Loan / Green Guarantee – Renewable Energy						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
Project Owner	Generation and transmission of energy from renewable sources and manufacturing of the related equipment for renewable energy	Demonstrate renewable energy generation capacity to reduce the demand for conventional power generation sources (e.g. wind power, solar power, hydroelectric, etc.)	--	System specification and catalogue	Provide relevant certification and/or impact report: <ul style="list-style-type: none"> - Calculate/ record annual GHG emission reduced/ avoided in tCO_{2e}. - Calculate/ record total installed capacity of renewable energy in - Calculate/ record annual renewable energy generation in MWh. 	ICMA Harmonized Framework Section 1 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		Include the site management measures in the tender/contract document which are related to carbon reduction: <ul style="list-style-type: none"> - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--	Provide undertaking letter from the management of project proponent	Provide tender/ contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	Demonstrate the solar system efficiency	Solar system specification and catalogue	Provide relevant certification and/or impact report on: <ul style="list-style-type: none"> - Photoelectric conversion efficiency of polycrystalline silicon cells and monocrystalline silicon cells - Photoelectric conversion efficiency of polycrystalline silicon cell modules and single crystal silicon battery modules - Photoelectric conversion efficiency of silicon-based, CIGS, CdTe and other thin-film battery modules - Decay rates of polycrystalline silicon 	China Green Bond Endorsed Projects Catalogue 2021 Section 3.2.2.2 https://www.climatebonds.net/files/files/China-Green-Bond-Catalogue-2020-Consultation.pdf

Green Loan / Green Guarantee – Renewable Energy						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					battery modules and monocrystalline silicon battery modules	
		--	Demonstrate the life cycle impact emission according to ISO 14067 life cycle emissions assessment (LCEA)	Undertaking letter from project owner	- Any electricity generation technology (from renewable power) can demonstrate that the life cycle impacts for producing 1 kWh of electricity are below the declining threshold	ISO 14063-3: 2020 Section 5.2.4.1
		--	SDG Target 7., 7a ¹	Undertaking letter from project owner	Provide relevant certification and/or impact report on: - Renewable energy produced - Avoided greenhouse gas emissions (tonnes CO _{2e}) - Number of people with access to clean energy services	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Target 8.4 ²	Undertaking letter from project owner	- Number of jobs created - Number of jobs supported	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Targets 12.4 ³	Undertaking letter from project owner	- Avoided emissions to air (other than greenhouse gases)	United Nation Sustainable Development Goal https://sdgs.un.org/goals
Main Contractor	Construction or installation of the renewable energy system.	Demonstrate renewable energy generation capacity to reduce the demand for conventional power generation sources.	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report on: - Calculate/ record annual GHG emission reduced/ avoided in tCO _{2e}	ICMA Harmonized Framework Section 1 https://www.icmagroup.org/sustainable-finance/impact-reporting/

Green Loan / Green Guarantee – Renewable Energy						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Required	Document	Post-Lending Required
						<ul style="list-style-type: none"> - Calculate/ record total installed capacity of renewable energy in MWh - Calculate/ record annual renewable energy generation in MWh.
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from main contractor		Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool
		Implement site management measures to reduce carbon emissions: <ul style="list-style-type: none"> - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--	Undertaking letter from main contractor		Provide photo and/or bill record to demonstrate the implementation
		--	Demonstrate the solar system efficiency	Solar system specification and catalogue		Provide relevant certification and/or impact report on: <ul style="list-style-type: none"> - Photoelectric conversion efficiency of polycrystalline silicon cells and monocrystalline silicon cells - Photoelectric conversion efficiency of polycrystalline silicon cell modules and single crystal silicon battery modules - Photoelectric conversion efficiency of silicon-based, CIGS, CdTe and other thin-film battery modules - Decay rates of polycrystalline silicon battery modules and

Green Loan / Green Guarantee – Renewable Energy						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Required	Document	Post-Lending Required
						monocrystalline silicon battery modules
		--	SDG Target 7.2, 7a ¹	Undertaking letter from main contractor	- Renewable energy produced - Avoided greenhouse gas emissions (tonnes CO _{2e}) - Number of people with access to clean energy services	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Target 8.4		- Number of jobs created - Number of jobs supported	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Targets 12.4 ³		- Avoided emissions to air (other than greenhouse gases)	United Nation Sustainable Development Goal https://sdgs.un.org/goals
Sub-contractor	Construction, installation or maintenance of the renewable energy system	Demonstrate renewable energy generation capacity to reduce the demand for conventional power generation sources	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report: - Calculate/ record annual GHG emission reduced/ avoided in tonnes CO _{2e} - Calculate/ record total installed capacity of renewable energy in MWh - Calculate/ record annual renewable energy generation in MWh	ICMA Harmonized Framework Section 1 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from sub-contractor's representative	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	--
		--	Demonstrate the solar system efficiency	Solar system specification and catalogue	Provide relevant certification and/or impact report on: - Provide photoelectric conversion efficiency of polycrystalline silicon cells and monocrystalline silicon cells	China Green Bond Endorsed Catalogue 2020 Consultation (Draft) Section 3.2.2.2 https://www.climatebonds.net/files/files/China-Green-Bond-Catalogue-2020-Consultation.pdf

Green Loan / Green Guarantee – Renewable Energy							
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Required	Document	Post-Lending Required	Reference Tools / Standards
						<ul style="list-style-type: none"> - Provide photoelectric conversion efficiency of polycrystalline silicon cell modules and single crystal silicon battery modules - Photoelectric conversion efficiency of silicon-based, CIGS, CdTe and other thin-film battery modules - Decay rates of polycrystalline silicon battery modules and monocrystalline silicon battery modules. 	

Notes:

- SDG Target 7.2 – By 2030, increase substantially the share of renewable energy in the global energy mix.
SDG Target 7a – By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.
- SDG Target 8.4 - Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.
- SDG Target 12.4 - By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

2.3 ENERGY EFFICIENCY

Green Loan / Green Guarantee – Energy Efficiency						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Documents required (pre-lending stage)	Documents required (post-lending stage)	Reference Tools/Standards
Project Owner	Infrastructure, equipment, technology, product and process that reduce energy consumption such as smart grids, energy storage and district heating	Reduce GHG emissions by facilitating lower carbon sources of electricity generating during charging/storage compared to fossil fuel options	--	Provide undertaking letter from the management of project owner	Provide relevant certification and/or impact report on: <ul style="list-style-type: none"> - Calculate/ record annual GHG emission reduced/ avoided in tCO_{2e}. - Energy saved per year (kWh/year) - Percentage of energy efficiency achieved. 	ICMA Harmonized Framework Section 2 https://www.icmagroup.org/sustainable-finance/impact-reporting/ Construction Innovation and Technology Fund pre-approve list https://www.citf.cic.hk/?route=search
		Building energy retrofit project and building control optimization project that reduce energy consumption	--	Provide undertaking letter from the management of project owner	Provide tender/ contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 , No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		Equipment to reduce energy consumption including LED building lighting, and efficient heating, ventilating, air conditioning	--	Provide undertaking letter from the management of project owner	Provide tender/ contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 , No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		Use Building Information Modelling (BIM) or digitalisation technologies to improve the energy efficiency	--	Provide undertaking letter from the management of project owner	Provide tender/ contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 , No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		Include the site management measures in the tender/contract document which are related to carbon reduction: <ul style="list-style-type: none"> - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--	Provide undertaking letter from the management of project owner	Provide tender/ contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 , No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
Project Owner	Infrastructure, equipment, technology, product and process that reduce energy consumption such as smart grids, energy storage and district heating	If the project owner has control in design optimisation (e.g. temporary work, foundation design or material selection, etc.), then carbon assessment by the CIC Carbon Assessment Tool at the construction stage should be carried out	--	Undertaking letter from project owner	If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool https://cat.cic.hk/
		--	No hydrocarbons are used as a medium of any electricity storage technology	Provide catalogue to demonstrate no hydrocarbons are used as a medium		ISO 14063-3: 2020 Section 5.2.4.10
		--	SDG 7.3, 7a ¹	Provide undertaking letter from the management of project owner	<ul style="list-style-type: none"> - Renewable energy produced - Avoided greenhouse gas emissions (tonnes CO_{2e}) 	United Nation Sustainable Development Goal https://sdgs.un.org/goals

Green Loan / Green Guarantee – Energy Efficiency						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Documents required (pre-lending stage)	Documents required (post-lending stage)	Reference Tools/Standards
		--	SDG 8.4 ²	Provide undertaking letter from the management of project owner	<ul style="list-style-type: none"> - Number of jobs created - Number of jobs supported 	United Nation Sustainable Development Goal https://sdgs.un.org/goals
Main Contractor	Construction or installation of the energy efficiency equipment, technology, product that reduce energy consumption	Demonstrate the project reduce GHG emissions through the energy efficiency equipment, technology or product	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report on: <ul style="list-style-type: none"> - Calculate/ record annual GHG emission reduced/ avoided in tCO_{2e} - Calculate/ record total installed capacity of renewable energy in MWh - Calculate/ record annual renewable energy generation in MWh 	ICMA Harmonized Framework Section 2 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from main contractor	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/
		Implement site management measures to reduce carbon emissions: <ul style="list-style-type: none"> - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--	Undertaking letter from main contractor	Provide record to demonstrate the implementation	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	No hydrocarbons are used as a medium of any electricity storage technology	Provide catalogue to demonstrate no hydrocarbons are used as a medium		ISO 14063-3: 2020 Section 5.2.4.10
		--	SDG Targets 8.4 ²	Undertaking letter from main contractor	<ul style="list-style-type: none"> - Number of jobs created 	United Nation Sustainable Development Goal https://sdgs.un.org/goals

Green Loan / Green Guarantee – Energy Efficiency						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Documents required (pre-lending stage)	Documents required (post-lending stage)	Reference Tools/Standards
					- Number of jobs supported	
Sub-contractor	Construction, installation or maintenance of the energy efficiency equipment, technology or product that reduce energy consumption	Demonstrate the project reduce GHG emissions through the energy efficiency equipment, technology or product	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report on: <ul style="list-style-type: none"> - Calculate/ record annual GHG emission reduced/ avoided in tCO₂e - Calculate/ record total installed capacity of renewable energy in MWh - Calculate/ record annual renewable energy generation in MWh 	ICMA Harmonized Framework Section 1 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from sub-contractor's representative	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool https://cat.cic.hk/

Notes:

- SDG Target 7.3 – By 2030, double the global rate of improvement in energy efficiency
SDG Target 7a – By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.
- SDG Target 8.4 - Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.

2.4 CLEAN TRANSPORTATION

Green Loan / Green Guarantee – Clean Transportation						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
Project Owner	Construction, development, operation, acquisition and maintenance of infrastructure sustainable mobility and cleaner vehicles with a lower environmental impact	Low emission transport (i.e. Euro V standard fleet, mass transit, electrical vehicles) and any infrastructure promoting the use of low carbon transport solutions (i.e electric vehicle charging, cycling/walking infrastructure)	--	Provide undertaking letter from the management of project owner	If applicable, provide relevant certification and/or impact report on: <ul style="list-style-type: none"> - Annual GHG emissions reduced/ avoided in tCO₂e/ year - CO₂ emission per distance travelled - NO_x emissions avoided per Km. - New clean transportation infrastructure built (km) - Number of electric vehicle charging stations installed - Air quality improvement measures (Air contaminants reduced e.g. particular matter, carbon monoxide, sulfur oxides, nitrogen oxides) (tonnes) 	ICMA Harmonized Framework Section 5 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		Carry out carbon assessment at the design stage and demonstrate the optimal option is selected	--		Provide the carbon assessment result for the core materials (e.g. concrete and steel)	The CIC Carbon Assessment Tool https://cat.cic.hk/
		Include the site management measures in the tender/contract document which are related to carbon reduction: <ul style="list-style-type: none"> - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--		Provide tender/ contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	Demonstrate substantial GHG emission reduction in clean transport development or infrastructure	Provide relevant certification and/or calculation on: <ul style="list-style-type: none"> - CO₂e emissions per passenger kilometre (gCO₂e/pkm) or 	--	ISO 14063-3: 2020 Section 5.2.6

Green Loan / Green Guarantee – Clean Transportation						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
				- CO ₂ e emissions per vehicle kilometre (gCO ₂ e/km) or (gCO ₂ e/KWh)		
		--	SDG Target 11.2 ¹	Provide undertaking letter from the management of project owner	- Number of people with access to sustainable transport systems - Waste that is prevented, minimised, reused or recycled before and after the project	United Nation Sustainable Development Goal https://sdgs.un.org/goals
Main Contractor	Construction of infrastructure sustainable mobility and cleaner vehicles with a lower environmental impact.	Demonstrate reduction of GHG emission through construction infrastructure , services and use of clean vehicles to support low carbon transport.	--	Provide tender/ contract document (for project level application only)	If applicable, provide relevant certification and/or impact report on: - Annual GHG emissions reduced/ avoided in tCO ₂ e/ year - CO ₂ emission per distance travelled - NO _x emissions avoided per Km. - New clean transportation infrastructure built (km) - Number of electric vehicle charging stations installed	ICMA Harmonized Framework Section 5. https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from main contractor.	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/
		Implement site management measures to reduce carbon emissions: - Temporary electricity/early electrification/battery storage	--	Undertaking letter from main contractor	Provide record to demonstrate the implementation	DEVB Technical Circular (Works) No. 13/2020 , No. 11/2020 , No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1

Green Loan / Green Guarantee – Clean Transportation						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
		<ul style="list-style-type: none"> - Green site office. - Emission control of non-road mobile machinery such as mobile crane, generators 				
		--	Demonstrate substantial GHG emission reduction in clean transport development or infrastructure.	<ul style="list-style-type: none"> - CO₂e emissions per passenger kilometre (gCO₂e/pkm) or - CO₂e emissions per vehicle kilometre (gCO₂e/km) or (gCO₂e/KWh) 	--	ISO 14063-3: 2020 Section 5.2.6
		--	SDG Target 11.2 ¹	Undertaking letter from main contractor.	<ul style="list-style-type: none"> - Number of people with access to sustainable transport systems. - Waste that is prevented, minimised, reused or recycled before and after the project. 	United Nation Sustainable Development Goal https://sdgs.un.org/goals
Sub-contractor	Construction and maintenance of infrastructure sustainable mobility and cleaner vehicles with a lower environmental impact	Demonstrate reduction of GHG emission through construction infrastructure, services and use of clean vehicles to support low carbon transport	--	Provide tender/ contract document (for project level application only)	If applicable, provide relevant certification and/or impact report on: <ul style="list-style-type: none"> - Annual GHG emissions reduced/ avoided in tCO₂e/ year - CO₂ emission per distance travelled - NO_x emissions avoided per Km. - New clean transportation infrastructure built (km) - Number of electric vehicle charging stations installed 	ICMA Harmonized Framework Section 5 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from sub-contractor's representative	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction.	The CIC Carbon Assessment Tool https://cat.cic.hk/

Green Loan / Green Guarantee – Clean Transportation						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	

Notes:

- SDG Target 11.2 – By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

2.5 SUSTAINABLE WATER AND WASTEWATER MANAGEMENT

Green Loan / Green Guarantee – Sustainable Water and Wastewater Management						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
Project Owner	Construction, development, operation, acquisition and maintenance of infrastructure for water and/or wastewater system	Infrastructure for collection, treatment, recycling or reuse of water, rainwater or wastewater	--	Provide undertaking letter from the management of project owner	Provide relevant certification and/or impact report on: - Calculate/record annual reduction in water use consumption (m ³ per year) - Calculate/record annual volume of wastewater treated or avoided (m ³ per year) - Calculate/record annual amount of sewage sludge that is treated and disposed of	ICMA Harmonized Framework Section 3 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		Water collection and urban drainage infrastructure including storm water management and sewer separation to reduce wastewater				
		Flood prevention, flood defines or storm water management				
		Carry out carbon assessment at the design stage and demonstrate the optimal option is selected	--		Provide the carbon assessment result for the core materials (e.g. concrete and steel), express as KgCO ₂ /m ² If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool https://cat.cic.hk/
		Include the site management measures in the tender/contract document which are related to carbon reduction: - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators	--		Provide tender/ contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	Demonstrate front-to-end water supply system has a high degree of energy efficiency characterized	Provide undertaking letter from the management of project owner	- Average energy consumption of the system (including abstraction, treatment and distribution) of 0.5kWh per cubic meter billed/unbilled authorized water supply or less	ISO 14063-3: 2020 Section 5.2.5.1
		--	Demonstrate front-to-end water supply system is increased substantially		- Decreasing the average energy consumption of the system by at least 20% (including abstraction, treatment and distribution; measured in kwh per cubic meter billed/unbilled authorized water supply); or - By closing the gap between the actual leakage of the water	ISO 14063-3: 2020 Section 5.2.5.1

Green Loan / Green Guarantee – Sustainable Water and Wastewater Management						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					supply network and a given target value of low leakage by at least 20%	
		--	SDG Target 6.1, 6.2,6.3,6.4,6.5,6a,6b ¹	Provide undertaking letter from the management of project owner	<ul style="list-style-type: none"> - Number of people provided with safe and affordable drinking water - Number of people provided with adequate and equitable sanitation 	United Nation Sustainable Development Goal. https://sdgs.un.org/goals
Main Contractor	Construction of infrastructure for water and/or wastewater system	Demonstrate the project related to sustainable water management such as water reuse and recycling, efficiency, conservation, wastewater recycling system	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report <ul style="list-style-type: none"> - Calculate/record annual reduction in water use consumption (m³ per year) - Calculate/record annual volume of wastewater treated or avoided (m³ per year) - Calculate/record annual amount of sewage sludge that is treated and disposed of 	ICMA Harmonized Framework Section 3 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from main contractor	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/
		Implement site management measures to reduce carbon emissions: <ul style="list-style-type: none"> - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--	Undertaking letter from main contractor	Provide record to demonstrate the implementation	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	SDG Target 6.1, 6.2,6.3,6.4,6.5,6a,6b	Provide undertaking letter from main contractor	<ul style="list-style-type: none"> - Number of people provided with safe and affordable drinking water - Number of people provided with adequate and equitable sanitation 	United Nation Sustainable Development Goal https://sdgs.un.org/goals
Sub-contractor	Construction and	Demonstrate the project related to sustainable water management such as	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report	ICMA Harmonized Framework Section 3

Green Loan / Green Guarantee – Sustainable Water and Wastewater Management						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
	maintenance of infrastructure for water and/or wastewater system	water reuse and recycling, efficiency, conservation, wastewater recycling			<ul style="list-style-type: none"> - Calculate/record annual reduction in water use consumption (m³ per year) - Calculate/record annual volume of wastewater treated or avoided (m³ per year) - Calculate/record annual amount of sewage sludge that is treated and disposed of 	https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from sub-contractor's representative	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool https://cat.cic.hk/

Notes:

- SDG Target 6.1 – By 2030, achieve universal and equitable access to safe and affordable drinking water for all.
 SDG Target 6.2 – By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.
 SDG Target 6.3 – By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.
 SDG Target 6.4 - By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
 SDG Target 6.5 - By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate.
 SDG Target 6a - By 2030, expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities and programmes, including water harvesting, desalination, water efficiency, wastewater treatment, recycling and reuse technologies.
 SDG Target 6b - Support and strengthen the participation of local communities in improving water and sanitation management.

2.6 CIRCULAR ECONOMY

Green Loan / Green Guarantee – Circular Economy						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
Project Owner Main Contractor Sub-contractor	Design and production of components, products and assets that support the circular economy	Products and assets should support the circular economy through increasing the functionality, durability, modularity and ease of repair		Provide undertaking letter from the applicant	<ul style="list-style-type: none"> - Increase in components, products or assets with circular design as a result of the project in valorised amount, in percentage of the total product portfolio, and/or absolute amount in tonnes p.a. - The extended warranty period compared to the market standard in year, or the expected extension of lifetime in years (compared to the equivalent linear product's expected lifetime) - The percentage of single use products replaced by products designed and produced for reuse 	<p>ICMA Harmonized Framework Section 9 https://www.icmagroup.org/sustainable-finance/impact-reporting/</p> <p>DEVB Technical Circular (Works) No. 09/2020 , No. 1/2018 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1</p>
		Design, development, sustainable production and/or use of materials, components and products that are reusable, recyclable or certified compostable		Provide undertaking letter from the applicant	<ul style="list-style-type: none"> - The percentage increase in materials, components and products that are reusable, recyclable, and/or certified compostable as a result of the project and/or in absolute amount in tonnes p.a. - The increase proportion of circular materials produced as percentage of the total material production of the project - Waste that is prevented, minimised, reused or recycled before and after the project in percentage of total waste and/or as absolute amount in tonnes p.a. - Reduction or removal of harmful substances (persistent, carcinogenic, mutagenic, reprotoxic) used in percentage in comparison to the original design and/or in absolute amount in tonnes p.a. 	<p>ICMA Harmonized Framework Section 9 https://www.icmagroup.org/sustainable-finance/impact-reporting/</p> <p>DEVB Technical Circular (Works) No. 09/2020 , No. 1/2018 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1</p>

Green Loan / Green Guarantee – Circular Economy						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
	Development and introduction of environmentally sustainable products with an eco-label	Trading to obtain relevant international sustainability certificates for the material including but not limited to CIC Green Product Certification, China green building materials, Green Seal, Energy Start, Greenguard, Singapore green building product, EMSD Energy Efficiency Labelling Scheme, WSD Voluntary Water Efficiency Labelling Scheme, etc.	--	Provide undertaking letter from the applicant	Provide green product certificate and/or impact report on: - The increase in number of products and/or the share of production awarded an internationally recognised eco-label, or energy, eco-efficiency or other relevant environmental certification	CIC Green Product Certification http://cicgpc.hkgbc.org.hk/ ICMA Harmonized Framework Section 9. https://www.icmagroup.org/sustainable-finance/impact-reporting/
		--	SDG Target 8.4 ¹	Provide undertaking letter from the applicant	- Number of jobs created. - Number of jobs supported.	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Target 11b ²	Provide undertaking letter from the applicant	- Number of people. benefitting from selective collection of recyclables	
		--	SDG Target 12.5 ³	Provide undertaking letter from the applicant	- Materials sourced sustainably or recycled - Reduction of hazardous materials used	
Supplier/Manufacturer	Substitute virgin raw materials with secondary materials origination from materials and resources recovery	Trading to obtain relevant international sustainability certificates for the material from secondary materials including but not limited to Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC), use Ground Granulated Blast-Furnace Slag (GGBFS) as a cement substitute, use steel with higher recycled content, etc. Environmental Product Declarations. Material recovery from separately collected waste	--	Provide undertaking letter from the applicant	Provided the chain of custody record and certificate for specific products, timber; concrete/ steel: - to demonstrate the timber products are came from FSC or PEEFC or Environmental Product Declaration, etc. - Provide record to demonstrate the GGBFS is replaced PFA in the concrete. - Provide declare letter from the manufacturer showing the steel with recycled content. Record including photograph or test report showing that secondary raw materials of a high market value are produced and is suitable for substitution of virgin materials in production processes - The percentage and/or absolute amount in tonnes p.a. of virgin raw materials that are substituted by secondary raw materials and	ISO 14063-3: 2020 Section 5.2.5.7 https://www.iso.org/obp/ui/#iso:std:iso:14063:ed-2:v1:en ICMA Harmonized Framework Section 9 https://www.icmagroup.org/sustainable-finance/impact-reporting/

Green Loan / Green Guarantee – Circular Economy						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					by-products from manufacturing process	
	Development and introduction of environmentally sustainable products with an eco-label.	Trading to obtain relevant international sustainability certificates for the material including but not limited to CIC Green Product Certification, China green building materials, Green Seal, Energy Star, Greenguard, Singapore green building product, EMSD Energy Efficiency Labelling Scheme, WSD Voluntary Water Efficiency Labelling Scheme, etc.	--	Provide undertaking letter from the applicant	Provide green product certificate and/or impact report on: - The increase in number of products and/or the share of production awarded an internationally recognised eco-label, or energy, eco-efficiency or other relevant environmental certification	CIC Green Product Certification http://cicgpc.hkgbc.org.hk/ ICMA Harmonized Framework Section 9 https://www.icmagroup.org/sustainable-finance/impact-reporting/
	Returnable packaging projects and investment for resource-efficient packaging	Capital investment to facilitate the light weighting packaging and initiatives aimed at achieving packaging collection	--	Provide undertaking letter from the applicant	- Volume of return packaging - Reduction of raw materials use in packaging	Waste blueprint for Hong Kong 2035 https://www.enb.gov.hk/sites/default/files/pdf/waste_blueprint_2035_eng.pdf
	Investment to eliminate or reduce hazardous or non-hazardous material during product development, construction, refurbishment or renovation project	Eliminate or reduce input of non-hazardous or hazardous or toxic materials and design for modularity, easy disassembly and repair to facilitate recycling, reuse, life time extension	--		Calculate/ record the total quantities of reduction in waste disposal due to modular and/or MiC	Building Department Core and Reference on Modular Integrated Construction https://www.bd.gov.hk/en/resources/codes-and-references/modular-integrated-construction/index.html
		--	SDG Target 8.4 ¹	Provide undertaking letter from the applicant	- Number of jobs created - Number of jobs supported	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Target 11b ²	Provide undertaking letter from the applicant	- Number of people benefitting from selective collection of recyclables	
		--	SDG Target 12.5 ³	Provide undertaking letter from the applicant	- Materials sourced sustainably or recycled - Reduction of hazardous materials used.	

Notes:

- SDG Target 8.4 – Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead
- SDG Target 11b – By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.

3. SDG Target 12.5 – By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.

2.7 POLLUTION PREVENTION AND CONTROL

Green Loan / Green Guarantee – Pollution Prevention and Control						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
Project Owner	Construction, development, operation, acquisition and maintenance of facilities, systems or equipment used for: - Collection, treatment, recycling or reuse of emissions, waste, hazardous waste or etc. - Facilities, systems and equipment that are used to divert waste from landfills or reduce emissions - Soil remediation - Reduction of air emission	Demonstrate the project reduce GHG emissions and waste disposal	--	Provide undertaking letter from the management of project owner	Provide relevant certification and/or impact report on: - Calculate/ record to demonstrate waste that is prevented, minimised, reused or recycled before and after the project. - GHG emissions from waste management before and after the project in tCO _{2e} - Amount of air pollutants reduced/ avoided (e.g. particular matter, carbon monoxide, sulfur oxides, nitrogen oxides) (tonnes). - Amount of contaminated soil removed (tonnes) or area remediated	ICMA Harmonized Framework Section 4 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		Include the following carbon saving related site management measures in the tender document - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators	--		Provide tender or contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		Carry out carbon assessment by The CIC Carbon Assessment Tool at the design stage and demonstrate the optimal option is selected	--	Undertaking letter from main contractor	Provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool https://cat.cic.hk/
		--	Source segregated waste (in single or co-mingled fractions) is separately collected with the aim of preparing for reuse and/or recycling	--	Record including photograph or drawing demonstrate that source separation facilities are used in order to facilitate the reuse and/or recycling	ISO 14063-3: 2020 Section 5.2.5.4
		--	SDG Target 11.6 ¹	Provide undertaking letter from the management of project owner	- Waste that is prevented, minimised, reused or recycled before and after the project	United Nation Sustainable Development Goal. https://sdgs.un.org/goals

Green Loan / Green Guarantee – Pollution Prevention and Control						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					<ul style="list-style-type: none"> - Number of people benefitting from selective collection of recyclables 	
		--	SDG Target 12.4, 12.5 ²	Provide undertaking letter from the management of project owner	<ul style="list-style-type: none"> - Avoided resource waste - Avoided emissions to air (other than greenhouse gases) - Materials sourced sustainably or recycled - Reduction of hazardous materials used 	United Nation Sustainable Development Goal https://sdgs.un.org/goals
Main Contractor	Construction of facilities, systems or equipment used for: <ul style="list-style-type: none"> - Collection, treatment, recycling or reuse of emissions, waste, hazardous waste, reduce emission or etc. - Facilities, systems and equipment that are used to divert waste from landfills or reduce air, noise emissions etc. - Soil remediation - Reduction of air emission 	Demonstrate the project reduce GHG emissions, waste disposal, increase recycling	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report on: <ul style="list-style-type: none"> - Calculate/ record to demonstrate waste that is prevented, minimised, reused or recycled before and after the project. - GHG emissions from waste management before and after the project in tCO_{2e} - Amount of air pollutants reduced/ avoided (e.g. particular matter, carbon monoxide, sulfur oxides, nitrogen oxides) (tonnes) - Amount of contaminated soil removed (tonnes) or area remediated 	ICMA Harmonized Framework Section 4 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from main contractor	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool https://cat.cic.hk/
		Implement site management measures to reduce carbon emissions: <ul style="list-style-type: none"> - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--	Undertaking letter from main contractor	Provide record to demonstrate the implementation	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1

Green Loan / Green Guarantee – Pollution Prevention and Control						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
		--	SDG Target 11.6 ¹	Provide undertaking letter from main contractor	<ul style="list-style-type: none"> - Waste that is prevented, minimised, reused or recycled before and after the project - Number of people benefitting from selective collection of recyclables 	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Target 12.4, 12.5 ²	Provide undertaking letter from main contractor	<ul style="list-style-type: none"> - Avoided resource waste - Avoided emissions to air (other than greenhouse gases) - Materials sourced sustainably or recycled - Reduction of hazardous materials used 	United Nation Sustainable Development Goal https://sdgs.un.org/goals
Sub-contractor	<p>Construction of facilities, systems or equipment used for:</p> <ul style="list-style-type: none"> - Collection, treatment, recycling or reuse of emissions, waste, hazardous waste, reduce emission or etc. or - Facilities, systems and equipment that are used to divert waste from landfills or reduce air, noise emissions etc. - Soil remediation - Reduction of air emission 	Demonstrate the project reduce GHG emissions, waste disposal, increase recycling	--	Provide tender/ contract document (for project level application only)	<p>Provide relevant certification and/or impact report on:</p> <ul style="list-style-type: none"> - Calculate/ record to demonstrate waste that is prevented, minimised, reused or recycled before and after the project. - GHG emissions from waste management before and after the project in tCO_{2e} 	ICMA Harmonized Framework Section 4 https://www.icmagroup.org/sustainable-finance/impact-reporting/

Green Loan / Green Guarantee – Pollution Prevention and Control						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from sub-contractor's representative	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	

Notes:

1. SDG Target 11.6 - By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.
2. SDG Target 12.4 - By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.
3. SDG Target 12.5 – By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.

2.8 ENVIRONMENTALLY SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES AND LAND USE

Green Loan / Green Guarantee – Environmentally Sustainable Management of Living Natural Resources and Land Use						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
Project Owner	Implementing practices to protect sensitive areas, improve air, water, soil and wildlife resources, and conserve non-renewable mineral resources	Project related to sustainable forestry which are certified through recognized certifications: Forest Stewardship Council, Programme for the Endorsement of Forest Certification, Rainforest Alliance, etc.	--	Provide undertaking letter from the management of project owner	Provide relevant certification and/or impact report on: - Environmentally sensitive areas protected/increased (km ² or in percentage) - Calculate/record the amount of organic products produced (metric tons) - Total surface of nature. conservation/ biodiversity facilities constructed or upgrade (square meter)	ICMA Harmonized Framework Section 3 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		Sustainable agriculture (e.g. certified organic farming) which are certified through recognized certifications such as China Organic Certification, EU Organic, USDA Organic, Canada Organic or Rainforest Alliance				
		Facility and infrastructure new build or upgrades that contribute to the protection of living natural resources, including for example artificial nesting sites for birds				
		Include the site management measures in the tender/contract document which are related to carbon reduction: - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators	--		Provide tender/ contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		If the project owner has control in design optimisation (e.g. temporary work, foundation design or material selection, etc.), then carbon assessment by the CIC Carbon Assessment Tool at the construction stage should be carried out		Undertaking letter from main contractor	If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/
		--	SDG Target 2.4 ¹	Provide undertaking letter from the management of project owner	- Products with certified improvements in nutritional value - Number of small-scale farmers with increased productivity	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Targets 14.4, 14.6, 14a ²		- Biodiversity loss avoided or reduced (# of species)	
		--	SDG Targets 15.7, 15.8, 15a, 15c ³		- Avoidance or reduction of land pollution (ecotoxicity, acidification, salinization, transformation)	

Green Loan / Green Guarantee – Environmentally Sustainable Management of Living Natural Resources and Land Use						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					<ul style="list-style-type: none"> Avoidance or reduction of biodiversity loss (# of species) Certified afforested or reforested land Area covered by sustainable land and water resources management practices Expenditure on conservation and sustainable use of biodiversity and ecosystems 	
Main Contractor	Construction project related to protect sensitive areas, improve air, water, soil and wildlife resources, and conserve non-renewable mineral resources	Demonstrate the project contribute to the sustainable management of living natural resources and land use and natural ecosystem protection or restoration Facility and infrastructure new build or upgrades that contribute to the protection of living natural resources, including for example artificial nesting sites for birds	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report on: <ul style="list-style-type: none"> Environmentally sensitive areas protected/increased (km² or in percentage) Total surface of nature conservation/ biodiversity facilities constructed or upgrade 	ICMA Harmonized Framework Section 3 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from main contractor	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/
		Implement site management measures to reduce carbon emissions: <ul style="list-style-type: none"> Temporary electricity/early electrification/ battery storage Green site office Emission control of non-road mobile machinery such as mobile crane, generators 	--	Undertaking letter from main contractor	Provide record to demonstrate the implementation	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	SDG Target 2.4 ¹	Provide undertaking letter from main contractor	<ul style="list-style-type: none"> Products with certified improvements in nutritional value Number of small-scale farmers with increased productivity 	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Targets 14.4, 14.6, 14a ²		<ul style="list-style-type: none"> Biodiversity loss avoided or reduced (number of species) 	
		--	SDG Targets 15.7, 15.8, 15a, 15c ³		<ul style="list-style-type: none"> Avoidance or reduction of land pollution (ecotoxicity, 	

Green Loan / Green Guarantee – Environmentally Sustainable Management of Living Natural Resources and Land Use						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					acidification, salinization, transformation) - Avoidance or reduction of biodiversity loss (# of species) - Certified afforested or reforested land - Area covered by sustainable land and water resources management practices - Expenditure on conservation and sustainable use of biodiversity and ecosystems	
Sub-contractor	Construction and maintenance of project related to protect sensitive areas, improve air, water, soil and wildlife resources, and conserve non-renewable mineral resources	Demonstrate the project contribute to the sustainable management of living natural resources and land use and natural ecosystem protection or restoration Facility and infrastructure new build or upgrades that contribute to the protection of living natural resources, including for example artificial nesting sites for birds	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report on: - Environmentally sensitive areas protected/increased (km ² or in percentage). - Total surface of nature conservation/ biodiversity facilities constructed or upgrade.	ICMA Harmonized Framework Section 4 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from sub-contractor's representative	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool https://cat.cic.hk/

Notes:

- SDG Target 2.4 - By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality
 - SDG Target 14.4 - By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics
 - SDG Target 14.6 - By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation
 - SDG Target 14a - Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular small island developing States and least developed countries
- SDG Target 15.7 - Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products
 SDG Target 15.8 - By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species
 SDG Target 15a - Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems
 SDG Target 15c - Enhance global support for efforts to combat poaching and trafficking of protected species, including by increasing the capacity of local communities to pursue sustainable livelihood opportunities

2.9 TERRESTRIAL AND AQUATIC BIODIVERSITY CONSERVATION

Green Loan / Green Guarantee – Terrestrial and Aquatic Biodiversity Conservation						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
Project Owner	Activities that contribute to the enhancement or conservation or terrestrial or aquatic biodiversity Investment related to the preservation and conservation of marine mammals and ocean health. Examples include facilities and infrastructure of environmentally sustainable water treatment systems that improve water management	Conservation and restoration of natural environment and biodiversity such as improvement projects at site of high conservation value such as marine parks, country park, conservation areas etc.	--	Provide undertaking letter from the management of project owner	Provide relevant certification and/or impact report <ul style="list-style-type: none"> - Total surface financed (hectares), with reference to specific certification schemes where relevant - Area conserved/ restored/ sustainably managed (in hectare). - Number of nature conservation/biodiversity facilities constructed 	ICMA Harmonized Framework Section 7 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		Include the site management measures in the tender/ contract document which are related to carbon reduction: <ul style="list-style-type: none"> - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--	Provide undertaking letter from the management of project owner	Provide tender/ contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
			If the project owner has control in design optimisation (e.g. temporary work, foundation design or material selection, etc.), then carbon assessment by the CIC Carbon Assessment Tool at the construction stage should be carried out	Undertaking letter from main contractor	Provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/
		--	SDG Targets 14.1, 14.2, 14.3, 14.5, 14.6, 14a	Provide undertaking letter from the management of project owner	<ul style="list-style-type: none"> - Avoided or reduced marine and fresh water pollution (ecotoxicity, eutrophication) - Biodiversity loss avoided or reduced (# of species) 	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Targets 15.1, 15.2, 15.3, 15.4, 15.5, 15b	Provide undertaking letter from the management of project owner	<ul style="list-style-type: none"> - Avoidance or reduction of land pollution (ecotoxicity, acidification, salinization, transformation) - Avoidance or reduction of biodiversity loss (# of species) - Certified afforested or reforested land 	United Nation Sustainable Development Goal https://sdgs.un.org/goals

Green Loan / Green Guarantee – Terrestrial and Aquatic Biodiversity Conservation						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					<ul style="list-style-type: none"> - Area covered by sustainable land and water resources management practices - Expenditure on conservation and sustainable use of biodiversity and ecosystems 	
Main Contractor	Construction that contribute to the enhancement or conservation terrestrial or aquatic biodiversity	Demonstrate the construction related to the conservation and restoration of natural environment and biodiversity such as improvement projects at site of high conservation value such as marine parks, country park, conservation areas etc.	--	Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report <ul style="list-style-type: none"> - Total surface financed (hectares), with reference to specific certification schemes where relevant - Area conserved/ restored/ sustainably managed (in hectare). - Number of nature conservation/biodiversity facilities constructed 	ICMA Harmonized Framework Section 7 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from main contractor	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/
		Implement site management measures to reduce carbon emissions: <ul style="list-style-type: none"> - Temporary electricity/early electrification/ battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--	Undertaking letter from main contractor	Provide record to demonstrate the implementation	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	SDG Targets 14.1, 14.2, 14.3, 14.5, 14.6, 14a ¹	Provide undertaking letter from main contractor	<ul style="list-style-type: none"> - Avoided or reduced marine and fresh water pollution (ecotoxicity, eutrophication) - Biodiversity loss avoided or reduced (# of species) 	United Nation Sustainable Development Goal. https://sdgs.un.org/goals
		--	SDG Targets 15.1, 15.2, 15.3, 15.4, 15.5, 15b ²	Provide undertaking letter from main contractor	<ul style="list-style-type: none"> - Avoidance or reduction of land pollution (ecotoxicity, acidification, salinization, transformation). 	United Nation Sustainable Development Goal. https://sdgs.un.org/goals

Green Loan / Green Guarantee – Terrestrial and Aquatic Biodiversity Conservation						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					<ul style="list-style-type: none"> - Avoidance or reduction of biodiversity loss (# of species). - Certified afforested or reforested land - Area covered by sustainable land and water resources management practices - Expenditure on conservation and sustainable use of biodiversity and ecosystems 	
Sub-contractor	Construction that contribute to the enhancement or conservation terrestrial or aquatic biodiversity	Demonstrate the construction related to the conservation and restoration of natural environment and biodiversity such as improvement projects at site of high conservation value such as marine parks, country park, conservation areas etc.		Provide tender/ contract document (for project level application only)	Provide relevant certification and/or impact report <ul style="list-style-type: none"> - Total surface financed (hectares), with reference to specific certification schemes where relevant - Area conserved/ restored/ sustainably managed (in hectare) - Number of nature conservation/biodiversity facilities constructed 	ICMA Harmonized Framework Section 7 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from sub-contractor's representative	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction. If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/

Notes:

- SDG Target 14.1 - By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.
SDG Target 14.2 - By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.
SDG Target 14.3 - Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels.

SDG Target 14.5 – By 2020, conserve at least 10 per cent of coastal and marine areas, consistent with national and international law and based on the best available scientific information.

SDG Target 14.6 - By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation.

SDG Target 14a - Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular small island developing States and least developed countries.

- SDG Target 15.1 - By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.

SDG Target 15.2 - By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.

SDG Target 15.3 - By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.

SDG Target 15.4 - By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development.
SDG Target 15.5 - Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.
SDG Target 15b - Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation.

2.10 ADAPTATION TO CLIMATE CHANGE

Green Loan / Green Guarantee – Adaptation to Climate Change						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
Project Owner	Design, construction, maintenance and upgrades of infrastructures for adaptation to extreme weather events caused by climate change.	Infrastructure for flood prevention, flood defence or storm water management	--	Provide undertaking letter from the management of project owner and explained how the financed development could enable adaptation to climate change	Provide relevant certification and/or impact report Provide record to demonstrate the reduction in number of operation days lost due to climate hazard (such as flood, landslides, typhoons etc.)	ICMA Harmonized Framework Section 8 https://www.icmagroup.org/sustainable-finance/impact-reporting/ DEVB Technical Circular (Works) No. 1/2018, No. 09/2020
		Infrastructure to protect from heat-stress caused by increased temperatures and landslide prevention			Provide record to demonstrate reduction in number of operating days lost to disrupted transport networks by the climate hazard (such as flood, landslides typhoon etc.) List of programs/ equipment funded	
		Development, production and purchase/installation of products or technologies that enable adaptation to climate change, including information support systems such as climate observation and early warning systems (e.g.. hydrometeorology)				
		Carry out carbon assessment by The CIC Carbon Assessment Tool at the design stage and demonstrate the optimal option is selected	--	Provide undertaking letter from the management of project owner	Provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/
		Include the site management measures in the tender/ contract document which are related to carbon reduction: - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators	--		Provide tender/ contract document	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	SDG Target 1.5 ¹		- Number of people benefitting from measures to mitigate the consequences of climate change such as natural disasters	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	SDG Target 13.1, 13.2, 13.3, 13b ²		- Reduction in weather-related disruption (days p.a.) and/or risk frequency (%) - Flood-resilient floor space	

Green Loan / Green Guarantee – Adaptation to Climate Change						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					<ul style="list-style-type: none"> - High-risk assets with climate insurance cover - GHG emissions reduced 	
Main Contractor	Construction of adaptation related projects that contribute to a reduction in vulnerability to climate change	Demonstrate adaptation measures that reduce the climate risk	--	Provide tender/ contract document (for project level application only)	Provide record to demonstrate the reduction in number of operation days lost due to climate hazard (such as flood, landslides, typhoons etc.) Provide record to demonstrate reduction in number of operating days lost to disrupted transport networks by the climate hazard (such as flood, landslides typhoon etc.)	ICMA Harmonized Framework Section 8 https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from main contractor	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/
		Implement site management measures to reduce carbon emissions: <ul style="list-style-type: none"> - Temporary electricity/early electrification/ battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators 	--	Undertaking letter from main contractor	Provide record to demonstrate the implementation	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	Construction materials with credible certification, e.g. CIC Green Product Certification, Green Seal, Energy Star, Greenguard, etc.	Provide material specification	<ul style="list-style-type: none"> - Quantity of the construction material with credible label or certificate 	The selected green product standard(s). CIC Green Product Certification http://cicgpc.hkgbc.org.hk/
		--	SDG Target 1.5 ¹	Provide undertaking letter from main contractor	<ul style="list-style-type: none"> - Number of people benefitting from measures to mitigate the consequences of climate change such as natural disasters 	United Nation Sustainable Development Goal. https://sdgs.un.org/goals
		--	SDG Target 13.1, 13.2, 13.3, 13b ²		<ul style="list-style-type: none"> - Reduction in weather-related disruption (days p.a.) and/or risk frequency (%) - Flood-resilient floor space - High-risk assets with climate insurance cover 	--

Green Loan / Green Guarantee – Adaptation to Climate Change						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
					- GHG emissions reduced	
Sub-contractor	Construction or maintenance of adaptation related projects that contribute to a reduction in vulnerability to climate change	Demonstrate adaptation measures that reduce the climate risk	--	Provide contract specification	Provide record to demonstrate the reduction in number of operation days lost due to climate hazard (such as flood, landslides, typhoons etc.). Provide record to demonstrate reduction in number of operating days lost to disrupted transport networks by the climate hazard (such as flood, landslides typhoon etc.).	ICMA Harmonized Framework Section 8. https://www.icmagroup.org/sustainable-finance/impact-reporting/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from sub-contractor's representative	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	The CIC Carbon Assessment Tool. https://cat.cic.hk/

Notes:


1. SDG Target 1.5 - By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.
2. SDG Target 13.1 - Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
3. SDG Target 13.2 - Integrate climate change measures into national policies, strategies and planning
4. SDG Target 13.3 – By Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning
5. SDG Target 13b - Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries and small island developing States, including focusing on women, youth and local and marginalized communities;* Acknowledging that the United Nations Framework Convention on Climate Change is the primary international ;intergovernmental forum for negotiating the global response to climate change.

2.11 SUSTAINABILITY-LINKED LOAN / SUSTAINABILITY-LINKED GUARANTEE


Sustainability-linked Loan / Sustainability-linked Guarantee						
Applicant	Eligibility	Compulsory Requirement	Optional Requirement	Pre-Lending Document Required	Post-Lending Document Required	Reference Tools / Standards
Project Owner/ Main Contractor/ Supplier/ Manufacturer	Choose from categories under ICMA Sustainability Linked Loan Principles	The applicant should demonstrate overall corporate sustainability strategy and their business related to construction industry	--	Provide the published sustainability strategy or the policy with endorsement from the Management	Provide record to demonstrate achievement of the set sustainability targets	Sustainability linked loan principles. https://www.lsta.org/content/sustainability-linked-loan-principles-sllp/
		Sustainability targets setting with improvement which are related to the business nature		Provide the set sustainability targets especially carbon related KPI(s)		Global reporting initiative standard https://www.globalreporting.org/
				Provide the annual report if applicable		HKEX ESG Reporting Guide https://www.hkex.com.hk/Listing/Rules-and-Guidance/Environmental-Social-and-Governance/ESG-Reporting-Guide-and-FAQs?sc_lang=en
						Task force on climate-related financial disclosure https://www.fsb-tcfd.org/recommendations/
		The applicant should demonstrate carbon reduction in their works including site management, material selection or construction methodology, etc.	--	Undertaking letter from the applicant	Provide supporting information and calculation (if necessary) to demonstrate the carbon reduction	The CIC Carbon Assessment Tool. https://cat.cic.hk/
					If applicable, provide the carbon assessment result of the CIC Carbon Assessment Tool	
		Implement site management measures to reduce carbon emissions: - Temporary electricity/early electrification/battery storage - Green site office - Emission control of non-road mobile machinery such as mobile crane, generators	--	Undertaking letter from the applicant	Provide record to demonstrate the implementation	DEVB Technical Circular (Works) No. 13/2020, No. 11/2020, No. 1/2015 https://www.devb.gov.hk/TechnicalCirculars.aspx?section=53&lang=1
		--	Align with relevant United Nation Sustainable Development Goal (UNSDG) target	Undertaking letter from the applicant	Provide relevant KPI for the selected targets	United Nation Sustainable Development Goal https://sdgs.un.org/goals
		--	Align with Social Bond Principal	Undertaking letter from the applicant	Provide relevant KPI for the selected targets	ICMA Social Bond Principle https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Social-Bond-PrinciplesJune-2020-090620.pdf

4.2 ANNEX 2: DISCLOSURE TEMPLATE ON SFCS WEBSITE


Below is a preview of the disclosures, including the applicant's basic information, certification and a summary of an assessment report, as it would be presented on the SFCS website. The exact format and content may be subject to change from time to time by the CIC.



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List of Certifications

Certificate Number	Company Name (Project Name)	Certified Year	Sustainable Financing Instrument	Summary Report	Impacts Report Year*
SFCS-2021-001	XXX Limited (XXX Project)	May 2021	Green Guarantee	-	-
SFCS-2021-002	XXX Limited (XXX Project)	May 2021	Sustainability-linked Guarantee	-	-
SFCS-2021-003	XXX Limited (XXX Project)	Jul 2021	Sustainability-linked Loan	-	-
SFCS-2021-004	XXX Limited (XXX Project)	Jun 2021	Green Loan	-	-

4.3 ANNEX 3: CAP 587 SCHEDULE 1

Schedule 1 Construction Operations

1. In this Ordinance, **construction operations** (建造工程) means operations of any of the following descriptions—

- (a) building works as defined in section 2(1) of the Buildings Ordinance (Cap. 123);
- (b) street works as defined in section 2(1) of the Buildings Ordinance (Cap. 123);
- (c) construction, alteration, repair, maintenance, extension, demolition or dismantling of—
 - (i) any buildings, or other temporary or permanent structures forming, or to form, part of land;
 - (ii) any works forming, or to form, part of land;
 - (iii) any industrial plant or any industrial installations for the purposes of land drainage, coast protection, water supply or defence; or
 - (iv) any power-lines, telecommunications apparatus or pipelines, including walls, pylons, aircraft runways, docks and harbours, railways, inland waterways, reservoirs, water-mains, wells and sewers;
- (d) supply and installation of fittings or equipment in any buildings, or other structures forming part of land, including systems of heating, lighting, air-conditioning, ventilation, power supply, drainage, sanitation, refuse collection, water supply, fire protection, security or communications, lift or escalator and other extra low voltage works;
- (e) external or internal cleaning of any buildings, or other temporary or permanent structures forming part of land, to the extent that it is carried out in the course of construction, alteration, repair, maintenance, extension or restoration of such buildings or structures;
- (f) painting or decorating any external or internal surfaces or parts of any buildings, or other temporary or permanent structures forming part of land;
- (g) operations which form an integral part of, or are preparatory to, or are for rendering complete, any of the operations described in paragraphs (a), (b), (c), (d), (e) and (f), including site clearance and investigation, earthmoving, excavation, tunnelling and boring, laying of foundations, erection, maintenance or dismantling of scaffolding, site restoration, landscaping and the provision of roadways and other access works.

2. Notwithstanding section 1, **construction operations** (建造工程) does not include operations of any of the following descriptions—

- (a) design, advice or consultation work, unless such design, advice or consultation work is incidental to any operations described in section 1;
- (b) manufacture of plant or machinery at a site for delivery of such plant or machinery to another site where the sole or principal activity at that other site is—

- (i) power generation; or
- (ii) the production, transmission, processing or bulk storage of any materials or manufactured products, including chemicals, pharmaceuticals, oil, gas, steel, food or drink or vehicles, which are intended for sale.

3. In this Schedule—

extra low voltage (特低壓) means voltage normally not exceeding—

- (a) 50V root mean square alternating current between conductors or between a conductor and earth; or
- (b) 120V direct current between conductors or between a conductor and earth;

land (土地) includes land under the sea.