

Media Release

For immediate release



Climate Bonds Standard for Low Carbon Buildings officially launched at RI Europe 2015; new rules deliver FairTrade-like labeling

3 June 2015, London - Today, the [Climate Bonds Standard for Low Carbon Buildings](#) was officially launched at the 8th annual [RI Europe 2015](#), an investor-focused event held in London.

Green and climate bonds are where the proceeds go to projects or assets important to addressing climate change. The Climate Bonds Standard is a FairTrade-like labelling scheme for those bonds.

The new rules detail what low-carbon building investments qualify for use of proceeds from Certified Climate Bonds. They include criteria for commercial buildings, residential buildings and upgrade projects.

Ché Wall, the founding Chairman of the World Green Building Council, said: 'Greenhouse gas impacts of cities are enormous and 70% of a typical large city has impact locked up in buildings. If we are to stand any credible chance of greenhouse gas abatement, we need to look to those buildings as probably our biggest opportunity'.

Issuers in the property sector can now certify their bonds under the Climate Bonds Standard. The Standard offers certainty for investors that their investments are delivering real climate impacts.

The new criteria will help investors better understand the *low carbon* integrity of green building investments. Details are available on the [Climate Bonds Standard](#) website.

The first green bond certified under the Climate Bonds Standard for Low Carbon Buildings [was issued by the ANZ Bank last week](#) and was a hit among investors.

The Standard was developed by the [Low Carbon Property Technical Working Group](#) of 17 international experts including representatives of the Buildings Performance Institute Europe, the Investor Group on Climate Change and Hermes Real Estate, to mention few. The work was sponsored by the Bank of America Foundation.

The rules require buildings for Climate Bonds to be in the top 15% of performers in a city when it comes to greenhouse gas emissions, or to achieve deep cuts in emissions when energy efficiency investments are made.

Ché Wall, Lead Expert of the Technical Working Group and the founding Chairman of the World Green Building Council, said: "The property asset class is worth trillions and at the moment, this money gets placed without any real accountability for environmental impacts. What the Climate Bonds Standard does is creating an opportunity for the property market to enable the investment dollars to go towards greener buildings."

Sean Kidney, CEO of the Climate Bonds Initiative, added: "There are huge investment opportunities in the property sector. In the long run we expect green property bonds to be up to 40% of the green bonds market. But this will depend on confidence among investors that the buildings are making a genuine contribution to the transition to the green economy needed to head off catastrophic climate change. The Climate Bonds Standard is a tool to do this."

Tatiana Bosteels, Head of Responsible Property Investment, Hermes Real Estate and Chair of the Property Working Group of the Institutional Investor Group on Climate Change (IIGCC), agreed: "There is a huge opportunity to unlock the potential of energy efficiency in the built environment. But to do this effectively and at scale will require more confidence in the tools, standards and models available to measure green buildings and their financial performance".

She added: "The Climate Bonds Standard for Green Buildings through its standardized measurement, reporting and verification procedure, provides investors with a more accurate understanding of the investment risks for energy efficient buildings - setting the stage for best practice in the market."

The Climate Bonds Standard for Low Carbon Buildings seeks to leverage suitable building standards and performance data where possible. For example, the Office of Environment and Heritage in Australia [recently announced](#) that Australian environmental rating tools provider [NABERS Energy ratings](#) contains GHG emissions data immediately suitable for reporting under the Climate Bonds Standard.

The Standard has been approved by [Climate Bonds Standards Board members](#) representing investors with US\$34 trillion of assets under management.

Extras:

The Low Carbon Transport Technical Working group members included:

Drafting sub-committee:

- Ché Wall, Director, Flux, Sydney
- Yamina Saheb, Scientific and Policy Officer , European Commission, Milan
- Oliver Rapf, Executive Director, Buildings Performance Institute Europe, Brussels
- Peter Sweatman, CEO, Climate Strategy & Partners, Madrid
- Asari Efiong, Principal Product Development Manager, Climate Change, EBRD, London

Committee members:

- Dr Tatiana Bosteels, Head of Responsible Property Investment, Hermes Real Estate / Chair, IIGCC, Brussels
- Cath Bremner, Global Head of Environmental Sustainability, ANZ Bank, Sydney
- Robert Tromop, Head of Energy Efficiency, Sustainable Buildings, International Energy Agency, Paris
- Matthew Deegan, Consultant, Sydney
- Niall McCarthy, Executive Director, Eureka Funds Management / Member, IGCC, Sydney
- Thomas Boermans, Unit Manager, Buildings, Ecofys, Cologne
- Bettina Redway, California State Treasurer's Office, Sacramento
- Brian Rice, Investment Officer, CalSTRS, Sacramento
- Simon Brooker, Executive Director, Clean Energy Finance Corporation, Sydney
- Jacob Halcomb, Senior Consultant, Ecofys, Amsterdam
- Tooraj Arvajeh, Senior Consultant, Arup, New York