



Programmatic Certification

Streamlining Green Issuance for Multiple Bond Issuers January 2019

Frequently Asked Questions

What is Programmatic Certification?

Climate Bonds Programmatic Certification is a **streamlined** process for obtaining Climate Bonds Certification. It involves the Verification of a large pool of **eligible** assets in anticipation of a multiple green bond issuance programme.

The designated asset pool is verified and repeat Certified issuance can be made at the Issuer's discretion. The independent Verifier provides annual Verification to ensure that the bonds and the overall programme continue to meet the requirements of the Climate Bonds Standard.

Who should adopt Programmatic Certification?

Large or **repeat** bond issuers with established debt capital raising programmes and capability. These may be banks, insurers, public or private utilities, listed corporates or listed or unlisted infrastructure debt managers.

It is particularly useful for issuers with a large portfolio of assets who are looking to follow international best practice in green debt issuance and demonstrate to investors their commitment to low carbon investment in line with the goals of the Paris Climate Agreement.

Is Programmatic Certification different from basic Certification?

The basic Certification process involves both pre-issuance and post-issuance Verification on each individual issuance to receive Certification.

Programmatic Certification requires pre-issuance and post-issuance Verification for the first bond issued under the programme and subsequently requires annual Verification for the duration of the programme.

Programmatic removes the pre-issuance step on individual bonds ensuring a smoother internal process whilst maintaining the integrity of the Certification process.

Does the Issuer have to have a minimum number of future planned issuances to be part of Programmatic Certification?

As a guideline, though this is not a requirement, it is expected that the Issuer will plan to issue bonds at least **once a year**. If the Issuer plans to issue less frequently, it is more suited for the Issuer to use the basic Certification route for individual bond issuances.

Can the Issuer change the asset pool after it received the initial Certification?

Yes, the asset pool may change over time.

The Issuer can add or subtract projects and assets from the portfolio. Whether the portfolio changes or not, each bond and the pool of projects and assets will be reviewed by the Verifier annually, to see if it complies with the Climate Bonds Standard.

What are the Costs of Programmatic Certification?

Climate Bonds Programmatic Certification costs are the same as basic Certification costs, which is 1/10th of a basis point of the size of the bond. For example, the Certification Fee for each issuance of a \$100 million bond under Programmatic Certification is \$1000.

The Certification Fee is invoiced for each individual bond issuance under the programme.

Does the Issuer have to have a minimum size of bond issue to be part of Programmatic Certification?

There is no minimum. An example is New York State Housing Finance Agency (HFA) that has issued 10 bonds of multiple denominations; all lower than benchmark size.

High-Profile Large Issuers



Westpac Australia

One of Australia's 'Big 4 Banks', Westpac has four Bonds Certified a total USD 1,040 million to date. They have been using Programmatic Certification since 2017, also including the New Green Tailored Deposit Scheme.



Société du Grand Paris

First bond of EUR 1.75 billion Certified under Programmatic Certification; One of the largest sustainable development projects in Europe worth EUR 35 billion, aimed for 2030s.



San Francisco Public Utilities Commission












A government authority, SFPUC has five bonds, a total of USD 1,412 million to date; under Programmatic Certification since 2016 using the Climate Bonds Water Infrastructure Criteria.



New York State Housing Finance Agency

HFA's Green Bond Programme has issued ten bonds a total USD 810 million to date, building affordable housing that adheres to Climate Bonds Low Carbon Buildings Criteria since 2016.

Green Issuers using Programmatic Certification January 2019

Issuer	Sector	Country	Total USD million
1. New York State Housing Finance Agency's (HFA)	Buildings 	US	998.5
2. Société du Grand Paris (SGP)	Transport 	France	2010
3. Contact Energy	Geothermal energy 	New Zealand	1330
4. New York Metropolitan Transport Authority (MTA)	Transport 	US	5727
5. Westpac	Multiple Sectors 	Australia	1040
6. San Francisco Public Utilities Commission (SFPUC)	Water 	US	1412
7. Bay Area Rapid Transit (BART)	Transport 	US	570
8. National Australia Bank (NAB)	Multiple Sectors 	Australia	2010
9. Los Angeles Metropolitan Transportation Authority	Transport 	US	471
10. Landesbank Baden Württemberg (LBBW)	Buildings 	Germany	1465
11. SNCF Réseau	Transport 	France	3484

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Billions under Programmatic Certification, and the list keeps growing



How can you find out more?

Call us for a chat...

We are happy to connect you with other issuers who can share their experiences with Programmatic Certification.



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