

Media release

The money is on the move: Climate Bonds Initiative recognises Green Star as a pathway to net zero buildings

Barangaroo/London: 24/11/2021: Green Star has achieved recognition as an international pathway to net zero emissions building, after the Climate Bonds Initiative (CBI) approved two of the Green Building Council of Australia's rating tools as compliant with green bonds certification.

"As CBI mobilises the \$100 trillion bond market, tying green finance to Green Star – and to highly efficient, fossil free buildings that are powered by renewables – helps to carve out a clear pathway to net zero," says Davina Rooney, Chief Executive Officer of the Green Building Council of Australia (GBCA).

To qualify for CBI certification, proceeds of a bond must be directed to new buildings that demonstrate very low carbon emissions during operations. Two GBCA rating tools, [Green Star Buildings](#) and [Green Star Homes](#), drive the outcomes sought by CBI, delivering buildings in the top 15% in terms of low carbon emissions intensity (kgCO₂/m²).

Any building seeking a world-leading 6 Star Green Star rating under Green Star Buildings rating tool automatically complies with CBI's Commercial Buildings Criteria. All other Green Star-rated buildings that follow the climate positive requirements – fossil fuel free, highly efficient and powered by renewables – also automatically comply.

Meanwhile, all single-family dwellings with a Green Star Homes rating will comply with the Residential Buildings Criteria.

"As governments and investors respond to climate change and the outcomes of COP26, demand for green finance is growing rapidly," says CBI's Chief Executive Officer, Sean Kidney.

"Reducing emissions from the built environment is a critical part of the transition to net zero. This best practice recognition of Green Star Buildings and Green Star Homes will make it easier for developers to attract new capital and for investors to identify and back climate friendly opportunities."

The built environment is responsible for 23% of Australia's greenhouse gas emissions and almost 40% of the world's carbon footprint.

The OECD has estimated that almost US\$7 trillion a year will be needed by 2030 alone to tackle climate change. The World Economic Forum has noted a \$2.5 trillion-a-year financing gap stands in the way of the UN's Sustainable Development Goals.

"The GBCA and CBI established a partnership in 2015 and have been working steadily towards this goal for several years. We are proud that this partnership can strengthen the active green bonds market and provide clear pathways for the next wave of capital wanting to invest in climate-ready buildings," Ms Rooney concludes.

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About Climate Bonds Initiative: is an investor-focused not-for-profit, working to mobilise global capital for climate action. It undertakes advocacy and outreach to inform and stimulate the market, provides policy models and government advice, and administers the Climate Bonds Certification Scheme. For more information, please visit www.climatebonds.net.

About Green Building Council of Australia: Green Building Council of Australia (GBCA) is the nation's authority on sustainable buildings and communities. Our mission is to accelerate the transformation of Australia's built environment into one that is healthy, liveable, productive, resilient and sustainable. We work with industry and government to encourage policies and programs that support our mission. We educate thousands of people each year on how to design and deliver sustainable outcomes for Australia's buildings and communities. And we operate Australia's only national, voluntary, holistic rating system for sustainable buildings and communities – Green Star. www.gbca.org.au

About Green Star: Established by GBCA in 2003, Green Star is a trusted, internationally recognised rating system for healthy, resilient, positive buildings and places. There are more than 3,200 Green Star certified buildings and places in Australia. The average Green Star certified building produces 55 per cent fewer greenhouse gas emissions than a standard new building, consumes half the water and eliminates 96 per cent of construction waste.

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