



Towards a standard-neutral taxonomy for the environmental use of proceeds

China's Green Bond Endorsed Project Catalogue and
The Common Principles for Climate Mitigation Finance Tracking
mapped and compared.

Phase I Report of Joint Research by

European Investment Bank
Green Finance Committee of China Society for Finance and Banking

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The need for a common language in Green Finance
Towards a standard-neutral taxonomy for the environmental use of proceeds

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EIB-PREFACE

In June this year, EIB celebrated the tenth anniversary of its first green bond with a new reference green bond of 30 year tenor, the longest green benchmark ever issued until then. It was a strong statement that highlighted both the healthy dynamic of the segment and the EU Bank's commitment to its further development.

The roots of EIB's strategic approach to green bonds lie in the Berlin Declaration of 2007, which put energy and climate protection at the heart of European integration, as well as in the concomitant EU Energy Action Plan, which set ambitious GHG-emission targets and engaged the European Investment Bank in their implementation on the ground.

While upscaling climate action lending, to renewable energy and energy efficiency in the first place, the Bank decided to actively involve stakeholders in its endeavours, putting accountability and precise definition of the eligible projects at the core of its dialogue with capital markets.

New issuance is only one part of this dialogue, which is also supported by ongoing engagement in the area of best practice. In the past years, EIB's contributions have ranged from the upgrade of its own allocation and reporting to the promotion of impact reporting harmonization and the start of ex-post reporting as well as the provision of "reasonable assurance" to investors through independent external audit.

Widespread recognition and credibility, sealed by chairmanship of the executive committee of the Green Bond Principles (GBP), have helped the Bank continue extending the range of its initiatives. One important area is the classification of the activities underlying green bonds, and, more in general, green finance. Lack of clarity in this area questions comparability, increases the uncertainty associated with investment decisions, prevents clear policy signals.

Our approach is pragmatic and result-oriented: together, Chinese issuers, EIB and its peers raised the largest amounts of green bonds in 2016. It is therefore legitimate for China Green Finance Committee (CGFC) and EIB to map and compare the use-of-proceeds classifications of these two constituencies in a coherent manner. A consistent logical framework, rather than the "right" use-of-proceeds, is therefore what we are striving for in this exercise.

Simultaneously, we aim to establish a reference for further discussions in multiple *fora* (e.g. GBP, IFI-working groups, the European Commission's High Level Expert Group on sustainable finance, external reviewers). The goal is to explore the feasibility of mapping and comparing in a coherent manner the classification of activities established for the use of proceeds of any green bond. At the same time, we are pursuing consistency between green lending and green funding, a condition for material impact investment.

The study is the result of close cooperation between EIB's Projects and Finance Directorates, and combines appraisal and capital markets expertise, framing the relevant issues without fear of complexity, still with a concrete objective in mind. This is helped by an innovative approach to the classification of the activities underlying any financial product.

This White Paper thus sets the scene for a broader debate that should ultimately lead to the establishment of a common language in green finance. The objective is to help practitioners clarify and compare their preferences with precision, so that demand can meet supply more efficiently within and across jurisdictions, spurring market support to global public policies.

In pursuing these goals, the White Paper directly serves the China-EU strategic partnership in climate finance and clean energy, which has the potential to develop synergies of core relevance for the planet. Two-way capital market flows are an important component of this partnership and should benefit from the work presently underway.

Jonathan Taylor, Vice President, European Investment Bank

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PBoC-PREFACE

In recent years, green finance has developed from a niche area to a substantial market, while still delivering immense potential for growth. Today, as the global green bond market surpasses \$100bn of annual issuance, the time is ripe for greater efforts towards global compatibility and harmonization of standards in order to enhance all stakeholders' participation in the international green bond market. The aim of this white paper, co-authored by China's Green Finance Committee (launched by the People's Bank of China in 2015) and the European Investment Bank, is to provide a basis for future international cooperation on improving green finance definitions and standards with a view to facilitating cross-border green capital flows, via a comparative study of green bond standards used by China, EIB and MDBs.

The development of green finance is a key priority for China. Domestically, China has already achieved remarkable success in rapidly expanding its green finance market. In August 2016, with the approval of the State Council, the People's Bank of China and six other ministries jointly issued the 'Guidelines for Establishing the Green Financial System', providing a comprehensive and overarching framework for developing green finance. These guidelines address the green aspects of credit, securities markets, funds, PPPs, insurance, emission rights trading, local initiatives, international cooperation, as well as risk assessment. Achievements to date include nearly 10% of Chinese domestic lending by banks being green, China becoming the world's largest green bond market, and the launch of more than 50 local green funds.

Internationally, China is actively advocating for the global development of green finance. Under China's presidency of the G20, green finance became a key theme at the G20 agenda for the first time. The G20 Green Finance Study Group was launched as part of this effort to support the G20's goal of strong, sustainable, and balanced growth. This initiative taken by China has been continued today through the latest G20 summit in Hamburg and should advance further towards the next G20 meeting in Argentina. As exemplified by this white paper, China sees the EU as a strategic partner in promoting green finance internationally, and looks forward to continuing the joint efforts towards environmental sustainability in the future.

Globally, a number of green bond standards exist without a clear method for comparison. The launch of this white paper is a meaningful first step for improving market understanding of the various green bond standards and for enhancing consistency for such standards. It will help market participants to better understand the language of green finance in China, Europe, and across the globe. This white paper focuses on providing a compatibility scheme between the Chinese Green Bond Endorsed Project Catalogue, the EIB's Climate Awareness Bonds, and the MDB-IDFC standards as these represent the most applied standards globally. By working to develop a 'Rosetta Stone' of green bond categories, the white paper assists market actors to make better informed decisions, thereby helping the realization of environmental policy goals.

At the time we launch this white paper, the PBC and EIB welcome all stakeholders to participate in the efforts for scaling up the green bond market globally, and to jointly contribute to sustainable development for all.

Yin Yong, Deputy Governor of the People's Bank of China

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Summary

On the global scene, China and the EU are actively advocating for green finance to be included as a central pillar of sustainable development. Under China's presidency of the G20, green finance became a key theme at the G20 agenda for the first time. The G20 Green Finance Study Group was launched as part of this effort to support the G20's goal of strong, sustainable, and balanced growth. This initiative has been continued today through the latest G20 summit in Hamburg and may advance further towards 2018 under the G20 framework.

This white paper, co-authored by China's Green Finance Committee (CGFC, launched by the People's Bank of China in 2015) and the European Investment Bank, is focused on the case of green bonds, since this market has achieved a scale and frequency of cross-border flows to make harmonization critical. Internationally a number of green bond standards exist without a clear method for comparison. As a basis for developing greater harmony, this paper aims to provide a scheme on the basis of which the Chinese Green Bond Endorsed Project Catalogue, the project eligibility criteria of EIB's Climate Awareness Bonds (a sub-set of EIB's lending criteria), and the MDB-IDFC Common Principles for Climate Mitigation Finance Tracking become conceptually compatible, as these represent core applied standards for the classification of activities underlying green bonds globally.

The present white paper serves this end by initiating a study on how to enhance comparability of green bond standards in China and the EU. Announced in March 2017, the CGFC/EIB initiative aims to provide a logical framework for initiatives that could create momentum for harmonizing green finance standards, including proposals for a "translation device" or "Rosetta Stone" using a universal taxonomy of environmental activities for the comparison of classifications and standards, starting with climate change mitigation. Furthermore, a few *ad hoc* working groups of EU-China technical specialists may be established to take this work forward in the other areas of green development (e.g. pollution prevention and control, climate change adaptation, biodiversity loss, and natural resource depletion).

Regarding specifically the comparison of standards, the technical conclusions of the paper are:

- 1. The Chinese, MDB-IDFC, and EIB standards use different categories for the classification of the underlying assets. While the Chinese green bond catalogue, which is largely consistent with the Green Bond Principles, has a broader scope of green, covering "environmental protection" among others, the MDB-IDFC and EIB standards are focused on climate change. However, both standards include areas not included in the other. Therefore, direct comparison at the first stage of this study is taking place in the area of climate mitigation.
- 2. Regarding the Chinese standard, within climate change mitigation, four categories are not included in the MDB-IDFC standard, namely energy saving on greenfield facility construction for industries with national energy consumption allowance, clean utilization of coal, ultra-high voltage grid infrastructure, as well as urban underground pipeline projects. On the other hand, within the broader scope of the Chinese standard, some items outside the MDB-IDFC standard are included namely environmental restoration projects, coal washing and processing for the purpose of clean utilization of coal, cleaner gasoline and diesel, and a few aspects of ecological protection and climate change adaptation. These differences are similar between the Chinese and the EIB standard.
- 3. When it comes to the EIB standard, as climate change mitigation, i.e. "low carbon", is the scope of both the MDB-IDFC and the EIB standard, the difference between the two lies in what specific categories to cover within such scope. Here the analysis finds that the EIB lending standard is different from the MDB-

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IDFC standard in its inclusion of nuclear energy¹. This difference also exists towards the Chinese standard, which does not include nuclear energy either.

4. The MDB-IDFC standard further includes a number of categories not included in the Chinese or EIB standard. As opposed to the Chinese standard, the MDB-IDFC standard specifically includes renewable energy power plant retrofits, wind-driven pumping systems, energy audits to end-users, carbon capture and storage, non-motorized transport, projects producing low carbon components, as well as a number of aspects of technical assistance. Lastly, the MDB-IDFC standard also includes categories not included in the EIB standard, namely energy efficiency in thermal power stations (coal²).

This white paper recommends that a broader working group of China-EU technical specialists works further on compatibility between the Chinese and MDB-IDFC standards. This includes potentially splitting and rephrasing categories to enhance direct compatibility, extending the analysis beyond climate change mitigation toward broader areas of "environmental protection", and exploring ways to identify a "common ground" that could serve as the basis for green bonds issued and/or sold by China in the overseas market as well as by international issuers in the Chinese domestic market. This effort can also feed into the work of the Green Bond Principles, and could create momentum for enhancing the consistency of green bond standards globally.

¹ Nuclear energy is however not eligible for CAB-allocation.

² Energy efficiency in conventional coal-fired power plants is ineligible for EIB unless it meets EPS and is in all cases not counted as Climate Mitigation.

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1. The policy framework for green finance

1.1. G20 initiatives to scale up green finance

Under China's Presidency, green finance became for the first time one of the key themes for the G20. China initiated the G20 Green Finance Study Group, in support of the G20's strategic goal of strong, sustainable and balanced growth. The mandate of the Group is

"to identify institutional and market barriers to green finance and, based on country experiences, develop options on how to enhance the ability of the financial system to mobilize private capital for green investment".

Green finance is defined as

"financing of investments that provide environmental benefits in the broader context of environmentally sustainable development".

Following the G20 Summit in Hangzhou, the G20 Green Finance Synthesis Report was published. The conclusions of the Report were included in the G20 Leaders' Communiqué, showing broad consensus and support. Consequently, the G20 Green Finance Synthesis Report provides an important reference for green finance globally. The Report:

- A. Divulges that only a small fraction of bank lending is explicitly classified as "green" according to national definitions, less than 1% of global bonds are labeled green and less than 1% of the holdings by global institutional investors are green infrastructure assets. The potential for scaling up is substantial.
- B. Identifies the following challenges: inadequate consideration of externalities, maturity mismatch, **lack of clarity in green definitions**, information asymmetry, and lack of analytical capacities.
- C. Highlights a number of key options to enhance the ability of the financial system to mobilize private capital for green investment:
 - 1. Provide strategic policy signals and frameworks
 - 2. Promote voluntary principles for green finance
 - 3. Expand learning networks for capacity building
 - 4. Support the development of local green bond markets
 - 5. Promote international collaboration to facilitate cross-border investment in green bonds
 - 6. Encourage and facilitate knowledge sharing on environmental and financial risk
 - 7. Improve the measurement of green finance activities and their impacts

Of direct relevance to this White Paper are:

Option 5: "Country authorities or market bodies could promote cross-border investment in green bonds, including through bilateral **collaboration between different green bond markets**, where market participants could explore options for a mutually accepted green bond term-sheet."

Option 7: "Building on G20 and broader experiences, the G20 and country authorities could promote an initiative to work on **green finance indicators and associated definitions**, and to consider options for the analysis of the economic and broader impacts of green finance."

This is the overarching institutional framework within which CGFC and EIB have developed their cooperation with concrete action in 2017.

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³ http://unepinguiry.org/wp-content/uploads/2016/09/Synthesis_Report_Full_EN.pdf

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1.2. PRC's policy and regulatory initiatives to scale up green finance

In **August 2016**, China issued "Guidelines for Establishing the Green Financial System"⁴, with the approval of the State Council. Harmonized with existing relevant policies, this document provides the overarching framework for green finance in China. As China is at a crucial stage of economic structural adjustment and transformation for its development model, the demand for green finance to support green industries and sustainable development is constantly expanding. In order to fully implement the "Opinions of China's Central Party Committee and the State Council on Accelerating the Development of Ecological Civilization" (Zhongfa [2015] No.12) and the "Overall Plan for the Structural Reform for Ecological Civilization" (Zhongfa [2015] No.25), as well as promote the development concepts of innovation, harmony, greenness, openness and sharing.

The Guidelines define "green finance" as

"financial services provided for economic activities that are supportive of environment improvement, climate change mitigation and more efficient resource utilization. These economic activities include the financing, operation and risk management for projects in areas such as environmental protection, energy savings, clean energy, green transportation, and green buildings".

and highlight the following key actions:

- 1. Vigorously Develop Green Lending.
- 2. Enhance the Role of the Securities Market in Supporting Green Investment.
- 3. Launch Green Development Funds and Mobilize Social Capital through Public and Private Partnerships (PPP).
- 4. Develop Green Insurance.
- 5. Improve Environmental Rights Trading Market and Develop Related Financing Instruments.
- 6. Support Local Government Initiatives to Develop Green Finance.
- 7. Promote International Cooperation in Green Finance.
- 8. Prevent Financial Risks and Strengthen Implementation.

Most relevant to this white paper, <u>point 3</u> highlights the relevance of **green bonds**. The Guidelines aim, *i.a.*, to: improve the rules and regulations for green bonds and **unify the green bond definitions** (item 12); take measures to reduce the financing cost of green bonds (item 13); formulate standards for third party verification (item 14); **improve environmental information disclosure** (item 17); and guide institutional investors to invest in green assets (item 18).

These objectives are pursued by five key documents issued by People's Bank of China (PBoC), National Association of Financial Market Institutional Investors (NAFMII), Shanghai Securities Exchange, Shenzhen Securities Exchange, and the National Development and Reform Commission (NDRC). Different assessment standards exist depending on the type of green bonds, as summarized in the table below:

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⁴ http://www.pbc.gov.cn/english/130721/3133045/index.html

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Table 1: PRC assessment standards

Types of Green Bonds	Green Financial Bond	Green Debt Financing Instrument	Green Enterprise Bond		Green Corporate Bond
Regulating Actors	PBoC	NAFMII	Shanghai Securities Exchange	Shenzhen Securities Exchange	NDRC
	DDeC announcement to	NAFMII, guideline for		ort Green Corporate ce by CSRC 2017	
Policy Documents & Release dates	PBoC announcement no. 39 22/12/2015	non-financial enterprise green note 22/03/2017	Announcement no 13【2016】by Shanghai Stock Exchange 16/3/2016	Announcement no 206 【2016】 by Shenzhen Stock Exchange 22/4/2016	NDRC no. 3504 31/12/2015
Use of Proceeds Classifications	GB Catalogue	GB Catalogue	GB Catalogue		NDRC catalogue with 12 types⁵
Management of proceeds	A specialized account has to be established to clearly track the management of proceeds	A specialized account has to be established to clearly track the management of proceeds	A specialized account has to be established to clearly track the management of proceeds A specialized account has to be established to clearly track the management of proceeds		Unspecified
Project evaluation and assessment	Third Party Certification	Third Party Certification	Third Party Certification	Third Party Certification	No need of Third Party Certification, Regulator decides
Information Disclosure	Has to notify the market on use of proceeds each quarter and last year report of funds using & special auditor report before 30 th April each year as well as reporting to PBoC	Disclose to the market use of proceeds and development of green projects every half year	At least disclosu Guidance in		Unspecified

Green bonds have thus become an important capital markets financing tool for China's real economy. As of the 1st of July 2017, the total amount of issuance with China's labeled green bond market reached \$48bn. In 2016, China's green bond market became the largest in the world, with a share of around 38% of the total issued during the year.

In line with <u>point 8</u> above, the development of China's green bond assessment standards has relied on regular contacts with international self-regulatory organizations, market standard providers and regulators. In particular, China's Green Finance Committee (GFC), operating under the auspices of the PBoC, has benefitted from the input of the International Capital Market Association (ICMA) as Secretariat to the Green Bond Principles (GBP), and the Climate Bonds Initiative (CBI).

The CGFC-EIB collaboration and this White Paper aim to further improve the transparency of Chinese green finance at the international level, stimulate an open China-EU dialogue for the shared understanding of the common goals, and facilitate the agreement of complementary paths towards the achievement of these goals.

1.3. EU's policy and regulatory initiatives to scale up green finance

The G20 definition of green finance is consistent with EU policy objectives. "Environmental protection" is enshrined in the Charter of Fundamental Rights of the Citizens of the European Union (art. 37). Art. 11 of

⁵ NDRC is currently in the process of unifying the GB Catalogue with its own Catalogue. This synthesis is expected to be completed by March 2018.

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the Treaty on the Functioning of the European Union (TFEU) further stipulates that "environmental protection requirements must be integrated into the definition and implementation of the Union's policies and activities, in particular with a view to promoting sustainable development."

In a classification proposed by the UNEP Inquiry⁶, environmental policies and activities serve three goals: climate change mitigation, climate change adaptation, and other environmental objectives. In the area of climate change mitigation, the EU assigns a special role to energy policy, which art. 194 TFEU requires to "promote energy efficiency and energy saving and the development of new and renewable forms of energy".

In March 2007, the Berlin Declaration signed on the occasion of the 50th anniversary of the Treaties of Rome put energy policy and climate protection at the heart of European integration. At the same time, the EU Council underlined the responsibility of the EU in international climate policy and adopted an integrated 2020 Energy and Climate Change Package⁷. This included the Energy Action Plan focusing on renewable energy and energy efficiency to cut GHG-emissions. The EIB, as Bank of the European Union, decided to strengthen its investments in these areas and issued the first green bond to directly involve capital markets via accountability and precision in the use of proceeds.

In October 2014, this commitment was reinforced and extended with the 2030 Climate and Energy Framework⁸. The Framework provided the basis for the EU's signature of the Paris Agreement and the establishment of an ambitious financing target - at least 20% of EU's budget should be spent on climate change-related action between 2014 and 2020.

With the Capital Markets Union (CMU) Action Plan of September 2015, the European Commission (EC or Commission) set out a comprehensive programme with a view to putting in place the CMU-building blocks by 2019. The need to support EU green bond standards was highlighted in the plan.

In September 2016, the EC underlined that reforms for sustainable finance are essential to meet the EU's climate and environment objectives in the context of its international commitments (including the Paris Agreement on climate change), and that it furthers these objectives in the context of the G20.

In October 2016, the Commission decided to establish a High-Level Expert Group on Sustainable Finance (HLEG) to develop an overarching and comprehensive European strategy on integration of effective policy provisions in the EU financial policy framework. In light of its status as EU public institution as well as its technical expertise in funding, project evaluation and lending in the relevant areas, the EIB has been asked by the Commission to assist the HLEG as an Observer and Technical Adviser.

In the related Decision 10, the Commission highlights that:

- The Paris Agreement on climate change includes the commitment to align financial flows with a pathway towards low-carbon and climate-resilient development;
- 2. The current financial system needs to be better aligned with EU policies in support of sustainable growth and investments;
- The HLEG should have particular regard to the challenges posed by climate and environmental risk to the financial system and the need to harness financial markets in responding to these challenges.

The members of the HLEG will finalise their recommendations in a report to the Commission in December 2017. The HLEG's interim report was presented by the European Commission on July 18, 2017¹¹. The

⁶ Source: UNEP Inquiry 'Definitions and Concepts. Background Note.', September 2016, accessible at http://unepinguiry.org/wp-content/uploads/2016/09/1 Definitions and Concepts.pdf

See: https://ec.europa.eu/clima/policies/strategies/2020 en

⁸ See: https://ec.europa.eu/clima/policies/strategies/2030_en

See http://ec.europa.eu/finance/capital-markets-union/docs/20160913-cmu-accelerating-reform en.pdf

¹⁰ See http://ec.europa.eu/finance/capital-markets-union/docs/20161028-press-release_en.pdf

¹¹ http://ec.europa.eu/info/publications/170713-sustainable-finance-report_en

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report recognizes the **priority of a single EU-taxonomy for the classification of sustainable assets by objectives and sectors**, and dedicates the first of its early recommendations to this subject, asking in particular that the European Commission:

"First, invites the **European Investment Bank** to coordinate the development of an EU classification for climate change finance, conducted in consultation with relevant constituencies (technical specialists, market practitioners, policy-makers and civil society representatives) and taking account of work already accomplished or in progress in this area. This process could be completed by the end of 2017 and its integrity would be secured via monitoring by an independent party or appointed committee."

The CGFC-EIB cooperation and this White Paper describe the conceptual framework and provide market-based insights that support the required institutional work with a solid technical background.

2. Improving clarity in green finance: the role of use-of-proceeds taxonomies

The 2016 G20 Green Finance Synthesis Report states that (p.10):

"In many countries and markets, the **lack of clarity as to what constitutes green finance activities and products** (such as green loans and green bonds) can be an obstacle for investors, companies and banks seeking to identify opportunities for green investing."

Clarity requires in the first place a classification of the green activities underlying any financial product - a "universal taxonomy" for the use of proceeds – to permit objective descriptions and comparisons as well as the development of standards and labels to guide the choices of market participants.

We discuss below the classification of green (i.e. environmental) activities. The same approach can in principle be extended to the other activities (social, economic, governance) considered in the scheme of sustainable development proposed by the UNEP Inquiry and adopted by the HLEG in its Interim Report (p.12).

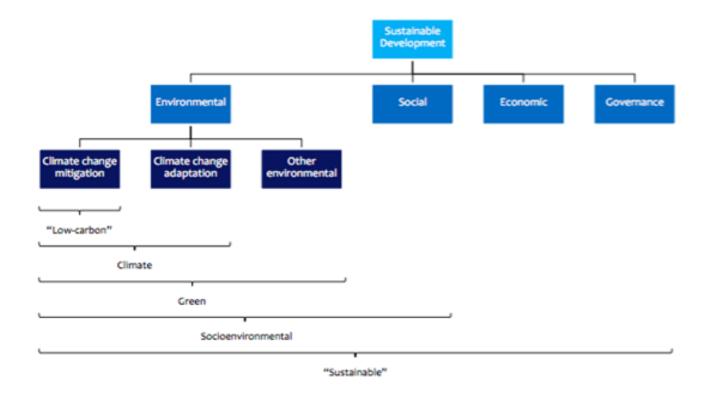


Figure 1. A simplified scheme for understanding broad terms (UNEP Inquiry. 2016: 10-11)

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2.1. First condition for clarity: completeness and precision

Green bonds are designed to provide investors with accountability regarding the issuers' disbursements to the target activities. The "lack of clarity as to what constitutes green finance activities" prevents a univocal definition for the use of proceeds.

The Green Bond Principles 12 address this challenge pragmatically with an indicative list of "the most commonly used types of projects supported or expected to be supported by the Green Bond market". Included are "broad categories of eligibility" of diverse nature 13, for example both activities and policy objectives.

The challenges of this approach are illustrated by the examples in **Annex I**. All other conditions equal, issuers and investors may target:

- 1. different policy objectives or have different definitions of the same policy objective (worksheet
- 2. different activities and activity subsectors (worksheet B);
- 3. different screening criteria for any given indicator (worksheet C) ¹⁴,

that are difficult to clarify and compare without disclosure of all relevant parameters.

FIRST CONCLUSION: The status quo can be improved by agreeing on a universal reference taxonomy that entails (first table in Annex II):

- A. a matrix of all potentially eligible activities and core policy objectives (e.g. climate change mitigation and adaptation, biodiversity, conservation of natural resources, pollution prevention and control): and
- B. one primary indicator for each combination of activity and policy objective to clarify the primary measure of each activity's contribution to the relevant policy objective.

A key question is whether this improvement can be achieved by pure market forces or rather via official intervention. China and France have opted for the latter; the EU is presently considering various options in the context of the HLEG. The G20 Green Finance Synthesis Report (p.27) highlights the potential synergy of public and private cooperation:

"(...) the G20 and country authorities could promote an initiative to work with the private sector on green finance indicators and associated definitions and improved data availability, possibly with the assistance of selected international organizations."

2.2. Second condition for clarity: comparability

If all market participants refer to a single universal taxonomy (the case illustrated in Annex II), comparability can be achieved by:

- providing market guidance via standards (including standards enacted via legislation) which clarify (second table in Annex II):
 - 1. which activities in the universal taxonomy serve the public agenda;

¹² https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/GreenBondsBrochure-JUNE2017.pdf

¹³ E.g. "renewable energy", "pollution prevention and control", "eco-efficient and/or circular economy adapted products,

production technologies and processes".

14 A green bond issued by an energy company provides a practical case in point. Even if policy objective and activity may be clearly defined (climate mitigation via energy efficiency reducing the company's GHG emissions), the absence of a meas:ure and a target for the significance of the energy savings associated with the intended investments (e.g. in proportion to the value of the energy efficiency components of the target projects) may generate some reservations and easily turn into broader, partially unrelated and undifferentiated criticism. This may cast doubt on the credibility of the entire market.

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- 2. the value for each primary indicator that is compatible with the public agenda; and
- B. requiring users of proceeds to:
 - 1. clarify at product inception:
 - which combinations of activity and policy objective they target for the use of proceeds;
 - their target value for each primary indicator;
 - 2. report subsequently on the indicator values estimated for the actual use of proceeds.

This approach recognizes the value of simple and clear policy guidance as well as of transparent disclosure, which are highly appreciated by market participants.

<u>If market participants refer to different universal taxonomies</u>, the absence of shared terminology hampers transparency and accountability.

SECOND CONCLUSION: The *status quo* could be improved through:

- A. a "translation device" for the conversion of activity descriptions between taxonomies;
- B. the use of the same primary indicators for the same activities in all taxonomies.

This approach recognizes that there are reasons for different terminologies across jurisdictions and that realistically such differences cannot be paved away in the foreseeable future. This recognition is in line with the statement of the G20 Green Finance Synthesis Report (p.27) that:

"(...) more clarity about green finance definitions is demanded from the market and policy makers, although it does not require a "one size fits all" approach. Some internationally comparable indicators are also useful in facilitating cross-border and cross-market green investment (...)".

This is the market framework within which CGFC and EIB have developed their cooperation with concrete action in 2017.

3. Mapping and comparing China/EIB practices

In their joint efforts, CGFC and EIB have been guided by the G20 Green Finance Synthesis Report, which states that (p.7):

"The diversity of local conditions means some practices that work well in one country may not be suitable in another country. Country contexts vary, including national priorities and the stage of development of their financial systems. As a result, the relative weight of different challenges to green finance will vary between contexts, as will the reasons and importance for actions in the financial system to overcome these challenges. The GFSG has therefore focused on **mapping existing practices** and emphasizing voluntary options for country action and international cooperation".

The starting point of CGFC-EIB coordinated action has therefore been to map and compare the use of proceeds taxonomies taken as reference for Chinese and EIB's green financial bonds. This work is presented in detail in **Annex III**.

3.1. The China Green Bond Endorsed Project Catalogue (the "China GB Catalogue")

Green financial bonds are, together with green enterprise bonds, covered by the PBoC's Announcement No. 39, which includes as annex a Green Bond Endorsed Project Catalogue ¹⁵. This Catalogue is reported in **Worksheet A of Annex III**.

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¹⁵ <u>https://policy.asiapacificenergy.org/node/2675</u>

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The principles on which the GB catalogue is based acknowledge that in addition to challenges from climate change, China is facing other issues such as severe environmental pollution, aggravated resource constraints and deteriorated ecological degradation. As a consequence, the Catalogue must take multi-dimensional environmental benefits into account: GHG emission reduction, pollution reduction, resource conservation, ecological protection, and more. The Catalogue prioritizes projects with direct and marked environmental benefits, in accordance with national industrial policy. Consequentially, the basic principles are as follows:

- 1. **Conforming to national conditions**: Focusing on improving the ecological environment and easing resource pressure, and following the lead of national industrial policy at the current stage.
- 2. **Highlighting environmental benefits**: Supporting projects with marked environmental benefits and positive spillover effects.
- Simple and clear: taking into account the fact that most capital market practitioners are not environmental professionals, and thus employing a definition and classification method that is easy to follow and operate.
- Making continuous adjustment: timely updating the Catalogue according to technological advancement, policy adjustment, standard updates and changes in resource and environmental conditions.
- In line with international practice: taking international standards and practices as reference to develop the domestic definition and classification method, in order to facilitate international cooperation in green finance.

The completeness and precision of the China GB Catalogue is the fundament of stricter disclosure responsibilities, so that investors can direct their funds to environmental projects with higher accountability as to the use of proceeds. Project subsidies from central and local governments have been put in place on this basis. Further preferential policies for green bonds may be used, such as government subsidies for green bond verification and the PBOC including green bonds as eligible collaterals for banks to borrow from the central bank at preferential rates. These preferential policies can lower the financing cost to some extent, leading issuers and investors to invest more in projects for environmental protection, low-carbon and more generally sustainable development.

3.2. CABs Project Eligibility Criteria, EIB Climate Action Lending Eligibility List, MDB-IDFC Common Principles for Climate Mitigation Finance Tracking

EIB's green financial bonds are labelled "Climate Awareness Bonds" or "CABs". Their features are described in a yearly "CAB Statement" supported by reasonable assurance from an external auditor 16:. "Accountability in the future disbursement in the fields of **renewable energy and energy efficiency**, and precise definition of the types of projects to be included in this category" are the core objectives.

The activity focus is therefore more limited than for the China GB Catalogue. CAB project eligibility criteria are however coherent with:

- 1. EIB's Climate Action Lending Eligibility List¹⁷; and
- 2. MDB-IDFC's Common Principles for Climate Mitigation Finance Tracking ("Principles")¹⁸.

The latter is a set of definitions and guidelines, including a list of eligible activities, developed by the joint climate finance group of multilateral development banks (MDBs) 19 and the International Development

¹⁹ AfDB, ADB, EBRD, **EIB**, IDB, IFC, IDA/IBRD

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¹⁶ http://www.eib.org/attachments/fi/cab-statement-2016.pdf, p.3 and p.9.

http://www.eib.org/attachments/strategies/eib_climate_strategy_en.pdf,

¹⁸ http://www.eib.org/attachments/documents/mdb idfc mitigation common principles en.pdf

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Finance Club (IDFC)²⁰. They "reflect the approach that both groups have been following for tracking climate change mitigation activities for a number of years, and are based on the application of **harmonized terms**" ²¹.

THIRD CONCLUSION: the MDB-IDFC list of climate mitigation activities is a better touchstone for the comparison with the China GB Catalogue, since it:

- A. extends to a broader spectrum of climate mitigation activities beyond renewable energy and energy efficiency;
- B. applies to both green bonds and green loans, helping coherence between the two segments;
- C. is an instrument used by MDBs to convert and collate their respective climate action figures for joint reporting, which is important in a global policy perspective²².
- D. China Development Bank is a member of IDFC and an issuer of green bonds in the international markets.
- E. is currently under review by MDB-IDFC (with EIB in a coordination role for MDBs) for alignment with COP21 goals, which may lead to a fruitful cross-fertilization between our workstreams.

The MDB-IDFC list is therefore reported in **worksheet B of Annex III** and has been taken as *medium* ("unit of account") for the mapping/comparison of the China GB Catalogue and the EIB Climate Action Lending Eligibility List. This permits to associate Chinese activities with EIB activities indirectly, establishing an embryonal "translation device" ("Rosetta Stone") for the use of proceeds.

3.3. Mapping and comparing the China GB Catalogue and the MDB-IDFC list of climate mitigation activities

The scope of the China GB Catalogue ("environmental protection") is larger than the scope of the MDB-IDFC climate mitigation finance tracking list ("low carbon"), which only considers activities promoting "efforts to reduce or limit greenhouse gas (GHG) emissions or enhance GHG sequestration". A direct comparison can therefore only take place for climate change mitigation. This comparison needs to be preceded by a clarification of which, among the Chinese activities, serves primarily this policy objective.²³

3.3.1. Mapping and comparing policy objectives

Worksheet C of Annex III maps the China GB Catalogue based on the green bond policy objectives listed in the use-of-proceeds section of the 2016 edition of the Green Bond Principles: climate change mitigation, climate change adaptation, conservation of natural resources, biodiversity, and pollution control²⁴.

The table associates each activity with a primary objective, framing in red the activities where some split/rephrasing of the activity description may facilitate its attribution.

www.idfc.org as of today: AFD, Bancoldex, BE, BNDES, BOAD, BSTDB, CABEI, CAF, CDB, CDG, COFIDE, DBSA, HBOR, ICD, IEB, JICA, KDB, KFW, NAFIN, PTA SIDBI, TSKB, VEB,

As an example, the MDB/IDFC list of climate mitigation finance activities is used for the conversion and compilation of MDB's statistics in the yearly *Joint Report on Multilateral Development Banks' Climate Finance*.

Latest joint MDB-report: http://www.eib.org/attachments/press/2016-joint-report-on-mdbs-climate-finance.pdf
²² The MDBs importance in "catalysing the transformational change envisaged by the Paris Agreement" has been recently underlined in the G20 Hamburg Action Plan (section 3) as well as in the EU Council Conclusions on Climate Finance (item 5).

It also implies that the contribution of activities serving environmental areas other than mitigation has to be addressed at a later stage with the help of *ad hoc* taxonomies.

²⁴ This approach is compatible with the scheme proposed by the UNEP Inquiry (see page 10 above) and in principle permits extension of the same analysis to further types of sustainable objectives other than environmental objectives (e.g. social objectives). Such extension goes however beyond the scope of this White Paper.

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3.3.2. Mapping and comparing climate change mitigation activities

Specifically for climate change mitigation, **worksheet C of Annex III** shades in dark grey the China GB activities that can be directly attributed to one or more MDB-IDFC activities. Where this is not feasible, the activity is shaded in light grey.

Worksheet D of Annex III associates the climate mitigation activities in the China GB Catalogue and their equivalents in the MDB-IDFC list. The China GB activities with one single association are left unshaded. Each activity with multiple associations is shaded in a different colour, to permit easy recognition: the colour repeats itself when the same China GB activity is associated with different MDB-IDFC activities down the list. Split/rephrasing of the activities' description may in this case facilitate the establishment of equivalents.

3.3.3. Mapping and comparing screening criteria for climate change mitigation activities

At the end of each activity description, **Worksheet C of Annex III** also highlights in red the core screening criteria (e.g. "demonstrated GHG-emission reductions" or "rehabilitation/greenfield") of the MDB-IDFC Common Principles that would apply to a Chinese activity when appropriate.

Based on the equivalences established in worksheet D, worksheet E of Annex III compares in more detail the public screening criteria used in China GB and EIB practices for each activity on the MDB-IDFC list²⁵.

FOURTH CONCLUSION:

- A. Chinese policy objectives are entirely compatible with GBP-objectives.
- B. Equivalences can be established between the China GB mitigation activities and the MDB-IDFC-mitigation activities, and clear MDB-IDFC screening criteria can be identified for inclusion/exclusion.
- C. Only four China GB mitigation activities cannot be captured by the MDB-IDFC mitigation activities and the GBP-policy objectives.
- D. The MDB-IDFC list can be used as *medium* to compare in detail the screening criteria applied to each activity by the China GB Catalogue and the EIB.

In a nutshell, it is possible to detail China's policy in a manner logically coherent with GBP guidelines and MDB-IDFC policies. Within the appropriate framework, market participants can be provided with the information they need for informed, precise and therefore efficient choices.

4. Mapping and comparing the existing practices of external reviewers and international financial institutions ("IFIs")

The mapping and comparison via the MDB-IDFC list can be extended to the existing practices of other market participants. In this field, only limited information is readily available and CGFC-EIB have started collecting feedbacks from two important constituencies: international financial institutions (IFIs) as well as green bond external reviewers.

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²⁵ A slightly amended version of this list was used for the Joint MDB Report

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4.1. Initial feedbacks from an ongoing consultation with International Financial Institutions

The following IFIs, most of which cooperated with the EIB in the IFI-Working Group on green bond impact reporting harmonization in 2015, have been involved and consulted with regard to their screening criteria (19/9): ADB, AFD, AfDB, AIIB, EBRD, IDB, IBRD, IFC, IsDB, KFW, FMO, NIB, NDB.

The collection of detailed feedbacks is ongoing and worksheet F in Annex III depicts those already received (FMO and NIB).

4.2. Initial feedbacks from an ongoing consultation with green bond external reviewers

During 2017, EIB, i4CE and WWF have jointly arranged three dedicated roundtables with external reviewers (7/3, 15/6 and 13/10), initially without Chinese participation. The first of these roundtables (summary attached in Annex IV) concluded that the absence of a shared green taxonomy is a major hurdle for external reviews and their comparability, reiterating the G20 conclusions.

The second roundtable launched a formal consultation on taxonomies and screening criteria in use with the following external reviewers: Accreditation Services, Beyond Ratings, Bureau Veritas, Cicero, Climate Bond Initiative, Deloitte, DNV, Epic Sustainability, Ernst & Young, First Environment, Fitch Ratings, KPMG, LuxFLAG, Moody's, PWC, Oekom, S&P, Sustainalytics, TÜV NORD, VERICO, VIGEO.

Worksheet G in Annex III depicts the detailed feedbacks received thus far (Beyond Ratings, Cicero, Climate bond Initiative, PWC, S&P) and discussed in the third roundtable. For the first time, a Chinese external reviewer (China Energy Conservation and Environmental Protection) was invited to join as observer. The intention is to involve more Chinese external reviewers as the technical discussion is extended.

Overall, the main conclusions are as follows:

- A. "Lack of clarity" is confirmed: despite positive reception of the initiative, the number of detailed feedbacks has been limited thus far;
- B. MDB-IDFC's list of activities is a good "unit of account", covering most of the activities considered by other classifications; ²⁶:
- C. Comparisons are possible only when screening criteria are homogeneous²⁷;
- D. Direct and measurable comparisons are possible only for impact indicators (assuming the same estimation methodologies are applied); these can be used as a "minimum common denominator" from which further standard-biased analyses can be developed;
- E. There are methodological differences, e.g. regarding the partial or total eligibility of project cost.

FIFTH CONCLUSION:

Extension of mapping and comparison to other market participants has fact-finding value and can help the definition of a more complete universal taxonomy (activities plus primary screening criteria and indicators) that could be suitable as unit of account going forward.

²⁶ Not covered are for example: nuclear energy, fisheries and aquaculture, coastal infrastructure, water infrastructure, other eligible assets and products beyond RE and buildings component, transport – water, transport – aviation, new facility less GHG-intensive than national power grid average.

²⁷ Including: "principle-based" inclusion or exclusion of activities, criteria unrelated to climate change mitigation (e.g. financial or ESG criteria), qualitative assessments within a strategic framework, and impact indicators.

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5. Conclusions

The G20 has highlighted that the absence of shared definitions constitutes a barrier for the development of green finance. This challenge, timely addressed by China with the promulgation of the Green Bond Endorsed Project Catalogue in 2015, has been equally recognized by the European Commission's High-Level Expert Group on sustainable finance, which is to formulate recommendations by the end of this year.

CGFC and EIB have decided to address this issue jointly in the context of the strategic partnership between China and the EU on climate change and clean energy. They draw from the concrete experience of green bonds, their initiative legitimated by the significance of China and MDB-IDFC issuers in this market. The White Paper summarizes the first set of cooperation results and recommends a way forward.

Given the diversity of local conditions and plurality of approaches, multiple assessment standards are desirable to scale up green finance. Yet, their efficient comparison requires a shared classification that both encompasses <u>all</u> the activities and policy objectives and clarifies the screening criteria. A taxonomy of this kind would enable market participants to formulate and communicate their core preferences, benchmark their preferences towards standards, as well as deal with information disclosure and external reviews.

Adoption of such a taxonomy should help enhance communication, trust, and effectiveness, towards helping cross-border financial flows between China and the EU. Realistically, however, different terminologies are unlikely to disappear in the near future. This White Paper therefore aims to establish the foundations of a "translation device" between standards, based on input from all actors.

Regarding specifically the comparison of standards, the technical conclusions of the paper are:

- 1. The Chinese, MDB-IDFC, and EIB standards use different categories. While the Chinese green bond catalogue, which is largely consistent with the Green Bond Principles, has a broader scope of green, covering "environmental protection" among others, the MDB-IDFC and EIB standards are focused on climate change. However, both standards include areas not included in the other. Therefore, direct comparison at the first stage of this study is taking place in the area of climate mitigation.
- 2. Regarding the Chinese standard, within climate change mitigation, four categories are not included in the MDB-IDFC standard, namely on energy saving on greenfield facility construction for industries with national energy consumption allowance, clean utilization of coal, ultra-high voltage grid infrastructure, as well as urban underground pipeline projects. On the other hand, within the broader scope of the Chinese standard, some items outside the MDB-IDFC standard are included namely environmental restoration projects, coal washing and processing for the purpose of clean utilization of coal, cleaner gasoline and diesel, and a few aspects of ecological protection and climate change adaptation. These differences are similar between the Chinese and the EIB standard.
- 3. When it comes to the EIB standard, as climate change mitigation, i.e. "low carbon", is the scope of both the MDB-IDFC and the EIB standard, the difference between the two lies in what specific categories to cover within such scope. Here the analysis finds that the EIB lending standard is different from the MDB-IDFC standard in its inclusion of nuclear energy (which is however not eligible for CAB-allocations). This difference also exists towards the Chinese standard, which does not include nuclear energy either.
- 4. The MDB-IDFC standard further includes a number of categories not included in the Chinese or EIB standard. As opposed to the Chinese standard, the MDB-IDFC standard specifically includes renewable energy power plant retrofits, wind-driven pumping systems, energy audits to end-users, carbon capture and storage, non-motorized transport, projects producing low carbon components, as well as a number of

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aspects of technical assistance. Lastly, the MDB-IDFC standard also includes categories not included in the EIB standard, namely energy efficiency in thermal power stations (coal²⁸).

6. Recommendations

This white paper suggests that further work on compatibility between the Chinese and MDB-IDFC standards would have practical value and meet with strong interest. This could for example take the form of a broader technical working group of China-EU specialists with focus on, potentially, splitting and rephrasing categories to enhance direct compatibility, extending the analysis beyond climate change mitigation toward broader areas of "environmental protection", and exploring ways to identify a "common ground" that could serve as the basis for green bonds issued and/or sold by China in the overseas market as well as by international issuers in the Chinese domestic market. This effort can also feed into the work of the Green Bond Principles, and could create momentum for enhancing the consistency of green bond standards globally.

More specifically, the results of this study prompt the following two recommendations for further work in the coming months:

- I. A dedicated technical working group²⁹ to be established may be tasked with:
 - a. Improving the establishment of equivalences between the China GB and the MDB-IDFC lists (e.g. via splitting/rephrasing activity descriptions);
 - b. Reaching consensus on screening criteria and indicators as primary measures of the contribution of each activity to climate change mitigation;
 - c. Extending the analysis to environmental objectives other than climate change mitigation;
 - d. Identifying the "overlapping" portion between China GB and international standards, which can potentially serve as a basis for the issuance or selling of Chinese green bonds on the overseas market as well as of non-Chinese issuers in the Chinese domestic market.
- II. A discussion may be initiated within the GBP-Working Group on Green Eligible Projects on whether, how, and when the conclusions of this White Paper could be mainstreamed into the GBPs.

²⁸ Energy efficiency in conventional coal-fired power plants is ineligible for EIB unless it meets EPS and is in all cases not counted as Climate Mitigation.

²⁹ The group may include CGFC, EIB, other IFIs and external reviewers, as well as experts from the European Commission and the National Development and Reform Commission.

Annex: Authors and Contributing Institutions

As a China-EU initiative, this white paper was jointly authored by the European Investment Bank(EIB) and the Green Finance Committee (GFC) of China Society for Finance and Banking. As an executive member institution of GFC, International Institute of Green Finance (IIGF) at Central University of Finance and Economics makes a substantial contribution to the white paper.

On the EU side, under the supervision of Eila Kreivi, EIB Head of Capital Markets, Aldo Romani, EIB Deputy Head of Funding Euro, has coordinated EIB's team as well as the market consultations. He and Dominika Rosolowska, Capital Market Officer Americas/Asia/Pacific, drafted EIB's contributions to the White Paper. Eugene Howard, Managerial Adviser in Energy, and Nancy Saich, Managerial Adviser in Climate and Environment, mapped the China GB Catalogue as well as market feedbacks on screening criteria. Alexander Krauss, Trainee, and Tomomitsu Maruta, IR Officer, shaped the tables in the attachments.

On the China side, under the supervision of Dr. Ma Jun, Chairman of the GFC and the Co-chair of G20 Green Finance Study Group, Professor Wang Yao and her team have spearheaded the Chinese engagement. Prof. Wang is the Deputy Secretary General of the GFC and Director General of IIGF. She, Mathias Lund Larsen and their colleagues at IIGF drafted GFC's contributions to the White Paper, and Cui Ying reviewed the China GB Catalogue mapping.

European Investment Bank

The European Investment Bank (EIB or Bank) was created by the Treaty of Rome in 1958. It is a core instrument of EU's public policy and is owned by the 28 Member States of the European Union. In 2016, the Bank signed around €70bn of financings, making it the largest Multilateral Development Bank globally. Environmental protection and climate change mitigation are core operational priorities for the EIB³⁰.

In 2007, EIB launched the first green bond. The Bank is the largest issuers of green bonds to date and chairs the Steering Committee of the Green Bond Principles. Spurring the sustainable growth of this bond market is a stated objective of EIB's Climate Strategy.

Since 2010, the Bank has had a formal target for the climate action component of its annual lending activity (presently: 25% minimum). An important objective is coherence and comparability of the information tracked and reported. The Bank has thus been working with other international financial institutions (IFIs) towards a harmonised approach to eligibility criteria and GHG-accounting (MDB-IDFC Common Principles for Climate Finance Tracking³¹)..

The Projects Directorate of the EIB is coordinator of the MDB expert group on climate change mitigation tracking until 2019. One core objective of the CGFC-EIB cooperation on this White Paper is to add a market perspective for this workstream, establishing a direct link between this workstream and the ongoing discussion on green bond taxonomies for a closer dialogue between policy and markets on green finance.

Green Finance Committee of China Society for Finance and Banking

The Green Finance Committee of China Society for Finance and Banking was established in April 2015 with the approval of the People's Bank of China. The committee is a non-for-profit professional organization dedicated to research and coordination of green finance initiatives of member institutions. Its mandate covers developing policy proposals on green finance, promoting innovative green investment and financing products and services, increasing awareness of green investment among institutional investors, strengthening capacity building, and helping to implement green finance policies.

Version 1 02 July 2015.pdf

³⁰ EIB Group Corporate Operational Plan 2017-2019, p. 7, accessible at: http://www.eib.org/infocentre/publications/all/operational-plan-2017-2019.htm

³¹ See http://www.eib.org/attachments/documents/mdb idfc mitigation common principles en.pdf and http://www.afdb.org/fileadmin/uploads/afdb/Documents/Generic-
Documents/Common Principles for Climate Change Adaptation Finance Tracking -

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As of the beginning of 2017, the Green Finance Committee had about 190 member institutions, including all major Chinese banks and many insurance companies, asset owners and managers, brokers, green companies, third party service providers and research institutions in the area of green finance. The financial assets under management of the member institutions amounts to RMB 120 trillion, accounting for roughly 70% of the total asset of China's financial industry. The current chairman of the Green Finance Committee is Dr. Ma Jun, Co-Chair of the G20 Green Finance Study Group, Special Advisor the Governor of the People's Bank of China, and Special Advisor to United Nations Environment on sustainable finance.

In green bonds space, the GFC has developed China's Green Bond Endorsed Project Catalogue (GB Catalogue) which is used to support the implementation of green bond guidelines by PBOC, the National Association of Financial Market Institutional Investors (NAFMII), Shanghai Stock Exchange and the Shenzhen Stock Exchange. Most of Chinese green bond issuers and all green bond verifiers are members of the GFC.

GFC is also promoting the harmonization of different Chinese green bond standards domestically, and has been driving the international cooperation on green finance in many areas. On this China-EU joint research project, the GFC has established a mobilized support from regulatory authorities, issuers, underwriters, and investors.

The International Institute of Green Finance (IIGF) of the Central University of Finance and Economics (CUFE)

The International Institute of Green Finance (IIGF) of Central University of Finance and Economics (CUFE), is an independent and non-profit think tank established in China in 2016. It conducts research within a range of areas of green finance such as credit, bonds, insurance, carbon-trading, information disclosure, and risk assessment, as well as climate finance, energy finance. The IIGF is specialized in Chinese green finance at a national and local level and additionally conducts research on green finance internationally. The IIGF is based within the Central University of Finance and Economics (CUFE) in Beijing, and is partially financed by donations from Tianfeng Securities. The institute is headed by Prof. Wang Yao, who also serves as Deputy Secretary General of GFC.

The IIGF works with numerous stakeholders in green finance both within and outside China. Within China, the IIGF is executive member institution of Green Finance Committee (GFC) of China Society of Finance and Banking and works with the People's Bank of China, the Chinese Ministry of Finance, the National Development and Reform Commission, the Chinese Ministry of Environment, as well as with a number of national, regional and local government institutions, financial institutions, and research organizations. Internationally, the IIGF conducts joint research with organizations such as UNEP, UN PRI, the European Investment Bank, Cambridge University, and the International Institute for Sustainable Development.

Within green bonds the IIGF is working closely with the PBoC and the GFC to develop coherent standards in China. The IIGF further provides research on a number of areas within green bonds nationally and internationally. Lastly, the IIGF promotes and assist in the international integration of green bond standards by launching a Chinese green bond index on the Luxembourg Stock Exchange, and assisting Chinese organizations to launch green bonds abroad.



STATUS QUO: ENTANGLEMENT OF "GREEN BOND OBJECTIVES" AND "ACTIVITIES"

A.1) FIRST NEED: NEUTRALITY

=> Overall taxonomy of "green" has to permit all acceptable definitions of "green" in the market

USE OF PROCEEDS TAXONOMY AS DEFINED BY THE MARKET LARGE TO ENCOMPASS ALL PREFERENCES IN THE MARKET		ISSUER PREFERENCES (Issuer "Assessment Standards")					
Green Bond Principles ("GBP ") June 2016	BOND A	BOND B	BOND C				
lenewable energy	Wind power	Wind power	Wind power				
enewable energy	Hydro	Hydro	Hydro				
	Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation				
nergy efficiency	Reduce gas flaring in oil industry						
nergy efficiency		Energy efficiency - consumer products					
			Ultra Super Critical Coal ("USCC")				
ollution prevention and control		Coal mine rehabilitation	Coal mine rehabilitation				
ustainable management of living natural resources			Recycling centre				
ustamable management of hving natural resources		Reforestation					
errestrial and aquatic biodiversity conservation			River habitat restoration				
lean transportation							
ustainable water management							
limate change adaptation		Water supply serving climate adaptation					
amate change adaptation			Drip irrigation serving climate adaptation				
co-efficient products, production technologies and processes							

A.2) FIRST CHALLENGE: Issuers and investors may target different "green" objectives

=> potential controversy (red areas), since the overall taxonomy does not permit clear distinction of preferences with regard to "green" objectives

INVESTOR PREFERENCES (Investor "Assessment Standards")	ISSUER PREFERENCES (Issuer "Assessment Standards")					
	BOND A	BOND B	BOND C			
Investor 1: Climate Change Mitigation ONLY	YES	NO	NO			
Investor 2: Climate Change Mitigation, Adaptation and Pollution Control ONLY	YES	YES	NO			
Investor 3: Green Bond (all objectives, no sectoral exclusion)	YES	YES	YES			

A.3) SECOND CHALLENGE: Issuers and investors may have different definitions of the same "green" objective

=> potential controversy (red areas), since the overall taxonomy does not permit clear distinction of preferences (exclusions/inclusions) with regard to the same "green" objective

INVESTOR PREFERENCES (Investor "Assessment Standards")	ISSUER PREFERENCES (Issuer "Assessment Standards")				
(investor Assessment Standards)	BOND A	BOND B	BOND C		
Investor 4: all objectives, Pollution Control excluding USCC	YES	YES	NO		
Investor 5: all objectives, Pollution Control including USCC	YES	YES	YES		

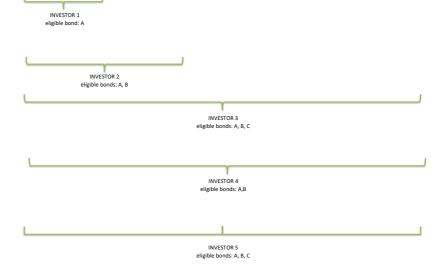
FIRST OBJECTIVE: DISENTANGLEMENT OF "GREEN BOND OBJECTIVES" AND "ACTIVITIES"

A.4) FIRST SOLUTION: A MATRIX OF OBJECTIVES AND ACTIVITIES

=> Easier differentiation, co-existence and matching of issuer and investor preferences

GBP USE OF PROCEEDS TAXONOMY AFTER SEPARATION AND EXTRACTION OF	NEW TAXONOMY FOR THE MARKET AT LARGE	Green Bond Objectives (as per GBP), for bonds A, B and C										
OBJECTIVES	Green Activities (exemplary and non-exhaustive list for illustrative purposes)	Climate Change Mitigation Climate Change Adaptation		Natural Resource Depletion Biodiversity Loss		Pollution Prevention & Control						
Renewable energy	Wind power	Α	В	С								
	Hydro	Α	В	С								
	Energy efficiency - industry - rehabilitation	Α	В	С								
Energy efficiency	Reduce gas flaring in oil industry	Α										
zireigy emotercy	Energy efficiency - consumer products		В									
	USCC											C*
	Coal mine rehabilitation										В	С
	Recycling centre						С					
	Reforestation		В									
	River habitat restoration								С			
Clean transportation												
Sustainable water management												
	Water supply serving climate adaptation				В							
	Drip irrigation serving climate adaptation					С						
Eco-efficient products, production technologies and processes												

^{*}Inclusion or exclusion from eligibility depends on the definition of the policy objective by activity





STATUS QUO: NO ADEQUATE <u>SUBACTIVITY</u> GRANULARITY

B.1) SECOND NEED: SUBACTIVITY PRECISION

=> Overall taxonomy of "green" has to permit precise description by subsector to differentiate "green" preferences

NEW TAXONOMY FOR THE MARKET AT LARGE WITHOUT SUBACTIVITIES		ISSUER PREFERENCES (Issuer "Assessment Standards")					
Green Project Sectors (exemplary and non-exhaustive list for illustrative purposes)	BOND A	BOND B	BOND C				
Wind power	Wind power	Wind power	Wind power				
Hydro	Hydro	Hydro	Hydro				
Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation				
Reduce gas flaring in oil industry	Reduce gas flaring in oil industry						
Energy efficiency - consumer products		Energy efficiency - consumer products					
uscc			USCC				
Coal mine rehabilitation		Coal mine rehabilitation	Coal mine rehabilitation				
Recycling centre			Recycling centre				
Reforestation		Reforestation					
River habitat restoration			River habitat restoration				
Water supply serving climate adaptation		Water supply serving climate adaptation					
Drip irrigation serving climate adaptation			Drip irrigation serving climate adaptation				

Green Bond according to GBPs?	YES	YES	YES
		1	
INSUFFICIENT SUBACTIVITY GRANULARITY			
SUFFICIENT SUBACTIVITY GRANULARITY			

B.2) SECOND CHALLENGE: issuers and investors may target different "green" subactivities

-> potential controversy (orange areas), since the overall taxonomy does not permit clear distinction with regard to green <u>subactivities</u>

INVESTOR PREFERENCES	ISSUER PREFERENCES (Issuer "Assessment Standards")					
(Investor "Assessment Standards")	BOND A	BOND B	BOND C			
Investor 6: all objectives, no activity exclusion, no large hydro	?	?	?			
Investor 7: all objectives, no activity exclusion, no large hydro, no coal mine tailings remediation	?	?	?			
Investor 8: all objectives, no activity exclusion, no large hydro, Pollution Control including coal mine tailings remediation	?	?	?			

B.4) RESULT: AVOIDANCE OF AMBIGUITY AND REDUCED CONTROVERSY POTENTIAL via sufficient subactivity granularity by activity and objectives

Investor 6: all objectives, no activity exclusion, no large hydro	NO	YES	NO
Investor 7: all objectives, no activity exclusion, no large hydro, no coal mine tailings remediation	NO	NO	NO
Investor 8: all objectives, no activity exclusion, no large hydro, Pollution Control including coal mine tailings remediation	NO	YES	NO

GREEN ACCORDING TO INVESTOR	
NOT GREEN ACCORDING TO INVESTOR	
IMPOSSIBILITY OF EFFICIENT DECISION-MAKING DUE TO INSUFFICIENT SUBACTIVITY GRANULARITY	

SECOND OBJECTIVE:

ESTABLISHMENT OF A SHARED TAXONOMY WITH ADEQUATE <u>SUBACTIVITY</u> GRANULARITY

B.3) SECOND SOLUTION: MORE PRECISE TAXONOMY OF SUBACTIVITIES

NEW TAXONOMY FOR THE MARKET AT LARGE WITH IMPROVED SUBSECTORAL GRANULARITY	ISSUER PREFERENCES (Issuer "Assessment Standards")					
Green Project Sectors (exemplary and non-exhaustive list for illustrative purposes)	BOND A	BOND B	BOND C			
Wind power	Wind power	Wind power	Wind power			
Run-of-river hydro	Run-of-river hydro	Run-of-river hydro				
Small hydro with storage	Small hydro with storage	Small hydro with storage	Small hydro with storage			
Large hydro with storage	Large hydro with storage		Large hydro with storage			
Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation			
Reduce gas flaring in oil industry	Reduce gas flaring in oil industry					
Energy efficiency - consumer products		Energy efficiency - consumer products				
uscc			uscc			
Coal mine methane capture		Coal mine methane capture	Coal mine methane capture			
Coal mine tailings remediation		Coal mine tailings remediation				
Recycling centre			Recycling centre			
Reforestation		Reforestation				
River habitat restoration			River habitat restoration			
Water supply serving climate adaptation		Water supply serving climate adaptation				
Drip irrigation serving climate adapation			Drip irrigation serving climate adapation			

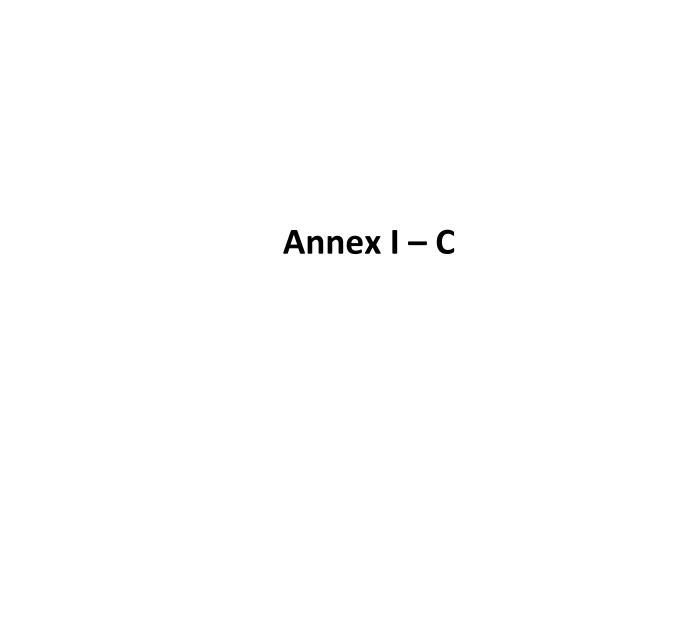
Green Bond according to GBPs? YES YES YES				
	Green Bond according to GBPs?	YES	YES	YES

=> Easier differentiation, co-existence and matching of issuer and investor preferences

NEW TAXONOMY FOR THE MARKET AT LARGE WITH SUBACTIVITIES	Green Policy Objectives (as per GBPs)														
Green activities (exemplary and non-exhaustive list for illustrative purposes)	Climate	2 Change M	itigation	Climate	Change Ad	aptation	Natural Resource Depletion		Biodiversity Loss		oss	Pollution Prevention & Control			
Wind power	А	В	С												
Run-of-river hydro	А	В													
Small hydro with storage	А	В	с												
Large hydro with storage	A		с												
Energy efficiency - industry - rehabilitation	А	В	с												
Reduce gas flaring in oil industry	А														
Energy efficiency - consumer products		В													
uscc															C*
Coal mine methane capture		В	с												
Coal mine tailings remediation														В*	
Recycling centre									с						
Reforestation		В													
River habitat restoration												с			
Water supply serving climate adaptation					В										
Drip irrigation serving climate adapation						с									

*Inclusion or exclusion from eligibility depends on the definition of the policy objective by subactivity

١	
	INVESTOR G eligible bonds: B
	INVESTOR 7 eligible bonds: NONE
ļ	Υ
	INVESTOR 8 eligible bonds: B



STATUS QUO: NO ADEQUATE SCREENING GRANULARITY

C.1) THIRD NEED: TECHNOLOGY PRECISION

=> Overall taxonomy of "green" has to permit precise expression of adequate screening criteria for "green"

NEW TAXONOMY FOR THE MARKET AT LARGE WITHOUT SCREENING CRITERIA		ISSUER PREFERENCES (Issuer "Assessment Standards")						
Green Project Sectors (exemplary and non-exhaustive list for illustrative purposes)	BOND A	BOND B	BOND C					
Wind power	Wind power	Wind power	Wind power					
Run-of-river hydro	Run-of-river hydro	Run-of-river hydro						
Small hydro with storage	Small hydro with storage	Small hydro with storage	Small hydro with storage					
Large hydro with storage	Large hydro with storage		Large hydro with storage					
Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation	Energy efficiency - industry - rehabilitation					
Reduce gas flaring in oil industry	Reduce gas flaring in oil industry							
Energy efficiency - consumer products		Energy efficiency - consumer products						
uscc			uscc					
Coal mine methane capture		Coal mine methane capture	Coal mine methane capture					
Coal mine tailings remediation		Coal mine tailings remediation						
Recycling centre			Recycling centre					
Reforestation		Reforestation						
River habitat restoration			River habitat restoration					
Water supply serving climate adaptation		Water supply serving climate adaptation						
Drip irrigation serving climate adaptation			Drip irrigation serving climate adaptation					
Green Bond according to GBPs?	YES	YES	YES					
INSUFFICIENT SCREENING GRANULA	OTV.							

C.2) THIRD CHALLENGE: Issuers and investors may target different "green" screening criteria

=> potential controversy (orange areas), since the overall taxonomy does not permit clear distinction with regard to "green" screening criteria

INVESTOR PREFERENCES (Investor "Assessment Standards")		ISSUER PREFERENCES (Issuer "Assessment Standards")	
	BOND A	BOND B	BOND C
Investor 9: all objectives, no activity exclusion, all objectives excluding EE industry < ET*	?	?	?

efficiency threshold

C.4) RESULT: AVOIDANCE OF AMBIGUITY AND REDUCED CONTROVERSY POTENTIAL via sufficient screening granularity by activity and objective

Investor 9: all objectives, no activity exclusion, all objectives excluding EE industry < ET	YES	NO	YES
Investor 10: all objectives, no activity exclusion, Pollution control including EE industry < ET	YES	YES	YES

GREEN ACCORDING TO INVESTOR

NOT GREEN ACCORDING TO INVESTOR

IMPOSSIBILITY OF EFFICIENT DECISION-MAKING DUE TO INSUFFICIENT SCREENING GRANULARITY

THIRD OBJECTIVE:

ESTABLISHMENT OF A SHARED TAXONOMY WITH ADEQUATE <u>SCREENING</u> GRANULARITY

C.3) THIRD SOLUTION: MORE PRECISE TAXONOMY OF SCREENING CRITERIA

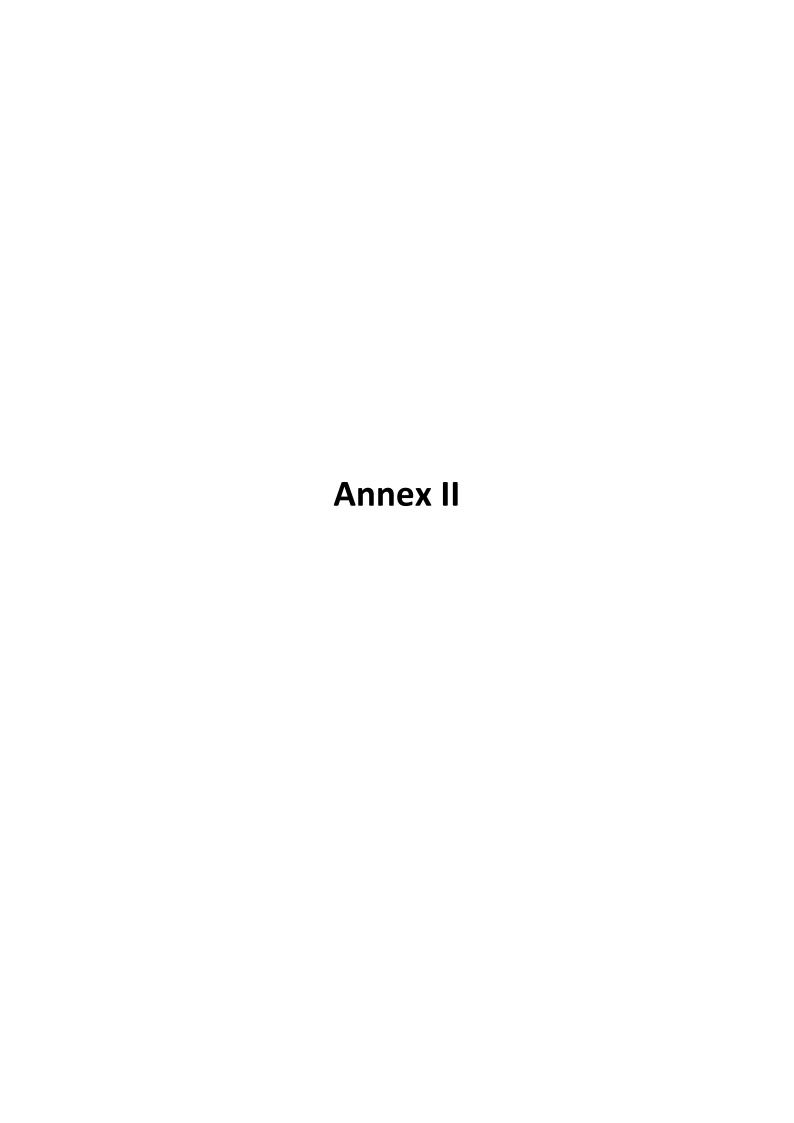
NEW TAXONOMY FOR THE MARKET AT LARGE WITH THRESHOLDS		ISSUER PREFERENCES (Issuer "Assessment Standards")						
Green Project Sectors (exemplary and non-exhaustive list for illustrative purposes)	BOND A	BOND B	BOND C					
Wind power	Wind power	Wind power	Wind power					
Run-of-river hydro	Run-of-river hydro	Run-of-river hydro						
Small hydro with storage	Small hydro with storage	Small hydro with storage	Small hydro with storage					
Large hydro with storage	Large hydro with storage		Large hydro with storage					
Energy efficiency - industry - rehabilitation > Efficiency Threshold ("ET")	EE - industry - rehabilitation > "ET"	EE - industry - rehabilitation > "ET"	EE - industry - rehabilitation > "ET"					
Energy efficiency - industry - rehabilitation < Efficiency Threshold ("ET")		EE - industry - rehabilitation < "ET"						
Reduce gas flaring in oil industry	Reduce gas flaring in oil industry							
Energy efficiency - consumer products		Energy efficiency - consumer products						
USCC			uscc					
Coal mine methane capture		Coal mine methane capture	Coal mine methane capture					
Coal mine tailings remediation		Coal mine tailings remediation						
Recycling centre			Recycling centre					
Reforestation		Reforestation						
River habitat restoration			River habitat restoration					
Water supply serving climate adaptation		Water supply serving climate adaptation						
Drip irrigation serving climate adapation			Drip irrigation serving climate adapation					
Green Bond according to GBPs?	YES	YES	YES					

=> Easier differentiation, co-existence and matching of issuer and investor preferences

NEW TAXONOMY FOR THE MARKET AT LARGE	Green Policy Objectives (as per GBPs)														
Green Activities (exemplary and non-exhaustive list for illustrative purposes)	Climate	Climate Change Mitigation C		Climate	Climate Change Adaptation		Natural Resource Depletion		Biodiversity Loss		oss	Pollution Prevention & Control			
Wind power	Α	В	С												
Run-of-river hydro	Α	В													
Small hydro with storage	Α	В	С												
Large hydro with storage	Α		С												
Energy efficiency - industry - rehabilitation > Efficiency Threshold ("ET")	Α	В	С												
Energy efficiency - industry - rehabilitation < Efficiency Threshold ("ET")														в*	
Reduce gas flaring in oil industry	Α														
Energy efficiency - consumer products		В													
uscc															C*
Coal mine methane capture		В	С												
Coal mine tailings remediation														в*	
Recycling centre									С						
Reforestation		В													
River habitat restoration												с			
Water supply serving climate adaptation					В										
Drip irrigation serving climate adapation						с									

* inclusion or exclusion from eligibility depends on the definition of the policy objective by screening criterion





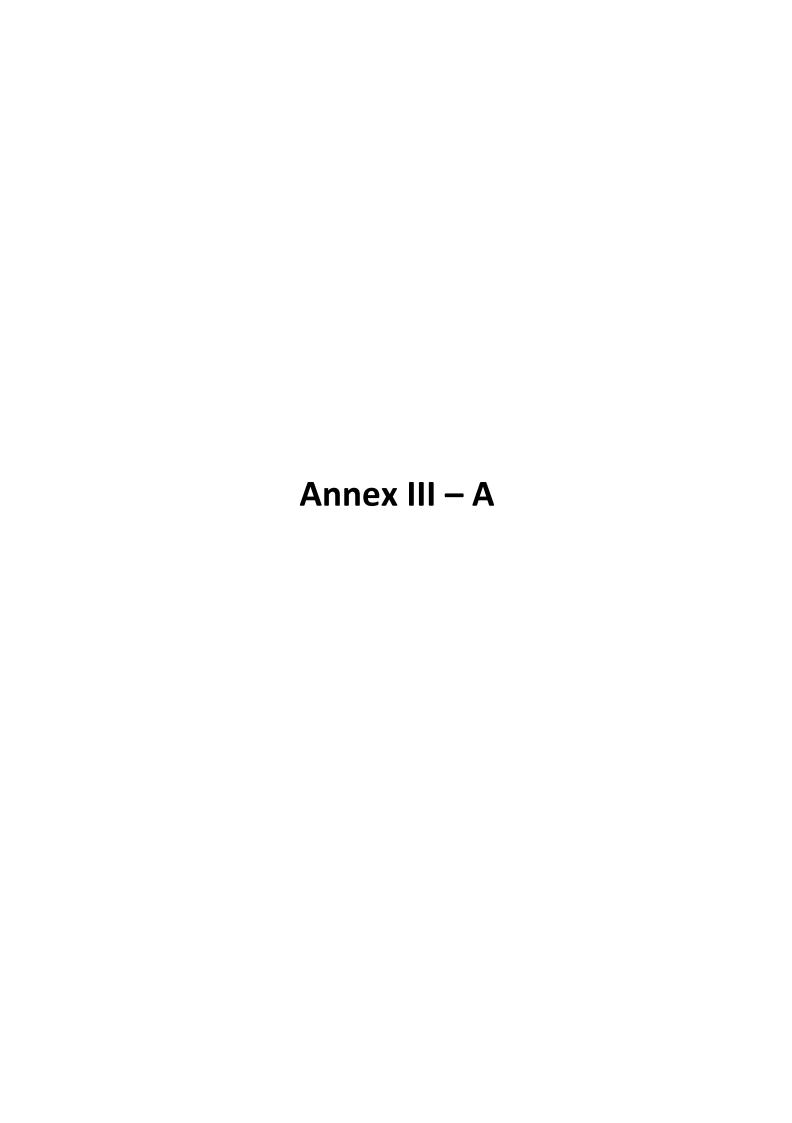
Annex II: Universal taxonomy provides basis for any individual assessment standard

Universal Taxonomy

Individual Standarda

					Policy Objectives		
Macro-sectors	Sectors	Sub-sectors	Climate Change Mitigation	Climate Change Adaptation	Biodiversity Loss	Natural Resource Depletion	Pollution Prevention and Control
MACRO-SECTOR A	SECTOR A1	SUB-SECTOR A1.1.	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator
		SUB-SECTOR A1.2.	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator
	SECTOR A2	ASUB-SECTOR 2.1.	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator
		SUB-SECTOR A2.2.	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator
		SUB-SECTOR A2.3.	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator	Primary Criterion/Indicator

 Inaiviau 	ai Stand	aras			Policy Objectives		
Macro-sectors	Sectors	Sub-sectors	Climate Change Mitigation	Climate Change Adaptation	Biodiversity Loss	Natural Resource Depletion	Pollution Prevention and Control
	SECTOR A1	SUB-SECTOR A1.1.	Target value for Primary Indicator				
		SUB-SECTOR A1.2.	Target value for Primary Indicator				
MACRO-SECTOR A	SECTOR A2	SUB-SECTOR A2.1.	Target value for Primary Indicator				
		SUB-SECTOR A2.2.	Target value for Primary Indicator				
		SUB-SECTOR A2.3.	Target value for Primary Indicator				



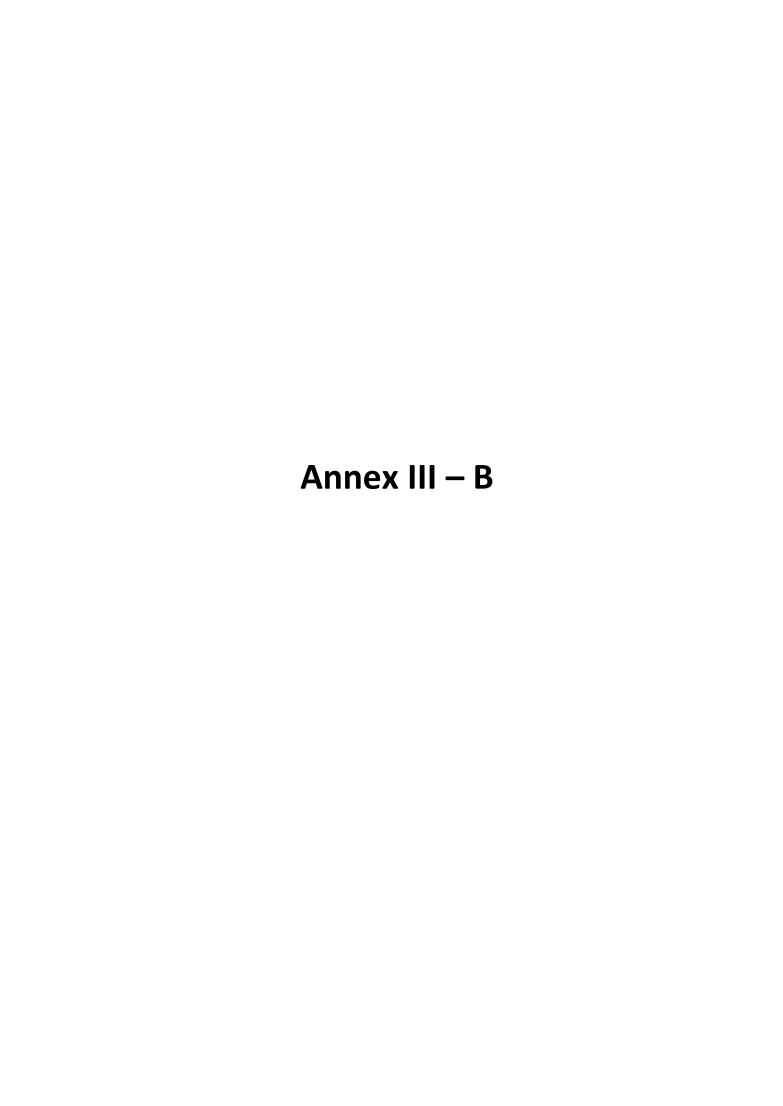
China Green Bond Endorsed Project Catalogue (CGBEPC; December 2015)

Level-I Category	Level-II Category	Level-III Category	Specification / defining criteria	National Industries Classification Code	Notes
1 Energy Saving	1.1.Industrial Energy Saving	1.1.1 Device/Facility Construction and Operation	 For the industries with a national standard of energy consumption allowance for unit product, energy consumption of the device/facility (except coal-fired power generation) or the process The reference value in the national standard of energy consumption allowance for unit product. For coal-fired generator units: Ultra supercritical or supercritical CHP generator units with a capacity of no less than 300MW; back pressure heating units without a capacity limit. For projects adopting special technology with high efficiency and low consumption, for instance, the ultra-high voltage (UHV) grid: identified according to the special technology directly; For biomass and low heat value (LHV) fuel power generation projects: identified according to the property of biomass and LHV fuel. For high energy efficiency application projects, for instance, LED lighting: identified according to the technology of application. 	E-Construction-48 Civil Engineering Construction	The reference value of energy consumption allowance for unit product (process): should refer to the national standard of energy consumption allowance in each industry, or National Guidance for Industrial Energy Consumption (2014), Chapter 4, Energy Consumption for Product and Process in Key Industries, Table 4. Energy Consumption for Main Product and Process in Key Industries.
		1.1.2 Energy-saving Technology Improvement	Renovation projects adopting the energy saving technology listed in the Catalogue for Promoting the National Key Energy-saving Technology (2014, Energy-saving part); Renovation projects of centralized heating complying with policies of "developing large capacity units and suppressing small ones", and "equivalent capacity replacement". Energy-saving renovation project in industrial, transportation and communication area. The renovated device/facility/equipment should meet at least one of the following conditions: 1. The energy consumption of the device/facility or the process ≤ the reference value of energy consumption allowance for unit product in national standards. 2. the energy-saving efficiency of the renovated device/facility/equipment ≥ the average energy-saving efficiency/capability of energy-saving applications in the	E Construction-48 Civil Engineering Construction - 4840 Mining Engineering Construction or-49 Construction and Installation	For projects with existing national standard of energy savings measurement and verification, the energy saving effect should be evaluated according to the standards.
	1.2 Sustainable Building	1.2 Sustainable Building 2. Newly-built resident and public buildings: No less than two-star of the Evaluation Standard for Green Building (GB/T50378-2006)		E Construction -47 Housing Construction	
	Ballaning	1.2.2 Energy Saving Technology Improvement on Existing Building	The energy saving building renovation project includes but not limited to: energy saving renovation on building envelope, heat supply system, heating and cooling system, lighting, hot water supply facility.	E Construction -49 Construction and Installation; -50 architectural ornament and others	
	1.3 Energy Management Center	1.3.1 Facility Construction and Operation	An integrated energy management system which saves energy systematically, by using automation and information technology and centralized management, to implement centralized flat monitoring and digital management to each process of production, distribution and consumption in corporate energy system, and improve and optimize the balance of energy. Including the purchase and installation of hardware facility, as well as the development and application of supporting software.	I Information transmission, software and information technology services -65 Software and information technology services -6510 Software development and -6520 Information system integration service	The project construction should be comply with the Construction Requirements of Energy Control Center for Industrial Enterprises
	1.4 Urban and Rural Infrastructure Construction with Energy Saving Efficiency	1.4.1 Facility Construction	Include but not limited to: 1. Urban underground pipeline corridor project; 2. Construction and renovation projects of adjusting the underground pipeline layout, route and buried depth, according to the situation of urban waterlogging and heat-island effect; 3. Construction and renovation projects of adjusting the district heating and water supply dispatching, as well as improving the pipeline standard of heat insulation and moisture resistance, according to the change of temperature.	E Construction -48 Civil Engineering Construction - 4819 Other road, tunnel and bridge engineering construction; -485 Wiring and piping engineering construction	Reference: the State Council Office's Guidance on Promoting the Construction of Integrated Urban Underground Pipeline Corridor (Document No. 【2015】61)
	2.1 Pollution Prevention and Control	2.1.1 Facility Construction and Operation	The construction and operation of waste treatment facility includes but not limited to: Treatment of waste water, sludge in waste water treatment, air pollution, municipal solid waste (MSW) (including hazardous waste and medical waste), waste treatment of integrated governance, treatment facilities and final treatment facilities (including construction and operation of pipelines, collection, transfer and storage facilities)	D Production and supply of electricity, thermal power, fuel gas and water -46 Production and supply of water-4620 Treatment and Reuse of sewage; 7340 Marine service; N Management of water, environment and public utilities -77 Ecological protection and environmental governance	Meet national standards for corporates with service of pollution governance facility. The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal should be complied with where the waste transfer is applicable.
2 Pollution Prevention and Control	2.2 Environmental Restoration Project	2.2.1 Project Implementation	The environmental restoration project includes but not limited to: Integrated improvement of the urban polluted water, mine land reclamation and ecological restoration, remediation of soil pollution and etc.	N Management of water, environment and public utilities -77 Ecological protection and environmental governance	The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal should be complied with where the waste transfer is applicable
		Clean Utilization of al Construction and Operation Device/Facility construction and operation projects conducting coal washing and processing, using coal by quality and classification, adopting technologies easy for pollution treatment to replace the traditional use of coal.		B Mining-06 Coal mining and washing; E Construction-48 Civil Engineering Construction - 4840 Mining Engineering Construction; C Manufacturing-25 Petroleum refining and coking, nuclear fuel processing -2520 Coking; 33 Metal products -3311 Metal structure manufacturing	Only device/facility construction and operation projects complying with the Action Plan of Clean Utilization of Coal (2015-2020), and Opinions on Regulating the Coal Fuel Demonstration Work
		3.1.1 Facility Construction and Operation	Include but not limited to: transformation of industrial water saving technology, agricultural water saving irrigation, transformation of urban pipeline network for water supply, integrated use of water resource, unconventional water use (including sea water desalination, treatment and reuse of brackish water, recycling water, mine water), and the supporting facility construction and operation of sponge city.	E-Construction-48 Civil Engineering Construction; D Production and supply of electricity, thermal power, fuel gas and water -46 Production and supply of water-4690 Other treatment, use and distribution of water; N Management of water, environment and public utilities -76 Management of water conservancy-7620 Management of water resource; -7630 Collection and distribution of natural water	To optimize the allocation of water resource, the project should benefit climate change adaption.

	3.2 Redevelopment and Integrated Utilization of Tailings and Associated Mine	3.2.1 Device/Facility Construction and Operation	Specific to the redevelopment of tailings and associated mine with a purpose of resource efficiency improvement, development of geothermal power, reinjection and integrated utilization	B Mining-06 Coal mining and washing; -07 Oil and gas exploitation; -08 Ferrous metals mining and dressing; -09 Non-ferrous metals mining and dressing; -10 Nonmetal minerals mining and dressing; -12 Other mining industry	Not include the thermal power plant and mineral water manufacturer taking advantage of the geothermal resource and water resource
3 Resource Conservation and Recycling	3.3 Recycling and Utilization of Industrial Solid Wastes, Exhaust Gas, and Effluent	3.3.1 Device/Facility Construction and Operation	Specific to collection and resourcelization of industrial solid waste, exhaust gas, and effluent.	B Mining-06 Coal mining and washing; C Manufacuring-14 Food manufacturing-146 Manufacturing of condiment and fermented products; -17 Textile; -19 Leather, fur, feather and its products; shoemaking industry -22 Paper making and paper products; -25 Petroleum refining and coking, nuclear fuel processing; -29 Rubber and plastic products; -30 Nonmetal mineral products D Production and supply of electricity, thermal power, fuel gas and water-4411 Thermal power generation; C Manufacturing-31 Ferrous metal smelting and rolling; -33 Metal products- 3360 Metal surface treatment and heat treatment processing	Meet national standards for corporates with service of pollution governance facility.
	3.4 Recycling, Processing and		Specific to the construction and operation of waste collection system for metal and non-metal production and processing in industrial area; construction and operation of recycling, sorting and dismantling system for "city minerals" resource, for instance, scrap car, scrap electronics, waste plastics, waste steel, waste non-ferrous metal and etc.	C Manufacturing-42 Integrated use of wasted resource	
	Utilization of Renewable Resource	3.4.2 Processing Device/Facility Construction and Operation	Specific to the construction and operation of waste processing and reuse system for metal and non-metal production and processing in industrial area; construction and operation of processing and reuse system for "city minerals" resource, for instance, scrap car, scrap electronics, waste plastics, waste steel, waste non-ferrous metal and etc.	C Manufacturing-42 Integrated use of wasted resource	
	3.5 Remanufacturing of Electromechanical Products	* 13.5.1 Device/Eacility ISpecific to construction and operation of remanufacturing device/facility for electromechanical products, for instance, auto parts, engineering machines, and		C Manufacturing-38 Automobile manufacturing-3660 Auto parts manufacturing; -34 General equipment manufacturing; -33 Metal products	
	3.6 Recycling and Utilization of Biomass Resource	3.6.1 Device/Facility Construction and Operation	Specific to construction and operation of resourcelization device/facility for biomass waste, like straw, forest waste, and household waste. This includes but not limited to: Production device/facility for non-grain liquid biomass fuel, power generation and heating device/facility for agricultural and forest biomass, production device/facility for biogas, resourcelization device/facility for household waste.	N Management of water, environment and public utilities-78 Management public utilities-7820 Management of environmental sanitation; A Agriculture , forestry , husbandry and fishery-05 Agriculture , forestry , husbandry and fishery services-0519 Other agriculture services; -0529 Other forestry services; -0530 Husbandry services; D Production and supply of electricity, thermal power, fuel gas and water-44 Production and supply of electricity and thermal power-4419 Other electricity production	
	4.1 Railway Transportation	4.1.1 Facility Construction and Operation	Specific to the construction and operation (including technical transformation and upgrading) of railway lines and terminals, and special supply station and substation.	E Construction-48 Civil engineering construction-481 Engineering construction of railway, road, tunnel and bridge -4811 Railway engineering construction and G Transportation, warehousing and postal industry- 53 Railway transportation	
	4.2 Urban Rail Transit	4.2.1 Facility Construction and Operation Specific to the construction and operation of rail transit, including urban underground and light rail.		E Construction-48 Civil engineering construction-481 Engineering construction of railway, road, tunnel and bridge -4811 Railway engineering construction and 4819 Other engineering construction of road, tunnel and bridge G Transportation, warehousing and postal industry - 54 Road transportation-5412 Urban rail transit。	
	4.3 Public Urban and	4.3.1 Vehicle Purchase	Specific to purchase of public vehicles, including bus and electric bus for passengers.	G Transportation, warehousing and postal industry - 54 Road transportation-5411 Electric passenger bus	
	Rural Transportation	4.3.2 Facility Construction and Operation	Specific to the construction and operation of stations, BRT lines, and other supporting facilities in public transportation, as well as the lines maintenance.	G Transportation, warehousing and postal industry - 54 Road transportation-5411 Electric passenger bus	

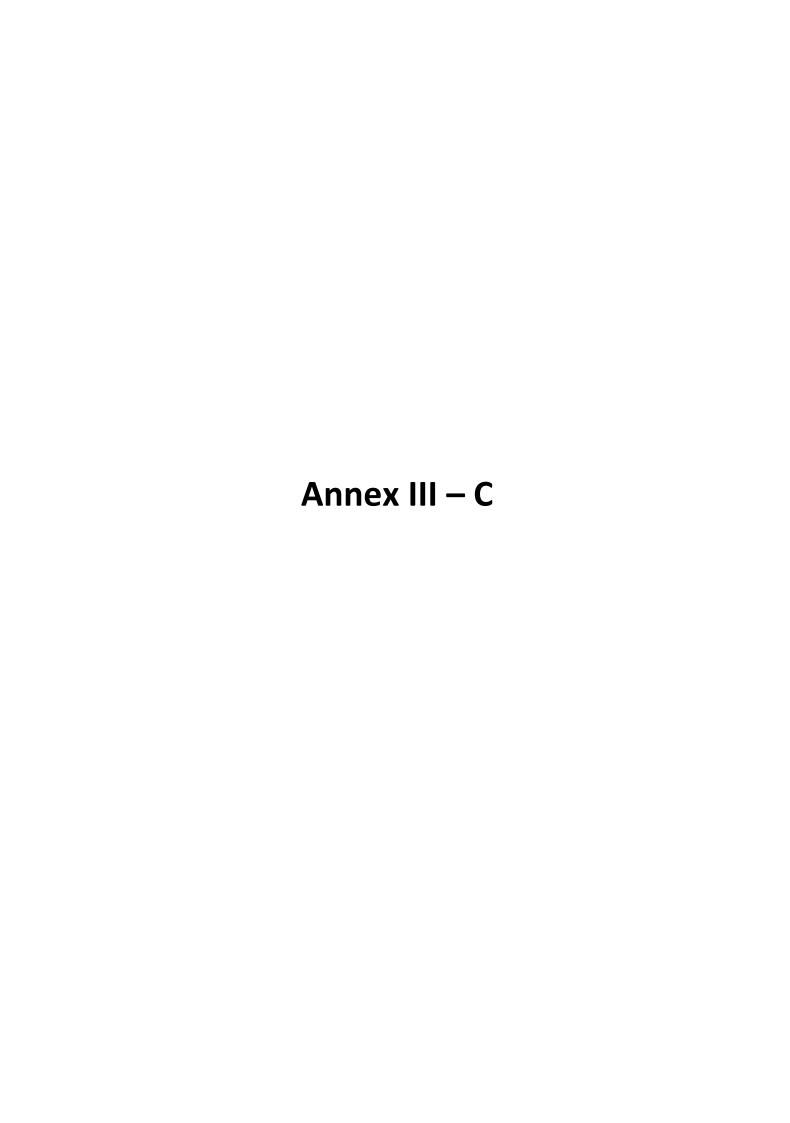
References: Implementation Plan of Industrial Structure, Prom Transformation and Upgr Transportation 4.4.1 Vessel Purchase 4.4.1 Vessel Purchase 4.4.4 Waterway Transportation 4.4.2 Waterway Regulation 5. Specific to the phase-out of old vessels, and purchase of standardized inland-waterway vessels, and vessels transport on costal water and ocean which fully meet the latest international guidance, agreements and standards. 6. Transportation 6. Transportation, warehousing and postal industry Morking Protous on Energy Transportation 7. Waterway Transportation 7. Waterway Transportation 8. Specific to the phase-out of old vessels, and purchase of standardized inland-waterway vessels, and vessels transport on costal water and ocean which fully final ship Standard Working Focus on Energy Industry 10213-2. The vice Facility of the device/facility construction of Pollution Final Industrial Structure, Prom Transformation on Prevention of Pollution Final Industrial Structure, Prom Transportation F. Construction-48 Civil engineering construction Prevention of Prevention of Pollution Final Industrial Structure, Prom Transportation Prevention of Pr
4.4.2 Waterway Regulation Specific to the high-quality inland waterway dredging projects Specific to the device/facility construction and operation which meets the fuel production requirements of GB V standard gasoline and GB IV standard diesel, or the technical transformation projects on existing fuel production with improved cleanness standards (the GB V standard gasoline and GB IV standard special equipment manufacturing
4.5.1 Device/Facility 4.5.1 Device/Facility A.5.1 Device/Facility Specific to the device/facility construction and operation which meets the fuel production requirements of GB V standard gasoline and GB IV standard diesel, or the technical transformation projects on existing fuel production with improved cleanness standard gasoline and GB IV standard diesel, or the technical transformation projects on existing fuel production with improved cleanness standard gasoline and GB IV standard diesel, or the technical transformation projects on existing fuel production with improved cleanness standard gasoline and GB IV standard diesel, or the technical transformation projects on existing fuel production with improved cleanness standard gasoline and GB IV standard diesel, or the technical transformation projects on existing fuel production with improved cleanness standard gasoline and GB IV standard diesel, or the technical transformation projects on existing fuel production with improved cleanness standard gasoline and GB IV s
Construction and Operation 4.5 Clean Fuel Construction and Operation diesel should be met after the transformation projects 4.5 Clean Fuel Construction and Operation diesel should be met after the transformation project) -3521 Manufacturing of special equipment for oil refining and chemical production
4.5.2 Manufacturing of Auto Fuel Products Specific to the fuel products which meet the fuel production requirements of GB V standard gasoline and GB IV standard diesel; and production of clean fuel additives, like antiknock and oxidizer. C Manufacturing-25 Petroleum refining and coking, nuclear fuel processing -2511 Crude processing and petroleum product manufacturing
4.6.1 Parts and Whole Car 4.6 New Energy Automobile Automobile manufacturing; -38 Electrical machinery and equipment manufacturing - 381 Motor Manufacturing : -384 Battery manufacturing : -384 Battery manufacturing
4.6.2 Supporting Facility Construction and Operation Specific to construction and operation of charging and energy supply facility for new energy car. E Construction- 48 Civil engineering construction
Specific to hardware and software facility and system that improves the capability and efficiency of transportation and logistics. The facility or system should base on mobile communication terminal, telecommunication base station, GPS, and internet technology, apply the Internet of Things and Big Data, to achieve integrated management of resource with comprehensive information communication and sharing. The service targets directly on logistics and transportation and postal industry; Information transmission, software and information technology services 4.7.1 Facility Construction and Operation
5.1 Wind Power Generation Specific to construction and operation of wind farm (including supporting wind power monitoring system, wind power prediction system, integrated control operation of wind farm and etc.) D Production and supply of electricity, thermal power, fuel gas and water-44 Production and supply of electricity and thermal power-4414 Wind power generation
The solar PV power plant and high-temperature solar power plants (excluding distributed solar PV power generation system) should meet following requirements: 1. No less than 15.5% of the photoelectric conversion efficiency for poly-crystalline silicon cell module, no more than 2.5% of the decay rate for the module within one year after the project start-up; no more than 0.7% of the decay rate afterwards. 2. No less than 16% of the photoelectric conversion efficiency for mono-crystalline silicon cell module, no more than 3% of the decay rate for the module within one year after the project start-up; no more than 0.7% of the decay rate afterwards. 3. No less than 28% of the photoelectric conversion efficiency for high concentration PV (HCPV) cell module, no more than 2% of the decay rate for the module within one year after the project start-up; no more than 0.5% of the decay rate afterwards; no more than 10% of the decay rate for the module within one year after the project start-up; no more than 0.5% of the decay rate afterwards. 3. No less than 28% of the photoelectric conversion efficiency for high concentration PV (HCPV) cell module, no more than 2% of the decay rate for the module within one year after the project start-up; no more than 0.5% of the decay rate afterwards. 4. No less than 8% of the photoelectric conversion efficiency for silicon based film cell module; No less than 11% of the photoelectric conversion efficiency for cadmum telluride (CdTe) film cell module; No less than 10% of the photoelectric conversion efficiency for other film cell module; 5. No more than 20% of the decay rate for polycrystalline silicon, monocrystalline silicon and film cell module in whole project lifetime.
Specific to grid construction and operation or technical transformation and upgrading projects, which improve the balance and responsiveness of supply and demand, promote integrated energy efficiency of the grid, lower the transformation of power loss in transmission, and enhance the capability of renewables access. 1. Smart Grid and Energy Internet 5.3 Smart Grid and Energy Internet Operation/Upgrading 5.3 Facility Construction and Operation, as well as the technical transformation and upgrading projects, which adopt smart electric equipment, integrated Operation/Upgrading D Production and supply of electricity, thermal power, fuel gas and water-44 Electricity production-4420 Electricity supply; -45 Production and supply of fuel gas access. 1. Smart grid: Grid construction and operation, as well as the technical transformation and upgrading projects, which adopt smart electric equipment, integrated Electricity supply; -45 Production and supply of fuel gas Electricity supply; -45 Production and supply of fuel gas access. 1. Smart grid: Grid construction and operation, as well as the technical transformation and upgrading projects, which adopt smart electric equipment, integrated Electricity supply; -45 Production and supply of fuel gas Electricity supply; -45 Production and supply of fuel gas access. 1. Smart grid: Grid construction and operation, as well as the technical transformation and upgrading projects, which adopt smart electric equipment, integrated Electricity supply; -45 Production and supply of fuel gas access. 1. Smart grid: Grid construction and operation of grid, micro-grid and other energy (like natural gas) internet, which integratedly applies power electronics, information and smart management technology, connecting distributed energy), distributed energy storage device and various types of load, to achieve two-way energy flow and peer exchange and sharing.
5.4 Distributed Energy Resource 5.4.1 Facility Construction and Operation 5.4.1 Facility Construction and operation of energy management system, for instance, regional energy station (including regional natural gas station), distributed power trading fuel gas and water-44 Production and supply of electricity and thermal power-4420 Electricity supply

•					
	5.5 Solar Thermal Application	5.5.1 Device/Facility Construction and Operation	Specific to construction and operation of device/facility using solar energy, which includes but not limited to: Installation and operation of solar water heater; solar heating system; medium-high temperature solar heat collection system; solar cooling system, heat pump air-condition system; solar energy and air source heat pump hot water system, high-temperature megawatt solar power generation device/facility.	D Production and supply of electricity, thermal power, fuel gas and water-44 Production and supply of electricity and thermal power	
6 Ecological Protection and Climate Change Adaption	5.6 Hydropower Generation	5.6.1 Facility Construction and Operation	Specific to hydropower construction and operation like reservoir dam, hydraulic tunnel, powerhouse, generator unit and etc.	D Production and supply of electricity, thermal power, fuel gas and water-44 Production and supply of electricity and thermal power- Hydropower generation	Meet requirements of Opinion of Energy Work 2014 and other related documents, also the ecologic and environmental protection and resettlement action plan of the project should be assessed and approved
	5.7 Other New Energy Application	5.7.1 Facility Construction and Operation	Specific to engineering construction and operation of renewable energy generation like geothermal power and marine power.	D Production and supply of electricity, thermal power, fuel gas and water-44 Production and supply of electricity and thermal power-4419 Other electricity production	
	6.1 Natural Ecological Protection and Protective Development of Tourism Resource	6.1.1 Facility Construction and Operation	Specific to natural reserve engineering; ecological restoration and vegetation conservation engineering; and ecological protective development of tourism resource. These include but not limited to: National park, national geological park, the protection project of natural heritage, construction and maintenance of national and provincial natural reserve; construction and maintenance of ecological function area, like specific wildlife habitat, wetland, desert, and prairie; coastal ecological restoration and vegetation conservation engineering; environmental pressure release on ecologically vulnerable area (like ecomigration); urban gardening; land reclamation.	N Management of water, environment and public utilities -77 Ecological protection and environmental governance-771 Ecological protection; -78 Management public utilities-785 Management of parks and scenic spots-7852 Management of scenic spot	
	6.2 Ecological Agriculture, Husbandry and Fishery	6.2.1 Project Implementation and Facility Construction and Operation	Include integrating breeding project of agricultural, husbandry, and fishery thoroughbred, manufacturing agricultural, husbandry, and fishery organic products (including facility construction and operation). The output and products of projects should meet following requirements or policies: 1. GB/T19630 standard of Chinese organic products; 2. Environment and quality standards of Agriculture Department, 7 general guidance of pesticides, fertilizer, veterinary drug, feed and feed additives, food additives, and animal hygiene, 45 product quality standards, product mark should be in compliance with the "Measures of Mark Management for Green Food".	A Agriculture , forestry , husbandry and fishery-01 Agriculture; -03 Husbandry; -04 Fishery	1. Projects should be in compliance with the Safety Management Regulation of Agricultural Genetically Modified Organisms (GMOs); 2. Tobacco cultivation projects are excluded, as well as the fishing methods which are harmful to marine ecological environment and diversity, for instance, fish net fishing and large ocean drift net fishing; 3. Projects should be in compliance with the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade where applicable; the production should be in compliance with the Montreal Protocol on Substances that Deplete the Ozone Layer.
	6.3 Forestry Development	6.3.1 Project Implementation and Facility Construction and Operation	Specific to the forest tending management and sustainable forestry development project, including but not limited to: 1. Afforestation; 2. Forestry seed breeding and seedling production; 3. Underwood planting and underwood breeding.	A Agriculture , forestry , husbandry and fishery-02 Forestry	Any species development and (international) trade of animal and plats listed outside the Convention on International Trade in Endangered Species of Wild Fauna and Flora(CITES); Exclude the natural commercial deforestation of natural forest.
	6.4 Emergency Prevention and Control of Disaster	6.4.1 Facility Construction and Operation	Specific to disaster monitoring, warning and emergency response system, major river dyke construction and riverway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of forests and prairies and etc. These include but not limited to: 1. Disaster monitoring of major infrastructure (water conservancy, transportation, communication, electricity transmission, municipal infrastructure an etc.) and emergency response system; 2. Dyke construction of major rivers, riverway dredging , flood storage area engineering and maintenance, controlling hinge construction of main and tributary stream; 3. Construction and operation of hygiene emergency response for addressing natural disaster and extreme weather, the production and storage of hygiene emergency response facilities; 4. Monitoring, prevention and control system of forest fire, harmful and exotic species; 5. Waning, prevention and control system of agriculture disaster; monitoring, prevention and control system of animal epidemics; 6. Monitoring system of marine disaster, ecological protection of prairie, control of soil and water loss; 7. Natural forest protection project (NEPP), converting cultivated land into forests, construction and maintenance of shelter forest; 8. Production, storage and transmission of disaster preparedness supplies.	I Information transmission, software and information technology services -65 Software and information technology services; N Management of water, environment and public utilities -76 Management of water conservancy- 7610 Management of flood control facilities;- 77 Ecological protection and environmental governance-771 Ecological protection; -78 Management public utilities-7810 Management of municipal facilities; A Agriculture , forestry, husbandry and fishery-05 Agriculture , forestry, husbandry and fishery services	



	MDB / IDFC Common Principles for Climate Cha	nge Mitigation Finance Tracking (MDBIDFCCPCMFT)
		1.1.1 Wind power
		1.1.2 Geothermal power (only if net emission reductions can be demonstrated)
		1.1.3 Solar power (concentrated solar power, photovoltaic power)
	1.1 Electricity Generation	1.1.4 Biomass or biogas power (only if net emission reductions, including carbon pool balance, can be demonstrated)
		1.1.5 Ocean power (wave, tidal, ocean currents, salt gradient, etc.)
		1.1.6 Hydropower plants (only if net emission reductions can be demonstrated)
4 Decemble Faces		1.1.7 Renewable energy power plant retrofits
Renewable Energy		1.2.1 Solar water heating and other thermal applications of solar power in all sectors 1.2.2 Thermal applications of geothermal power in all sectors
	1.2 Heat Production or other renewable energy application	1.2.3 Wind-driven pumping systems or similar
	application	1.2.4 Thermal applications of sustainably/produced bioenergy in all sectors, incl. efficient, improved
		biomass stoves 1.3.1 New expanded and improved transmission systems (lines, substations)
	1.3 Measures to facilitate integration of renewable	1.3.1 New, expanded and improved transmission systems (lines, substations) 1.3.2 Storage systems (battery, mechanical, pumped storage)
	energy into grids	
		1.3.3 New information and communication technology, smart-grid and mini-grid
	2.1 Transmission and distribution systems	2.1.1 Retrofit of transmission lines or substations and/or distribution systems to reduce energy use and/or technical losses including improving grid stability/reliability, (only if net emission reductions can be demonstrated)
Lower-carbon and efficient energy generation		2.2.1 Thermal power plant retrofit to fuel switch from a more GHG-intensive fuel to a different and less GHG-
	2.2 Power Plants	intensive fuel type 2.2.2 Conversion of existing fossil-fuel based power plant to co-generation technologies that generate
		electricity in addition to providing heating/cooling
		2.2.3 Energy-efficiency improvement in existing thermal power plant
	3.1 Energy efficiency in industry in existing facilities	3.1.1 Industrial energy-efficiency improvements though the installation of more efficient equipment, changes in processes, reduction of heat losses and/or increased waste heat recovery
		3.1.2 Installation of co/generation plants that generate electricity in addition to providing heating/cooling
		3.1.3 More efficient facility replacement of an older facility (old facility retired)
		3.2.1 Energy-efficiency improvement in lighting, appliances and equipment
	3.2 Energy efficiency improvements in existing	3.2.2 Substitution of existing heating/cooling systems for buildings by co/generation plants that generate
	commercial, public and residential buildings	electricity in addition to providing heating/cooling 3.2.3 Retrofit of existing buildings: Architectural or building changes that enable reduction of energy
O. Francisco		consumption
3. Energy efficiency	3.3 Energy efficiency improvements in the utility	3.3.1 Energy-efficiency improvement in utilities and public services through the installation of more efficient lighting or equipment
		3.3.2 Rehabilitation of district heating and cooling systems
	sector and public services	3.3.3 Utility heat loss reduction and/or increased waste heat recovery
		3.3.4 Improvement in utility scale energy efficiency through efficient energy use, and loss reduction
		3.4.1 Existing vehicles, rail or boat fleet retrofit or replacement (including the use of lower-carbon fuels,
	3.4 Vehicle energy efficiency fleet retrofit	electric or hydrogen technologies, etc.)
	3.5 Energy efficiency in new commercial, public	3.5.1 Use of highly efficient architectural designs, energy efficiency appliances and equipment, and building techniques that reduce building energy consumption, exceeding available standards and complying with
	and residential buildings	high energy efficiency certification or rating schemes
	3.6 Energy audits	3.6.1 Energy audits to energy end-users, including industries, buildings, and transport systems
		4.1.1 Reduction in energy use in traction (e.g. efficient tillage), irrigation, and other agricultural processes
	4.1 Agriculture	4.1.2 Agricultural projects that improve existing carbon pools (, rangeland management, collection and use of bagasse, rice husks, or other agricultural waste, reduced tillage techniques that increase carbon contents of soil, rehabilitation of degraded lands, peatland restoration, etc.)
		4.1.3 Reduction of non Co2 GHG emissions from agricultural practices (eg: paddy rice production, reduction
		in fertilizer use) 4.2.1 Afforestation (plantations) on non-forested land
4. Agriculture, forestry and land-use		4.2.2 Reforestation on previously forested land
	4.2 Afforestation and reforestation, and biosphere	4.2.3 Sustainable forest management activities that increase carbon stocks or reduce the impact of forestry
	conservation	activities
		4.2.4 Biosphere conservation projects (including payments for ecosystem services) targeting reducing emissions from the deforestation or degradation of ecosystems
	4.3 Livestock	4.3.1 Livestock projects that reduce methane or other GHG emissions (manure management with
		biodigestors, etc.) 4.4.1 Production of biofuels (including biodiesel and bioethanol) (only if net emission reductions can be
	4.4 Biofuels	demonstrated)
	5.1 Fugitive emissions	5.1.1 Reduction of gas flaring or methane fugitive emissions in the oil and gas industry
		5.1.2 Coal mine methane capture
5. Non-energy GHG reductions	5.2 Carbon capture and storage	Projects for carbon capture and storage technology that prevent release of large quantities of CO2 into the atmosphere from fossil fuel use in power generation, and process emissions in other industries
5, 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5.3 Air conditioning and refrigeration	5.3.1 Retrofit of existing industrial, commercial and residential infrastructure to switch to cooling agent with
		lower global warming potential 5.4.1 Reduction in GHG emissions resulting from industrial process improvements and cleaner production
	5.4 Industrial processes	(e.g. cement, chemical), excluding carbon capture and storage
		6.1.1 Treatment of wastewater if not a compliance requirement (e.g. performance standard or safeguard) as part of a larger project that reduce methane emissions (only if net GHG emission reductions can be
		demonstrated) 6.1.2 Waste management projects that conture or combust methods emissions
		6.1.2 Waste management projects that capture or combust methane emissions 6.1.3 Waste to energy projects
Waste and wastewater	6.1 Waste and wastewater	
		6.1.4 Waste collection, recycling and management projects that recover or reuse materials and waste as inputs into new products or as a resource (only if net emission reductions can be demonstrated).
		7.1.1 Urban mass transit
	7.1 Urban transport modal change	7.4.0 Non-material transport (bissular and a 1.5 of the material)
		7.1.2 Non-motorized transport (bicycles and pedestrian mobility)

	MIDE / IDEC Common Principles for Climate Cr	nange Mitigation Finance Tracking (MDBIDFCCPCMFT)
		7.2.1 Integration of transport and urban development planning (dense development, multiple land-use, walking communities, transit connectivity, etc.), leading to a reduction in the use of passenger cars
7. Transport	7.2 Transport oriented urban development	7.2.2 Transport demand management measures dedicated to reduce GHG emissions (e.g., speed limits, high-occupancy vehicle lanes, congestion charging/road pricing, parking management, restriction or auctioning of license plates, car-free city areas, low-emission zones)
		7.3.1 Railway transport ensuring a modal shift of freight and/or passenger transport from road to rail (improvement of existing lines or construction of new lines)
	7.3 Inter-urban transport	7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure or construction of new infrastructure)
8. Low-carbon technologies	8.1 Products or equipment	8.1.1 Projects producing components, equipment or infrastructure dedicated for the renewable and energy efficiency sectors
Ç	8.2 R&D	8.2.1 Research and development of renewable energy or energy efficiency technologies
		9.1.1 Mitigation national, sectorial or territorial policies /planning/action plan policy /planning/institutions
		9.1.2 Energy sector policies and regulations leading to climate change mitigation or mainstreaming of climate action (energy efficiency standards or certification schemes; energy efficiency procurement schemes; renewable energy policies)
	9.1 Support to national, regional or local policy,	9.1.3 Systems for monitoring the emissions of greenhouse gases
9. Cross-cutting issues	through technical assistance or policy lending,	9.1.4 Efficient pricing of fuels and electricity (subsidy rationalization, efficient end-user tariffs, and efficient regulations on electricity generation, transmission, or distribution)
5. Oross-cutting issues		9.1.5 Education, training, capacity building and awareness raising on climate change mitigation/sustainable energy/sustainable transport; mitigation research
		9.1.6 Other policy and regulatory activities, including those in non-energy sectors, leading to climate chang mitigation or mainstreaming of climate action
	9.2 Financing instruments	9.2.1 Carbon Markets and finance (purchase, sale, trading, financing and other technical assistance). Includes all activities related to compliance-grade carbon assets and mechanisms, such as CDM, JI, AAUs as well-established voluntary carbon standards like the VCS or the Gold Standard.
10. miscellaneous	10.1 Other activities with net greenhouse gas reduction	10.1.1 Any other activity not included in this list for which the results of an ex-ante greenhouse gas accounting (undertaken according to commonly agreed methodologies) show emission reductions



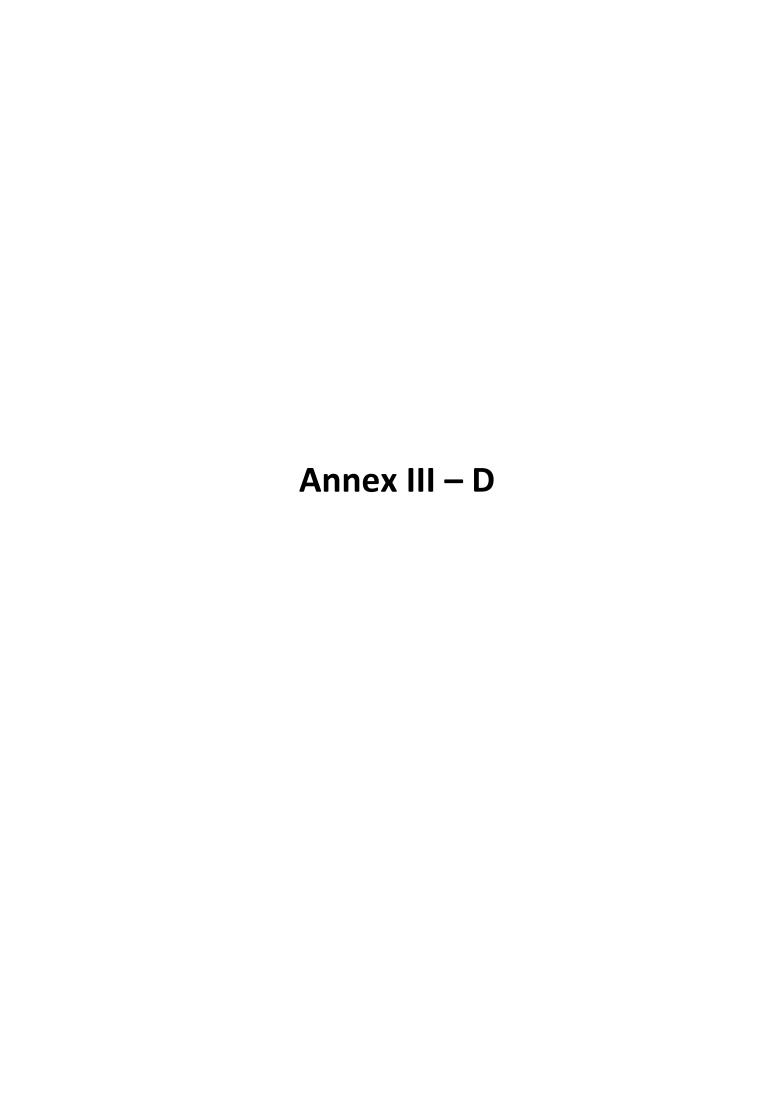
China Green Bond Endorsed Project Catalogue (CGBEPC)		Catalogue (CGBEPC)		GR	EEN BOND OBJECTIVES ACCORDING TO GREEN BOND PRINCIPLES		
	/ Level-III Category	Specification / defining criteria	CLIMATE CHANGE MITIGATION DARK GREY: according to both MDB/IDFC and CGBEPC* LIGHT GREY: according only to CGBEPC 'In some cases, further discussion among experts is required to establish more precise specification/defining criteria, particularly in Energy Efficiency, granular approaches, clean fuel types, and thresholds for unequivocal alignment.	CLIMATE CHANGE ADAPTATION NB: For MDB/IDFC, all and any adaptation must result from application of the "three key steps"-process.	NATURAL RESOURCE DEPLETION	BIODIVERSITY LOSS	POLLUTION CONTROL* *In some cases, further discussion among experts is required to establish more precise specification/defining criteria, particularly in Energy Efficiency, granular approaches, clean fuel types, and thresholds.
			LOW-CARBON	,	concepts background note", September 2016		
			CLIMA	TE.	link: http://unepinquiry.org/wp-content/uploads/20	116/09/1_Definitions_and_Concepts.pdf	
			1.1.Industrial Energy Saving		GREEN		
		For the industries with a national standard of energy consumption allowance for unit product, energy consumption of the device/facility (except coal-fired power generation) or the process s The reference value in the national standard of energy consumption allowance for unit product.	1.1.1 Device/Facility Construction and Operation 1.5 or the industries with a national standard of energy consumption allowance for unit product, energy consumption of the device/facility (except coal-fired power generation) or the process 5. The reference value in the national standard of energy consumption allowance for unit product. (REHABILITATION OR REPLACEMENT) 1.1.Industrial Energy Saving 1.1.1 Device/Facility Construction and Operation 1.For the industries with a national standard of energy consumption allowance for unit product, energy consumption of the device/facility (except coal-fired power generation) or the process 5. The reference value in the national standard of energy consumption allowance for unit product.				
		For coal-fired generator units: Ultra supercritical or supercritical CHP generator units with a capacity of no less than 300MW; back pressure heating units without a capacity limit.	1.1.Industrial Energy Saving 1.1.1 Device/Facility Construction and Operation 2.a Ultra supercritical or supercritical coal-fired CHP generator units with a capacity of no less than 300MW; back pressure heating units without a capacity limit.				1.1.Industrial Energy Saving 1.1.1 Device/Facility Construction and Operation 2.b For coal-fired generator units: Ultra supercritical or supercritical generator units with a capacity of no less than 300MW; back pressure heating units without a capacity limit.
	1.1.1 Device/Facility Construction and Operation	For projects adopting special technology with high efficiency and low consumption, for instance, the ultra-high voltage (UHV) grid: identified according in the special technology discrete.	1.1.Industrial Energy Saving 1.1.1 Device/Facility Construction and Operation 3. For projects adopting special technology with high efficiency and low consumption, for instance, the ultra-high voltage (UHV) grid, identified according to the special technology directly; (REHABILITATION)				
1.1.Industrial Energ Saving	у	according to the special real money circuity,	1.1.1 Device/Facility Construction and Operation 3. For projects adopting special technology with high efficiency and low consumption, for instance, the ultra-ligh voltage (UHV) grid, identified according to the special technology directly; (GREENFIELD)				
		For biomass and low heat value (LHV) fuel power generation projects: identified according to the property of biomass and LHV fuel.	1.1.Industrial Energy Saving 1.1.1 DeviceFacility Construction and Operation 4. For biomass and low heat value (LHV) fuel power generation projects: identified according to the property of biomass and LHV fuel. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)				1.1.Industrial Energy Saving 1.1.1 Device/Facility Construction and Operation 4. For biomass and low heat value (LHV) fuel power generation projects: identified according to the property of biomass and LHV fuel. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)
		are technology of application.	1.1.Industrial Energy Saving 1.1.1 DeviceFacility Construction and Operation 5. For high energy efficiency application projects, for instance, LED lighting: identified according to the technology of application.				
,	1.1.2 Energy-saving Technology Improvement	Isothology listed in the Catalogue for Promoting the National Rey Energy-saving part }: Renovation projects of centralized heating Complying with plotices of "developing large capacity units and suppressing small ones", and "equivalent capacity replacement". Energy-saving renovation project in industrial, transportation and communication area. The renovated device/facility/quipment should meet at least one of the following conditions: 1. The energy consumption of the device/facility or the process s the reference value of energy consumption of the device/facility or the process s the reference value of energy consumption of blowance for unit product in national standards.	saving inervivation project in industria, transportation and communication area. The renovated device/facility/equipment should meet at least one of the following conditions: 1. The energy consumption of the device/facility or the process of the reference value of energy consumption allowance for unit product in inational standards. 2. the energy-saving efficiency of the renovated device/facility/equipment > the average control and of the control and one confidence in the industriance.				
1.2 Sustainable Building	1.2.1 Newly-built Green Building	The Newly-built buildings should meet following standards: 1. Newly-built industrial buildings: no less than two star of the Evaluation Standard for Green industrial Building (GB/T50878-2013) 2. Newly-built resident and public buildings: No less than two-star of the Evaluation Standard for Green Building (GB/T50878-2006).	1.2 Sustainable Building 1.2.1 Newly-built Green Building The Newly-built buildings should meet following standards: 1. Newly-built industrial buildings; no less than two-star of the Evaluation Standard for Green industrial Building (GB/T50878-2013) 2. Newly-built resident and public buildings: No less than two-star of the Evaluation Standard for Green Building (GB/T50378-2006).				
	1.2.2 Energy Saving Technology Improvement on Existing Building	The energy saving building renovation project includes but not limited to: energy saving renovation on building envelope, heat supply system, heating and cooling system, lighting, hot water supply facility.	Sustainable Building L2 Energy Saving Technology Improvement on Existing Building The energy saving building renovation project includes but not limited to: energy saving renovation on building envelope, heat supply system, heating and cooling system, lighting, hot water supply facility.				
1.3 Energy Management Cente	1.3.1 Facility Construction and Operation	saves energy systematically, by using automation and information technology and centralized management, to implement centralized flat	1.3 Energy Management Center 1.3.1 Facility Construction and Operation An integrated energy management system which saves energy systematically, by using automation and information technology and centralized management, to implement centralized flat monitoring and digital management to each process of production, distribution and consumption in corporate energy system, and improve and optimize the balance of energy, including the purchase and installation of hardware facility, as well as the development and application of supporting software.				
1.4 Urban and Rurs Infrastructure Construction with Energy Saving Efficiency	il 1.4.1 Facility Construction	Include but not limited to: 1. Urban underground pipeline corridor project; 2. Construction and renovation projects of adjusting the underground pipeline layout, route and buried depth, according to the situation of urban waterlogging and heat-island effect; 3. Construction and renovation projects of adjusting the district heating and water supply dispatching, as well as improving the pipeline standard of heat insulation and moisture resistance, according to the change of temperature.	1.4 Urban and Rural Infrastructure Construction with Energy Saving Efficiency 1.4.1 Facility Construction 3. Construction and renovation projects of adjusting the district heating and water supply	2. Construction and renovation projects of adjusting the underground pipeline layout,			
9	1.1 Industrial Energ Saving 1.2 Sustainable Building 1.3 Energy Management Cente Construction with Energy Saving	gy 1.1.1 Device/Facility Construction and Operation 1.1.Industrial Energy Saving 1.1.2 Energy-saving Technology Improvement 1.2 Sustainable Building 1.2.2 Energy Saving Technology Improvement on Existing Building 1.3 Energy Management Center 1.3.1 Facility Construction and Operation 1.4.1 Urban and Rural Infrastructure Construction with Energy Saving Technology Improvement on Existing Building	1. For the industries with a national standard of energy consumption all the devolutions of the analysis of the process of the interference value in the industries with a national standard of energy consumption all the industrial product, energy consumption all the industrial product, energy consumption all the industrial product, energy consumption all the industrial product. 2. For coal-fined generator units: Ultra supercritical or supercritical CHP generator units with product. 2. For coal-fined generator units: Ultra supercritical or supercritical CHP generator units with the interference value in the industrial action of supercritical or supercritical charge of the interference value in the industrial action of supercritical or supercr	Level & Company Level & Compan	Local Continues Local	Mark 1987	March Marc

	China Green Bond Endorsed Project Catalogue (CGBEPC)		Catalogue (CGBEPC)	GREEN BOND OBJECTIVES ACCORDING TO GREEN BOND PRINCIPLES				
Level-I Categor	, Level-II Category	gory Level-III Category	Specification / defining criteria	CLIMATE CHANGE MITIGATION DARK GREY: according to both MDB/IDFC and CGBEPC* LIGHT GREY: according only to CGBEPC 'In some cases, further discussion among experts is required to establish more precise specification/defining criteria, particularly in Energy Efficiency, granular approaches, clean fuel types, and thresholds for unequivocal alignment.	CLIMATE CHANGE ADAPTATION NB: For MDB/IDFC, all and any adaptation must result from application of the "three key steps"-process.	NATURAL RESOURCE DEPLETION	BIODIVERSITY LOSS	*In some cases, further discussion among experts is required to establish more precise specification/defining criteria, particularly in Energy Efficiency, granular approaches, clean fuel types, and thresholds.
				LOW-CARBON		concepts background note". September 2016	er page 11 of UNEP paper "Measuring Progress: Definitions and	
				CLIMAT	E	link: http://unepinquiry.org/wp-content/uploads/2	016/09/1_Definitions_and_Concepts.pdf	,
			The control of control			GREEN		
	2.1 Pollution Prevention and Control	2.1.1 Facility Construction and Operation	The construction and operation of waste treatment facility includes but not limited to: Treatment of waste water, sludge in waste water treatment, air pollution, municipal solid waste (MSW) (including hazardous waste and medical waste), waste treatment of integrated operanance, treatment facilities and final treatment facilities (including construction and operation of pipelines, collection, transfer and storage facilities)	2.1 Pollution Prevention and Control 2.1 Facility Construction and Operation The construction and operation of waste treatment facility includes but not limited to: Treatment of waste water, skulge in waste water treatment, air pollution, municipal solid waste (MSIV) (including hazardous waste and medical waste), waste treatment of integrated governance, treatment facilities and final treatment facilities (including construction and operation of pipelines, collection, transfer and storage facilities) (IDEMONSTRATED GHG EMISSIONS REDUCTIONS)				2.1 Pollution Prevention and Control 2.1.1 Facility Construction and Operation The construction and operation of waste treatment facility includes but not limited to: Treatment of waste water, sudge in waste water treatment, air pollution, municipal solid waste (MSW) (including hazardous waste and medical waste), waste treatment of integrated governance, treatment facilities and final treatment facilities (including construction and operation of ppelines, collection, transfer and strange facilities) (INON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)
2 Pollution Prevention and Contro	2.2 Environmental Restoration Project	2.2.1 Project Implementation	The environmental restoration project includes but not limited to: Integrated improvement of the urban polluted water, mine land reclamation and ecological restoration, remediation of soil pollution and etc.				2.2 Environmental Restoration Project 2.3. Project Implementation The environmental restoration project includes but not limited to: Integrated improvement of the urban polluted water, mine land reclamation a ecological restoration, remediation of soil pollution and etc.	2.2 Environmental Restoration Project 2.3. Project Implementation The environmental restoration project includes but not limited to: Integrated improvement of the urban polluted water, mine land reclamation and ecological restoration, remediation of soil pollution and etc.
	2.3 Clean Utilization o Coal	of 2.3.1 Device/Facility Construction and Operation	Device/Facility construction and operation projects conducting coal washing and processing, using coal by quality and classification, adopting technologies easy for pollution treatment to replace the traditional use of coal.					2.3 Clean Utilization of Coal 2.3.1 Device/Facility Construction and Operation Device/Facility construction and operation projects conducting coal washing and processing, using coal by quality and classification, adopting technologies easy for pollution treatment to replace the traditional use of coal.
	3.1 Water Saving and Unconventional Wate Use	3.1.1 Facility Construction and Operation	Include but not limited to: transformation of industrial water saving technology, agricultural water saving imigation, transformation of urban pipeline network for water supply, integrated used of water resource, unconventional water use (including sea water dessilination, treatment and reuse of brackish water, recycling water, mine water), and the supporting facility construction and operation of sponge city.	3.1 Water Saving and Unconventional Water Use 3.1.1 Facility Construction and Operation Include but not limited to: transformation of industrial water saving technology, agricultural water saving irrigation, transformation of urban pipeline network for water supply, integrated use of water resource, unconvenional water use fincluding sea water desaination, treatment and reuse of brackish water, recycling water, mine water), and the supporting facility construction and operation of sponge city. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)				3.1 Water Saving and Unconventional Water Use 3.1.1 Facility Construction and Operation Include but not limited for transformation of industrial water saving technology, agricultural water saving irrigation, transformation of urban pipeline network for water supply, integrated use of water resource, unconventional water use (including sea water desalination, treatment and reuse of brackish water, recycling water, mine water), and the supporting facility construction and operation of sponge city. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)
	3.2 Redevelopment and Integrated Utilization of Tailings and Associated Mine	3.2.1 Device/Facility Construction and Operation		3.2 Redevelopment and Integrated Utilization of Tailings and Associated Mine 3.2.1 Device/Facility Construction and Operation (b) Device/Facility Construction and Operation. Specific to development of geothermal power, reninction and integrated utilization. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)		3.2 Redevelopment and Integrated Utilization of Tailings and Associated Mine 3.2.1 DeviceFacility Construction and Operation (a) DeviceFacility Construction and Operation. Specific to the redevelopment of tailings and associated mine with a purpose of resource efficiency improvement.		3.2 Redevelopment and Integrated Utilization of Tailings and Associated Mine 3.2.1 Device/Facility Construction and Operation (b) Device/Facility Construction and Operation. Specific to development of geothermal power, reinjection and integrated utilization. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)
	3.3 Recycling and Utilization of Industrial Solid Wastes, Exhaust Gas, and Effluent	3.3.1 Device/Facility Construction and Operation	Specific to collection and resourcelization of industrial solid waste, exhaust gas, and effluent.	3.3 Recycling and Utilization of Industrial Solid Wastes, Exhaust Gas, and Effluent 3.3.1 Device/Facility Construction and Operation Specific to colicion and resourceization of industrial solid waste, exhaust gas, and effluent. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)		3.3 Recycling and Utilization of Industrial Solid Wastes, Exhaust Gas, and Effluent 3.3.1 Device/Facility Construction and Operation Specific to collection and resourcelization of industrial solid waste, exhaust gas, and effluent. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)		3.3 Recycling and Utilization of Industrial Solid Wastes, Exhaust Gas, and Effluent 3.3.1 Device/Facility Construction and Operation Specific to collection and resourcelization of industrial solid waste, exhaust gas, and effluent. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)
3 Resource Conservati and Recycl	n	3.4.1 Facility Construction and Operation of Recycling, Sorting and Dismantling System	Specific to the construction and operation of waste collection system for metal and non-metal production and processing in industrial area; construction and operation of recycling, sorting and dismantling system for "city minerals" resource, for instance, scrap car, scrap electronics, waste plastics, waste steel, waste non-ferrous metal and etc.	3.4 Recycling, Processing and Utilization of Renewable Resource 3.4.1 Facility Construction and Operation of Recycling, Sorting and Dismantling System Specific to the construction and operation of waste collection system for metal and non-metal production and processing in industrial area; construction and operation of recycling, sorting and dismantling system for "chy mierals" resource, for instance, scrap car, scrap electronics, waste plastics, waste steel, waste non-ferrous metal and etc. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)		3.4 Recycling, Processing and Utilization of Renewable Resource 3.4.1 Facility Construction and Operation of Recycling, Sorting and Dismantling System Specific to the construction and operation of waste collection system for metal and non-metal production and processing in industrial area, construction and operation of recycling, sorting and dismantling system for "Only minerals" resource, for instance, scrap car, scrap electronics, waste plastics, waste steel, waste non-ferrous metal and etc. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)		
	Renewable Resource	3.4.2 Processing DeviceFacility Construction and Operation	and reuse system for "city minerals" resource, for	3.4 Recycling, Processing and Utilization of Renewable Resource 3.4.2 Processing Device/Facility Construction and Operation Specific to the construction and operation of waste processing and reuse system for metal and non-metal production and processing in industrial area, construction and operation of processing and reuse system for "ohy minerals" resource, for instance, scrap car, scrap electronics, waste plastics, waste steel, waste non-ferrous metal and etc. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)		3.4 Recycling, Processing and Utilization of Renewable Resource 3.4.2 Processing Device/Facility Construction and Operation Specific to the construction and operation of waste processing and reuse system for metal and non-metal production and processing in industrial area; construction and operation of processing and reuse system for 'city minerals' resource, for instance, scrap car, scrap electronics, waste plastics, waste steel, waste non-ferrous metal and etc. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)		
	3.5 Remanufacturing of Electromechanical Products		Specific to construction and operation of remanufacturing devicefacility for delectromechanical products, for instance, auto parts, engineering machines, and machine tools.	3.5 Remanufacturing of Electromechanical Products 3.5.1 Device/Facility Construction and Operation Specific to construction and operation of remanufacturing device/facility for electromechanical products, for instance, auto parts, engineering machines, and machine tools. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)		3.5 Remanufacturing of Electromechanical Products 3.5.1 Device/Facility Construction and Operation Specific to construction and operation of remanufacturing device/facility for electromechanical products, for instance, auto parts, engineering machines, and machine tools. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)		
	3.6 Recycling and Utilization of Biomass Resource	3.6.1 Device/Facility Construction and Operation	like straw, forest waste, and household waste. This includes but not limited to: Production device/facility for non-grain liquid biomass fuel, power generation and heating	3.6 Recycling and Utilization of Biomass Resource 3.6.1 Device/Facility Construction and Operation Specific to construction and operation of resourcelization device/facility for biomass waste, like straw, forest usets, and household waste. This includes but not limited to: Production device/facility for non-grain liquid biomass fuel, power generation and heating device/facility and price to biomass, production device/facility for biogas, resourcelization device/facility for household waste. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)		3.6 Recycling and Utilization of Biomass Resource 3.6.1 DevicesFacility Construction and Operation Specific to construction and operation of resourcelization devicefacility for biomass waste, like straw, forest waste, and household waste. This includes but not limited to: Production devicesfacility for non-grain liquid biomass fuel, power generation and heating devicesfacility for non-grain liquid biomass, production devicesfacility for biogas, resourcelization devicesfacility for household waste. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)		

	China Green Bond Endorsed Project Catalogue (CGBEPC)		GREEN BOND OBJECTIVES ACCORDING TO GREEN BOND PRINCIPLES					
Level-I Category	Level-II Category	ry Level-III Category	y Specification / defining criteria	CLIMATE CHANGE MITIGATION DARK GREY: according to both MDB/IDFC and CGBEPC* LIGHT GREY: according only to CGBEPC 'In some cases, further discussion among experts is required to establish more precise specification/defining criteria, particularly in Energy Efficiency, granular approaches, clean fuel types, and thresholds for unequivocal alignment.	CLIMATE CHANGE ADAPTATION NB: For MDB/IDFC, all and any adaptation must result from application of the "three key steps"-process.	NATURAL RESOURCE DEPLETION	BIODIVERSITY LOSS	POLLUTION CONTROL* 'In some cases, further discussion among experts is required to establish more precise specification/defining criteria, particularly in Energy Efficiency, granular approaches, clean fuel types, and thresholds.
				LOW-CARBON CLIMA	,, те	"Classification of "environmental" objectives as a concepts background note", September 2016 link: http://unepinquiry.org/wp-content/uploads/2	er page 11 of UNEP paper "Measuring Progress: Definitions and 016/09/1_Definitions_and_Concepts.pdf	
						GREEN		
	4.1 Railway Transportation		of railway lines and terminals and appaid auphy	4.1 Railway Transportation 4.1.1 Facility Construction and Operation Specific to the construction and operation (including technical transformation and upgrading) of railway lines and terminals, and special supply station and substation. (DEMONSTRATED MODAL SHIFT FROM ROAD TO RAIL)				
	4.2 Urban Rail Transit	t 4.2.1 Facility Construction and Operation	Specific to the construction and operation of rail	4.2 Urban Rail Transit 4.2.1 Facility Construction and Operation Specific to the construction and operation of rail transit, including urban underground and light rail.				
	4.3 Public Urban and Rural Transportation	4.3.1 Vehicle I dichase	Specific to purchase of public vehicles, including bus and electric bus for passengers.	4.3 Public Urban and Rural Transportation 4.3 Public Purchase Specific to purchase of public vehicles, including bus and electric bus for passengers.				
		4.3.2 Facility Construction and Operation	Specific to the construction and operation of stations, BRT lines, and other supporting facilities in public transportation, as well as the lines maintenance.	4.3 Public Urban and Rural Transportation 4.3 Pacility Construction and Operation 4.3 Pacility Construction and operation 5. Specific to the construction and operation of stations, BRT lines, and other supporting facilities in public transportation, as well as the lines maintenance.				
	4.4 Waterway Transportation	4.4.1 Vessel Purchase	Specific to the phase-out of old vessels, and purchase of standardized inland-waterway vessels, and vessels transport on costal water and ocean which fully meet the latest international guidance, agreements and standards.	4.4 Waterway Transportation 4.4.1 Vessel Purchase Specific to the phase-out of old vessels, and purchase of standardized inland-waterway vessels, and vessels transport on costal water and ocean which fully meet the latest international guidance, agreements and standards. (LOW CARBON FUELS OR MODAL SHIFT)				4.4 Waterway Transportation 4.4.1 Wessel Purchase 5 pecific to the phase-out of old vessels, and purchase of standardized inland-waterway vessels, and vessels transport on costal water and ocean which fully meet the latest international guidance, agreements and standards. (OTHER FUELS)
		4.4.2 Waterway Regulation	Specific to the high-quality inland waterway dredging projects	4.4 Waterway Transportation 4.4.2 Waterway Regulation 4.4.2 Waterway Regulation 5. Specific to the high-quality inland waterway drodging projects 6. MODAL SHIFT FROM ROAD TO WATERWAY)				
4 Clean Transportatio n	4.5 Clean Fuel	4.5.1 Device/Facility Construction and Operation	Specific to the device/facility construction and operation which meets the fuel production requirements of GB V standard spasoline and GB IV standard diesel, or the technical transformation projects on existing fuel production with improved cleanness standards (the GB V standard gasoline and GB IV standard diesel should be met after the transformation project)					4.5 Clean Fuel 4.5.1 Device/Facility Construction and Operation Specific to the device/Facility construction and operation which meets the fuel production requirements of GB V standard gasoline and GB IV standard diesel, or the technical transformation projects on existing fuel production with improved cleanness standards (the GB V standard gasoline and GB IV standard diesel should be met after the transformation project)
		4.5.2 Manufacturing of Auto Fuel Products	Specific to the fuel products which meet the fuel production requirements of GB V standard gasoline and GB IV standard diesel; and production of clean fuel additives, like antiknock and oxidizer.					4.5 Clean Fuel 4.5.2 Manufacturing of Auto Fuel Products Specific to the fuel products which meet the fuel production requirements of GB V standard gasoline and GB IV standard diesel; and production of clean fuel additives, like antiknock and oxidizer.
	4.6 New Energy	4.6.1 Parts and Whole Car Manufacturing	Specific to whole car manufacturing, including new energy car like electric car, fuel-battery car and natural-gas car, motor manufacturing, energy storing device manufacturing and other parts manufacturing.	4.6 New Energy Automobile 4.6.1 Parts and Whole Car Manufacturing Specific to whole car manufacturing, including new energy car like electric car, fuel-battery car and natural-gas car, motor manufacturing, energy storing device manufacturing and other parts manufacturing.				
	Automobile	4.6.2 Supporting Facility Construction and Operation	Specific to construction and operation of charging and energy supply facility for new energy car.	4.6 New Energy Automobile 4.6.2 Supporting Facility Construction and Operation Specific to construction and operation of charging and energy supply facility for new energy car.				
	4.7 Internet Application on Transportation	4.7.1 Facility Construction and Operation	and internet technology, apply the Internet of Things and Big Data, to achieve integrated management of resource with comprehensive information communication and sharing. The service targets directly on logistics and transportation facility.	4.7 Internet Application on Transportation 4.7.1 Facility Construction and Operation Specific to hardware and software facility and system that improves the capability and efficiency of transportation and logistics. The facility or system should base on mobile communication terminal, telecommunication base station, GPS, and internet technology, apply the Internet of 1 Things and Big Data, to achieve integrated management of resource with comprehensive information communication and sharing. The service targets directly on logistics and transportation facility. The construction and operation includes logistics information service platform, smart storage system, smart logistics distribution system, online integrated system of transportation resource (vehicle and ship), transportation management, executive information system, smart monitoring system and etc. (DEDICATED TO GHG EMISSIONS REDUCTIONS)				4.7 Internet Application on Transportation 4.7.1 Facility Construction and Operation Specific to hardware and software facility and system that improves the capability and efficiency of transportation and logistics. The facility or system should base on mobile communication terminal, telecommunication base station, GPS, and internet technology, apply the Internet of Things and Big Data, to achieve integrated management of resource with comprehensive information communication and sharing. The service targets directly on logistics and transportation facility. The construction and operation includes: logistics information service platform, smart storage system, smart logistics distribution system, online integrated system of transportation resource (vehicle and ship), transportation management, executive information system, smart monitoring system and etc. (NON-DEDICATED TO GHG EMISSIONS REDUCTIONS)

	China Green Bond Endorsed Project Catalogue (CGBEPC)		Catalogue (CGBEPC)	GREEN BOND OBJECTIVES ACCORDING TO GREEN BOND PRINCIPLES				
Level-I Category	Level-II Category	Level-III Category	ory Specification / defining criteria	CLIMATE CHANGE MITIGATION DARK GREY: according to both MDB/IDFC and CGBEPC* LIGHT GREY: according only to CGBEPC 'In some cases, further discussion among experts is required to establish more precise specification/defining criteria, particularly in Energy Efficiency, granular approaches, clean fuel types, and thresholds for unequivocal alignment.	CLIMATE CHANGE ADAPTATION NB: For MDB/IDFC, all and any adaptation must result from application of the "three key steps"-process.	NATURAL RESOURCE DEPLETION	BIODIVERSITY LOSS	POLLUTION CONTROL* *In some cases, further discussion among experts is required to establish more precise specification/defining criteria, particularly in Energy Efficiency, granular approaches, clean fuel types, and thresholds.
				LOW-CARBON		concepts background note", September 2016	er page 11 of UNEP paper "Measuring Progress: Definitions and	
				CLIMA	TE.	link: http://unepinquiry.org/wp-content/uploads/2	016/09/1_Definitions_and_Concepts.pdf	
	5.1 Wind Power Generation	5.1.1 Facility Construction and Operation	Specific to construction and operation of wind farm (including supporting wind power monitoring system, wind power prediction system, integrated control system of wind farm and etc.)	5.1 Wind Power Generation 5.1.1 Facility Construction and Operation Specific to construction and operation of wind farm (including supporting wind power monitoring system, wind power prediction system, integrated control system of wind farm and etc.)		GREEN		
	5.2 Solar Photovoltaic (PV) Power Generation	Operation	I. No less than 15.5% of the photoelectric conversion efficiency for poly-crystalline silicon coll module, no more than 2.5% of the decay rate for the module within one year after the project start-up; no more than 0.7% of the decay rate afterwards. 2. No less than 16% of the photoelectric conversion efficiency for mono-crystalline silicon coil module, no more than 3% of the decay rate for the module within one year after the project start-up; no more than 0.7% of the decay rate afterwards. 3. No less than 25% of the photoelectric conversion efficiency for high concentration PV (HCPV) cell module, no more than 2% of the decay rate afterwards; no more than 10% of S% of the decay rate afterwards; no more than 10% of the decay rate rate for the module within one year after the project start-up; no more than 10% of the decay rate afterwards; no more than 10% of the decay rate in whole project lifetime. 4. No less than 8% of the photoelectric conversion efficiency for silicon based film cell	5.2 Solar Photovoltaic (PV) Power Generation 5.2.1 Facility Construction and Operation The solar PV power plant and high-temperature solar power plants (excluding distributed solar PV power pent and high-temperature solar power plants (excluding distributed solar PV power generation system) should meet following requirements: 1. No less thant 55% of the photoelectric conversion efficiency for poly-crystalline silicon cell module, no more than 0.7% of the decay rate for the module within one year after the project start-up; no more than 0.7% of the decay rate afterwards. 2. No less thant 61% of the photoelectric conversion efficiency for monocrystalline silicon cell module, no more than 9% of the decay rate afterwards. 3. No less than 28% of the photoelectric conversion efficiency for high concentration PV (HcPV) cell module, no more than 2% of the decay rate for the module within one year after the project start-up; no more than 0.5% of the decay rate afterwards; no more than 10% of the decay rate in the module within one year after the project start-up; no more than 0.5% of the decay rate afterwards; no more than 10% of the decay rate in the project start afterwards; no more than 10% of the decay rate afterwards; no more than 10% of the decay rate in the project start afterwards; no more than 10% of the decay rate in the project start afterwards; no more than 10% of the decay rate in the project start afterwards; no more than 10% of the decay rate in the project start afterwards; no more than 10% of the photoelectric conversion efficiency for other film cell module; No less than 10% of the photoelectric conversion efficiency for other film cell module; No less than 10% of the photoelectric conversion efficiency for other film cell module; No less than 10% of the decay rate for polycrystalline silicon, monocrystalline silicon and film cell module in whole project lifetime.				
5 Clean Energy	5.3 Smart Grid and Energy Internet	5.3.1 Facility Construction and Operation/Upgrading	which improve the balance and responsiveness of supply and demand, promote integrated energy efficiency of the grid, lower the transformation of power loss in transmission, and enhance the capability of renewables access. 1. Smart grid. Grid construction and operation, as well as the technical transformation and upgrading projects, which adopt smart electric equipment, integrated simultaneous two-way information system and other advanced technologies. 2. Energy interruction and operation of grid, micro-grid and other energy (life natural gas) internet, which integratedly applies power electronics, information and smart management technology, connecting	5.3 Smart Grid and Energy Internet 5.3.1 Facility Construction and Operation/Upgrading Specific to grid construction and operation or technical transformation and upgrading projects, which improve the balance and responsiveness of supply and demand, promote integrated energy efficiency of the grid, lower the transformation of power loss in transmission, and enhance the capability of renewables access. 1. Smart grid: Grid construction and operation, as well as the technical transformation and upgrading projects, which adopt smart electric equipment, integrated simultaneous two-way information system and other advanced technologies. 2. Energy internet construction and operation of grid, micro-grid and other energy (like natural gas) internet, which integratedly applies power electronics, information and smart management technology, connecting distributed energy (including distributed renewable energy), distributed energy storage device and various types of load, to achieve two-way energy flow and peer exchange and sharing.				
	5.4 Distributed Energy Resource	5.4.1 Facility Construction and Operation	energy station (including regional natural gas station), distributed power generation like distributed photovoltaic power generation, distributed energy access and peak-valley load regulating system, distributed power trading	5.4 Distributed Energy Resource 5.4.1 Facility Construction and Operation Specific to construction and operation of energy management system, for instance, regional energy station (including regional natural gas station), distributed power generation like distributed photocolitaic power generation, distributed energy access and peak-valley load regulating system, distributed power trading platform, and etc.				
	5.5 Solar Thermal Application	5.5.1 Device/Facility Construction and Operation	Installation and operation of solar water heater; solar heating system; medium-high temperature solar heat collection system; solar cooling system,	5.5.1 Device/Facility Construction and Operation Specific to construction and operation of device/facility using solar energy, which includes but				
		5.6.1 Facility Construction and Operation	Specific to hydropower construction and operation like reservoir dam, hydraulic tunnel, powerhouse, generator unit and etc.	Specific to hydropower construction and operation like reservoir dam, hydraulic tunnel, powerhouse, generator unit and etc. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)				S.6. Hydropower Generation S.6.1 Facility Construction and Operation Specific to hydropower construction and operation like reservoir dam, hydraulic tunnel, powerhouse, generator unit and etc. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)
		5.7.1 Facility Construction and Operation	Specific to engineering construction and operation of renewable energy generation like geothermal power and marine power.	5.7 Other New Energy Application 5.7.1 Facility Construction and Operation 5.7.1 Facility Construction and operation of renewable energy generation like geothermal power and marine power. (DEMONSTRATED GHG EMISSIONS REDUCTIONS - FOR GEOTHERMAL ONLY)				5.7 Other New Energy Application 5.7.1 Facility Construction and Operation 5.7.1 Facility Construction and Operation 5.7.1 Facility Construction and Operation of renewable energy generation like geothermal power and marine power. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS - FOR GEOTHERMAL ONLY)

	China	Green Bond Endorsed Project (Catalogue (CGBEPC)		G	REEN BOND OBJECTIVES ACCORDING TO GREEN BOND PRINCIPLES		
Level-I Category	, Level-II Category	Level-III Category	Specification / defining criteria	CLIMATE CHANGE MITIGATION DARK GREY: according to both MDBITDFC and CGBEPC* LIGHT GREY: according only to CGBEPC 'In some cases, further discussion among experts is required to establish more precise specification/defining criteria, particularly in Energy Efficiency, granular approaches, clean fuel types, and thresholds for unequivocal alignment.	CLIMATE CHANGE ADAPTATION NB: For MDB/IDFC, all and any adaptation must result from application of the "three key steps"-process.	NATURAL RESOURCE DEPLETION	BIODIVERSITY LOSS	POLLUTION CONTROL* 'In some cases, further discussion among experts is required to establish more precise specification/defining criteria, particularly in Energy Efficiency, granular approaches, clean fuel types, and thresholds.
				LOW-CARBON	,	concepts background note", September 2016	per page 11 of UNEP paper *Measuring Progress: Definitions and	
				CLIMA	TE.	link: http://unepinquiry.org/wp-content/uploads/2	016/09/1_Definitions_and_Concepts.pdf	
			Specific to natural reserve engineering; ecological			GREEN	6.1 Natural Ecological Protection and Protective Development of	
	6.1 Natural Ecologica Protection and Protective Development of Tourism Resource	al 6.1.1 Facility Construction and Operation	engineering, and ecological protective development of tourism resource. These include but not limited to: National park, national geological park, the protection project of natural heritage, construction and positional park	6.1 Natural Ecological Protection and Protective Development of Tourism Resource 6.1.1 Facility Construction and Operation Specific to natural reserve engineering, ecological restoration and vegetation conservation engineering; and ecological protective development of burnism resource. These include but not limited to: National park, national geological park, the protection project of natural heritage, construction and maintenance of national and provincial natural reserve; construction and maintenance of ecological function area, like specific widfler habitat, wetland, desert, and prairie; coastal ecological restoration and vegetation conservation engineering; environmental pressure release on ecological yunicalization. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)			Tourism Resource 6.1.1 Facility Construction and Operation Specific to natural reserve engineering, ecological restoration and vegetation conservation engineering; and ecological protective development of tourism resource. These include but not limited to: National park, anisonal geological park, the protection project of natural heritage, construction and maintenance of enational and provincial natural reserve; construction and maintenance of ecological function area, like specific wildlife habitat, wetland, desert, and praine; coastal ecological restoration and vegetation conservation engineering; environmental pressure release on ecologically vulnerable area (like ecomigration); urban gardening; land reclamation. (NON-DEMONSTRATED GHG EMISSIONS REDUCTIONS)	
	6.2 Ecological Agriculture, Husbandry and Fishery	6.2.1 Project Implementation and Facility Construction and Operation	manufacturing agricultural, husbandry, and fishery organic products (including facility construction and operation). The output and products of projects should meet following requirements or policies: 1. GBT 19630 standard of Chinese organic products; 2. Environment and quality standards of Agriculture Department, 7 general guidance of pesiciosis, feriller; veteriany duul, feed and feed additives, food additives, and animal hygiene, 45 product quality standards, product mark should be in compliance with the "Measures of Mark."	6.2 Ecological Agriculture, Husbandry and Fishery 6.2.1 Project Implementation and Facility Construction and Operation Include integrating breeding project of agricultural, husbandry, and fishery thoroughbred, manufacturing agricultural, husbandry, and fishery organic products (including facility construction and operation). The output and products of projects should meet following requirements or policies: 1. GBUT19630 standard of Chinese organic products; 2. Environment and quality standards of Agriculture Department, 7 general guidance of positiodies, leffilizer, veterinary drug, feed and feed additives, food additives, and animal typigen. 45 product quality standards, product mark should be in compliance with the "Measures of Mark Management for Green Food". (DEDICATED TO GHG EMISSIONS REDUCTIONS)			6.2 Ecological Agriculture, Husbandry and Fishery 6.2. Project Implementation and Facility Construction and Operation Incudas integrating breeding project of agricultural, husbandry, and fishery thoroughbred, manufacturing agricultural, husbandry, and fishery organic products (incuding facility construction and operation). The output and products of projects should meet following requirements or policies: 1. 68/T19630 standard of Chinese organic products; 2. Environment and quality standards of Agriculture Department, 7 general guidance of pescloicides, fertilizer, veterinary drug, feed and feed additives, food additives, and animal hygiene, 45 product quality standards, product mark should be in compliance with the "Measures of Mark Management for Green Food". (NON-DEDICATED TO GHG EMISSIONS REDUCTIONS)	6.2 Ecological Agriculture, Husbandry and Fishery 6.2.1 Project Implementation and Facility Construction and Operation Include integrating breeding project of agricultural, husbandry, and fishery thoroughbred, manufacturing agricultural, husbandry, and fishery organic products (including facility construction and operation). The output and products of projects should meet following requirements or policies: 1. GB/119630 standard of Chinese organic products: 2. Environment and quality standards of Agriculture Department, 7 general guidance of pesticides, fertilizer, veterinary drug, feed and feed additives, food additives, and animal hygiene, 45 product quality standards, product mark should be in compliance with the "Measures of Mark Management for Green Food". (NON-DEDICATED TO GHG EMISSIONS REDUCTIONS)
	6.3 Forestry Development	6.3.1 Project Implementation and Facility Construction and Operation	sustainable forestry development project, including but not limited to: 1. Afforestation; 2. Forestry seed breeding and seedling production; 3. Underwood planting and underwood breeding.	6.3 Forestry Development 6.3 Project Implementation and Facility Construction and Operation Specific to the forest tending management and sustainable forestry development project, including but not limited to: 1. Afforestation; 2. Forestry seed breeding and seedling production; 3. Underwood planting and underwood breeding.				
			Specific to disaster monitoring, warming and emergency response system, major river dyke construction and riveraby dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of forests and prairies and etc. These include but not limited to: 1. Disaster monitoring of major infrastructure (water conservancy, transportation, communication, electricity transmission, municipal infrastructures on at a 1 and engeneering expension. 2. Dyke construction of major rivers, riverway dredging, flood storage area engineering and	ТАВ	6.4 Emergency Prevention and Control of Disaster 6.4.1 Facility Construction and Operation Specific to disaster monitoring, waterming and emergency response system, major river dyke construction and neverway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of forests and prairies and etc. These include but not limited to: 1. Disaster monitoring of major infrastructure (water conservancy, transportation, communication, electricity transmission, municipal infrastructure an etc.) and emergency response system; 6.4 Emergency Prevention and Control of Disaster 6.4.1 Facility Construction and Operation Specific to disaster monitoring, warning and emergency response system, major river dyke construction and riversal yetdingin engineering, and other engineering			
6 Ecologica Protection and Climate Change Adaption			maintenance, controlling hinge construction of main and tributary stream; 3. Construction and operation of hygiene emergency response for addressing natural desaster and enterne weather, the production and storage of hygiene emergency response facilities;		construction and operation including soil and water loss control, ecological protection of forests and primise and etc. These include but not limited to : 2. Dyke construction of major rivers, riverway dredging, flood storage area engineering and maintenance, controlling high geonstruction of main and tributary stream; 6.4 Emergency Prevention and Control of Disaster 6.4.1 Facility Construction and Operation Specific to disaster monitoring, warning and emergency response system, major river dyke construction and riverway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection forests and prairies and etc. These include but not limited to : 3. Construction and operation including yoliene emergency response for addressing natural			
	6.4 Emergency	6.4.1 Facility Construction and	Monitoring, prevention and control system of forest fire, harmful and exotic species;		disaster and extreme weather, the production and storage of hygiene emergency response facilities;		6.4 Emergency Prevention and Control of Disaster 6.4.1 Facility Construction and Operation Specific to disaster monitoring, warning and emergency response system, major river dyke construction and riverway dredging engineering, and other engineering construction and operation including sol and water loss control, ecological protection of forests and prairies and etc. These include but not limited to: 4. Monitoring, prevention and control system of forest fire, harmful and exotic species;	
	Prevention and Control of Disaster	Operation	Waning, prevention and control system of agriculture disaster; monitoring, prevention and control system of animal epidemics;		6.4.1 Facility Construction and Operation Specific to disaster monitoring, warning and emergency response system, major river dyke construction and rivenway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of forests and prairies and etc. These include but not limited to: 5. Warning, prevention and control system of agriculture disaster, monitoring, prevention	of forests and prairies and etc. These include but not limited to :		
			Monitoring system of marine disaster, ecological protection of prairie, control of soil and water loss;		6.4 Emergency Prevention and Control of Disaster 6.4.1 Facility Construction and Operation Specific to disaster monitoring, warning and emergency response system, major river dyke construction and riverway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of forests and prairies and etc. These include but not limited to: 6. Monitoring system of marine disaster, ecological protection of prairie, control of soil and water loss;		6.4 Emergency Prevention and Control of Disaster 6.4.1 Facility Construction and Operation Specific to disaster monitoring, warning and emergency response system, major river dyke construction and riverway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of forests and prairies and etc. These include but not limited to. 6. Monitoring system of marine disaster, ecological protection of prairie, control of soil and water loss;	
				6.4 Emergency Prevention and Control of Disaster 6.4.1 Facility Construction and Operation Specific to disaster monitoring, warning and emergency response system, major river dyke construction and riverway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of forests and prairies and etc. These include but not limited to: 7. Natural forest protection project (NEPP), converting cultivated land into forests, construction and maintenance of shelter forest;	6.4 Emergency Prevention and Control of Disaster 6.4.1 Facility Construction and Operation Specific to disaster monitoring, warning and emergency response system, major river dyke construction and riverway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of forests and prairies and eltc. These include but not limited to: 7. Natural forest protection project (NEPP), converting cultivated land into forests, construction and maintenance of shelter forest;		6.4 Emergency Prevention and Control of Disaster 6.4.1 Facility Construction and Operation Specific to disaster monitoring, warning and emergency response system, major river dyke construction and riverway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of forests and prairies and etc. These include but not limited to: 7. Natural forest protection project (NEPP), converting cultivated land into forests, construction and maintenance of shelter forest;	
			Production, storage and transmission of disaster preparedness supplies.		6.4 Emergency Prevention and Control of Disaster 6.4.1 Facility Construction and Operation Specific to disaster monitoring, warning and emergency response system, major river dyke construction and riverway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of forests and prairies and etc. These include but not limited to: 8. Production, storage and transmission of disaster preparedness supplies.			



List of activities	s eligible for MDB/IDFC Finan	classification as Climate Mitigation ice	CGBEPC mapped on MDBIDFCCP
Mitigatio For the full text of the	n Tracking (MDBIDFCC Common Principles which also includ	Principles for Climate Change P; version 2 - 15th June 2015). es purpose, definitions and guidelines, please refer to: _idfc_mitigation_common_principles_en.pdf	Corresponding category from CGBEPC (if applicable)
		1.1.1 Wind power	5.1 Wind Power Generation 5.1.1 Facility Construction and Operation 5.1.1 Facility Construction and Operation Specific to construction and operation of wind farm (including supporting wind power monitoring system, wind power prediction system, integrated control system of wind farm and etc.)
		1.1.2 Geothermal power (only if net emission reductions can be demonstrated)	3.2 Redevelopment and Integrated Utilization of Tailings and Associated Mine 3.2.1 Device/Facility Construction and Operation (b) Device/Facility Construction and Operation. Specific to development of geothermal power, reinjection and integrated utilization. (DEMONSTRATED GHE MISSIONS REDUCTIONS) 5.7 Other New Energy Application 5.7.1 Facility Construction and Operation Specific to engineering construction and operation of renewable energy generation like geothermal power and marine power. (DEMONSTRATED GHE MISSIONS REDUCTIONS - FOR GEOTHERMAL ONLY)
	1.1 Electricity Generation	1.1.3 Solar power (concentrated solar power, photovoltaic power)	5.2 Solar Photovoltaic (PV) Power Generation 5.2.1 Facility Construction and Operation The solar PV power plant and high-temperature solar power plants (excluding distributed solar PV power generation system) should meet following requirements: 1. No less than 15.5% of the photoelectric conversion efficiency for poly-crystalline silicon cell module, no more than 2.5% of the decay rate for the module within one year after the project start-up; no more than 0.7% of the decay rate afterwards. 2. No less than 16% of the photoelectric conversion efficiency for mono-crystalline silicon cell module, no more than 3% of the decay rate for the module within one year after the project start-up; no more than 0.7% of the decay rate afterwards. 3. No less than 28% of the photoelectric conversion efficiency for high concentration PV (HCPV) cell module, no more than 2% of the decay rate for the module within one year after the project start-up; no more than 0.5% of the decay rate afterwards; no more than 10% of the decay rate in whole project lifetime. 4. No less than 8% of the photoelectric conversion efficiency for silicon based film cell module; No less than 11% of the photoelectric conversion efficiency for cadmium telluride (CdTe) film cell module; No less than 10% of the photoelectric conversion efficiency for cadmium telluride (CdTe) film cell module; No less than 10% of the decay rate for polycrystalline silicon, monocrystalline silicon and film cell module in whole project lifetime.
			5.5 Solar Thermal Application 5.5.1 Device/Facility Construction and Operation Specific to construction and operation of device/facility using solar energy, which includes but not limited to: Installation and operation of solar water heater; solar heating system; medium-high temperature solar heat collection system; solar cooling system, heat pump air- condition system; solar energy and air source heat pump hot water system, high-temperature megawatt solar power generation device/facility.
		1.1.4 Blomass or biogas power (only if net emission reductions, including carbon pool balance, can be demonstrated)	1.1.Industrial Energy Saving 1.1.1 Device/Facility Construction and Operation 4. For biomass and low heat value (LHV) fuel power generation projects: identified according to the property of biomass and LHV fuel. 3.6 Recycling and Utilization of Biomass Resource 3.6.1 Device/Facility Construction and Operation Specific to construction and operation of resourcelization device/facility for biomass waste, like straw, forest waste, and household waste. This includes but not limited to: Production device/facility for non-grain liquid biomass fuel, power generation and heating device/facility for agricultural and forest biomass, production device/facility for biogas, resourcelization device/facility for biogas, resourcelization device/facility for household waste. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)
		1.1.5 Ocean power (wave, tidal, ocean currents, salt gradient, etc.)	5.7.1
Renewable Energy		1.1.6 Hydropower plants (only if net emission reductions can be demonstrated)	5.6 Hydropower Generation 5.6.1 Facility Construction and Operation Specific to hydropower construction and operation like reservoir dam, hydraulic tunnel, powerhouse, generator unit and etc. (IDEMONSTRATED GHG EMISSIONS REDUCTIONS)
		1.1.7 Renewable energy power plant retrofits	no corresponding category
		Solar water heating and other thermal applications of solar power in all sectors	5.5.1
		1.2.2 Thermal applications of geothermal power in all sectors	5.7.1
	1.2 Heat Production or other renewable energy application	1.2.3 Wind-driven pumping systems or similar	1.1.Industrial Energy Saving 1.1.Industrial Energy Saving 1.1.1 Device/Facility Construction and Operation 5. For high energy efficiency application projects, for instance, LED lighting: identified according to the technology of application.
		1.2.4 Thermal applications of sustainably/produced bioenergy in all sectors, incl. efficient, improved biomass stoves	3.6.1

List of activities	s eligible for MDB/IDFC Finan	classification as Climate Mitigation ce	CGBEPC mapped on MDBIDFCCP
		1.3.1 New, expanded and improved transmission systems (lines, substations)	5.3 Smart Grid and Energy Internet 5.3.1 Facility Construction and Operation/Upgrading Specific to grid construction and operation or technical transformation and upgrading projects, which improve the balance and responsiveness of supply and demand, promote integrated energy efficiency of the grid, lower the transformation of power loss in transmission, and enhance the capability of renewables access. 1. Smart grid: Grid construction and operation, as well as the technical transformation and upgrading projects, which adopt smart electric equipment, integrated simultaneous two-way information system and other advanced technologies. 2. Energy internet construction and operation of grid, micro-grid and other energy (like natural gas) internet, which integratedly applies power electronics, information and smart management technology. connecting distributed energy (including distributed renewable energy), distributed energy storage device and various types of load, to achieve two-way energy flow and peer exchange and sharing.
	Measures to facilitate integration of renewable energy into grids	1.3.2 Storage systems (battery, mechanical, pumped storage)	5.3.1
		1.3.3 New information and communication technology, smart-grid and mini-grid	5.4.Distributed Energy Resource 6.5.Distributed Energy Resour
	2.1 Transmission and distribution systems	2.1.1 Retrofit of transmission lines or substations and/or distribution systems to reduce energy use and/or technical losses including improving grid stability/reliability, (only if net emission reductions can be demonstrated)	1.1.Industrial Energy Saving 1.1.1 Device/Facility Construction and Operation 3. For projects adopting special technology with high efficiency and low consumption, for instance, the ultra-high voltage (UHV) grid, identified according to the special technology directly; (REHABILITATION)
2. Lower-carbon and efficient energy generation	2.2 Power Plants	2.2.1 Thermal power plant retrofit to fuel switch from a more GHG-intensive fuel to a different and less GHG-intensive fuel type	1.1.Industrial Energy Saving 1.1.1 Device/Facility Construction and Operation 1.5 or the industries with a national standard of energy consumption allowance for unit product, energy consumption of the device/facility (except coal-fired power generation) or the process The reference value in the national standard of energy consumption allowance for unit product. (REHABILITATION OR REPLACEMENT)
		2.2.2 Conversion of existing fossil-fuel based power plant to co-generation technologies that generate electricity in addition to providing heating/cooling	1.1.1.1
		2.2.3 Energy-efficiency improvement in existing thermal power plant	1.1.1.1
	3.1 Energy efficiency in industry in existing facilities	3.1.1 Industrial energy-efficiency improvements though the installation of more efficient equipment, changes in processes, reduction of heat losses and/or increased waste heat recovery	1.1.1.5 1.1.Industrial Energy Saving 1.1.2 Energy-saving Technology Improvement Renovation projects adopting the energy saving technology listed in the Catalogue for Promoting the National Key Energy-saving Technology (2014, Energy-saving part); Renovation projects of centralized heating complying with policies of "developing large capacity units and suppressing small ones", and "equivalent capacity replacement". Energy-saving renovation project in industrial, transportation and communication area. The renovated device/facility/equipment should meet at least one of the following conditions: 1. The energy consumption of the device/facility or the process ≤ the reference value of energy consumption allowance for unit product in national standards. 2. the energy-saving efficiency of the renovated device/facility/equipment ≥ the average energy-saving efficiency/capability of energy-saving applications.
			3.3 Recycling and Utilization of Industrial Solid Wastes, Exhaust Gas, and Effluent 3.3.1 Device/Facility Construction and Operation Specific to collection and resourcelization of industrial solid waste, exhaust gas, and effluent. (DEMONSTRATED GHG EMISSIONS REDUCTIONS) 1.4 Urban and Rural Infrastructure Construction with Energy Saving Efficiency
		3.1.2 Installation of co/generation plants that generate electricity in addition to providing heating/cooling	1.4 uran and Rural intrastructure Construction with Energy Saving Efficiency 1.4.1 Facility Construction 3. Construction and renovation projects of adjusting the district heating and water supply dispatching, as well as improving the pipeline standard of heat insulation and moisture resistance, according to the change of temperature.
		3.1.3 More efficient facility replacement of an older facility (old facility retired)	1.1.1.1

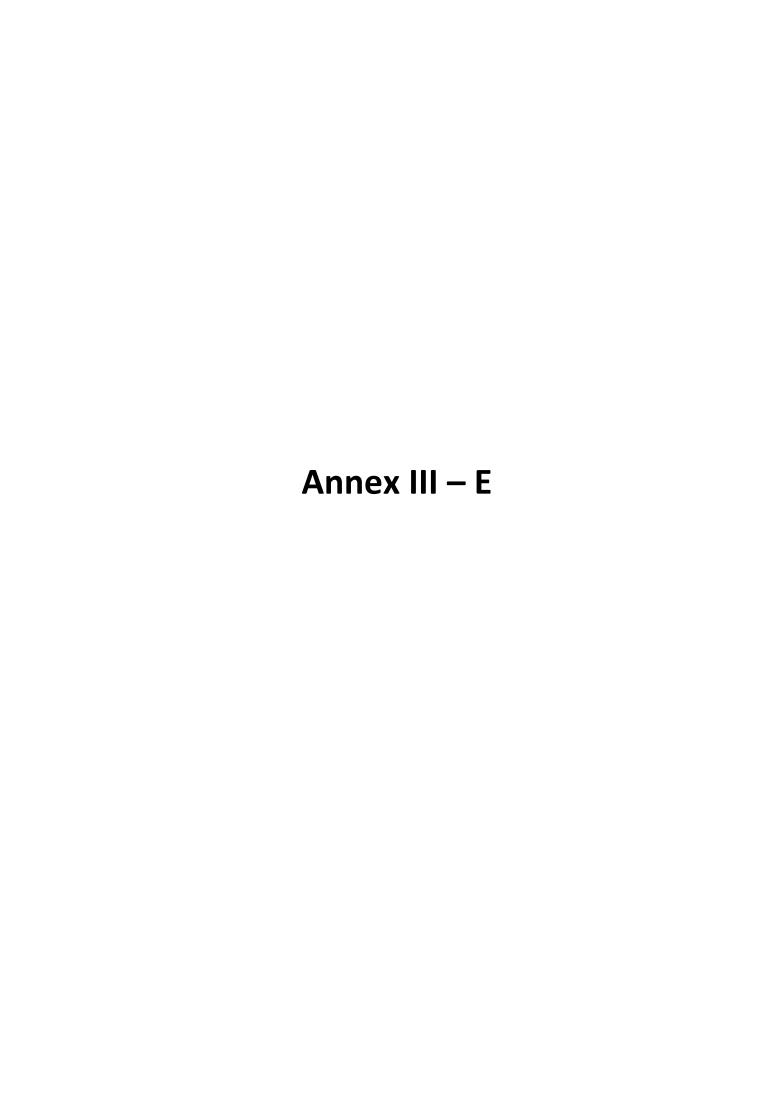
List of activities	s eligible for MDB/IDFC Finan	classification as Climate Mitigation ce	CGBEPC mapped on MDBIDFCCP
		3.2.1 Energy-efficiency improvement in lighting, appliances and equipment	1.1.1.5
	3.2 Energy efficiency improvements in existing commercial, public and residential buildings	3.2.2 Substitution of existing heating/cooling systems for buildings by co/generation plants that generate electricity in addition to providing heating/cooling	
		3.2.3 Retrofit of existing buildings: Architectural or building changes that enable reduction of energy consumption	1.1.2
			1.2.2
Energy efficiency		3.3.1 Energy-efficiency improvement in utilities and public services through the installation of more efficient lighting or equipment	1.1.1.5
3. Energy emolericy			1.1.2
		3.3.2 Rehabilitation of district heating and cooling systems	1.4.1.3
	3.3 Energy efficiency improvements in the utility sector and public	3.3.3 Utility heat loss reduction and/or increased waste heat recovery	1.4.1.3
	services	3.3.4 Improvement in utility scale energy efficiency through efficient energy use, and loss reduction	1.3 Energy Management Center 1.3.1 Facility Construction and Operation An integrated energy management system which saves energy systematically, by using automation and information technology and centralized management, to implement centralized flat monitoring and digital management to each process of production, distribution and consumption in corporate energy system, and improve and optimize the balance of energy. Including the purchase and installation of hardware facility, as well as the development and application of supporting software.
			5.3.1
			5.4.1
		shicle energy efficiency fleet 3.4.1 Existing vehicles, rail or boat fleet retrofit or replacement (including the use of lower-carbon fuels)	4.3 Public Urban and Rural Transportation 4.3.1 Vehicle Purchase Specific to purchase of public vehicles, including bus and electric bus for passengers.
	3.4 Vehicle energy efficiency fleet retrofit		4.4 Waterway Transportation 4.4.1 Vessel Purchase Specific to the phase-out of old vessels, and purchase of standardized inland-waterway vessels, and vessels transport on costal water and ocean which fully meet the latest international guidance, agreements and standards. (LOW CARBON FUELS OR MODAL SHIFT)
		electric or hydrogen technologies, etc.)	4.6 New Energy Automobile 4.6.1 Parts and Whole Car Manufacturing Specific to whole car manufacturing, including new energy car like electric car, fuel-battery car and natural-gas car; motor manufacturing, energy storing device manufacturing and other parts manufacturing.
	4.1		4.6 New Energy Automobile 4.6.2 Supporting Facility Construction and Operation Specific to construction and operation of charging and energy supply facility for new energy car.
	3.5 Energy efficiency in new commercial, public and residential buildings	3.5.1 Use of highly efficient architectural designs, energy efficiency appliances and equipment, and building techniques that reduce building energy consumption, exceeding available standards and complying with high energy efficiency certification or rating schemes	1.2 Sustainable Building 1.2.1 Newly-built Green Building The Newly-built buildings should meet following standards: 1. Newly-built industrial buildings: no less than two-star of the Evaluation Standard for Green Industrial Building (GB/T50878-2013) 2. Newly-built resident and public buildings: No less than two-star of the Evaluation Standard for Green Building (GB/T50378-2006).
	3.6 Energy audits	3.6.1 Energy audits to energy end-users, including industries, buildings, and transport systems	no corresponding category

List of activities	s eligible for MDB/IDFC Finan	classification as Climate Mitigation ce	CGBEPC mapped on MDBIDFCCP
	4.1 Agriculture	4.1.1 Reduction in energy use in traction (e.g. efficient tillage), irrigation, and other agricultural processes	6.2 Ecological Agriculture, Husbandry and Fishery 6.2. Project Implementation and Facility Construction and Operation Include integrating breeding project of agricultural, husbandry, and fishery thoroughbred, manufacturing agricultural, husbandry, and fishery organic products (including facility construction and operation). Include integrating breeding project of agricultural, husbandry, and fishery organic products (including facility construction and operation). The output and products of projects should meet following requirements or policies: 1. GB/T19630 standard of Chinese organic products; 2. Environment and quality standards of Agriculture Department, 7 general guidance of pesticides, fertilizer, veterinary drug, feed and feed additives, and animal hygiene, 45 product quality standards, product mark should be in compliance with the "Measures of Mark Management for Green Food". (DEDICATED TO GHG EMISSIONS REDUCTIONS)
		4.1.2 Agricultural projects that improve existing carbon pools (, rangeland management, collection and use of bagasse, rice husks, or other agricultural waste, reduced tillage techniques that increase carbon contents of soil, rehabilitation of degraded lands, peatland restoration, etc.)	6.2.1
		4.1.3 Reduction of non Co2 GHG emissions from agricultural practices (eg: paddy rice production, reduction in fertilizer use)	6.2.1
Agriculture, forestry and land-use		4.2.1 Afforestation (plantations) on non-forested land	6.3 Forestry Development 6.3.1 Project Implementation and Facility Construction and Operation Specific to the forest tending management and sustainable forestry development project, including but not limited to: 1. Afforestation; 2. Forestry seed breeding and seedling production; 3. Underwood planting and underwood breeding.
		4.2.2 Reforestation on previously forested land	6.3.1
	4.2 Afforestation and reforestation, and biosphere conservation	4.2.3 Sustainable forest management activities that increase carbon stocks or reduce the impact of forestry activities	6.3.1
		4.2.4 Biosphere conservation projects (including payments for ecosystem services) targeting reducing emissions from the deforestation or degradation of ecosystems	6.1 Natural Ecological Protection and Protective Development of Tourism Resource 6.1.1 Facility Construction and Operation Specific to natural reserve engineering; ecological restoration and vegetation conservation engineering; and ecological protective development of tourism resource. These include but not limited to: National park, national geological park, the protection project of natural heritage, construction and maintenance of national and provincial natural reserve; construction and maintenance of ecological function area, like specific wildlife habitat, wetland, desert, and prairie; coastal ecological restoration and vegetation conservation engineering; environmental pressure release on ecologically vulnerable area (like ecomigration); urban gardening; land reclamation. (IDEMONSTRATED GHG EMISSIONS REDUCTIONS)
	4.3 Livestock	4.3.1 Livestock projects that reduce methane or other GHG emissions (manure management with biodigestors, etc.)	6.2.1
	4.4 Biofuels	4.4.1 Production of biofuels (including biodiesel and bioethanol) (only if net emission reductions can be demonstrated)	3.6.1

List of activities	s eligible for MDB/IDFC Finan	classification as Climate Mitigation ce	CGBEPC mapped on MDBIDFCCP	
	5.1 Fugitive emissions	5.1.1 Reduction of gas flaring or methane fugitive emissions in the oil and gas industry	2.1 Pollution Prevention and Control 2.1.1 Facility Construction and Operation The construction and operation of waste treatment facility includes but not limited to: Treatment of waste water, sludge in waste water treatment, air pollution, municipal solid waste (MSW) (including hazardous waste and medical waste), waste treatment of integrated governance, treatment facilities and final treatment facilities (including construction and operation of pipelines, collection, transfer and storage facilities) (IDEMONSTRATED GHG EMISSIONS REDUCTIONS)	
			3.3.1	
		5.1.2 Coal mine methane capture	3.2.1 (b)	
5. Non-energy GHG reductions	5.2 Carbon capture and storage	5.2.1 Projects for carbon capture and storage technology that prevent release of large quantities of CO2 into the atmosphere from fossil fuel use in power generation, and process emissions in other industries	3.3.1	
	5.3 Air conditioning and refrigeration	5.3.1 Retrofit of existing industrial, commercial and residential infrastructure to switch to cooling agent with lower global warming potential	no corresponding category	
	5.4 Industrial processes	5.4.1 Reduction in GHG emissions resulting from industrial process improvements and cleaner production (e.g. cement, chemical), excluding carbon capture and storage	no corresponding category	
			6.1.1 Treatment of wastewater if not a compliance requirement (e.g. performance standard or safeguard) as part of a larger project that reduce methane emissions (only if net GHG emission reductions can be demonstrated)	3.1 Water Saving and Unconventional Water Use 3.1.1 Facility Construction and Operation Include but not limited to: transformation of industrial water saving technology, agricultural water saving irrigation, transformation of urban pipeline network for water supply, integrated use of water resource, unconventional water use (including sea water desalination, treatment and reuse of brackish water, recycling water, mine water), and the supporting facility construction and operation of sponge city. (IDEMONSTRATED GHG EMISSIONS REDUCTIONS)
		6.1.2 Waste management projects that capture or combust methane emissions	3.3.1	
		6.1.3 Waste to energy projects	3.3.1	
			3.3.1	
6. Waste and wastewater	6.1 Waste and wastewater	6.1.4 Waste collection, recycling and management projects that recover or reuse materials and waste as inputs into new products or as a resource (only if net emission reductions can be demonstrated).	3.4 Recycling, Processing and Utilization of Renewable Resource 3.4.1 Racility Construction and Operation of Recycling, Sorting and Dismantling System Specific to the construction and operation of waste collection system for metal and non-metal production and processing in industrial area; construction and operation of recycling, sorting and dismantling system for "city minerals" resource, for instance, scrap car, scrap electronics, waste plastics, waste steel, waste non-ferrous metal and etc. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)	
			3.4 Recycling, Processing and Utilization of Renewable Resource 3.4.2 Processing DeviceFacility Construction and Operation Specific to the construction and operation of waste processing and reuse system for metal and non-metal production and processing in industrial area; construction and operation of waste processing and reuse system for "city minerals" resource, for instance, scrap car, scrap electronics, waste plastics, waste steel, waste non-ferrous metal and etc. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)	
			3.5. Remanufacturing of Electromechanical Products 3.5.1 Device/Facility Construction and Operation Specific to construction and operation of remanufacturing device/facility for electromechanical products, for instance, auto parts, engineering machines, and machine tools. (DEMONSTRATED GHG EMISSIONS REDUCTIONS)	

List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance			CGBEPC mapped on MDBIDFCCP
			4.2 Urban Rail Transit 4.2.1 Facility Construction and Operation Specific to the construction and operation of rail transit, including urban underground and light rail.
		7.1.1 Urban mass transit	4.3.1
	7.1 Urban transport modal change		4.3 Public Urban and Rural Transportation 4.3 Pacility Construction and Operation Specific to the construction and operation of stations, BRT lines, and other supporting facilities in public transportation, as well as the lines maintenance.
		7.1.2 Non-motorized transport (bicycles and pedestrian mobility)	no corresponding category
7. Transport		7.2.1 Integration of transport and urban development planning (dense development, multiple land-use, walking communities, transit connectivity, etc.), leading to a reduction in the use of passenger cars	no corresponding category
	7.2 Transport oriented urban development	7.2.2 Transport demand management measures dedicated to reduce GHG emissions (e.g., speed limits, high-occupancy vehicle lanes, congestion charging/road pricing, parking management, restriction or auctioning of license plates, car-free city areas, low-emission zones)	4.7 Internet Application on Transportation 4.7.1 Facility Construction and Operation Specific to hardware and software facility and system that improves the capability and efficiency of transportation and logistics. The facility or system should base on mobile communication terminal, telecommunication base station, GPS, and internet technology, apply the Internet of Things and Big Data, to achieve integrated management of resource with comprehensive information communication and sharing. The service targets directly on logistics and transportation facility. The construction and operation includes: Oligistics information service platform, smart storage system, smart logistics distribution system, online integrated system of transportation resource (vehicle and ship), transportation management, executive information system, smart monitoring system and etc. (DEDICATED TO GHG EMISSIONS REDUCTIONS)
		7.3.1 Railway transport ensuring a modal shift of freight and/or passenger transport from road to rail (Improvement of existing lines or construction of new lines)	4.1 Railway Transportation 4.1.1 Facility Construction and Operation 5. Specific to the construction and operation (including technical transformation and upgrading) of railway lines and terminals, and special supply station and substation. (IDEMONSTRATED MODAL SHIFT FROM ROAD TO RAIL)
	7.3 Inter-urban transport	7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure or construction of new infrastructure)	4.4 Waterway Transportation 4.4.2 Waterway Regulation Specific to the high-quality inland waterway dredging projects (MODAL SHIFT FROM ROAD TO WATERWAY)

List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance			CGBEPC mapped on MDBIDFCCP	
Low-carbon technologies	8.1 Products or equipment	8.1.1 Projects producing components, equipment or infrastructure dedicated for the renewable and energy efficiency sectors	1.1.1.5	
-	8.2 R&D	8.2.1 Research and development of renewable energy or energy efficiency technologies	no corresponding category	
		9.1.1 Mitigation national, sectorial or territorial policies /planning/action plan policy /planning/institutions	no corresponding category	
		9.1.2 Energy sector policies and regulations leading to climate change mitigation or mainstreaming of climate cation (energy efficiency standards or certification schemes; energy efficiency procurement schemes; renewable energy policies)	no corresponding category	
	9.1 Support to national, regional or local policy, through technical assistance or policy lending,		9.1.3 Systems for monitoring the emissions of greenhouse gases	no corresponding category
Cross-cutting issues		1.1 Efficient pricing of fuels and electricity (subsidy rationalization, efficient end-user tariffs, and efficient regulations on electricity generation, transmission, or distribution)	no corresponding category	
		9.1.5 Education, training, capacity building and awareness raising on climate change mitigation/sustainable energy/sustainable transport; mitigation research	no corresponding category	
		9.1.6 Other policy and regulatory activities, including those in non-energy sectors, leading to climate change mitigation or mainstreaming of climate action	no corresponding category	
	9.2 Financing instruments	9.2.1 Carbon Markets and finance (purchase, sale, trading, financing and other technical assistance). Includes all activities related to compliance-grade carbon assets and mechanisms, such as CDM, JI, AAUs, as well as well-established voluntary carbon standards like the VCS or the Gold Standard.	no corresponding category	
10. miscellaneous	10.1 Other activities with net greenhouse gas reduction	10.1.1 Any other activity not included in this list for which the results of an ex-ante greenhouse gas accounting (undertaken according to commonly agreed methodologies) show emission reductions	no corresponding category	



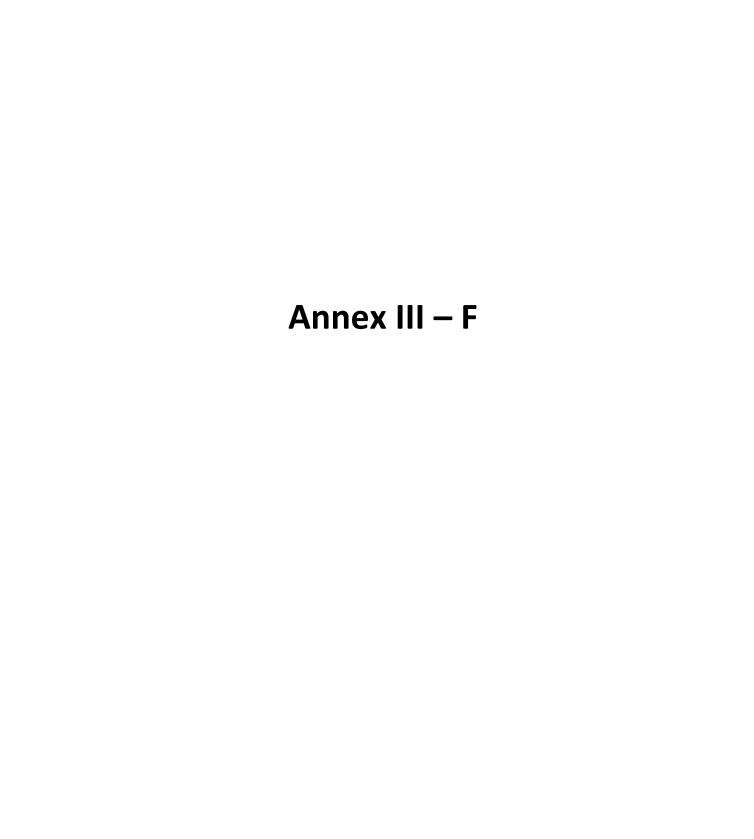
		List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the	EIB	CGBEPC		
		List of activities eligible for MDB/IDFC classification as Climate mitigation Finance	Annex C of the 2016 Joint Report on Multilateral Development Banks' Climate Finance	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB			
	Extract f	rom MDB / IDFC Common Principles for Climate Change Mitigation Tracking (MDB-IDFC-CP; version 2 - 15th June 2015).	(published Sept 2017)	methodology)	CGBEPC subcateories mapping		
		For the full text of the Common Principles which also includes purpose, definitions and guidelines, please refer to: http://www.eib.org/attachments/documents/mdb_idfc_mitigation_common_principles_en.pdf	Note the same categories and sub-categories from the MDB/IDFC Common Principles also apply here (Columns B & C)	Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before			
				end of 2017			
Category	Sub- category	Example	Eligible Activities				
				2.1 (Renewable Energy) Wind			
				Criteria: onshore wind; offshore wind; commercially mature	s.1 Wind Power Generation		
		1.1.1 Wind power	1.1.1 Wind power	technologies; onshore wind competitive with fossil fuel generation benchmark (which includes the cost of economic	5.1.1 Facility Construction and Operation Specific to construction and Operation (including supporting wind power monitoring system, wind power prediction system, integrated control system of wind farm and etc.)		
				externalities - GHGs and security of supply - but excludes subsidies)			
				2.4 (Renewable Energy) Geothermal			
				Criteria: commercially mature technology, proven reserves			
		1.1.2 Geothermal power	1.1.2 Geothermal power	(no drilling risk); net CO2 emissions reduction is	5.7 Other New Energy Application		
		Criteria: only if net emission reductions can be demonstrated	Criteria: only if net emission reductions can be demonstrated	demonstrated; competitive with fossil fuel generation benchmark (which includes the cost of economic	5.7.1 Facility Construction and Operation Specific to engineering construction and operation of renewable energy generation like geothermal power and marine power. Specific to engineering construction and operation of renewable energy generation like geothermal power and marine power.		
				externalities - GHGs and security of supply - but excludes subsidies)			
					5.2 Solar Photovoltaic (PV) Power Generation		
					5.2.1 Facility Construction and Operation		
					The solar PV power plant and high-temperature solar power plants (excluding distributed solar PV power generation system) should meet following requirements: 1. No less thank 15% of the photodeuric convenion efficiency for poly-registration is clinic and include within one year after the project start-up; no more than 0.7% of the decay rate afterwards.		
					2. No less than 16% of the photoelectric conversion efficiency for mono-crystalline silicon cell module, no more than 3% of the decay rate for the module within one year after the project start-up; no more than 0.7% of the decay rate afterwards, no 3. No less than 26% of the photoelectric conversion efficiency for high contentation DV (HCDV); cell module, no more than 25% of the decay rate for the module within one year after the project start-up; no more than 0.5% of the decay rate afterwards; no		
					more than 10% of the decay rate in whole project lifetime. A No less than 8% of the obtoelectric conversion efficiency for solicon based film cell module: No less than 11% of the obtoelectric conversion efficiency for cooper indium callium selentide (CIGS) film cell module: No less than 11% of the obtoelectric		
	1.1 Electricity			2.2 (Renewable Energy) Solar	conversion efficiency for cadmium telluride (CGTe) lift cell module: No less than 10% of the photoelectric conversion efficiency for cadmium telluride (CGTe) lift cell module: No less than 10% of the photoelectric conversion efficiency for other film cell module: 5. No more than 20% of the decay rate for polyrystalline is ellicon, monocystalline allicon and lift must protect lifetime.		
	Generation	1.1.3 Solar power (concentrated solar power, photovoltaic power)	1.1.3 Solar power (concentrated solar power, photovoltaic power)	Criteria: photovoltaic; concentrated solar power;	5.4 Distributed Energy Resource		
				commercially mature technology	5.4.1 Facility Construction and Operation		
					Specific to construction and operation of energy management system, for instance, regional energy station (including regional natural gas station), distributed power generation like distributed provided power generation, distributed energy access and peak-valley load regularing system, distributed power tradering platform, and etc.		
					5.5 Solar Thermal Application		
					5.5.1 Device® Facility Construction and Operation Specific to construction and operation of device®facility using solar energy, which includes but not limited to: Specific to construction and operation of device®facility using solar energy, which includes but not limited to:		
					Installation and operation of solar water heater; solar heating system; medium-high temperature solar heat collection system; solar cooling system, heat pump air-condition system; solar energy and air source heat pump hot water system, high-temperature measured stolar power generation develocificity.		
		1.1.4 Biomass or biogas power	1.1.4 Biomass or biogas power	2.7 (Renewable Energy) Biomass			
					1.1.Industrial Energy Saving		
		Criteria: only if net emission reductions, including carbon pool balance, can be demonstrated	Criteria: only if they result in net reductions in emissions, taking into account production, processing and transportation	Criteria: solid biomass; biogas; bioliquids; non- 2.5 (Renewable Energy) Hydrothermal and ocean	1.1.1 DeviceFacility Construction and Operation 5.7 Other New Energy Application 5.7 Ther Roy Application 5.7 Facility Construction and Operation 5.7 Facility Construction and Operation		
		1.1.5 Ocean power (wave, tidal, ocean currents, salt gradient, etc.)	1.1.5 Ocean power (wave, tidal, ocean currents, salt gradient, etc.)	Criteria: commercially mature technology	5.7.1 Facility Construction and Operation Specific to engineering construction and operation of renewable energy generation like geothermal power and marine power. Specific to engineering construction and operation of renewable energy generation like geothermal power and marine power.		
		1.1.6 Hydropower plants	1.1.6 Hydropower plants	2.6 (Renewable Energy) Hydropower	5.6 Hydropower Generation		
		Criteria: only if net emission reductions can be demonstrated	Criteria: only if net emission reductions can be demonstrated	Criteria: commercially mature technology; net GHG emissions reduction is demonstrated; competitive with fossil	5.6.1 Facility Construction and Operation Specific to hydropower construction and operation like reservoir dam, hydraulic tunnel, powerhouse, generator unit and etc.		
				Renewable Energy - Electricity, heat or fuel production			
				(new and extension/modernisation) projects from renewable			
		1.1.7 Renewable energy power plant retrofits	1.1.7 Renewable energy power plant retrofits	Criteria: commercially mature technology, competitive with	N/A		
				fossil fuel generation benchmark (which includes the cost of			
Renewable				economic externalities - GHGs and security of supply - but excludes subsidies)			
Energy				2.2 (Renewable Energy) Solar			
					5.5 Solar Thermal Application		
		1.2.1 Solar water heating and other thermal applications of solar power in all sectors	1.2.1 Solar water heating and other thermal applications of solar power in all sectors	Criteria: commercially mature technology; for commercialised heat production, competitive with fossil fuel	5.5.1 De\incefFacility Construction and Operation Specific to construction and operation of deviceffacility using solar energy, which includes but not limited to:		
				externalities - GHGs and security of supply - but excludes	Installation and operation of solar water heater; solar heating system; medium-high temperature solar heat collection system; solar cooling system, heat pump air-condition system; solar energy and air source heat pump hot water system, high-temperature measured stolar power generation develocificity.		
				subsidies)			
				2.4 (Renewable Energy) Geothermal	3.2 Redevelopment and Integrated Utilization of Tailings and Associated Mine		
	1.2 Heat Production or	1.2.2 Thermal applications of geothermal power in all sectors	1.2.2 Thermal applications of geothermal power in all sectors	Criteria: heat pumps; other geothermal heat production; commercially mature technology; net GHG emissions	3.2.1 DeviceFacility Construction and Operation Specific to the redevelopment of slings and associated mine with a purpose of resource efficiency improvement, development of geothermal power, reinjection and integrated utilization		
	other			reduction is demonstrated			
	renewable energy	1.2.3 Wind-driven pumping systems or similar	1.2.3 Wind-driven pumping systems or similar applications	Category under development	NA .		
	application						
				2.7 (Renewable Energy) Biomass	1.1 Industrial Energy Shring 1.1.1 Device—Finally Construction and Operation 1.1.1 Device—Finally Construction and Operation		
		1.2.4 Thermal applications in all sectors, incl. efficient, improved biomass stoves	1.2.4 Thermal applications of bioenergy in all sectors	Criteria: commercially mature technology, net GHG emissions reduction is demonstrated; for commercialised	 For biomass and low heat value (LHV) fuel power generation projects: identified according to the property of biomass and LHV suel. 		
		Criteria: sustainably produced	Criteria: sustainably produced	heat production: competitive with fossil fuel generation benchmark (which includes the cost of economic	3.6 Recycling and Utilization of Biomass Resource 3.6.1 Device Fail Orostruction and Operation 3.6.1 Device Fail Orostruction and Operation		
					Specific to construction and operation of reconsolization device/balling for biamass waste, like strew, forest waste, and household waste. This includes but not limited by: Production device-best layer form-paid input biamass study, lower generation and healing device-facility for particularial and inforest biamass, protection device-facility for biops, recourselization device-facility for household waste.		
					g		
		1.3.1 New, expanded and improved transmission systems (lines, substations)	1.3.1 New, expanded and improved transmission systems (lines, substations)				
				2.12 (Renewable Energy) - associated infrastructure such	5.3 Smart Get and Energy Internet 5.3 Facility Construction and Operation/Upgrading 5.1 Facility Construction and Operation/Upgrading		
				as substations and transmission lines that are required for the supply of renewable energy	Specific to grid construction and operation or technical transformation and upgrading projects, which improve the balance and responsiveness of supply and demand, promote integrated energy efficiency of the grid, lower the transformation of power loss		
		1.2.2 Staron systems (hotton; machanism numoid starons)		Criteria: capacity of associated infrastructure justified by	in darbrinsolot, and enhance the capacity or renewaties access. 1. Smart grid.		
		1.3.2 Storage systems (battery, mechanical, pumped storage)	1.3.2 Storage systems (battery, mechanical, pumped storage) that facilitate integration of renewables, or increase renewable energy production	connection of new renewable energy capacity, or increased utilisation of existing capacity; net GHG emissions reduction	2. Energy internet.		
				is demonstrated	construction and operation of grid, micro-grid and other energy (like natural gas) internet, which integratedly applies power electronics, information and smart management technology, connecting distributed energy (including distributed renewable energy), distributed energy tilinge described and services by an object of local, to achieve the w-way energy (the mad per exchange and sharing.		
	1.2						
	1.3 Measures to						
	facilitate integration of				5.3 Smart Girld and Energy Internet		
	renewable energy into				5.3.1 Facility Construction and Operation/Upgrading Specific to grid construction and Operation/Upgrading reports. Specific to grid construction and operation or technical interaction and upgrading projects, which improve the balance and responsiveness of supply and demand, promote integrated energy efficiency of the grid, lower the transformation of power loss		
	grids			2.12 (Renewable Energy) - associated infrastructure such	In transmission, and enhance the capability of renewables access. 1. Smart gnict.		
		A A A New Information and communication to the color of t	A SON - Information and a second seco	as substations and transmission lines that are required for the supply of renewable energy	Grid construction and operation, as well as the technical transformation and upgrading projects, which adopt smart electric equipment, integrated simultaneous two-way information system and other advanced technologies. 2. Energy integral.		
		1.3.3 New information and communication technology, smart-grid and mini-grid	1.3.3 New information and communication technology, smart-grid and mini-grid	Criteria: capacity of associated infrastructure justified by	construction and operation of grid, micro-grid and other energy like natural gas) internet, which integratedly applies power electronics, information and smart management technology, connecting distributed energy (including distributed energy), distributed energy (size induced energy storage device and various types of load, to achieve the vew genergy) was under a fairing.		
				connection of new renewable energy capacity; net GHG emissions reduction is demonstrated			
					5.4 Distributed Energy Resource 5.4.1 Facility Construction and Operation		
					Specific to construction and operation of energy management system, for instance, regional energy station (including regional natural gas station), distributed power generation like distributed photovoltaic power generation, distributed energy access and peak-valley load regulating system, calcidating power, acceleration power generation, distributed energy access and peak-valley load regulating system, calcidating power, acceleration power generation, distributed power generation,		
L	,		-				

				EIB	CGBEPC	
		List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the	EIB criteria for Climate Mitigation (granular	COBLEC	
	Extract fi	rom MDB / IDFC Common Principles for Climate Change Mitigation Tracking (MDB-IDFC-CP; version 2 - 15th June 2015).	Annex C of the 2016 Joint Report on Multilateral Development Banks' Climate Finance (published Sept 2017)	approach used in line with harmonised MDB methodology)	CGBEPC subcateories mapping	
		For the full text of the Common Principles which also includes purpose, definitions and guidelines, please refer to: http://www.eb.org/attachments/documents/mdb_idfc_mitigation_common_principles_en.pdf	Note the same categories and sub-categories from the MDB/IDFC Common Principles also apply here (Columns B & C)	Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before	sles including the relevant eligibility criteria fore	
Catagory	Sub-	Example	Eligible Activities	end of 2017		
Category	category	Example	Eligine Activities			
	2.1			Energy Efficiency - transmission and distribution infrastructure to reduce energy use and/or technical losses		
	Transmission 2 and distribution (2.1.1 Retrofit of transmission lines or substations and/or distribution systems to reduce energy use and/or technical losses including improving grid stability/reliability	Criteria: net present value of energy savings, including	1.1.Industrial Energy Saving 1.1.Device* Railly Construction and Operation 1.1.Device* Railly Construction and Operation	
	systems	Criteria: only if net emission reductions can be demonstrated; in case capacity expansion, only the part that is reducing existing losses is included	Criteria: in case of capacity expansion, only the portion of the investment that is reducing existing losses is included	environmental externalities, at least equal 50% of the net present value of the project cost over its life; net GHG emissions reduction is demonstrated	For projects adopting special technology with high efficiency and low consumption, for instance, the ultra-high voltage (UHV) grid, identified according to the special technology directly;	
				10.5 (Other) - Thermal power plant modernisations that		
			2.2.1 Thermal power plant retrofit to fuel switch from a more GHG-intensive fuel to a different and less GHG-intensive fuel type	different, less GHG-intensive fuel may also be eligible, subject to meeting the Bank's emissions performance standard for GHG emissions.	1.1.Industrial Energy Saving	
	1	2.2.1 Thermal power plant retrofit to fuel switch from a more GHG-intensive fuel to a different and less GHG-intensive fuel type	Criteria: excluding replacement of coal by coal	Criteria: pollution emissions compliant with the Industrial	1.1.1 Device/Facility Construction and Operation 1. For the industries with a national standard of energy consumption allowance for unit product, energy consumption of the device/facility (except coal-fired power generation) or the process	
				Emissions Directive (IPPC) 2010/75/EU; compliance with the EIB emissions performance standard (EPS), currently 550 gmCO2/kWh, dropping to 450 gmCO2/kWh on		
Lower-carbon and efficient				1/1/2018; net GHG emissions reduction is demonstrated		
energy generation				1.1 (Energy Efficiency) - highly efficient combined heat and power (CHP) plants		
	2.2 Power		2.2.2 Conversion of existing fossil-fuel based power plant to co-generation technologies that generate electricity in addition to providing heating/cooling	Criteria: pollution emissions compliant with the Industrial		
		2.2.2 Conversion of existing tossit-tuel based power plant to co-generation technologies that generate electricity in addition to providing heating/cooling	Criteria: in all co-generation projects energy efficiency is required to be substantially higher than separate production of electricity and heat	Emissions Directive (IPPC) 2010/75/EU; energy efficiency compliant with the Energy Efficiency Directive 2012/27/EU and its related Decisions 2011/877/EU and 2008/952/EC		
	ľ	Arteria: in all cogeneration projects it is required that energy efficiency is substantially higher than separate production		(including that energy efficiency is substantially higher than separate production): coal powered CHP plants are	1.1.Industrial Energy Saving 1.1.E persysaving Technology Improvement Renovation projects adopting the energy saving technology listed in the Catalogue for Promoting the National Key Energy-saving Technology (2014, Energy-saving part);	
				excluded	Renovation projects of centralized heating complying with policies of "developing large capacity units and suppressing small ones", and "equivalent capacity replacement". Energy-saving renovation project in industrial, transportation and communication area.	
				Energy Efficiency - thermal power plant rehabilitation	The renovated device/facility/equipment should meet at least one of the following conditions: 1. the energy consumption of the develocation for the production of the conditions of the condition of the production of the producti	
				Criteria: net present value of energy savings, including environmental externalities, at least equal 50% of the net	2. the energy-saving efficiency of the renovated devicefacilitylequipment ≥ the average energy-saving efficiency/capability of energy-saving applications.	
	ľ	2.2.3 Energy-efficiency improvement in existing thermal power plant	2.2.3 Energy-efficiency improvement in existing thermal power plant	present value of the project cost over its life; compliance with the EIB emissions performance standard (EPS), currently		
				550 gmCO2/kWh, dropping to 450 gmCO2/kWh on 1/1/2018		
			5.1.1 moustrial energy empericy improvements incognishe installation of more emperic equipment, orlanges in processes, reduction of near iosses and/or increased waste heat recovery and/or resource efficiency	Energy Efficiency - industrial energy efficiency	1.1. House raing years y 1.1. Device Reinit Construction and Operation 1.1. Device Reinit Construction and Operation	
	3	3.1.1 Industrial energy-efficiency improvements though the installation of more efficient equipment, changes in processes, reduction of heat losses and/or increased waste heat recovery	Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before	Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; investments	5. For high energy efficiency application projects, for instance, LED lighting: identified according to the technology of application.	
			THE SOLE I THE THE PROPERTY OF THE PARTY AND	1.1 (Energy Efficiency) - highly efficient combined heat and	A 100	
				power (CHP) plants Criteria: pollution emissions compliant with the Industrial		
	efficiency in	3.1.2 Installation of co/generation plants that generate electricity in addition to providing heating/cooling	3.1.2 Installation of co-generation plants that generate electricity in addition to providing heating/cooling Criteria: in all co-generation projects energy efficiency is required to be substantially higher than separate production of electricity and heat	Emissions Directive (IPPC) 2010/75/EU; energy efficiency compliant with the Energy Efficiency Directive 2012/27/EU	1.1.Industrial Energy Saving 1.1.1 Device/Racility Construction and Operation 1.1.0 Evence/Racility Construction and Operation 1.1.0 For the industries with a national standard of energy consumption allowance for unit product, energy consumption of the device/facility (except coal-fired power generation) or the process	
	industry in existing facilities		опена. II ан обученнями родом енену еншенку в терином в се захвания у нулет инат эффаке россилил о вышли у ани неаг	and its related Decisions 2011/877/EU and 2008/952/EC (including that energy efficiency is substantially higher than	1. го из вышене вы в песиов выпосы и егоду ситемуров выменье но или риссом, егоду ситемуров и иле риссез	
	lacinues			separate production); coal powered CHP plants are excluded		
			3.1.3 Replacement of an older facility (old facility retired) with a more efficient facility	Energy Efficiency - industrial energy efficiency		
	s	3.1.3 More efficient facility replacement of an older facility (old facility retired)	Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before	Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; net present value of energy savings, including environmental externalities, at	1.1.Industrial Energy Saving 1.1.Industrial Energy Saving 1.1.Device/Facility Construction and Operation 1. For the industries with a national standard of energy consumption allowance for unit product, energy consumption of the device/facility (except coal-fired power generation) or the process	
			the end of their lifetime and the new technologies are substantially more efficient	least equal 50% of the net present value of the project cost over its life	1. го из вышене вы в песиов выпосы и егоду ситемуров выменье но или риссом, егоду ситемуров и иле риссез	
		3.2.1 Energy-efficiency improvement in lighting, appliances and equipment	3.2.1 Energy-efficiency improvement in lighting, appliances and equipment		1.1. Industrial Energy Saving 1.1.10 be/see Facility Construction and Operation	
		х.с. с Lieigy-тимен.у пириченен и нуницу, арриализа ана едифитен.	Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient	-1.1 (Energy Efficiency) - highly efficient combined heat and	5. For high energy efficiency application projects, for instance, LED lighting : identified according to the technology of application.	
	3.2 Energy efficiency improvement	5.2.2 Substitution of existing fleating/cooling systems for buildings by congeneration plants that generate electricity in addition to providing fleating/cooling	3.2.2 Substitution of existing heating/cooling systems for buildings by co/generation plants that generate electricity in addition to providing heating/cooling	power (CHP) plants	12 Sustandale Building 12 Sustandale Building 12 Energy Smit Enchnology Improvement on Existing Building	
	s in existing commercial,	Criteria: in all cogeneration projects it is required that energy efficiency is substantially higher than separate production	Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their fletime and the new technologies are substantially more efficient compliant with the Energy fiftiency Directive 2010/7/EU		The energy saving building renovation project includes but not limited to: energy saving renovation on building envelope, heat supply system, heating and cooling system, lighting, hot water supply facility.	
	public and residential buildings		3.2.3 Retrofit of existing buildings: Architectural or building changes that enable reduction of energy consumption	and its related Decisions 2011/877/EU and 2008/952/EC (including that energy efficiency is substantially higher than		
		3.2.3 Retrofit of existing buildings: Architectural or building changes that enable reduction of energy consumption	Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before	separate production); coal powered CHP plants are excluded	1.2 Sustanshie Building 1.2 Energy Saving Technology Improvement on Existing Building The energy saving building renovation project includes but not limited to: energy saving renovation on building envelope, heat supply system, heating and cooling system, lighting, hot water supply facility.	
			the end of their lifetime and the new technologies are substantially more efficient	1.2 (Energy Efficiency) - energy efficiency measures of building refurbishments		
				Criteria: achieve cost-optimal refurbishment levels, as		
			3.3.1 Energy-efficiency improvement in utilities and public services through the installation of more efficient lighting or equipment	defined by a "white list" of EIB approved energy efficiency measures for buildings or as defined by an energy audit in line with the European Standard EN 16247 Energy or	1.1.Industrial Energy Saving	
	s	3.3.1 Energy-efficiency improvement in utilities and public services through the installation of more efficient lighting or equipment	Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before	equivalent, or net present value of energy savings, including environmental externalities, at least equals 50% of the net	1.1.1 Dense fixedity Constitution and Operation 5.5 For high reserve difference application projects, for instance, LED lighting : identified according to the technology of application. 5. For high reserve difference application projects, for instance, LED lighting : identified according to the technology of application.	
			the end of their lifetime and the new technologies are substantially more efficient	present value of the project cost over its life		
				Energy Efficiency - industrial energy efficiency Criteria: net present value of energy savings, including	1.1.Industrial Energy Saving 1.1.2 Energy-saving Technology Improvement	
				and the second s	Renovation projects adopting the energy saving technology listed in the Catalogue for Promoting the National Key Energy-saving Technology (2014, Energy-saving part); Renovation projects of centralized heating complying with policies of "developing large capacity units and suppressing small ones"; and "equivalent capacity replacement". Energy-saving renovation project in industrial, transportation and communication	
			3.3.2 Rehabilitation of district heating and cooling systems	1.1 (Energy Efficiency) - highly efficient combined heat and	area. The renovated device/facility/equipment should meet at least one of the following conditions: 1. The energy consumption of the device/facility or the process ≤ the reference value of energy consumption allowance for unit product in national standards.	
			Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient	power (CHP) plants Criteria: pollution emissions compliant with the Industrial	2. the energy-saving efficiency of the renovated device/facility/equipment ≥ the average energy-saving efficiency/capability of energy-saving applications.	
				Emissions Directive (IPPC) 2010/75/EU; energy efficiency compliant with the Energy Efficiency Directive 2012/27/EU	1.4 Urban and Rural Infrastructure Construction with Energy Saving Efficiency 1.4.1 Facility Construction Include but not Illinitiated to:	
				and its related Decisions 2011/877/EU and 2008/952/EC(including that energy efficiency is substantially	1. Uban underground pipeline corridor project: Construction of pipeline corridor project: Construction of the construction o	
				higher than separate production); coal powered CHP plants are excluded	3. Construction and renovation projects of adjusting the district heating and water supply dispatching, as well as improving the pipeline standard of heat insulation and moisture resistance, according to the change of temperature.	
	3.3 Energy efficiency			Energy Efficiency - industrial energy efficiency		
Energy efficiency	improvement s in the utility			Criteria: as defined by an energy audit in line with the European Standard EN 16247 Energy or equivalent, or net present value of energy savings, including environmental		
	sector and public services			externalities, at least equals 50% of the net present value of the project cost over its life	1.4 Urban and Rural Inflastructure Construction with Energy Saving Efficiency 1.4.1 Facility Construction	
		3.3.3 Utility heat loss reduction and/or increased waste heat recovery	3.3.3 Reduction of heat loss in utilities and/or increased recovery of waste heat	1.1 (Energy Efficiency) - highly efficient combined heat and power (CHP) plants	Include but not limited to: 1. Uthan underground pipeline corridor project; 2. Construction and renovation projects of adjusting the underground pipeline layout, route and buried depth, according to the situation of urban waterlogging and heat-island effect;	
				Criteria: pollution emissions compliant with the Industrial	 Construction and renovation projects or adjusting the underground pipeline agrout, route and buried depth, according to the situation of urban waterlogging and near-scient effect, Construction and renovation projects of adjusting the district heating and water supply dispatching, as well as improving the pipeline standard of heat insulation and moisture resistance, according to the change of temperature. 	
				Emissions Directive (IPPC) 2010/75/EU; energy efficiency compliant with the Energy Efficiency Directive 2012/27/EU		
				and its related Decisions 2011/877/EU and 2008/952/EC; coal powered CHP plants are excluded		
	ı					

				FIR	COREC
		List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the Annex C of the 2016 Joint Report on Multilateral Development Banks' Climate Finance	EIB EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB	CGBEPC
	Extract	from MDB / IDFC Common Principles for Climate Change Mitigation Tracking (MDB-IDFC-CP; version 2 - 15th June 2015).	Annex C of the 2016 Joint Report on Multilateral Development Banks' Climate Finance (published Sept 2017)	methodology)	CGBEPC subcateories mapping
		For the full text of the Common Principles which also includes purpose, definitions and guidelines, please refer to: http://www.elb.org/attachments/documents/indb_idic_mit/gatton_common_principles_en.pdf	Note the same categories and sub-categories from the MDB/IDFC Common Principles also apply here (Columns B & C)	Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before end of 2017	
(ategory Sub- category	Example	Eligible Activities		
		3.3.4 Improvement in utility scale energy efficiency through efficient energy use, and loss reduction	3.3.4 Improvement in utility-scale energy efficiency through efficient energy use, and loss reduction, or resource efficiency improvements	1. Energy Efficiency - industrial energy efficiency Criteria: as defined by an energy audit in line with the European Stander's NE 162P Energy or equilation, to represent value of energy samps, including environmental externalities, at least equals 50% of the net present value of the project cost over its life 1. Energy Efficiency - Indighty efficient combined heat and power (CHP) plants Criteria: pollution emissions compliant with the industrial Emissions Directive (IPPC) 2010/75EU, energy efficiency compliant with the Energy Efficiency Directive 2012/75EU 2008/65/EC[Deciding that energy efficiency is substantially higher than separate production); coal powered CHP plants are excluded.	\$.3 Small Gold and Energy (Internet \$.3.1 Facility Construction and Operation Upgrading Specific to grid construction and operation or technical transformation and upgrading projects, which improve the balance and responsiveness of supply and demand, promote integrated energy efficiency of the grid, lower the transformation of power loss in transmission, and enhance the capability of neinewhelps access. 1. Smart grid: 1. Smart grid: 2. Smart grid: 2. Smart grid: 2. Smart grid: 3. Smart grid: 4. Smart grid: 4. Smart grid: 5.
	3.4 Vehicle energy efficiency fleet retrofit	3.4.1 Existing vehicles, rail or boat fleet retroff or replacement (including the use of lower-carbon fuels, electric or hydrogen technologies, etc.)	3.4.1 Existing vehicles, rail or boat fleet retrofit or replacement (including the use of lower-carbon fuels, electric or hydrogen technologies, etc.) Citeria: general principle for brownfleid energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient.	(Transport) - replacement and refurbishment including the retrofiling of elements to achieve better energy efficiency Criteria: EIB's Energy Efficiency criteria - detailed criteria for transport under development	4.3 Public Urban and Rural Transportation 4.3 I Velicile Purchase Specific to purchase of public vehicles, including bus and electric bus for passengers. 4.4 Waterway Transportation 4.4 I Vessel Purchase Specific to purchase-out of old vessels, and purchase of standardized inland-waterway vessels, and vessels transport on costal water and ocean which fully meet the latest international guidance, agreements and standards. 4.5 Clean Fuel 4.5 Clean Fuel 4.5 Clean Fuel 4.5 Clean Fuel 6.5 Specific to the phase-out of old vessels, and operation Specific to the phase-out of old vessels, and operation and Operation Specific to the phase-out of old vessels in terms of the production and Operation Specific to the device/facility construction and operation which meets the fuel production requirements of GB V standard deser, or the technical transformation projects on existing fuel production with improved cleanness standards (the GB V standard gasoline and GB IV standard deser, or the technical transformation projects on existing fuel production with improved cleanness standards (the GB V standard gasoline and GB IV standard deser, or the technical transformation projects on existing fuel production with improved cleanness.
	3.5 Energy efficiency in new commercial, public and residential buildings	3.5.1 Use of highly efficient architectural designs, energy efficiency appliances and equipment, and building techniques that reduce building energy consumption Citeria: exceeding available standards and complying with high energy efficiency certification or rating schemes	3.5.1 Use of highly efficient architectural designs, energy efficiency appliances and equipment, and building techniques that reduce building energy consumption Citeria: exceeding available standards and complying with high energy efficiency certification or rating schemes	1.3 (Energy Efficiency) - the construction of near zero energy buildings Oriteria: buildings in compliance with Energy Performance of Buildings Directive 2010/31/EU in the EU up to 2020 Criteria: for outside of EU under discussion	1.2 Sustainable Building 1.2.1 Newly-build Green Building
	3.6 Energy audits	3.6.1 Energy audits to energy end-users, including industries, buildings, and transport systems	3.6.1 Energy audits to energy end-users, including industries, buildings, and transport systems	(Energy Efficiency) - energy efficiency measures of building reshribitments Criteria: energy audit in line with the European Standard EN 16247 Energy or equivalent	N/A

		List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the		CGBEPC	
Extract from MDB / IDFC Common Principles for Climate Change Mitigation Tracking (MDB-IDFC-CP; version 2 For the full text of the Common Principles which also includes purpose, definitions and guidelines, please refer to: http://www.eb.org/attachments/documents/indo_ide_mitigation_common_principles_en.pdf Category Sub- category Example		from MDB / IDFC Common Principles for Climate Change Mitigation Tracking (MDB-IDFC-CP; version 2 - 15th June 2015).	Annex C of the 2016 Joint Report on Multilateral Development Banks' Climate Finance (published Sept 2017)	approach used in line with harmonised MDB methodology)	CGBEPC subcateories mapping	
		For the full text of the Common Principles which also includes purpose, definitions and guidelines, please refer to: http://www.eib.org/attachments/documents/mdb_idfc_mitigation_common_principles_en.pdf	Note the same categories and sub-categories from the MDB/IDFC Common Principles also apply here (Columns B & C)	Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before		
		Evanuelo	Eligible Activities	end of 2017		
Category	category	Cxample	Eligine Activities			
				Energy Efficiency - industrial energy efficiency (Forestry and Land Use) Improved water management		
	4.1 Agriculture	4.1.1 Reduction in energy use in traction (e.g. efficient tillage), irrigation, and other agricultural processes	4.1.1 Reduction in energy use in traction (e.g. efficient tillage), irrigation, and other agricultural processes	Criteria: net present value of energy savings, including environmental externalities, at least equal 50% of the net present value of the project cost over its life	6.2 Ecological Agriculture, Husbandry and Fishery 6.2.1 Project Implementation and Facility Construction and Operation includes integrating breeding project of agricultural, husbandry, and fishery thoroughbed, manufacturing agricultural, husbandry, and fishery organic products (including facility construction and operation). Include integrating breeding project of agricultural, husbandry, and fishery broughbed, manufacturing agricultural, husbandry, and fishery to operation. The output and products of projects should meet following requirements or policies:	
		4.1.2 Agricultural projects that improve existing carbon pools (, rangeland management, collection and use of bagasse, rice husks, or other agricultural waste, reduced tillage techniques that increase carbon contents of soil, rehabilitation of degraded lands, peatland restoration, etc.)	4.1.2 Agricultural projects that improve existing carbon pools (such as rangeland management, collection and use of bagasse, rice husks, or other agricultural waste, reduced tillage techniques that increase carbon contents of soil, rehabilitation of degraded lands, peatland restoration, etc.)	7.6 (Forestry and Land Use) - soil management 7.7 (Forestry and Land Use) - biomass management Criteria: under development	1. GB/11/950 standard of Chinese organic products; 2. Environment and quality standards of gridulure Department, 7 general guidance of pesticides, fertilizer, veterinary drug, feed and feed additives, food additives, and animal hygiene, 45 product quality standards, product mark should be in compliance with the "Measures of Mark Management for Green Food".	
		4.1.3 Reduction of non Co2 GHG emissions from agricultural practices (eg: paddy rice production, reduction in fertilizer use)	4.1.3 Reduction of non-CC2 GHG emissions from agricultural practices and technologies (for example, paddy rice production, reduction in fertiliser use)	7. (Forestry and Land Use) Criteria: under development		
		4.2.1 Afforestation (plantations) on non-forested land	4.2.1 Afforestation (plantations) and agroforestry on non-forested land		8.3 Forest Development 8.3 Project Implementation and Facility Construction and Operation	
Agriculture, forestry and land	4.2 Afforestation	4.2.2 Reforestation on previously forested land 4.2.3 Sustainable forest management activities that increase carbon stocks or reduce the impact of forestry activities	4.2.2 Reforestation on previously forested land	7.1 (Forestry and Land Use) - afforestation 7.2 (Forestry and Land Use) - reforestation	Specific to the forest tending management and sustainable forestry development project, including but not limited to: 1. Afficestation: 2. Forestry seed breeding and seedling production; 3. Underwood planting and underwood breeding. 5. Underwood planting and underwood breeding.	
use	reforestation,	4.2.3 Sustainable totest management activities that increase carbon stocks or reduce the impact or totestry activities	4.2.3 Sustainable forest management activities that increase carbon stocks or reduce the impact of forestry activities	7.3 (Forestry and Land Use) - forest protection 7.4 (Forestry and Land Use) - fast-growing plantations		
	biosphere conservation	4.2.4 Biosphere conservation projects (including payments for ecosystem services) targeting reducing emissions from the deforestation or degradation of ecosystems	4.2.4 Biosphere conservation and restoration projects (including payments for ecosystem services) seeking to reduce emissions from the detorestation or degradation of ecosystems	Criteria: under development	6.1 Natural Ecological Protection and Protective Development of Tourism Resource 6.1 Floatily Construction and Operation 6.1 Floatily Construction and Operation 6.2 Floatily Construction 6.2 Floatily Construction 6.2 Floatily Construction 6.3 Floatily Construction 6.3 Floatily Construction 6.4 Floatily Construction 6.5 Floatily Constructi	
	4.3 Livestock	4.3.1 Livestock projects that reduce methane or other GHG emissions (manure management with biodigestors, etc.)	4.3.1 Livestock projects that reduce methane or other GHG emissions (for example, manure management with biodigesters, and improved feeding practices to reduce methanic emissions)	10.3 (Other) - other projects that reduce methane emissions Criteria: under development	6.2 Ecological Agriculture, Husbandry and Fishery 6.2.1 Project Implementation and Facility Construction and Operation 6.2.1 Project Implementation and Facility Construction and Operation 6.2.1 Project Implementation and Facility Construction and operation). Include integrating breeding project of agricultural, husbandry, and fishery propriet of agricultural instanctivity, and fishery broughteed, manufacturing agricultural, husbandry, and fishery organic products (including facility construction and operation). The output and products of projects should meet following requirements or policies: 2. Environment and quality standards of Agricultura Department, 7 general guidance of pesticides, fertilizer, veterinary drug, feed and feed additives, food additives, and animal hygiene, 45 product quality standards, product mark should be in compliance with the "Measures of Mark Management for Green Food".	
		4.4.1 Production of biofuels (including biodiesel and bioethanoli	4.4.1 Production of biofuels, including biodiesel and bioethanol	2.13 (Renewable Energy) - biofuel production projects	3.6 Recycling and Utilization of Biomass Resource	
	4.4 Biofuels	4.4.1 Production of biologis (including brodese and biolemano) Criteria: only if net emission reductions can be demonstrated		Criteria: non-contaminated solid biomass proven to originate from a sustainable chain of supply; net GHG	3.6.1 Device/Facility Construction and Operation Specific to construction and operation for insourcelization device/facility for biomass waste, like straw, forest waste, and household waste. This includes but not limited to:	
		·	·	emissions reduction is demonstrated	Production devicefacility for non-grain liquid biomass fuel, power generation and heating devicefacility for agricultural and forest biomass, production devicefacility for biogas, resourcelization devicefacility for household waste.	
		5.1.1 Reduction of gas flaring or methane fugitive emissions in the oil and gas industry	5.1.1 Reduction of gas flaring or methane fugitive emissions in the oil and gas industry	10.3 (Other) - other projects that reduce methane emissions		
	5.1 Fugitive emissions	5.1.2 Coal mine methane capture	5.1.2 Coal mine methane capture	or industrial plant modernisation projects Criteria: net GHG emissions reduction is demonstrated; Some sectors may not be eligible for EIB financing (not linked with climate methodology)	3.3 Recycling and Utilization of Industrial Sold Wastes, Ethaust Gas, and Effluent 3.3 Device/Facility Construction and Operation Specific to collection and resourcestzation of industrial solid waste, exhaust gas, and effluent.	
	5.2 Carbon capture and storage	5.2.1 Projects for carbon capture and storage technology that prevent release of large quantities of CO2 into the atmosphere from fossil fuel use in power generation, and process emissions in other industries	5.2.1 Projects for carbon capture and storage technology that prevent release of large quantities of CO2 into the atmosphere from fossil fuel use in power generation, and process emissions in other industries	10. (Other) - activity with demonstrable substantial reductions in GHG emissions - specifically 8.7 (RDI) - carbon capture and storage Criteria: br non-RDI projects, net GHG emissions reduction is demonstrated	NA	
Non-energy GHG reductions	5.3 Air conditioning and refrigeration	5.3.1 Retrofit of existing industrial, commercial and residential infrastructure to switch to cooling agent with lower global warming potential	5.3.1 Retrofit of existing industrial, commercial and residential infrastructure to switch to cooling agent with lower global warming potential	6.12 (Urban Development) - eco-hnovations for the built environment aimed at reducing emissions or increasing climate realismos. 10. (Other) - projects that eliminate or reduce emissions of NZO, PFC, RFC, SF8 and NF3. Criteria: net GHG emissions reduction is demonstrated	1.2 Sustainable Building 1.2 Energy Saving Technology Improvement on Existing Building 1.2 Energy Saving Technology Improvement on Existing Building The energy saving building renovation project includes but not limited to: energy saving renovation on building envelope, heat supply system, heating and cooling system, lighting, hot water supply facility.	
	5.4 Industrial processes	5.4.1 Reduction in GHG emissions resulting from industrial process improvements and cleaner production (e.g. cement, chemical), excluding carbon capture and storage	5.4.1 Reduction in GHG emissions resulting from industrial process improvements and cleaner production (e.g. cement, chemical), excluding carbon capture and storage	10.3 (Other) - other projects that reduce methane emissions or industrial plant modernisation projects 10.4 (Other) - projects that eliminate or reduce emissions of NZO, PFC, HFC, SF6 and NF3 Criteria: net GHG emissions reduction is demonstrated	3.3 Recycling and Utilization of Industrial Solid Wastes, Exhaust Gas, and Effluent 3.3.1 Device/Facility Construction and Operation Specific to collection and resource/Lastion of industrial solid waste, exhaust gas, and effluent.	
		6.1.1 Treatment of wastewater if not a compliance requirement (e.g. performance standard or safeguard) as part of a larger project that reduce methane emissions Citeria: only if net GHG emission reductions can be demonstrated	6.1.1 Portion of treatment of wastewater that reduces methane emissions Criteria: only if net GHG emission reductions can be demonstrated and if not a compliance requirement to meet, for example, a performance standard or safeguard requirement	10.2 (Other) - avoidance projects from wastewater treatment plants Criteria: eligible if net GHG emissions reduction can be demonstrated and if not a complicance requirement. Detailed screening criteria under development	2.1 Pollution Prevention and Control 2.1.1 Facility Construction and Operation The construction and Operation of usate treatment facility includes but not limited to: The construction and operation of waste treatment facility includes but not limited to: Treatment of values were, subgle in waste restinent, air pollution, municipal solid waste (MSW) (including hazardous waste and medical waste), waste treatment of integrated governance, treatment facilities and final treatment facilities (including construction and operation of pipelines, collection, transfer and storage facilities)	
		6.1.2 Waste management projects that capture or combust methane emissions	6.1.2 Waste management projects that capture or combust methane emissions	Solid Waste - solid waste sector projects Criteria: share of landfill gas recovery related components of project considered climate mitigation; net GHG emissions reduction is demonstrated	3.3 Recycling and Utilization of Industrial Solid Wastes, Exhaust Gas, and Effluent 3.3.1 Device/Facility Construction and Operation	
	6.1 Waste	6.1.3 Waste to energy projects	6.1.3 Waste to energy projects	 Solid Waste - solid waste sector projects Criteria: The biodegradable share of total energy inputs from non-hazardous, non-recyclable waste to the facility, net GHG emissions reduction is demonstrated 	Specific to collection and resourcelization of industrial solid waste, enhaust gas, and effluent.	
6. Waste and wastewater	and wastewater	6.1.4 Waste collection, recycling and management projects that recover or reuse materials and waste as inputs into new products or as a resource Criteria: only if net emission reductions can be demonstrated	6.1.4 Waste collection, recycling and management projects that recover or reuse materials and waste as inputs into new products or as a resource Criteria: only if net emission reductions can be demonstrated	Solid Waste - solid waste sector projects Criteria: net GHG emissions reduction is demonstrated	3.3 Recogning and Utilization of Industrial Solid Wastes, Exhaust Gas, and Effluent 3.3.1 Devices Facility Construction and Operation Specific to conduction and resourceleasinn of industrial Solid Wastes, exhaust gas, and effluent. 3.4.1 Position Facility Construction and Operation of Recogning. Sorting and Dismanificial System Specific to the construction and Operation of Recogning. Sorting and Dismanificial System Specific to the construction and Operation of Recogning. Sorting and Dismanificial System Specific to the construction and Operation of Respective system for real and non-metal production and processing in Industrial area; construction and operation of recogning and dismanifing system for "olly minerals" resource, for instance, scrap electronics, waste steel, waste non-terious metal and exc. 3.4.2 Processing Devices Facility Construction and Operation Specific to the construction and operation of waste processing and reuse system for "olly minerals" resource, for instance, scrap electronics, waste steel, waste non-terious metal and non-metal production and processing in industrial area; construction and operation of processing and reuse system for "olly minerals" resource, for instance, scrap care construction and operation of waste processing and reuse system for "olly minerals" resource, for instance, scrap care construction and operation of processing and reuse system for "olly minerals" resource, for instance, scrap care construction and operation of processing and reuse system for "olly minerals" resource, for instance, scrap care construction and Operation S. Semanufacturing electronics, waste steek, waste non-terrous metal and etc. 3.5.1 Devices Facility Construction and Operation Specific to construction and operation of remanufacturing devices facility for electronechanical products, for instance, suto parts, engineering machines, and machine tools.	
	•	•				

				EIB	CGBEPC	
		List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the			
			Annex C of the 2016 Joint Report on Multilateral Development Banks' Climate Finance	approach used in line with harmonised MDB methodology)	CONTROL MANAGEMENT AND	
	Extract	t from MDB / IDFC Common Principles for Climate Change Mitigation Tracking (MDB-IDFC-CP; version 2 - 15th June 2015).	(published Sept 2017)		CGBEPC subcateories mapping including the relevant eligibility criteria	
		For the full text of the Common Principles which also includes purpose, definitions and guidelines, please refer to: http://www.eib.org/attachments/documents/imdb_jdfc_miligation_common_principles_en.pdf	Note the same categories and sub-categories from the MDB/IDFC Common Principles also apply here (Columns B & C)	Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before	mousing the reterant enginery Criteria	
				end of 2017		
Category	Sub- category	Example	Eligible Activities			
				4.3 (Transport) - urban mass transit		
				Criteria: The below listed public transport means and the accompanying infrastructure (tracks, stops, park and ride	12 Urban Rail Transit 1.2 Tables (Parameters and Operation)	
				facilities, management systems, ticket offices, garages, etc.)	A.C. I rating/construction and operation of rail transit, including urban underground and light rail. Specific to the construction and operation of rail transit, including urban underground and light rail.	
				-public transport buses	4.3 Public Urban and Rural Transportation	
	7.1 Urban	7.1.1 Urban mass transit	7.1.1 Urban mass transit	-bus rapid transit	4.3.1 Vehicle Purchase	
	transport			-underground and above-ground rail rapid transit -tramways	Specific to purchase of public vehicles, including bus and electric bus for passengers.	
	modal change			-urban ferries	4.3 Public Urban and Rural Transportation	
	unungu			This could include new or replacement, refurbishment,	4.3.2 Facility Construction and Operation Specific to the construction and Operation of stations, BRT lines, and other supporting facilities in public transportation, as well as the lines maintenance.	
				maintenance of existing infrastructure and vehicles		
				6.8 (Urban Development) - non-motorised forms of transport		
		7.1.2 Non-motorized transport (bicycles and pedestrian mobility)	7.1.2 Non-motorized transport (bicycles and pedestrian mobility)	Criteria: No specific criteria	WA	
				6.1 (Urban Development) - investments for the reduction of the use of passenger cars	1.2 Urban Rail Transit	
			7.2.1 Integration of transport and urban development planning (dense development, multiple land-use, walking communities, transit connectivity, etc.),	(Urban Development) mixed-use and denser developments that promote urban concentration, (6.6)	42.1 Facility Construction and Operation: Specific to the construction and Operation of rail transit, including urban underground and light rail.	
		7.2.1 Integration of transport and urban development planning (dense development, multiple land-use, walking communities, transit connectivity, etc.), leading to a reduction in the use of passenger cars	leading to a reduction in the use of passenger cars	reduce the need for travel or (6.7) promote resource	4.3 Public Urban and Rural Transportation	
				efficiency	4.3.2 Facility Construction and Operation	
	7.2 Transport	ort		Criteria: Under development	Specific to the construction and operation of stations, BRT lines, and other supporting facilities in public transportation, as well as the lines maintenance.	
	urban					
	development	**	7.2.2 Transport and travel demand-management measures dedicated to reducing pollutant emissions, including GHG emissions (such as high-occupancy	6.1 (Urban Development) - reduction of the use of	4.7 Internet Application on Transportation 4.7 Internet Application on Transportation 4.7 Facility Construction and Operation 4.7 Facility Construction and Operation	
7. Transport		7.2.2 Transport demand management measures dedicated to reduce GHG emissions (e.g., speed limits, high-occupancy vehicle lanes, congestion charging/road pricing, parking management, restriction or restriction and restricti	vehicle lanes, congestion charging or road pricing, parking management, restriction or auctioning of license plates, car-free city areas, low-emission zones)	passenger cars and (6.2) CO2 emissions	Specific to hardware and software facility and system that improves the capability and efficiency of transportation and logistics. The facility or system should base on mobile communication terminal, telecommunication base station, GPS, and internet	
		auctioning of license plates, car-free city areas, low-emission zones)	Criteria: General traffic management is not included. This category is for demand management to reduce GHG emissions, assessed on a case-by-case	Criteria: Under development	iechnology, goply the Internet of Things and Big Data, to achieve integrated management of resource with comprehensive information communication and sharing. The service targets directly on logistics and transportation facility. The construction and operation include: The construction and operation include:	
1			uasis.		logistics information service platform, smart storage system, smart logistics distribution system, online integrated system of transportation resource (vehicle and ship), transportation management, executive information system, smart monitoring system and ever	
				4.4 (Transport) - inter-urban rail		
		7.3.1 Solitory tracecord couries a model shift of feight coding according to the coding according to t	7.3.1 Railway transport ensuring a modal shift of freight and/or passenger transport from road to rail (improvement of existing lines or construction of new	Criteria: Demonstration of modal shift from road or air	4.1 Ralway Transportation	
		7.3.1 Railway transport ensuring a modal shift of freight and/or passenger transport from road to rail (improvement of existing lines or construction of new lines)	lines)	(including avoidance of shift back to road or air); Dedicated infrastructure and equipment to transport fossil fuels is	4.1.1 Facility Construction and Operation	
				excluded	Specific to the construction and operation (including technical transformation and upgrading) of railway lines and terminals, and special supply station and substation.	
				4.5 (Transport) inland		
				Transport) inland waterway Gransport) intermodal and short sea shipping facilities		
	7 2 1-1-					
	7.3 Inter- urban			Criteria: for inland waterways and short sea shipping: Demonstration of modal shift from road or air (including		
	transport			avoidance of shift back to road or air); Dedicated infrastructure and equipment to transport fossil fuels is		
			7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road or air to waterways (improvement of existing infrastructure	excluded	4.4 Waterway Transportation	
		7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure or construction of new infrastructure)	r.3.2 Waterways transport ensuring a model smit or magint and/or passenger transport from road or all to waterways (improvement or existing fill associate or construction of new infrastructure)		4.4.2 Wateneys Regulation Specific to the hist-quality inland waterway diredging projects	
				modal shift away from road or air demonstrated (including	Special to the light-quarry manufacture grant projects	
				avoidance of shift back to road or air); % based on proportion of facilities in low carbon modes: i.e. rail, short		
				sea shipping, inland waterways traffic proportion OR based		
				on cost of components in these modes; Excluding cruise terminals and facilities entirely dedicated to fossil fuels.		
			7.4 Infrastructure for low carbon transport	4. (Transport)	4.6 New Energy Automobile	
			7.4.1 Charging stations and other infrastructure for electric vehicles, hydrogen or dedicated biofuel fuelling	Criteria: Under development	8.2 Supporting Facility Construction and Operation Specific to construction and operation of changing and energy supply facility for new energy car.	
	8.1 Products			2.11 (Renewable Energy) - related component		
	or equipmen		8.1.1 Projects producing components, equipment or infrastructure dedicated to the renewable and energy efficiency sectors, or low-carbon technologies	manufacturing facilities	WA	
				Criteria: Under development		
Low-carbon technologies				 (RDI) - renewable energies, (8.2) second generation biofuels, (8.3) low-emission engines, (8.4) energy-efficient 		
tecrinologies				electrical motors, (8.5) lights and devices, (8.6) efficiency	N/A	
	8.2 R&D	8.2.1 Research and development of renewable energy or energy efficiency technologies	8.2.1 Research and development of renewable energy or energy efficiency technologies, or low-carbon technologies	improvement from industrial processes, components and systems		
				Criteria: Under development		
		9.1.1 Mitigation national, sectorial or territorial policies /planning/action plan policy /planning/institutions	9.1.1 National, sectoral or territorial policies/planning/action plans/planning/institutions dedicated to mitigation such as NDCs, NAMAs and plans for scaling		N/A	
	9.1 Support		up renewable energy	-		
	to national, regional or	9.1.2 Energy sector policies and regulations leading to climate change mitigation or mainstreaming of climate action (energy efficiency standards or certification schemes; energy efficiency procurement schemes; renewable energy policies)	9.1.2 Energy sector policies and regulations leading to climate change mitigation or the mainstreaming of climate action such as energy efficiency standards or certification schemes; energy efficiency procurement schemes; renewable energy policies, power market reform to enable renewable energy		N/A	
	local policy,		9.1.3 Systems for monitoring the emissions of greenhouse gases	-	AVA	
9. Cross-cutting	through		 9.1.3 Systems for monitoring the emissions of greenhouse gases 9.1.4 Efficient pricing of fuels and electricity (such as subsidy rationalisation, efficient end-user tariffs, and efficient regulations on electricity generation, 	-	VA.	
issues	assistance o		transmission or distribution, and on carbon pricing)	No corresponding categories in current EIB eligibility list,	NA .	
	policy lending,	9.1.5 Education, training, capacity building and awareness raising on climate change mitigation/sustainable energy/sustainable transport; mitigation research	9.1.5 Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport; mitigation research	however this is under review	WA	
	1	9.1.6 Other policy and regulatory activities, including those in non-energy sectors, leading to climate change miligation or mainstreaming of climate action	9.1.6 Other policy and regulatory activities, including those in non-energy sectors, leading to climate change mitigation or mainstreaming of climate action,		NA	
	9.2	9.2.1 Carbon Markets and finance (purchase, sale, trading, financing and other technical assistance). Includes all activities related to compliance-grade carbon assets and mechanisms, such as CDM, JI, AAUs, as	such as fiscal incentives for low-carbon vehicles, sustainable afforestation standards	_		
	Financing	well as well-established unluntary carbon standards like the VCS or the Gold Standard	9.2.1 Carbon markets and finance (purchase, sale, trading, financing and other technical assistance); includes all activities related to compilance-grade carbon assets and mechanisms		NA .	
	instruments		9.3 Supply chain	1		
			3.3.1 Measures in existing supply chains dedicated to improvements in energy efficiency or resource efficiency upstream or downstream, leading to an overall reduction in GHG emissions		N/A	
	40 4 0		OPERATION OF THE CHICOLOGY	40 00-1		
	10.1 Other activities with		10.1.1.0 must be a policitudi il parcocci hu MDDa mau ba addoci tri fina la la Vina la must di Milandoni di Addoci di	Other - any sector activity in a sector not included in this list		
10. miscellancous	net greenhouse	10.1.1 Any other activity not included in this list for which the results of an ex-ante greenhouse gas accounting (undertaken according to commonly agreed methodologies) show emission reductions	10.1.1 Any other activity if agreed by MDBs may be added to the Joint Typology of Mitigation Activities when the results of ex ante GHG accounting (undertaken according to commonly agreed methodologies) show emission reductions that are higher than a commonly agreed threshold, and are consistent	Criteria: net GHG emissions reduction is demonstrated	NA	
mountaireus	gas		with a pathway towards low greenhouse gas emissions development.	and compatible with low-carbon pathways in line with Paris		
	reduction			Agreement; requires agreement with other MDBs		
		,				
Categorie						
s with no						
correspon				EIB Climate Change Mitigation		
ding				categories with no corresponding	CGBEPC categories with no corresponding categories in the MDB-IDFC	
categories				categories in MDB-IDFC-CP		
in MDB-						
IDFC-CP						
1		-		3. Nuclear Energy	2 Pollution Prevention and Control	
					2.2 Environmental Restoration Project 2.2.1 Project Implementation 2.1 Project Implementation 2.2.2.2.1 Project Implementation	
				Nuclear power plants and related infrastructure (e.g. energy efficiency in nuclear fuel processing plants). Excluding	The environmental restoration project includes but not limited to:	
				nuclear enrichment facilities.	integrated improvement of the urban polluted water, mine land reclamation and ecological restoration, remediation of soil pollution and etc.	
				-	2 Pollution Prevention and Control	
					2.3 Clean Utilization of Coal 2.3 Device Facility Construction and Operation 2.5 The becker Facility Construction and Operation	
					Last 1 Celevier acany Custes usualize as Operation projects conducting coal washing and processing, using coal by quality and classification, adopting technologies easy for pollution treatment to replace the traditional use of coal.	
					4 Clean Transportation	
					4.5 Clean Fuel	
					4.5.2 Manufacturing of Auto Fuel Products Specific to the fuel products which meet the bull production requirements of GB V standard gasoline and GB IV standard dieset; and production of clean fuel additives, like antiknock and oxidizer.	
					Specific to the fluid products which meet the business production requirements of GBV standard gasoline and GB IV standard deset, and production of clean fluid additives, like artifixnock and oxidizer. Excluding a Production and Climate Change Adaption	
					6.4 Emergency Prevention and Control of Disaster	
					8.4.1 Facility Construction and Operation Specific to disassive monitoring, warming and emergency response system, major river dyke construction and riverway dredging engineering, and other engineering construction and operation including soil and water loss control, ecological protection of	
					forests and prairies and etc. These include but not limited to :	
					1. Disaster monitoring of major infrastructure (water conservancy, transportation, communication, electricity transmission, municipal infrastructure an etc.) and emergency response system; 2. Dyke construction of major infrastructure (water conservancy, transportation, communication, electricity transmission, municipal infrastructure an etc.) and emergency response system; 2. Dyke construction of major infrastructure (water conservancy, from the construction) and infrastructure and etc. and emergency response system; 2. Dyke construction of major infrastructure (water conservancy, from the conservancy) and experiments and experiments are conservancy and experiments.	
					Construction and operation of hygiene emergency response for addressing natural disaster and extreme weather, the production and storage of hygiene emergency response facilities;	
					4. Monitoring, prevention and control system of frost five, harmful and exotic species; 5. Warning, prevention and control system of special five prevention and control system of agriculture disaster, emolatoring, prevention and control system of agriculture disaster, emolatoring, prevention and control system of agriculture disaster, emolatoring, prevention and control system of animal epidemics;	
					5. Monitoring system of marine disaster, ecological protection of praise, control of soil and water loss. 7. Monitoring system of marine disaster, ecological protection of praise, control of soil and water loss. 7. Matural flower protection project NEPSC, conventing cultivated and into forests, construction and maintenance of shelter forest;	
					Natural forest protection project (REPP), converting cultivated fail and into breats, construction and manitenance of shelfer forest; Production, storage and transmission of disaster preparadness supplies. Production, storage and transmission of disaster preparadness supplies.	



				EIB	FMO	NIB
List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance Extract from MDB / IDFC Common Principles for Climate Change Mitigation Tracking (MDB-IDFC-CP; version 2 - 15th June 2015). For the full text of the Common Principles which also includes purpose, definitions and guidelines, please refer to: http://www.eib.org/attachments/documents/mdb_idfc_mitigation_common_principles_en.pdf		C Common Principles for Climate Change B-IDFC-CP; version 2 - 15th June 2015). les which also includes purpose, definitions and guidelines, please	(published Sept 2017)	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology) Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before end of 2017	FMO Criteria for Climate Mitigation	NIB criteria for Climate Mitigation
Category	Sub-category	Example	Eligible Activities		Eligible Activities	
		1.1.1 Wind power	1.1.1 Wind power	2.1 (Renewable Energy) Wind Criteria: onshore wind; offshore wind; commercially mature technologies; onshore wind competitive with fossil fuel generation benchmark (which includes the cost of economic externalities - GHGs and security of supply - but excludes subsidies)	1.1.1 Wind power	Renewable Energy, Wind, Critera : Additional renewable capacity supplying electricity to the grid
		1.1.2 Geothermal power Criteria: only if net emission reductions can be demonstrated	1.1.2 Geothermal power Criteria: only if net emission reductions can be demonstrated	2.4 (Renewable Energy) Geothermal Criteria: commercially mature technology; proven reserves (no drilling risk); net CO2 emissions reduction is demonstrated; competitive with fossil fuel generation benchmark (which includes the cost of economic externalities - GHGs and security of supply - but excludes subsidies)	1.1.2 Geothermal power Criteria: only if net emission reductions can be demonstrated	Renewable Energy, Geothermal Criteria: increased electricity or heat generation from geothermal installations
		1.1.3 Solar power (concentrated solar power, photovoltaic power)	1.1.3 Solar power (concentrated solar power, photovoltaic power)	2.2 (Renewable Energy) Solar Criteria: photovoltaic; concentrated solar power; commercially mature technology	1.1.3 Solar power (concentrated solar power, photovoltaic power)	Renewable Energy Solar Criteria: Additional renewable capacity supplying electricity to the grid
1. Renewable Energy	e 1.1 Electricity Generation	1.1.4 Biomass or biogas power Criteria: only if net emission reductions, including carbon pool balance, can be demonstrated	1.1.4 Biomass or biogas power Criteria: only if they result in net reductions in emissions, taking into account production, processing and transportation	Criteria: solid biomass; biogas; bioliquids; non-contaminated solid biomass proven to originate from a sustainable chain of supply; net GHG emissions reduction is demonstrated; for commercialised electricity production, competitive with fossil fue generation benchmark (which includes the cost of economic externalities - GHGs and security of supply - but excludes subsidies)	1.1.4 Biomass or biogas power Criteria: Realization of 2nd generation waste biomass or biogas power generation (ie. From agri waste or landfills) because it does not decrease biomass and soil carbon pools (preferably with demonstrated expected annual GHG avoidance)	Renewable Energy Biomass Criteria: Use of renewable fuels (peat is not regarded as a renewable fuel)
		1.1.5 Ocean power (wave, tidal, ocean currents, salt gradient, etc.)	1.1.5 Ocean power (wave, tidal, ocean currents, salt gradient, etc.)	(Renewable Energy) Hydrothermal and ocean Criteria: commercially mature technology	1.1.5 Ocean power (wave, tidal, ocean currents, salt gradient, etc.)	Renewable Energy
		1.1.6 Hydropower plants Criteria: only if net emission reductions can be demonstrated	1.1.6 Hydropower plants Criteria: only if net emission reductions can be demonstrated	Criteria: commercially mature technology; net GHG emissions reduction is demonstrated; competitive with fossil fuel generation benchmark (which includes the cost of economic externalities - GHGs and security of supply - but excludes subsidies)	1.1.6 Hydropower plants Criteria: only if net emission reductions can be demonstrated	Renewable Energy, Hydropower Criteria: Upgrading of existing small, medium and large hydropower schemes and new Micro and small scale new hydropower schemes
		1.1.7 Renewable energy power plant retrofits	1.1.7 Renewable energy power plant retrofits	Renewable Energy - Electricity, heat or fuel production (new and extension/modernisation) projects from renewable sources Criteria: commercially mature technology; competitive with fossil fuel generation benchmark (which includes the cost of economic externalities - GHGs and security of supply - but excludes subsidies)	1.3.2. Renewable energy power plant retrofits	Covered in above given that the project increase the generartion of power

				EIB	FMO	NIB
List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance Extract from MDB / IDFC Common Principles for Climate Change Mitigation Tracking (MDB-IDFC-CP; version 2 - 15th June 2015). For the full text of the Common Principles which also includes purpose, definitions and guidelines, please refer to: http://www.eib.org/attachments/documents/mdb_idfc_mitigation_common_principles_en.pdf		C Common Principles for Climate Change DB-IDFC-CP; version 2 - 15th June 2015). oles which also includes purpose, definitions and guidelines, please	(published Sept 2017)	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology) Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before end of 2017	FMO Criteria for Climate Mitigation	NIB criteria for Climate Mitigation
Category	Sub-category	Example	Eligible Activities		Eligible Activities	
		1.2.1 Solar water heating and other thermal applications of solar power in all sectors	1.2.1 Solar water heating and other thermal applications of solar power in all sectors	2.2 (Renewable Energy) Solar Criteria: commercially mature technology; for commercialised heat production, competitive with fossil fuel generation benchmark (which includes the cost of economic externalities - GHGs and security of supply - but excludes subsidies)	1.2.1 Solar water heating and other thermal applications of solar power in all sectors	Renewable Energy, Solar Criteria: No projects in the portfolio so far, thus no criteria have been developed.
	1.2 Heat Production or other renewable energy	1.2.2 Thermal applications of geothermal power in all sectors	1.2.2 Thermal applications of geothermal power in all sectors	2.4 (Renewable Energy) Geothermal Criteria: heat pumps; other geothermal heat production; commercially mature technology; net GHG emissions reduction is demonstrated	1.2.2 Thermal applications of geothermal power in all sectors	Renewable Energy Geothermal Criteria: heat pumps; other geothermal heat production; commercially mature technology; net GHG emissions reduction is demonstrated
	application	1.2.3 Wind-driven pumping systems or similar	1.2.3 Wind-driven pumping systems or similar applications	Category under development	1.2.3 Wind-driven pumping systems or similar applications	Criteria: No projects in the portfolio so far, thus no criteria have been developed.
1. Renewable Energy		1.2.4 Thermal applications in all sectors, incl. efficient, improved biomass stoves Criteria: sustainably produced	1.2.4 Thermal applications of bioenergy in all sectors Criteria: sustainably produced	Criteria: commercially mature technology; net GHG emissions reduction is demonstrated; for commercialised heat production: competitive with fossil fuel generation benchmark (which includes the cost of economic externalities. GHGs and security	1.2.4 Thermal applications of bioenergy in all sectors Criteria: sustainably produced	District cooling Criteria: Net GHG emissions reduction is demonstrated
g,		1.3.1 New, expanded and improved transmission systems (lines, substations)	1.3.1 New, expanded and improved transmission systems (lines, substations)	2.12 (Renewable Energy) - associated infrastructure such as substations and transmission lines that are required for the supply of renewable energy	1.3.1 New transmission systems (lines, substations) or new systems (e.g., new information and communication technology, storage facility, etc.) and mini-grid to facilitate the integration of renewable energy sources into the grid.	Renewable Energy - associated infrastructure such as substations and transmission and distribution lines that are required for the supply of renewable energy
	1.3 Measures to facilitate	1.3.2 Storage systems (battery, mechanical, pumped storage)	1.3.2 Storage systems (battery, mechanical, pumped storage) that facilitate integration of renewables, or increase renewable energy production	connection of new renewable energy capacity, or increased utilisation of existing capacity; net GHG emissions reduction is	Criteria: net GHG emissions reduction is demonstrated	Criteria: capacity of associated infrastructure justified by connection of new renewable energy capacity, or increased utilisation of existing capacity
	integration of renewable energy into grids	1.3.3 New information and communication technology, smart-grid and mini-grid	1.3.3 New information and communication technology, smart-grid and mini-grid	2.12 (Renewable Energy) - associated infrastructure such as substations and transmission lines that are required for the supply of renewable energy Criteria: capacity of associated infrastructure justified by connection of new renewable energy capacity; net GHG emissions reduction is demonstrated	1.3.3. Improving existing systems to facilitate the integration of renewable energy sources into grid (case by case assessment)	So far not considered relevant for GHG reductions

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Category	Sub-category	Example	Eligible Activities		Eligible Activities	
	2.1 Transmission and distribution systems	2.1.1 Retrofit of transmission lines or substations and/or distribution systems to reduce energy use and/or technical losses including improving grid stability/reliability Criteria: only if net emission reductions can be demonstrated; in case capacity expansion, only the part that is reducing existing losses is included	2.1.1 Retrofit of transmission lines or substations and/or distribution systems to reduce energy use and/or technical losses including improving grid stability/reliability Criteria: in case of capacity expansion, only the portion of the investment that is reducing existing losses is included	Energy Efficiency - transmission and distribution infrastructure to reduce energy use and/or technical losses Criteria: net present value of energy savings, including environmental externalities, at least equal 50% of the net present value of the project cost over its life; net GHG emissions reduction is demonstrated	2.1.1. Retrofit of transmission lines or substations and/or distribution systems to reduce energy use and/or technical losses, excluding capacity expansion Criteria: only if net emission reductions can be demonstrated;	Energy Efficiency - transmission and distribution infrastructure to reduce energy use and/or technical losses Criteria: Absolute saving needs to be demonstated
2. Lower-carbon and efficient energy		2.2.1 Thermal power plant retrofit to fuel switch from a more GHG intensive fuel to a different and less GHG-intensive fuel type	2.2.1 Thermal power plant retrofit to fuel switch from a more GHG-intensive fuel to a different and less GHG-intensive fuel type Criteria: excluding replacement of coal by coal	10.5 (Other) - Thermal power plant modernisations that allow fuel switching from a more GHG-intensive fuel to a different, less GHG-intensive fuel may also be eligible, subject to meeting the Bank's emissions performance standard for GHG emissions. Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; compliance with the EIB emissions performance standard (EPS), currently 550 gmCO2/kWh, dropping to 450 gmCO2/kWh on 1/1/2018; net GHG emissions reduction is demonstrated	2.2.1 Thermal power plant retrofit to fuel switch from a more GHG-intensive fuel to a different, less GHG-intensive fuel type	Other - Thermal power plant modernisations that allow fuel switching. Criteria: Switch from fossil to renewable fuels
generation	Fidilis	2.2.2 Conversion of existing fossil-fuel based power plant to co- generation technologies that generate electricity in addition to providing heating/cooling	2.2.2 Conversion of existing fossil-fuel based power plant to cogeneration technologies that generate electricity in addition to providing heating/cooling Criteria: in all co-generation projects energy efficiency is required to be substantially higher than separate production of electricity and heat	1.1 (Energy Efficiency) - highly efficient combined heat and power (CHP) plants Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; energy efficiency compliant with the Energy Efficiency Directive 2012/27/EU and its related Decisions 2011/877/EU and 2008/952/EC (including that energy efficiency is substantially higher than separate production); coal powered CHP plants are excluded	2.2.2 Conversion of existing fossil-fuel based power plant to co-generation technologies that generate electricity in addition to providing heating/cooling. 2.2.3.Waste heat recovery improvements.	Criteria: all projects that NIB has suported have increased renwable output and have thus been categorised "renewable energy"
		2.2.3 Energy-efficiency improvement in existing thermal power plant	2.2.3 Energy-efficiency improvement in existing thermal power plant	Energy Efficiency - thermal power plant rehabilitation Criteria: net present value of energy savings, including environmental externalities, at least equal 50% of the net present value of the project cost over its life; compliance with the EIB emissions performance standard (EPS), currently 550 gmCO2/kWh, dropping to 450 gmCO2/kWh on 1/1/2018	2.2.4 Energy-efficiency improvement in existing thermal power plant	Energy Efficiency - thermal power plant rehabilitation Criteria: Eligable for biomass fuelled plants.

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Category	Sub-category	Example	Eligible Activities		Eligible Activities	
		3.1.1 Industrial energy-efficiency improvements though the installation of more efficient equipment, changes in processes, reduction of heat losses and/or increased waste heat recovery	3.1.1 Industrial energy efficiency improvements though the installation of more efficient equipment, changes in processes, reduction of heat losses and/or increased waste heat recovery and/or resource efficiency Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient	Energy Efficiency - industrial energy efficiency Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; investments defined by an energy audit in line with the European Standard EN 16247 Energy or equivalent, or net present value of energy savings, including environmental externalities, at least equal 50% of the net present value of the project cost over its life	3.1.1 Industrial energy efficiency improvements though the installation of more efficient equipment, changes in processes, reduction of heat losses and/or increased waste heat recovery and/or resource efficiency Criteria: Principle 4 applies i.e. Brownfield energy efficiency is classified as green if: 4a New technologies are substantially more efficient (>20%) than the replaced technologies; and, 4b The replaced technology is taken out-of-use by the current owner. 4c This does not apply for cars and (agro) vehicles: for this type of equipment it should be demonstrated that it is a 20% efficiency improvement as compared to the average sold (newly) in the market.	Energy Efficiency - industrial energy efficiency Criteria: currently a general recuirement on 30 % savings, but a revision towards more sector specific targets is under development.
	3.1 Energy efficiency in industry in existing facilities	3.1.2 Installation of co/generation plants that generate electricity in addition to providing heating/cooling	3.1.2 Installation of co-generation plants that generate electricity in addition to providing heating/cooling Criteria: in all co-generation projects energy efficiency is required to be substantially higher than separate production of electricity and heat	1.1 (Energy Efficiency) - highly efficient combined heat and power (CHP) plants Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; energy efficiency compliant with the Energy Efficiency Directive 2012/27/EU and its related Decisions 2011/877/EU and 2008/952/EC (including that energy efficiency is substantially higher than separate production); coal powered CHP plants are excluded	3.1.2 Installation of co-generation plants that generate electricity in addition to providing heating/cooling Criteria: in all co-generation projects energy efficiency is required to be substantially higher than separate production of electricity and heat	Energy Efficiency - highly efficient combined heat and power (CHP) plants Criteria: all projects that NIB has suported have increased renwable output and have thus been categorised "renewable energy"
3. Energy efficiency		3.1.3 More efficient facility replacement of an older facility (old facility retired)	3.1.3 Replacement of an older facility (old facility retired) with a more efficient facility Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient	Energy Efficiency - industrial energy efficiency Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; net present value of energy savings, including environmental externalities, at least equal 50% of the net present value of the project cost over its life	3.1.3 Replacement of an older facility (old facility retired) with a more efficient facility	Energy Efficiency - industrial energy efficiency Criteria: currently a general recuirement on 30 % savings, but a revision towards more sector specific targets is under development.
		3.2.1 Energy-efficiency improvement in lighting, appliances and equipment	3.2.1 Energy-efficiency improvement in lighting, appliances and equipment Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient		3.2.1 Energy-efficiency improvement in lighting, appliances and equipment Criteria: Princple 4 applies i.e. Brownfield energy efficiency is classified as green if: 4a New technologies are substantially more efficient (>20%) than the replaced technologies; and, 4b The replaced technology is taken out-of-use by the current owner. 4c This does not apply for cars and (agro) vehicles: for this type of equipment it should be demonstrated that it is a 20% efficiency improvement as compared to the average sold (newly) in the market.	Energy Efficiency -
	3.2 Energy efficiency improvements in existing commercial, public and residential buildings	3.2.2 Substitution of existing heating/cooling systems for buildings by co/generation plants that generate electricity in addition to providing heating/cooling Criteria: in all cogeneration projects it is required that energy efficiency is substantially higher than separate production	3.2.2 Substitution of existing heating/cooling systems for buildings by co/generation plants that generate electricity in addition to providing heating/cooling Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient	1.1 (Energy Efficiency) - highly efficient combined heat and power (CHP) plants Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; energy efficiency compliant with the Energy Efficiency Directive 2012/27/EU and its related Decisions 2011/877/EU and 2008/952/EC (including that energy efficiency is substantially higher than separate production); coal powered CHP plants are excluded	3.2.2 Substitution of existing heating/cooling systems for buildings by co/generation plants that generate electricity in addition to providing heating/cooling Criteria: Principle 4 applies i.e. Brownfield energy efficiency is classified as green if: 4a New technologies are substantially more efficient (>20%) than the replaced technologies; and, 4b The replaced technology is taken out-of-use by the current owner. 4c This does not apply for cars and (agro) vehicles: for this type of equipment it should be demonstrated that it is a 20% efficiency improvement as compared to the average sold (newly) in the market.	Criteria: currently a general recuirement on 30 % savings, but a revision towards more sector specific targets is under development.

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Category	Sub-category	Example	Eligible Activities		Eligible Activities	
		3.2.3 Retrofit of existing buildings: Architectural or building changes that enable reduction of energy consumption	3.2.3 Retrofit of existing buildings: Architectural or building changes that enable reduction of energy consumption Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient	T.z (Energy Emiciency) - energy emiciency measures of building refurbishments Criteria: achieve cost-optimal refurbishment levels, as defined by a "white list" of EIB approved energy efficiency measures for buildings or as defined by an energy audit in line with the European Standard EN 16247 Energy or equivalent, or net present value of energy savings, including environmental externalities, at least equals 50% of the net present value of the project cost over its life	3.2.3 Retrofit of existing buildings: Architectural or building changes that enable reduction of energy consumption Criteria: Principle 4 applies i.e. Brownfield energy efficiency is classified as green if: 4a New technologies are substantially more efficient (>20%) than the replaced technologies; and, 4b The replaced technology is taken out-of-use by the current owner. 4c This does not apply for cars and (agro) vehicles: for this type of equipment it should be demonstrated that it is a 20% efficiency improvement as compared to the average sold (newly) in the market.	Energy Efficiency -
		3.3.1 Energy-efficiency improvement in utilities and public services through the installation of more efficient lighting or equipment	3.3.1 Energy-efficiency improvement in utilities and public services through the installation of more efficient lighting or equipment Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient		3.3.1 Energy-efficiency improvement in utilities and public services through the installation of more efficient lighting or equipment Criteria: Principle 4 applies i.e. Brownfield energy efficiency is classified as green if: 4a New technologies are substantially more efficient (>20%) than the replaced technologies; and, 4b The replaced technology is taken out-of-use by the current owner. 4c This does not apply for cars and (agro) vehicles: for this type of equipment it should be demonstrated that it is a 20% efficiency improvement as compared to the average sold (newly) in the market.	Criteria: currently a general recuirement on 30 % savings, but a revision towards more sector specific targets is under development.
3. Energy efficiency		3.3.2 Rehabilitation of district heating and cooling systems	3.3.2 Rehabilitation of district heating and cooling systems Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient	1. Energy Efficiency - industrial energy efficiency Criteria: net present value of energy savings, including environmental externalities, at least equals 50% of the net present value of the project cost over its life 1.1 (Energy Efficiency) - highly efficient combined heat and power (CHP) plants Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; energy efficiency compliant with the Energy Efficiency Directive 2012/27/EU and its related Decisions 2011/877/EU and 2008/952/EC(including that energy efficiency is substantially higher than separate production); coal powered CHP plants are excluded	3.3.2 Rehabilitation of district heating and cooling systems Criteria:Principle 4 applies i.e. Brownfield energy efficiency is classified as green if: 4a New technologies are substantially more efficient (>20%) than the replaced technologies; and, 4b The replaced technology is taken out-of-use by the current owner. 4c This does not apply for cars and (agro) vehicles: for this type of equipment it should be demonstrated that it is a 20% efficiency improvement as compared to the average sold (newly) in the market.	Criteria: currently a general recuirement on 30 % savings, but a revision towards more sector specific targets is under development.
	3.3 Energy efficiency improvements in the utility sector and public services	3.3.3 Utility heat loss reduction and/or increased waste heat recovery	3.3.3 Reduction of heat loss in utilities and/or increased recovery of waste heat	1. Energy Efficiency - industrial energy efficiency Criteria: as defined by an energy audit in line with the European Standard EN 16247 Energy or equivalent, or net present value of energy savings, including environmental externalities, at least equals 50% of the net present value of the project cost over its life 1.1 (Energy Efficiency) - highly efficient combined heat and power (CHP) plants Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; energy efficiency compliant with the Energy Efficiency Directive 2012/27/EU and its related Decisions 2011/877/EU and 2008/952/EC; coal powered CHP plants are excluded	3.3.3 Utility heat loss reduction and/or increased waste heat recovery	Criteria: currently a general recuirement on 30 % savings, but a revision towards more sector specific targets is under development.

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Category	Sub-category	Example	Eligible Activities		Eligible Activities	
3. Energy efficiency		3.3.4 Improvement in utility scale energy efficiency through efficient energy use, and loss reduction	3.3.4 Improvement in utility-scale energy efficiency through efficient energy use, and loss reduction, or resource efficiency improvements	1. Energy Efficiency - industrial energy efficiency Criteria: as defined by an energy audit in line with the European Standard EN 16247 Energy or equivalent, or net present value of energy savings, including environmental externalities, at least equals 50% of the net present value of the project cost over its life 1.1 (Energy Efficiency) - highly efficient combined heat and power (CHP) plants Criteria: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU; energy efficiency compliant with the Energy Efficiency Directive 2012/27/EU and its related Decisions 2011/877/EU and 2008/952/EC(including that energy efficiency is substantially higher than separate production); coal powered CHP plants are excluded		Criteria: currently a general recuirement on 30 % savings, but a revision towards more sector specific targets is under development.

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Category	Sub-category	Example	Eligible Activities		Eligible Activities	
3. Energy efficiency	3.4 Vehicle energy efficiency fleet retrofit	3.4.1 Existing vehicles, rail or boat fleet retrofit or replacement (including the use of lower-carbon fuels, electric or hydrogen technologies, etc.)	3.4.1 Existing vehicles, rail or boat fleet retrofit or replacement (including the use of lower-carbon fuels, electric or hydrogen technologies, etc.) Criteria: general principle for brownfield energy efficiency activities involving the substitution of technologies - the old technologies are substituted well before the end of their lifetime and the new technologies are substantially more efficient	4.7 (Transport) - replacement and refurbishment including the retrofitting of elements to achieve better energy efficiency Criteria: EIB's Energy Efficiency criteria - detailed criteria for transport under development	3.4.1 Existing vehicles, rail or boat fleet retrofit or replacement (including the use of lower-carbon fuels, electric or hydrogen technologies, etc.) Criteria: Principle 4 applies i.e. Brownfield energy efficiency is classified as green if: 4a New technologies are substantially more efficient (>20%) than the replaced technologies; and, 4b The replaced technology is taken out-of-use by the current owner. 4c This does not apply for cars and (agro) vehicles: for this type of equipment it should be demonstrated that it is a 20% efficiency improvement as compared to the average sold (newly) in the market.	Categorised as public transportations Criteria: Not defined.
	3.5 Energy efficiency in new commercial, public and residential buildings	3.5.1 Use of highly efficient architectural designs, energy efficiency appliances and equipment, and building techniques that reduce building energy consumption Criteria: exceeding available standards and complying with high energy efficiency certification or rating schemes	3.5.1 Use of highly efficient architectural designs, energy efficiency appliances and equipment, and building techniques that reduce building energy consumption Criteria: exceeding available standards and complying with high energy efficiency certification or rating schemes	1.3 (Energy Efficiency) - the construction of near zero energy buildings Criteria: buildings in compliance with Energy Performance of Buildings Directive 2010/31/EU in the EU up to 2020 Criteria: for outside of EU under discussion	3.5.1 Use of highly efficient architectural designs, energy efficiency appliances and equipment, and building techniques that reduce building energy consumption Criteria: exceeding available standards and complying with high energy efficiency certification or rating schemes	Green buildings are categorised "Green building. Criteria: highest rating levels according to LEED and BREEAM.
	3.6 Energy audits	3.6.1 Energy audits to energy end-users, including industries, buildings, and transport systems	3.6.1 Energy audits to energy end-users, including industries, buildings, and transport systems	1.2 (Energy Efficiency) - energy efficiency measures of building refurbishments Criteria: energy audit in line with the European Standard EN 16247 Energy or equivalent	3.6.1 Energy audits to energy end-users, including industries, buildings, and transport systems	Not financed by NIB
		4.1.1 Reduction in energy use in traction (e.g. efficient tillage), irrigation, and other agricultural processes	4.1.1 Reduction in energy use in traction (e.g. efficient tillage), irrigation, and other agricultural processes	Energy Efficiency - industrial energy efficiency T.5 (Forestry and Land Use) Improved water management Criteria: net present value of energy savings, including environmental externalities, at least equal 50% of the net present value of the project cost over its life	4.1.1 Reduction in energy use in traction (e.g. efficient tillage), irrigation, and other agricultural processes	NIB is not active in this sector
	4.1 Agriculture		4.1.2 Agricultural projects that improve existing carbon pools (such as rangeland management, collection and use of bagasse, rice husks, or other agricultural waste, reduced tillage techniques that increase carbon contents of soil, rehabilitation of degraded lands, peatland restoration, etc.)	7.6 (Forestry and Land Use) - soil management 7.7 (Forestry and Land Use) - biomass management Criteria: under development	4.1.2Agriculture projects that do not deplete and/or improve existing carbon pools (Reduction in fertilizer use, rangeland management, collection and use of bagasse, rice husks, or other agricultural waste, low tillage techniques that increase carbon contents of soil, rehabilitation of degraded lands, etc.)	NIB is not active in this sector
Agriculture, forestry and land-use		4.1.3 Reduction of non Co2 GHG emissions from agricultural practices (eg: paddy rice production, reduction in fertilizer use)	4.1.3 Reduction of non-CO2 GHG emissions from agricultural practices and technologies (for example, paddy rice production, reduction in fertiliser use)	7. (Forestry and Land Use) Criteria: under development	Projects or companies that lead to expanded sustainable/green output in line with one of the following certification schemes (company or project needs to be or become certified): UTZ Certified, Better Cotton Iniative, Roundtable for Sustainable Palm Oil (RSPO), Roundtable on Sustainable Biomaterials (RSB), Roundtable on Responsible Soy (RTRS), The Intercultural Federation of Organic Agriculture Movements (IFOAM), Proterra, Soil Association or Bonsucro.	NIB is not active in this sector
		4.2.1 Afforestation (plantations) on non-forested land	4.2.1 Afforestation (plantations) and agroforestry on non-forested land		4.2.1 Afforestation (plantations) and agroforestry on non-forested land	
	4.0	4.2.2 Reforestation on previously forested land	4.2.2 Reforestation on previously forested land	74/5	4.2.2 Reforestation on previously forested land	
	4.2 Afforestation and reforestation, and biosphere conservation	4.2.3 Sustainable forest management activities that increase carbon stocks or reduce the impact of forestry activities	4.2.3 Sustainable forest management activities that increase carbon stocks or reduce the impact of forestry activities	7.1 (Forestry and Land Use) - afforestation 7.2 (Forestry and Land Use) - reforestation 7.3 (Forestry and Land Use) - forest protection 7.4 (Forestry and Land Use) - fast-growing plantations Criteria: under development	4.2.3 Sustainable forest management activities that increase carbon stocks or reduce the impact of forestry activities	Forestry not eligible for loans under NIB environmental mandate

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Category	Sub-category	Example	Eligible Activities		Eligible Activities	
		4.2.4 Biosphere conservation projects (including payments for ecosystem services) targeting reducing emissions from the deforestation or degradation of ecosystems	4.2.4 Biosphere conservation and restoration projects (including payments for ecosystem services) seeking to reduce emissions from the deforestation or degradation of ecosystems		4.2.4 Biosphere conservation projects (including payments for ecosystem services) targeting reducing emissions from the deforestation or degradation of ecosystems	
4. Agriculture, forestry and land-use	4.3 Livestock	4.3.1 Livestock projects that reduce methane or other GHG emissions (manure management with biodigestors, etc.)	4.3.1 Livestock projects that reduce methane or other GHG emissions (for example, manure management with biodigesters, and improved feeding practices to reduce methane emissions)	10.3 (Other) - other projects that reduce methane emissions Criteria: under development	4.3.1 Livestock projects that reduce methane or other GHG emissions (for example, manure management with biodigesters, and improved feeding practices to reduce methane emissions)	No criteria
	4.4 Biofuels	4.4.1 Production of biofuels (including biodiesel and bioethanol) Criteria: only if net emission reductions can be demonstrated	4.4.1 Production of biofuels, including biodiesel and bioethanol Criteria: only if net emission reductions can be demonstrated	Renewable Energy) - biofuel production projects Criteria: non-contaminated solid biomass proven to originate from a sustainable chain of supply; net GHG emissions reduction is demonstrated	4.4.1 Production of biofuels, including biodiesel and bioethanol Criteria: only if net emission reductions can be demonstrated	Only biogas generated from organic waste qualifies, for liquid biofuels a net improvement needs to be demonstrated from a life-cycle perspective.
		5.1.1 Reduction of gas flaring or methane fugitive emissions in the oil and gas industry	5.1.1 Reduction of gas flaring or methane fugitive emissions in the oil and gas industry	10.3 (Other) - other projects that reduce methane emissions or	5.1.1 Reduction of gas flaring or methane fugitive emissions in the oil and gas industry	
	5.1 Fugitive emissions	5.1.2 Coal mine methane capture	5.1.2 Coal mine methane capture	industrial plant modernisation projects Criteria: net GHG emissions reduction is demonstrated; Some sectors may not be eligible for EIB financing (not linked with climate methodology)	5.1.2 Coal mine methane capture	biofuels a net improvement needs to be demonstrated from a life- cycle perspective.
5. Non-energy GHG	5.2 Carbon capture and storage	5.2.1 Projects for carbon capture and storage technology that prevent release of large quantities of CO2 into the atmosphere from fossil fuel use in power generation, and process emissions in other industries	5.2.1 Projects for carbon capture and storage technology that prevent release of large quantities of CO2 into the atmosphere from fossil fuel use in power generation, and process emissions in other industries	(Other) - activity with demonstrable substantial reductions in GHG emissions - specifically 8.7 (RDI) - carbon capture and storage Criteria: for non-RDI projects, net GHG emissions reduction is demonstrated	5.2.1 Projects for carbon capture and storage technology that prevent release of large quantities of CO2 into the atmosphere from fossil fuel use in power generation, and process emissions in other industries	NIB not active in this sector.
reductions	5.3 Air conditioning and refrigeration	5.3.1 Retrofit of existing industrial, commercial and residential infrastructure to switch to cooling agent with lower global warming potential	5.3.1 Retrofit of existing industrial, commercial and residential infrastructure to switch to cooling agent with lower global warming potential	6.12 (Urban Development) - eco-innovations for the built environment aimed at reducing emissions or increasing climate resilience. 10. (Other) - projects that eliminate or reduce emissions of N2O, PFC, HFC, SF6 and NF3. Criteria: net GHG emissions reduction is demonstrated	5.3.1 Retrofit of existing industrial, commercial and residential infrastructure to switch to cooling agent with lower global warming potential	Criteria: net GHG emissions reduction is demonstrated
	5.4 Industrial processes	5.4.1 Reduction in GHG emissions resulting from industrial process improvements and cleaner production (e.g. cement, chemical), excluding carbon capture and storage	5.4.1 Reduction in GHG emissions resulting from industrial process improvements and cleaner production (e.g. cement, chemical), excluding carbon capture and storage	10.3 (Other) - other projects that reduce methane emissions or industrial plant modernisation projects 10.4 (Other) - projects that eliminate or reduce emissions of N2O, PFC, HFC, SF6 and NF3 Criteria: net GHG emissions reduction is demonstrated	5.4.1 Reduction in GHG emissions resulting from industrial process improvements and cleaner production (e.g. cement, chemical), excluding carbon capture and storage Criteria: demonstrated by >20% GHG efficiency or resource efficiency improvement	Criteria: net GHG emissions reduction or any other absolute improvement for the envirnment to be is demonstrated

			T	EIB	FMO	NIB
List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance Extract from MDB / IDFC Common Principles for Climate Change			(published Sept 2017)	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology) Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before end of 2017	FMO Criteria for Climate Mitigation	NIB criteria for Climate Mitigation
Category	Sub-category	Example	Eligible Activities		Eligible Activities	
	6.1.1 Treatment of wastewater if not a compliance requirement (e.g. performance standard or safeguard) as part of a larger project that reduce methane emissions Criteria: only if net GHG emission reductions can be demonstrated and if not a compliance requirement to meet, for example, a performance standard or safeguard requirement to meet, for example, a performance standard or safeguard requirement 6.1.1 Waste management projects that capture or combust methane emissions 6.1.2 Waste management projects that capture or combust methane emissions 6.1.3 Waste to energy projects 6.1.3 Waste to energy projects 6.1.4 Waste collection, recycling and management projects that reduce methane emissions reduction is demonstrated 6.1.4 Waste collection, recycling and management projects that reduce methane emissions reduction is demonstrated 6.1.4 Waste collection, recycling and management projects that reduce methane emissions reduction is demonstrated 6.1.4 Waste collection, recycling and management projects that reduce methane emissions reduction is demonstrated 6.1.4 Waste collection, recycling and management projects that reduce methane emissions reduction is demonstrated 6.1.4 Waste collection, recycling and management projects that reduce methane emissions reduction is demonstrated 6.1.4 Waste collection, recycling and management and waste as inputs into new products or requirement and waste as inputs into new products or requirement as part of a Criteria: eligible if net GHG emissions reduction can be demonstrated or criteria: eligible if net GHG emissions reduction can be demonstrated or criteria: eligible if net GHG emissions reduction can be demonstrated or criteria: eligible if net GHG emissions reduction can be demonstrated or criteria: eligible if net GHG emissions reduction can be demonstrated or enterior and in other components of projects or disable as a reduction can be demonstrated or criteria: eligible if net GHG emissions reductions can be demonstrated or friteria: eligible if net GHG emissi	6.1.1 Treatment of wastewater if not a compliance requirement as part of an industrial process (only if net emission reductions can be demonstrated).	Wastewater treatment Criteria: Improved, new or increased treatment capacity			
6. Waste and wastewater				Criteria: share of landfill gas recovery related components of project considered climate mitigation; net GHG emissions	6.1.2 Waste management and waste-to-energy projects that reduce methane emissions and generate energy (e.g. incineration of waste, landfill gas capture, and landfill gas combustion)	Solid Waste - solid waste sector projects Criteria: In line with the waste hierarchy
		6.1.3 Waste to energy projects	6.1.3 Waste to energy projects	Criteria: The biodegradable share of total energy inputs from non-hazardous, non-recyclable waste to the facility; net GHG	6.1.2 Waste management and waste-to-energy projects that reduce methane emissions and generate energy (e.g. incineration of waste, landfill gas capture, and landfill gas combustion)	Solid Waste - solid waste sector projects Criteria: net emissions reduction is demonstrated
		recover or reuse materials and waste as inputs into new products or as a resource	recover or reuse materials and waste as inputs into new products or as a resource		6.1.2 Waste management and waste-to-energy projects that reduce methane emissions and generate energy (e.g. incineration of waste, landfill gas capture, and landfill gas combustion)	Solid Waste - solid waste sector projects Criteria: an absolute improvement for the envirnment to be demonstrated
7. Transport	7.1 Urban transport modal change	7.1.1 Urban mass transit	7.1.1 Urban mass transit	4.3 (Transport) - urban mass transit Criteria: The below listed public transport means and the accompanying infrastructure (tracks, stops, park and ride facilities, management systems, ticket offices, garages, etc.) -public transport buses -bus rapid transit -underground and above-ground rail rapid transit -tranways -urban ferries This could include new or replacement, refurbishment, maintenance of existing infrastructure and vehicles	7.1.1 Urban mass transit	Criteria: mainly based on electricity or bio fuels (improvement of general transport logistics to increase energy efficiency of infrastructure and transport, e.g. reduction of empty running), railway transport ensuring a modal shift of freight and/or passenger transport from road to rail (improvement of existing lines or construction of new lines), waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure or construction of new infrastructure).
		7.1.2 Non-motorized transport (bicycles and pedestrian mobility)	7.1.2 Non-motorized transport (bicycles and pedestrian mobility)	6.8 (Urban Development) - non-motorised forms of transport Criteria: No specific criteria	7.1.2 Non-motorized transport (bicycles and pedestrian mobility)	Criteria: Eligible but no specific criteria

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Category	Sub-category	Example	Eligible Activities		Eligible Activities	
		7.2.1 Integration of transport and urban development planning (dense development, multiple land-use, walking communities, transit connectivity, etc.), leading to a reduction in the use of passenger cars	7.2.1 Integration of transport and urban development planning (dense development, multiple land-use, walking communities, transi connectivity, etc.), leading to a reduction in the use of passenger cars	6.1 (Urban Development) - investrments for the reduction of the use of passenger cars 6.5 (Urban Development) mixed-use and denser developments that promote urban concentration, (6.6) reduce the need for travel or (6.7) promote resource efficiency Criteria: Under development	7.2.1 Integration of transport and urban development planning (dense development, multiple land-use, walking communities, transit connectivity, etc.), leading to a reduction in the use of passenger cars	B has not financed this type of projects
	7.2 Transport oriented urban development	7.2.2 Transport demand management measures dedicated to reduce GHG emissions (e.g., speed limits, high-occupancy vehicle lanes, congestion charging/road pricing, parking management, restriction or auctioning of license plates, car-free city areas, low-emission zones)	7.2.2 Transport and travel demand-management measures dedicated to reducing pollutant emissions, including GHG emissions (such as high-occupancy vehicle lanes, congestion charging or road pricing, parking management, restriction or auctioning of license plates, car-free city areas, low-emission zones) Criteria: General traffic management is not included. This category is for demand management to reduce GHG emissions, assessed on a case-by-case basis.	6.1 (Urban Development) - reduction of the use of passenger cars and (6.2) CO2 emissions Criteria: Under development	7.2.2 Transport and travel demand-management measures dedicated to reducing pollutant emissions, including GHG emissions (such as high-occupancy vehicle lanes, congestion charging or road pricing, parking management, restriction or auctioning of license plates, car-free city areas, low-emission zones) Criteria: General traffic management is not included. This category is for demand management to reduce GHG emissions, assessed on a case-by-case basis.	NIB has not financed this type of projects
7. Transport	7.3 Inter-urban transport from road to fail (improvement of existing lines or construction of new lines) 7.3 Inter-urban transport 7.3 Liter-urban transport 7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure) 7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure) 7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure) 7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure) 7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure) 7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure) 7.3.2 Waterways transport ensuring a modal shift of freight and/or passenger transport from road or air to waterways (improvement of existing infrastructure or exhibit sax to road or air). Wasaed on proportion of facilities in low carbon modes: i.e. rail, short sea shipping, inland waterways (improvement of existing infrastructure) 7.3.4 Infrastructure for construction of new infrastructure or construction of new infrastructure or construction of new infrastructure or construction of new infrastructure) 7.4 Infrastructure for lower exhola transport. 7.4 Infrastructure for lower exhola transport. 7.5 Inter-urban transport fosii fuels is excluded 7.6 (Transport) inland waterways 4.5 (Transport) inland waterways 4.5 (Transport) inland waterways and short sea shipping facilities 6. Criteria: to rinal and short sea shipping facilities 7.3.2 Waterways transport ensuring a modal shift of freight and/or passe 7.3.2 Waterways transport ensuring a modal shift	passenger transport from road to rail (improvement of existing	passenger transport from road to rail (improvement of existing lines	Criteria: Demonstration of modal shift from road or air (including avoidance of shift back to road or air); Dedicated infrastructure	7.3.1 Railway transport ensuring a modal shift of freight and/or passenger transport from road to rail (improvement of existing lines or construction of new lines)	Criteria: mainly based on electricity or bio fuels (improvement of general transport logistics to increase energy efficiency of infrastructure and transport, e.g. reduction of empty running), railway transport ensuring a modal shift of freight and/or passenger transport from road to rail (improvement of existing lines or construction of new lines), waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure or construction of new infrastructure).
			waterways transport ensuring a modal shift of freight and/or passenger transport from road to waterways (improvement of existing infrastructure or construction of new infrastructure)			
			7.4.1 Charging stations and other infrastructure for electric vehicles,		7.4 Engine upgrades resulting in particulate matter, NOx and/or SOx reductions of >20% if the upgrade does not increase levels of other pollutants.	See above.

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Category	Sub-category	Example	Eligible Activities		Eligible Activities	
	8.1 Products or equipment	8.1.1 Projects producing components, equipment or infrastructure dedicated for the renewable and energy efficiency sectors	8.1.1 Projects producing components, equipment or infrastructure dedicated to the renewable and energy efficiency sectors, or low-carbon technologies	2.11 (Renewable Energy) - related component manufacturing facilities Criteria: Under development	8.1.1 Projects producing components, equipment or infrastructure dedicated to the renewable and energy efficiency sectors, or low-carbon technologies	No critera
8. Low-carbon technologies	8.2 R&D	8.2.1 Research and development of renewable energy or energy efficiency technologies	8.2.1 Research and development of renewable energy or energy efficiency technologies, or low-carbon technologies	8.1 (RDI) - renewable energies, (8.2) second generation biofuels, (8.3) low-emission engines, (8.4) energy-efficient electrical motors, (8.5) lights and devices, (8.6) efficiency improvement from industrial processes, components and systems Criteria: Under development	8.2.1 Research and development of renewable energy or energy efficiency technologies, or low-carbon technologies	No critera
	9.1 Support to national, regional or local policy, through technical assistance or policy lending,	9.1.1 Mitigation national, sectorial or territorial policies /planning/action plan policy /planning/institutions	9.1.1 National, sectoral or territorial policies/planning/action plans/planning/institutions dedicated to mitigation such as NDCs, NAMAs and plans for scaling up renewable energy		9.1.1 - Mitigation national, sectorial or territorial policies/planning/action plan policy/planning/institutions	
		9.1.2 Energy sector policies and regulations leading to climate change mitigation or mainstreaming of climate action (energy efficiency standards or certification schemes; energy efficiency procurement schemes; renewable energy policies)	9.1.2 Energy sector policies and regulations leading to climate change mitigation or the mainstreaming of climate action such as energy efficiency standards or certification schemes; energy efficiency procurement schemes; renewable energy policies, power market reform to enable renewable energy		9.1.2 Energy sector policies and regulations leading to climate change mitigation or the mainstreaming of climate action such as energy efficiency standards or certification schemes; energy efficiency procurement schemes; renewable energy policies, power market reform to enable renewable energy	
		9.1.3 Systems for monitoring the emissions of greenhouse gases	9.1.3 Systems for monitoring the emissions of greenhouse gases		9.1.3 Systems for monitoring the emissions of greenhouse gases	
		9.1.4 Efficient pricing of fuels and electricity (subsidy rationalization, efficient end-user tariffs, and efficient regulations on electricity generation, transmission, or distribution)	9.1.4 Efficient pricing of fuels and electricity (such as subsidy rationalisation, efficient end-user tariffs, and efficient regulations on electricity generation, transmission or distribution, and on carbon pricing)		9.1.4 Efficient pricing of fuels and electricity (such as subsidy rationalisation, efficient end- user tariffs, and efficient regulations on electricity generation, transmission or distribution, and on carbon pricing)	
			9.1.5 Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport; mitigation research	No corresponding categories in current EIB eligibility list, however this is under review 9.3 as as vo vo - C eff wii - C thr mi im - C thr (G class)	9.1.5 Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport; mitigation research	— NIB is not financing this type of operations
9. Cross-cutting issues		9.1.6 Other policy and regulatory activities, including those in non- energy sectors, leading to climate change mitigation or mainstreaming of climate action	9.1.6 Other policy and regulatory activities, including those in non- energy sectors, leading to climate change mitigation or mainstreaming of climate action, such as fiscal incentives for low- carbon vehicles, sustainable afforestation standards		9.1.6 Other policy and regulatory activities, including those in non-energy sectors, leading to climate change mitigation or mainstreaming of climate action, such as fiscal incentives for low-carbon vehicles, sustainable afforestation standards	
	9.2 Financing instruments	9.2.1 Carbon Markets and finance (purchase, sale, trading, financing and other technical assistance). Includes all activities related to compliance-grade carbon assets and mechanisms, such as CDM, JI, AAUs, as well as well-established voluntary carbon standards like the VCS or the Gold Standard.	9.2.1 Carbon markets and finance (purchase, sale, trading, financing and other technical assistance); includes all activities related to compliance-grade carbon assets and mechanisms		9.3.1 Carbon Markets and finance (purchase, sale, trading, financing and other technical assistance. Includes all activities related to (Criteria EIB note) compliance-grade carbon assets and mechanisms, such as CDM, JI, AAUs, as well as well-established voluntary carbon standards like the VCS or the Gold Standard. - Greenline financing for purely renewable enery and/or water/material/pollution/energy efficiency >20% improvement (re)-financed through a financial intermediary (earmarked with use-of-funds clause) - Greenline financing for non-renewable energy and non-energy efficiency financing through new financial intermediaries or similar (e.g. earmarked lines of credit; lines for microfinance institutions, cooperatives, etc.) (earmarked with use-of-funds clause,) >20% improvement - Greenline (co)-financing for renewable energy and energy efficiency (re-)financing through financial intermediaries that are existing Green Partners (Green for Growth Fund (CGGF) and Climate Global Partnership Fund (CGPF)) (earmarked with use-of-funds clause) - Greenline (re)-financing the conversion of vehicles to CNG through financial intermediaries (earmarked with use-of-funds clause	
			9.3 Supply chain 9.3.1 Measures in existing supply chains dedicated to improvements in energy efficiency or resource efficiency upstream or downstream, leading to an overall reduction in GHG emissions			

				EIB	FMO	NIB
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Category	Sub-category	Example	Eligible Activities		Eligible Activities	
10. miscellaneous	10.1 Other activities with net greenhouse	10.1.1 Any other activity not included in this list for which the results of an ex-ante greenhouse gas accounting (undertaken	10.1.1 Any other activity if agreed by MDBs may be added to the Joint Typology of Mitigation Activities when the results of ex ante GHG accounting (undertaken according to commonly agreed methodologies) show emission reductions that are higher than a commonly agreed threshold, and are consistent with a pathway towards low greenhouse gas emissions development.	10. Other - any sector activity in a sector not included in this list Criteria: net GHG emissions reduction is demonstrated and compatible with low-carbon pathways in line with Paris Agreement; to be agreed with other MDBs		Criteria: net GHG emissions reduction is demonstrated
Categories with no correspondi ng categories in MDB-IDFC- CP				EIB Climate Change Mitigation categories with no corresponding categories in MDB-IDFC-CP		
01				Nuclear Energy Nuclear power plants and related infrastructure (e.g. energy efficiency in nuclear fuel processing plants). Excluding nuclear enrichment facilities.	Green Buildings certified by LEED (only LEED Gold or Platinum certification qualifies) or IFCs EDGE Tool	
				Omornion (autico).	Green Buildings, not yet certified or certified under other scheme Criteria: Princplie 4 applies 4.2.4 & 4.2.5. FSC and/or PEFC Certification; Rainforest Alliance Certification 6.2.3. Sanitation projects with proper waste treatment if it replaces open defecation.	
					9.2 Any other activity not included in this list for which the results of an ex-ante greenhouse gas accounting (undertaken according to commonly agreed methodologies) show emission reductions 10. Climate Change Adaptation 10.1 Activities Adressing Climate Vulnerability 11. Other Footprint 11.1 Biodiversity 11.2 Pollution mitigation	
					11.3 Conservation of natural resources	



List of activities	eligible for MDB/II	DFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the Annex C of the 2016 Joint Report on Multilateral	EIB	Beyond Ratings	CBIGCD (Green Climate Definitions) mapped on MDBIDFCCP	CICERO	PWC	S&P Global Ratings
(MDB-IDFC-CP;)	version 2 - 15th Jun	Principles for Climate Change Mitigation Tracking e 2015). cludes purpose, definitions and guidelines, please refer to: nitigation_common_principles_en.pdf	C or me 2010 Joint Report on mutinateral Development Banks' Climate Finance (published Sept 2017) Note the same categories and sub-citegories from the MDBIDFC Common Principles also apply have (Columns B & C)	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology) MDB methodology) EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before and of 2017	Beyond Ratings criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology)	CBI criteria	Note: CICERO does not rely on any predefined saxonomies or thresholds but the context of how the issuer-defined project types contribute to the transformation to the low carbon and climate resilient future. Please find our comments and considerations based on our experience today in the green bord market today.		
Category 5	Sub-category	Example 1.1.1 Wind power	Eighte Activities	2.1 (Renewable Energy) Wind Criteria: coshors sind differs wind commercial means technologic crothon and commercials.	2.1 (Renewable Energy) Wind Criteria: net emissions neduction (including implications on back-up thermal generation capacities) consistent with national policy GPRG emissions commitments and targets	Energy Wind Chleric: automatically oligibin	Ox for green bond financing the assers of bindversity and landscape issues. Policies breeds advortexctors silevuer.		(Planewable Energy) Wind Chileria: crashons wind and offshore sind projects
		1.1.2 Glochemid power Citaria: only if net emission reductions can be demonstrated	1.1.2 Geothermil power Criteria: only if not emission reductions can be demonstrated	2.4 (Planeatolia Energi) Osorbumid Christic commercialy makes technology proven reserves (no dilling sisk); not CC2 emissions reactions in demonstrated in substantial planeator benchmak (select includes the cost of incommercial commercial co	2.4 (Renewable Energy) Geothermal Criberia: independent from national policy GHC emissions commitments and largets as this is a base-load source of power	Energy, Cesthermal Charles: Direct ensistors on 100f-029-White or elaption technologies displayed at the facility worder release of non-conductable gas to the amoughtern resignable; or reviewed and replaces of orthor th	Chi for green bond financing. Be seen of heavy metal joshulion and consider local environmental emplaces.		(Renewable Energy) Geothermal Cribaria: Geothermal power generation.
		1.1.3 Solar power (concernated solar power, photocolisis power)	1.1.3 Sidar power (concernated solar power, photo-chaic power)	2.2 (Newworks Energy) Solar Citates photocolisis; concernant dalla power; communially matera technology	2.2 (Renewable Energy) Solar Criberia: net emissions reduction (including implications on buck-up harmal generation crupicities) consistent with national policy OHG emissions commitments and targets	Covery: Solar Orbeste: Concentrated solar power flucibles a shall have no more than 15% of electricity generated from non- Clastics. All other solar automatically alignible.	Oxfor green bord Frencing, Uterycke milijkes predimed.		(Nomewhite Energy) State Oritaria: photosobias; concentrated balar power
	1 Stantistic Committee	1.1.4 Blomass or biogus power Charles only first sensisten reductions, including cation pool balance, can be demonstrated.	1.1.4 Blomate or biogas power Classic, orly I Pay yeals in net reductions in emissions, saling into account production, processing and transportation.	2.7 (Newworld Energy) Biomes 2.7 (Newworld Energy) Biomes 2.8 (Newworld Energy) Biomes 2.8 (New York State Control of the Cont	2.7 (Renewable Energy) Sicrosias. Criteria: sold biomass: biopse: biologue; biologue; non-contaminated sold biomass proven to originate form a sustainable chird of supply; redependent form national policy (3HG emissions correminents and turgets are this is a base-load source of power	Eurogy Bourneys Chaints Schipets to treshold in terms of gCOOshRM requirements cinca (BON), inductions compared to fosal final handles. Datable to be determined by 01 2017.	por for present formering. No server of hand segment effects, their prespondent distance of solidate. Only fortidate from sources that direct deplices existing terminal caches poster.		(Romania Energy) Bromas Bromas power generation
	The second of the second	1.1.5 Ocean power (mens, stidl, coown currente, salt gandlest, atc.)	11.5 Ocean power (wass, didd, crown curriers, sait gradient, etc.)	2.5 (Newworlds Energy) Hydrofennial and discess Citarias: commercially mates technology	2.5 (Renewable Erangy) Hydrothermal and ocean Criedler to Hermidson induction for all might be a state of the control of the	Energy Mains Charles Asternatically digitals	Ox for green bord flowring. Could equive environmental impact assessment.		Stawwell Cong) Hydrothermá and ocuse O'berla: was and tid power governation
Remevable Emergy		1.1.6 Hydropower plants Charia: only if not emission reductions can be demonstrated	1.3.6 Hydrogover plants Citatio: only if not emission reductors can be demonstrated.	2.2 (Wereworks Energic) Hydroproser Charles commencing manuse submotings and CHS antissions submotion is demonstrated. CHS and seconly of supply- had socided in submotion in the control of commence demandles and seconly of supply- had socided in submotion in the control of commence demandles and seconly of supply- had socided in submotion in the control of commence demandles and seconly of supply- had socided in submotion in the control of commence demandles and second or supply- had socided in submotion in the control of commence demandles and second or supply- had socided in submotion in the control of commence demandles and second or supply- had socided in submotion in the control of commence demandles and second or supply- had socided in submotion in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control of commence demandles and second or supply- had socided in the control or supply- had socided in the control or supply- had socided i	2.5 (Reassable Energy) run-of-iner hydroposes (Programme Programme) policy CPG emissions commissional policy CPG emissions commissional policy CPG emissions commission power in successful power power 2.14 (Remissible Energy) Dam hydroposes Calerian rate emissions education focksing implications on back-up thermal generation capacities) consistent with makening policy CPG emissions commissions and supplies contributed and supplies consistent supplies c	Energy Hydroposes Cheste Salpect to treshold in terms of gCODAWTh equivalent to criss (80%) inductions compared to fossil fact baselines. Details to be determined by C1 2017.	On far green bond Frencing. Large hydro requires significant scooliny.		Placewooks Energy (Hydropouse Orbania: unal hydro (- 33 MM), keps hydro (- 33 MM) (midel or cutalets tropical energy)
		1.1.7 Rememble unergy power plant retrofts.	1.1.7 Revenuella energy power plant nevolta	2. Recreated Europ - Electricity, heat of hall production have and extension/trackensisting projects from merceatile sources. Caleria: commercisty manse servinsing: competitive with found hall provision handmark jointh, modules the cost of economic extensibles - CHCs and security of supply - but excludes adulated in the cost of economic extensibles - CHCs and security of supply - but excludes adulated in the cost of economic extensibles.	2. Renewable Energy - Electricity, heat or feel production (new and seaterain-in-feedination-projects from servewable sources Criberia: commercially relative to the third of the second programment of the second programment of the second programment of the second programment calculations of the cost of economic esternishing of the cost of economic esternishing children of the second programment of the second projects of the second programment of the second projects of	Patrollis are covered under each of the asset categories above See 1.1.1.1.5 above	Oxfor green bond frecing		
		12.1 Solar water heating and other thermal applications of solar power in all sectors	1.2.1 Solar water healing and other thermal applications of solar power in all sectors	2.2 (Remendate Energy) Solar Charlest communically makes technology, for communicalised had production, competitive with losest land generation-bendermant placin includes the cost of economic externalises - CHCs and security of supply—for excludes subsidies)	2.2 (Renewable Energy) Solar Criberia: net emissions reduction (including implications on back-up thermal generation capacities) consistent with national policy GHC emissions commitments and targets	Europy State Fig. 1.1.3 above	Ck for green bond financing		
1 0 0	.2 Heat Production or other energy application	12.2 Thermal applications of geothermal power in all sectors	1.2.2 Thermal applications of geothermal power in all sectors	2.4 (Manusolihe Energy) Georhermal Criteria: has pumps, other geothermal hast production; commercially mature technology; net CHG emissions reduction in demonstrated.	2.4 (Renewable Energy) Geothermal Criterias: independent from national policy GHG emissions commitments and targets as this is a basis-load source of heat	Energy, Geohannal Further work required	Ox for green bond Tracing		
		1.2.3 Wind-driven pumping systems or similar	1.2.3 Wind-driven pumping systems or similar applications	Category under development		Energy: Wind As 1.1.1 above	Ok for green bond finacing		
		12.4 Thermal applications in all sectors, incl. efficient, improved biomess stows Criteria: sustainably produced	1.2.4 Thermal applications of bicenergy in all sectors Citeria: sustainably produced	2.7 (Semesable Energy) Bornass Criteria: commercially mature technology, rest CHO emissions reduction is demonstrated, for commercialised that production competitive with loss if and generated non-trainet (which includes the cost of excernic energetised.) CHO energial control of excernic extensities - CHOs and excernic exceptive to export, but excludes subsidies.	heat	Energy: Slovenergy **Charter: Subject to Preshold in Islams of [X%] reductions compared to fosal fael baseline. Details to be determined by Q1 2017.	Ok for green bond finacing		
		1.3.1 New, expanded and improved transmission systems (lines, substations)	1.3.1 New, expanded and improved transmission systems (lines, substations)		2.12 (Renewable Energy) - associated infrastructure such as substations and transmission lines that are required for	Dedicated transmission systems are covered under each of the asset categories above Criteria: Eligible if dedicated to an eligible renewable energy			
1 in	Messures to facilitate negation of renewable mengy into grids	13.2 Storage systems (battery, mechanical, pumped storage)	1.3.2 Storage systems (battery, mechanical, pumped storage) that facilitate integration of renewables, or increase renewable energy production	2.12 (Renewable Every): - associate infrastructure such as substation and transmission lines that are required for the supply of new state service properties. Children: capacity of associated infrastructure justified by connection of new renewable energy capacity, or increased cililization of existing capacity; red CHO emissions reduction is demonstrated on the contraction of existing capacity; red CHO emissions reduction is demonstrated.	the supply of renewable energy Criberia: capacity of associated infrastructure justified by correction of new renewable energy capacity, or increased utilisation of ensisting capacity, and GHG emissions reduction is demo	Energy Energy Distribution & Management Chiteria: Further work required - to be investigated by end 2017	On as long as it is directly linked to renewable energy.		Over Energy module applicable as we consider the T&D system as a part of the surrewaldie energy infrastructure
	nergy into grids	13.3 New information and communication hechrology, smarts glid and mini-glid	1.3.3 New information and communication technology, smark-girld and min-girld	2.17 (Revenuella Energy) - associated informactive such as substations and travenisation lines that are replaced for the apopy of mensacials energy conscious of the apopy of an executive statements and approximately connection of new mensacials energy creating and CMSS emissions solution in demonstrated connection of new mensacials energy creating and CMSS emissions solution in demonstrated	2.12 (Renewable Energy) - associated infrastructure such as substations and transmission insens that are required for the supply of renewable energy Criberia: capacity of associated infrastructure; supilated by correction of new renewable energy capacity, rel GHO emissions reduction is demonstrated	Eurogy Europy Distribution & Management Otherlic: Further suck required - to be investigated by end 2017	Ch as long as it is directly loked to neweable suregy.		

List of activit	ties eligible for MDB/I	DFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the Annex C of the 2016 Joint Report on Multilateral	EIB	Beyond Ratings	CBIGCD (Green Climate Definitions) mapped on MDBIDFCCP	CICERO	PWC	S&P Global Ratings
(MDB-IDFC-C	P; version 2 - 15th Jun e Common Principles which also in techments/documents/mdb_idfc_	n Principles for Climate Change Mitigation Tracking te 2015). notices purpose, definitions and guidelines, please refer to: religiation, common, principles, an pdf	Or use 2019 Johns Report on mulintateral Development Banks' Climate Finance (published Sept 2017) Note the same categories and sub-categories from the MDB1DFC Common Principles also apply here (Cultures B & C) Estable Activities	EBC criteria for Climate Mitigation (grander approach used in line with harmonised MDB methodology) MDB methodology) MDB methodology) MDB methodology) MDB methodology MDB	Beyond Ratings criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology)	CBI criteria	Note: CICERO does not rely on any predefined suconomies or thresholds but the contast of how the issuer-defined project types contribute to the transformation to the low carbon and climate realism thatus. Plasse find our comments and considerations based on our experience today in the green bond market today.		
Category	2.1 Transmission and distribution systems	2.1. Search of separation free or substation and/or distribution systems to substance energy one and/or technical leases including reproving god statisty-statisty. Checks only if set emission substation can be demonstrated in case capacity expension, only the part find is exclude assisting leases is included.	2.1.1 Retrofit of transmission lines or substations and/or distribution systems to reduce	Everyg Efficiency - tremmission and distribution infrastructure to reduce energy use another functional leases. Clarific in represent value of energy savings, reducing environmental extendions, at least equal office of the energy savings, reducing environmental extendions, at least equal office of the energy savings of the environmental extendions in decicion in demonstrated.	Energy Efficiency - transmission and distribution infrastructure to reduce energy use and/or burined hospital sources. Criberia: nat emissions reduction (including implications on back-up thermal generation capacides) consistent with national policy OriC emissions occurrentments and targets.	Charge Energy Closthudon & Management Otherie Further work required - to be investigated by and 2017	Corporate or an insurant ment of the grid. Should send lock-in investment in obsolute technologies such as food floor tempty production.		
2. Lower-carbon since		22.1 Thermal privacy plant records to faul souther form a move OHS-extensive faul to a offstructure and lass OHS-extensive faul type.	22.1 Thermal power plans rounds to beal within Form a move CHO-electricies fund to a different and that CHO-electricies buildings. Clinials excluding replacement of cod by cod	10.5 Check - Thermal power joint rendemnations that allow had said-led from a more CHG. These senses agreement said-cell for CHG entainers. Charts restrictions agreement said-cell for CHG entainers. Charts publisher senses or complete with the factors of three-one (Phi-CO 2007/EU), completion with the CRB entainers performance standard (EPID), covered (PCID) (10.5 (Dehar) - Thermid power plant moderinations had solved as deshifting from a more GPG-detensive from a more GPG-detensive from a more GPG-detensive from a more GPG-detensive from a more general plant from the general plant from the general plant from the general plant demands of GPG-detensive from the general plant from the general general plant from the general gener	Calerto: If these are total fixed plants even after storifs, then excluded from basementy. If connected to increasibles, same as for 1.3.1.	Region more dealed assessment of alternations. Considerating to avoid back in effects to needed.		
afficient energy garestation	2.2 Power Plants	22.2 Commission of analog transitival based power plants co-generation and consigns that general executive a selection is revokely businesses. Others in a degree and represent projects it is expected that energy efficiency is advantable under the degree production.	2.2.2 Comparison of sorting trans four hand price plant to a generation selection and process according admits to proceed the selection of the process according admits to providing feature grounding for the process of the process consequence of the process consequence of the process consequence of the selection of the process of the selection of the second process of the second p	1.1 (Swag Efficiency) - highly efficient contented hast and gover (CHP) plants Clarific, policitar emission complier with in biobased firewases. Steven pRPQ-2015/75-EU. Contrals, policitar emission complier with in biobased firewases. 2015/25EV and it is stated Checkment of Contrals and Contrals (Checkment of Contrals and Contrals Contrals of Contrals and Contrals Contrals of Contrals and Con	1.1 (Erangy Efficiency) - highly efficient continue that and power (CMP) plants Criteria; polition entrastors complied with the Inficiant irrelation Discovery (IPPC) 2010/75/EL energy efficiency compliant with the remains the Entering Efficiency Directive 2012/27/EL and its related 1000/62/EEC (Entering efficiency 2000/62/EEC (Entering that energy efficiency is substantially higher than supprise production); coal powered CHP plants are excluded.	Collectic If these are triad four faints even after storifs, then excluded from basinerary, if connected to invested in a series as for 1.3.1.	Not recessarily gream. Significant scrotting to sooid teck-in in measurary		
		22.2 Energy-efficiency improvement in eaking themal power plant	22.3 Energy-efficiency improvement is scioling thermal power plant	Single Efficiency - heard glower joint enhaltation: Conference - heard glower joint enhaltation: Conference - grapher and an energy parkings, including announcement enhancisms, or heart expend 50% of the real parent value of the project cost over this, completions with fix 650 enhances parlamenters standard 61%; contrady 50% gmCCD2XNN, under receive	Energy Efficiency - thermal power plant rehabilitation Criberia: net present value of energy savings, including environmental externation, at least equal 50% of the set greater value of the part of	Excluded	Not recessarily present Significant according to alord back to be recessary	add 2.2.4 Installation of a new facility less GMC-intensive than national power grid serzage (use of WBCSD electric sector methodology to prove GMC reductions, wife a combination of Operational and Build Margins)	
		23.1 Industrial energy efficiency reprovements though the analysis of more season leads to the control of the c	1.1 Mobile de sego dificiency improvement hoppit ha institutional more difficient edigitivent. Changes in processes, reduction of had lesses and/or recreated resident in the control of t	1. E may Efficiency - industrial energy efficiency Clarative policiency - industrial energy efficiency Clarative policience reminister complare with the Industrial Efficience Districts (IPPC) 2010/74/EU. Consistention districts by energy and in this with the Employee Districts (IPPC) 2010/74/EU. The Consistential Efficience of IPPC 2010/74	Energy Efficiency - industrial energy efficiency efficiency Criteria: polution emissions compliant with the industrial Emissions Describe the industrial Emissions Describe the industrial Emissions Described to the industrial Emission of the industrial Emission Described the Industrial Emissions Described Industrial Emissions Described the Industrial Emissions Described the Industrial Emissions	Industry and Energy-Informina Commercial Citatric Further such regulated to be investigated by and 2017	Not recessably greats. Significant scrotlery to model back in in recessary	Improvement to be demonstrated in the localitational context (se opposed to considering BAT sectnologies on a worldwide level as the baseline scenario)	Lessing Efficiency - industrial energy efficiency Charles energy efficiency proposal energy to provide the same service while relating energy amount. Any of these inchronopies are assessed in other services (presist hadings, grean sense; and energy of the energy o
	Energy efficiency in industry in existing facilities	3.3.2 Incolables of columnstates plans that garantee effects(b) in addition to providing the deep cooling.	1.1.3 broaders of a generator plate that generate electricity is addition to providing harders of the generator provides energy efficiency in regards to be additionally higher than supplies production of electricity and had.	1.1 (Swag Efficies) - highly efficient continued hast and gover (CFP) parts. Clarke, politic compliant in list beload for classes (Service) (PPC) 2015/75/21. Clarke politic compliant in the Stage (Service) part 2012/75/21 and a state Characteristic general parts of the Stage (Service) parts 2012/75/21 and a state Characteristic general parts and state (Service)	1.1 (Erangy Efficiency) - Nghy efficient combined heat and power (CHP) plants or Charles; polision nethiskine compliant with the Infantiate Tensions Discrete (IPPC) 201079-EL erangy efficiency compliant with Neurope efficiency compliant with Neurope efficiency 2010692-EC (Neurope efficiency 2010692-EC (Neurope efficiency 2010692-EC (Neurope efficiency is substantially higher than supprase production; coal powered CHP plants are entitled.	halway and Evergetransius Communical Collectic Further work required - to be investigated by end 2017	Not recessarily gream. Significant security to accel backet in recessory		
		2.1.3 More efficient facility replacement of an older facility (old facility retired)	3.13 Replacement of an older facility (old facility relied) with a more efficient facility. Chesia: general principle for knowfedd energy efficiency activities mobility the substitution of technologies — the diff	Energy Efficiency - industrial energy efficiency Celeriar: policion emissions complicat with the Industrial Emissions Directive (IPPC) 2510755EU, and present value of energy swings, including endormental enternations, at least equal 50% of the net present value of the project cost over its life.	Energy Efficiency - industrial energy efficiency Criberia: pollution emissions compliant with the Industrial Emissions Disective (IPPC) 2010/75/EU; consistent with national commitments or sectorial energy efficiency targets	holiumy and Energy Internative Commercial Ciflatels Further work required -to be investigated by and 2017	Not recessary green - scruthy to avoid tock-in is recessary.		
		32.1 Energy-efficiency improvement in lighting, appliances and equipment	3.2.1 Eresgy-efficiency improvement in lighting, appliances and equipment Chains general principle for brownfald energy efficiency activities involving the substitution of benchroologies. The old thermologies are substituted wite before the end of their lifetime and the new technologies are substituted ymore efficient.		1.1 (Energy Efficiency) - highly efficient combined heat and power (CHP) plants Criberia: pollution emissions compliant with the Industrial Emissions Directive (IPPC) 2017/5/EUL energy efficiency.	Buildings: Buildings: Chellet Buildings: growth; (desire) have a low exhibition (longrine, as indicated by policy on the zero carbon- topicity) of set only in more of emissions performances (SCOLINIC) or allowing a required level of performance signal and approved proprietorally following residence; or in improve the emissions performance by 30.05%: stagendings on the term of the board, flow that performance level is achieved (in through energy efficient lighting, havings, build suitable; or orthal) is flowfall.		Improvement to be demonstrated in the localinational context (se opposed to considering BAT sechnologies on a worldwide level as the baseline scenario)	(Energy Efficiency) - reduction of environmental impact of buildings over their
	3.2 Energy efficiency improvements in existing commercial, public and residential buildings	3.2.2 Substitution of existing heating-localing systems for buildings by congeneration plants that generates electricity in addition to providing heating/cooling. Otheris: in all cooperatation projects it is required that energy efficiency is substantially higher than separate production.	3.2.2 Substitution of existing heating/cooling systems for buildings by colgenession plains that generate electricity in addition to providing heating-booking. Citeria: general principle forworkination energy efficiency activities involving the way abustion of the chroniciples - the citeriologies are substituted with bufform the end of their lifetime and the new technologies are substitutied in proce efficient.	1.1 (Sourgy Efficiency) - highly efficient combined heat and power (CFP) plants. Criteria: poliution emissions compliant with the Industrial Emissions Directive (IPPC) 2010/75/EU. 201 187/FEU and 2005/82/EQ (poliuting that emitigy efficiency is substrately higher than separate production); cold pound CFP plants are accluded.	compliant with the Energy Efficiency Directive 2012/27/EU and its related Decisions 2011/877/EU and 2008/352/EC (including that energy	hadergs: Buildings Chartin Subdings must i) silesely have a low emissions foregine, as indicated by being on the zero carbon respective for the rule of instructions performance (gCO2)-intrill or attaining a sequent level of performance sequently on the series of the bond, flowthat performance level is achieved (in through energy efficient highing- steems; has intelled or certain in facilities.		Improvement to be demonstrated in the localinational context (as opposed to considering BAT sechnologies on a worldwide level as the baseline scenario)	Inspain, construction of new assistantial or commercial buildings or resold. Criberia: focused on energy efficiency and water sowin, Certification in soludie BREEFAM, LEEP, Cherryy Dav. Green Dav. Exemption of weeply-anive phalatiess reclude. Control
		22.3 Result of eaking buildings: Archhecunil or building changes that enable addiction of eaking consumption.	32.3 Retroit of existing buildings. Anothectural or building changes that enable induction of exerge consumption. Cleakes general principle for howerfall always efficiency activities involving the substitution of technologies – the clist submissions are substituted with buffors the end of their flatime and the new technologies are substituted with buffors the end of their flatime and the new technologies are substituted by more efficient.	12 (Energy Eficancy) - energy efficiency measures of building refurbiblements Claristic scholar conceptions afterbiblement levels, as defined by a While for of ESI, approved energy efficancy measures for buildings or a defined by an energy and in the with the European Bordeni DN 152-07 Energy or expensive, or not present value of energy sample, including energy energy and expensive energy and the present value of the proper control of the energy energy and expensive energy and the energy energy and expensive energy and expensive entire of the proper control of the energy energy energy energy energy energy energy energy energy and expensive entire of the proper control of the energy ener	1.2 (Erengy Efficiency) - energy efficiency measures of building refurbishments. Criteria: achieve cost-optimal refurbishment levels, as defined by a "white last" of EIB approved energy efficiency measures for buildings or as	Buddings Buddings Charles Buddings must it allways have a tow emissions footport, as included by saling on the zone carbon neceptorily for facility to hisman of emissions performance (pCC2xxxxxx)) or state plays a required level of performance against an expressed province facility facility and country or groups where emissions performance is pCC2xxxxxx provinced province and buddings started, or of propose the emissions performance is pCC2xxxxxx provinced provinced provinced buddings started, or of propose the emissions performance is pCC2xxxxxxx buddings and provinced buddings and provinced p	On for green bond financing - be assessed the sebound affects.	terprovement to be demonstrated in the bocalivational context (se exposed to considering BAT sectivologies on a worldwide level as the baseline s canario)	Small missing year hashing and Hood and wall resulation.

	-	DFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the Annex C of the 2016 Joint Report on Multilateral		Beyond Ratings	CBIGCD (Green Climate Definitions) mapped on MDBIDFCCP	CICERO	PWC	S&P Global Ratings
(MDB-IDFC-CP; For the full text of the Co http://www.eib.org/attachs	version 2 - 15th Jur rmon Principles which also i nents/documents/mdb_idfc_	includes purpose, definitions and guidelines, please refer to: mitigation_common_principles_en.pdf	2017) Note the same categories and sub-categories from the MDB/IDFC Common Principles also apply here (Columns B & C)	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology) Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised yearslon due before and of 2017	Beyond Ratings criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology)	CBI criteria	Note: CICERO does not rely on any predefined szonomies or thresholds but the context of how the issuer-defined project types contribute to the transformation to the low carbon and climate resilient future. Please find our comments and considerations based on our experience today in the green bond market today.		
Category	sub-category	Example	Eligible Activities		defined by an energy audit in line with the	Buildings: Buildings or Buildings: Built Environment (depending on the nature of the asset)			
		3.3.1 Energy-efficiency improvement in utilities and public services through the installation of more efficient lighting or equipment.	3.3.1 Energy-efficiency improvement in utilities and public services through the installation of more efficient fighting requirement. Citating general principle for howerfast energy efficiency activities incohing the admittable of instructions. Face this behaviour is substituted and before the end of their first and the row inchronization and the row inchroniz		European Standard EN 16247 Energy or equivalent, or that are consistent with national commitments or sectorial energy efficiency targets	Criteria: Buildings must I) almostly have a low emissions footprint, as indicated by being on the zero carbon trajectory for that dry in terms of emissions performance (gCO2ximC) or statering a required level of performance against an approved provinciation's fullage standard, or ill province that emissions professionance by 30-50°C. Supporting on the term of the bond, Yeor that performance level is achieved (in through emergy efficient lighting, havings, full seathful or or other) is facilities.		Improvement to be demonstrated in the localinational context (six opposed to considering BAT sechnologies on a worldwide level as the baseline aceinario)	
2. Energy efficiency		23.2 Rehabitusion of district healing and coding systems	3.3.3 Residefiliation of district heading and cooling systems. Classics generally directly fail incomfered every afficiency, activities involving the excellentiation of selections of section selections and selection of the district of the selection of selection selection of the selection of th	1. Eurog Efficiency - Industrial energy efficiency Contribute on proposed study of energy efficiency Contribute on proposed study activity, solidady environmental enternations, of boost separate Contribute on Contribute of the Separate contribute of the Contribute	1. Emery Efficiency - industrial energy efficiency and control of Control consistent with national commitments are securised energy control of the control	Buildings: Products & Systems for Building Efficiency Cottable Further work required - to be investigated by and 2017	No recessarily grean - scudiny to seed took in its recessary.		
	Energy efficiency proposements in the utility execute and public services	3.3.3 Utility hear to as induction and/or increased water fread recovery	3.3.3 Reduction of heat tass in utilities widler increased recovery of warin heat	1. Every Stitchery, inhabited energy officency. Collection: an advised by an every putter in the with the European Standard DN 15-DY Every or excellent in the other particular and every putter, including an entermore assembles, it was at a comparison of the other particular and every putter contribute and expense (CPP) particular (in European Every and putter contribute and expense (CPP) particular and expenses an expense and in bulband Every (CPP) particular and expenses an expense and in bulband Every (CPP) particular and expenses and expense	1. Everyy Efficiency - Industrial energy efficiency efficiency reductive energy sold interest and forced by an energy sold in fine with the European Dandard ETA ACTA Temps or excellent energy efficiency begins activate or excellent energy efficiency largest activate or excellent energy efficiency largest excellent energy efficiency largest excellent energy efficiency complient who the Dangs Efficiency complient with the Dangs Efficiency complient with the Dangs Efficiency complient with the Dangs Efficiency and Dangs Efficiency	Buddings: Products & Systems for Budding Efficiency Collectic Further work required - to be investigated by and 2017	Not recessarily green. Significant accoding to whole Sock-in a necessary		
		23.4 Improvement in stilly scale energy efficiency through efficient energy use, and to a reduction	23.4 Improvement in Ally-scale energy efficiency through efficient energy sie, and bean reductor, or resource efficiency proposements.	I. Europ Efficiency - Industrial energy efficiency Centric as districtly as recept and in its with the European Decided IN VIST Europy or equivalent, or or present and energy saving, recording environment described, as the season EVEX of the expresser value of the project cost series ISI 1. Energy Efficiency - Industrial Conference on CEPT plants Centric particular environment complete which believe the Centric Centric Plants Centric particular environment complete which believe the Centric Plants Centric particular environment complete which believe the Centric Plants Centric particular environment complete which believe the Centric Plants Centric particular environment complete which believe the March 1997 (2019) (2019	Energy Efficiency - industrial energy audit efficiency - chains of the first plant in the filter population of the filter population of 1942 of Energy and England in the filter population of 1942 of Energy and England in the filter population of sacchild energy efficiency largest 1.1 (Energy Efficiency largest 1.2 (Energy Efficiency largest combined has and power CFPP) prior combined has and power CFPP prior the first position emissions compliant with the Infortant Emissions Disorder (EPPC) 2010/75/EU energy efficiency correlate with the Energy Efficiency	Buddings: Products & Systems for Budding Efficiency Collectic Further work required - to be investigated by and 2017	No recessarily grade. Significant scooling to adold lock-in in recessary		
:	.4 Vehicle energy fficiency fiest netrofit	3.4.1 Existing whicks, rail or host finest restrict or replicament forbiding the use of losser carbon buils, elected or hydrogen technologies, etc.)	3.4.1 Existing validas, sail or losed flast sendir or replacement (including fine use of larest control stable, electric 19 information less than the control of larest general protein benefited every effectively scholars involving the Characteristic and the research of the control of their latines and the rose technologies are substatisfy more efficient.	4.7 (Timppor) - replacement and shufshimest including the satisfiering of skinners to achieve better energy efficiency. Chleria: ER3 Erwyy Efficiency charia - dealahed chluria for transport under development	A.7 (Triansport) replicament and safutishment including the consoliting of elements to achieve better energy efficiency. Criteria: Elfa Energy Efficiency otheria devailed criteria for transport under development.	Transport: Private Pressure or Transport, Public Pressure part Transport or Declicated Freight (in-pressure of the asset) restore of the asset) Onder Transport and east most illevality have a libe verification floogree, as included by having on the for carbon trajectory for parameter various (in interns of pCDDs)-passesporting or freight (in terms of pCDDs)-passes of freight (in terms of pCDDs)-passesporting or freight (i	Not recessably green - Inchnology is equify tripping to a most environmental franchly direction- inholodust assessment method.		Chaspot-splacmer and whitehomer locking the residing of elements to white following control force; Charles opened frough the popertubosognies electro-whites, fail-efficient various.
	.5 Energy efficiency in new ormacus, public and saidernial buildings	2.5.1 Dies of lightly efficient and decisions, energy efficiency appliances and essyments, and buffery schrönische für alles buffery energy consumption. Charles exceeding coalities standards and complying with high energy efficiency coefficients or rating schemes.	3.5.1 Use of highly efficient architectural designs, energy efficiency appliances and evaporation, and building schroques their end-building energy consumption. Chains exceeding sealths standers and complying with high energy efficiency certification or rating schemas.	1.3 (Swerg Efficiency) - the construction of near zero energy buildings Cliniar is, buildings in completions with Energy Performance of Buildings Directive 2010/31EU in the Line is 2020 Cliniar for outside of EU order discussion	13 (Energy Efficiency) - the construction of near zero energy buildings. Criteria: buildings in compliance with Energy Performance of Buildings. Discrete 20/10/12/12 in the EU up to 2020. Criteria: for outside of EU consistent with national commitments or auctorial energy efficiency surposts.	backerys, buildings. Charles a not check for new and niciting buildings - is 3.2 shows - seen when for new and niciting buildings. Charles a new check for new and niciting buildings - is 3.2 shows - seen when it is new and niciting buildings. Charles a new continues and the nicities are buildings of the new continues and nicities and nicities are seen and nicities and nicities are seen and nicities and nicities are nicities and nicities and nicities are nicities and nicities are nicities and nicities and nicities are nicities and nicities are nicities and nicities are nicities and nicities and nicities are nicities and nicities are nicities and nicities are nicities and nicities are nicities are nicities and nicities are nicities and nicities are	Of the great hard feworing - healing and cooling from final flat should be assisted -need to avoid to be a effects of discission schronlages.		Bourge Efficiency) - medication of environmental impact of buildings over their disease, consistent of environmental buildings or worth of efficiency consistent of environmental buildings or worth of the efficiency for extra environmental buildings of the environmental buildin buildings of the environmental buildings of the environmental b
	.6 Energy audits	3.6.1 Energy audits to energy end-users, including industries, buildings, and transport systems	3.6.1 Energy audits to energy and-users, including industries, buildings, and transport applicins.	Eleangy Efficiency) - energy efficiency measures of building relurbibliments Collective energy audit in line with the European Standard EN 10247 Energy or equivalent	1.2 (Energy Efficiency) - energy efficiency measures of building refruite/mers. Criteria: energy audit in line with the European Standard EN 16247 Energy or equivalent.	Not explicitly included but would be covered as part of frield infrastructure under Buildings, Torrespont Orbanie NA	OK for green band financing		

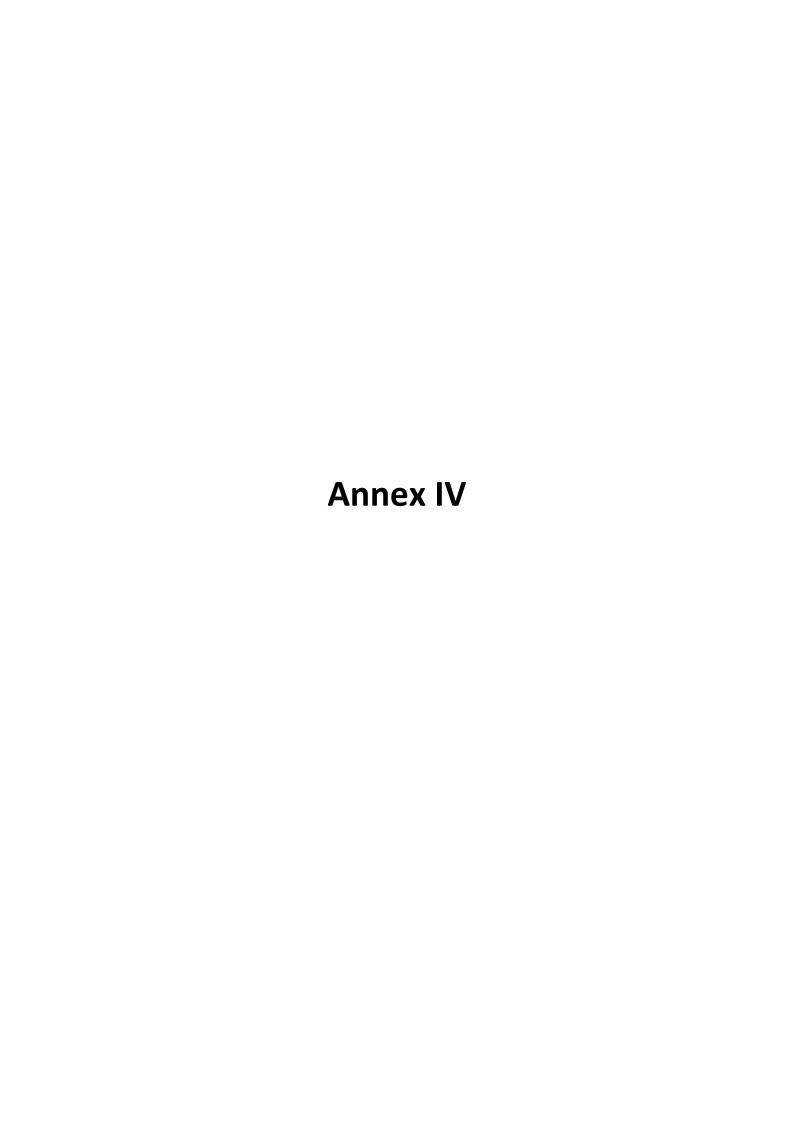
List of activities	List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance		List of activities eligible for MDB classification as Climate Mitigation Finance as published in the Annex	EIB	Beyond Ratings	CBIGCD (Green Climate Definitions) mapped on MDBIDFCCP	CICERO	PWC	S&P Global Ratings
(MDB-IDFC-CP:	version 2 - 15th Jun	Principles for Climate Change Mitigation Tracking e 2015). cludes purpose, definitions and guidelines, please refer to: highselnc_common_principles_en.pdf	2017)	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology)	Beyond Ratings criteria for Climate Mitigation (granular approach used in line with	CBI criteria	Note: CICERO does not rely on any predefined saxonomies or thresholds but the context of how the issuer-defined project types contribute to the transformation to the low carbon and climate resilient future. Please find our comments and considerations based on the transformation.		
nep./www.eib.org/anach	mens/documens/mdb_drc_r	negation_common_principles_en.pdr	Note the same categories and sub-categories from the MDB/IDFC Common Principles also apply here (Columns B & C)	Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before end of 2017	harmonised MDB methodology)		experience today in the green bond market today.		
Category	Sub-category	Example	Eligible Activities						
		4.1.1 Reduction in energy use in traction (e.g., efficient tillage), irrigation, and other approximal processes	4.1.1 Reduction in energy use in traction (e.g., efficient tillige), intgation, and other agricultural processes	Erengy Efficiency - industrial energy efficiency To fivenesty and Lend Use) Improved water management Charter and present vidual of energy salvags, including environmental enternalises, at least equal 50% of the net present vidual of the project cost over its like	Energy Efficiency - industrial energy efficiency - industrial energy efficiency and Land Use) Improved water management. Criberia: consistent with restoral commitments or sectorial energy efficiency targets.	Lund the & Seatoo Aprounce Obtains under development	Not recessarily green - accid focal fauls - more detailed assessment of alternatives needed	Improvement to be demonstrated in the localivational context (as opposed to considering AT bechnologies on a worldwide level as the baseline scenario)	
	4.1 Agriculture	1.1.2 Agricultural projects that improve existing caches proofs (, ampatitud, interruptural) and the projects of the proj	1.1.3 Agricultural projects the cirprove existing carbon pools bush as requisited management, collection and care of happens, carbonals, or other agricultural sease, reduced tillings sociriospas that increase carbon contents of soil, rehabilisation of degraded lands, peatfund restoration, etc.)	7.8 (Foresty and Lend Use) - soil management 7.7 (Foresty and Lend Use) - Nemons management Collectic under development	7.6 (Forestry and Land Use) - soil management. 7.7 (Forestry and Land Use) - biomass management. Cribaria: consistent with national commitments or sectorial energy efficiency targets	Lund the & Gerlood Agriculture Charles under development	OK for grean bond financing		
		4.1.3 Reduction of non Co2 GHS emissions from agricultural practices (eg: paddy sice production, reduction in fertilizer use)	3.1.3 Reduction of non-CO2 GHG emissions from agricultural practices and sechnologies (for example, paddy rice production, reduction in fertiliser use)	7. (Forestry and Land Use) Criteria: under development	7. (Forestry and Land Use) Criteria: consistent with national commitments or sectorial energy afficiency targets	Land Use & Seafood: Agriculture Criteria: under development	OK for green bond financing		
		4.2.1 Alforestation (plantations) on non-forested land	4.2.1 Afforestation (plantations) and agroforestry on non-forested land			Land Use & Seafcod: Commercial Forestry			
1	,	granding on increased and	grammon and agreement on the research BEIG		7.1 (Forestry and Land Use) - afforestation	Criteria: Under development - due Q1 2017 Land Use & Seafood: Commercial Forestry		<u> </u>	
 Agriculture, forestry and land-use 		4.2.2 Reforestation on previously forested land	4.2.2 Reforestation on previously forested land	7.1 (Forestry and Land Use) - afforestation	afforestation 7.2 (Forestry and Land Use) - reforestation	Land Use & Sealood: Commercial Fotestry Criteria: Under decelorment - the O1 2017		1	
	4.2 Afforestation and reforestation, and biosphere			7.2 (Forestry and Land Use) - reforestation 7.3 (Forestry and Land Use) - forest protection	7.3 (Forestry and Land Use) - forest protection	Land Use & Seafood: Commercial Forestry	Ck for green bond financing - individual assessment necessary.		
	conservation	4.2.3 Sustainable forest management activities that increase carbon stocks or reduce the impact of forestry activities	4.2.3 Sustainable forest management activities that increase carbon stocks or reduce the impact of forestry activities	7.4 (Forestry and Land Use) - fast-growing plantations	7.4 (Forestry and Land Use) - fast- growing plantations	Criteria: Under development - due Q1 2017	Cir. for green bond innancing - incividual assessment necessary.		
	•	4.2.4 Biosphere conservation projects (including payments for ecosystem services) targeting reducing emissions from the deforestation or degradation of ecosystems	4.2.4 Biosphere conservation and restoration projects (including payments for ecosystems services) seeking to reduce emissions from the deforestation or degradation of occeptations.	Criteria: under development	Criteria: consistent with national commitments or sectorial energy efficiency targets	Not explicitly included, that would be covered under Land Line & Seafood: Commercial Foresty if Infect to eligible Commercial Foresty activities, or under Land Line & Seafood: Natural Ecosystem Protection and Restoration if Infect to non-commercial forestry activities.			
						Criteria: NA			
	4.3 Livestock	4.3.1 Livestock projects that reduce methers or other GHG emissions (maruna management with biodigestors, etc.)	4.3.1 Livestock projects that reduce methans or other GHO emissions (for example, manuse management with biodigesters, and improved feeding practices to reduce methanse emissions)	10.3 (Other) - other projects that reduce methane emissions Criteria: under development	10.3 (Other) - other projects that reduce methane emissions. Criberia: consistent with national commitments or sectorial energy efficiency targets	Land the & Seafoot Agriculture Criteria: under development	On for green bond financing - individual assessment necessary.		
	4.4 Biofuels	4.4.1 Production of bolishis (including biodissal and bioshband) Citaria; only if not emission reductions can be demonstrated	4.4.1 Production of biofuels, including blodiesel and bioefhand Criteria: only if not emission reductions can be demonstrated	2.13 (Ranewalle Energy) - bohul production projects Clarific ron-contaminate local biomass prosen to originate from a sustainable chair of supply, net OHG emissions reduction is demonstrated	2.13 (Renewable Energy) - biofuel production projects Criberia: non-contaminated solid biomass provent to originate from a sustainable chain of supply; net CHG emissions reduction is demonstrated	Land the 6 Sedece Agriculture Charles subject to the same requirements as crops produced for agriculture	On for green hand financing - be assure of local negative effects, also transportation distance of binfulsion and only from sources that don't deplace existing terrested carbon pools. Certifications schemes are necess.		
		5.1.1 Reduction of gas flaring or methane fugitive emissions in the oil and gas	5.1.1 Reduction of gas flaring or methane fuzitive emissions in the oil and gas industry		10.3 (Other) - other projects that reduce	Currently excluded from CBI seconomy, but under discussion			
	5.1 Fugitive emissions	rstudity 5.1.2 Coal mine methanic capture	5.1.2 Coal mine methere capture	10.3 (Ohen) - other projects that reduce methane emissions or industrial plant modernisation projects. Collecte: net OHO emissions reduction is demonstrated. Some sectors may not be eligible for EIB financing (not livited with climate methodology)	10.3 (Other) - other projects that reduce methine enrichism or infoatrial plant modernisation projects Criberia: net GHG emissions reduction is demonstrated and/or consistent with national commitments or sectorial energy efficiency sargets	Chisele NA. Evoluted from CBI teconomy Chisele NA.	Not recessarily green - accusing to avoid lock-in is necessary.		
	5.2 Carbon capture and storage	5.2.1 Projects for carbon capture and strongs technology that prevent release of large quantities of CCD2 are the amongshare from fixed fault use in proser generation, of process centrations in other educates.	5.2.1 Projects for carbon capture and storage technology that prevent release of large quantities of CCT and the alternatives from features in power generation, and prevent exmission to other challets.	13. (Clary) - sodily all informations advantation advantation in GPG enhance - specifically 8.7 GBM) - an increase and image. Clarke for con-RCI projects, set GPG emissions reduction is demonstrated.	10. (O'bar) - activity with demonstrable substantial reductions in CHC enrissions - specifically, 8.7 (RDI) - calrbon capture and storage and storage and storage christing or control projects, net CHC enrissions reducin is demonstrated anchor consistent with restorat commitments or sectoral energy efficiency stargets.	Noted under Energy local fluids, but incognised an needing more analysis to determine eligibility credentials. Critatia: NA	Of for green bond freezing. Mos detailed assessment necessary to avoid hadage etc.		
5. Non-energy CHG reductions	5.3 Air conditioning and	5.3.1 Rands of a string industrial, communist and mulderful infraences to switch to cooling apert with tower global warning protected	5.5.1 Resorted awaring industrial, communical and maderial infrastructure to which to cooling agent with tower global warming potential.	6.12 (Johan Development - voc-irrorations for the load environment aimed at inducing entrasions or irrorassing disease. In 18 (DRPs): projects the delenses or endous entasions of NOO, MYC, MYC, SPE and MY3. Climatin: not OPG enhalters reduction is demonstrated.	6.12 (Utban Development) - eco- versusions for the built envirorment seried in flucturing emissions and series of the series and Fig. (D-Part) - projects and eliminate or reduce series and N2O, PFC, HFC, SFC eart NS ⁻² 3. Chiberlia: net CHG emissions reduction is demonstrated enrich consistent with national commissions or sectorial energy efficiency targets	badings, Bullings Cherto, An 3.2 shows Cherton, An 3.2 shows Cherto, An 3.2 shows Ch	Not recessarily green-expedity to social lock-in is recessary.		
	5.4 Industrial processes	5.4.1 Reduction in CHC emissions resulting from industrial process improvements and classer production (e.g. cement, chemical), excluding carbon coption and storage.	S.4.1 Reduction in CHG emissions washing from inclusively process improvements and cleaner production is ig. connect, chemically, excluding carbon copies and stronges	103 Other, other powers the values makes encourse or related part makes reprint powers. It is considered to the control or related assessment of ROL PFC, PFC, SFE and PS Other or OTHER makes and advanced and considered as	10.3 (Other) - other projects that reduce mathems emissions or industrial plant modernisation projects. 10.4 (Other) - projects that elements or 10.4 (Other) - projects that elements or duckee emissions of N2O, PFC, HFC, SFG and NF3 Criteria: not ICH of emissions avalaction is demonstrated and/or consistent with material commitment or a actorial emergy efficiency targets.	no.exy and Energy-Informine Commercial Chante as 3.1 above i.e. further such expand - to be investigated by and 2017	Ox for grean-bond francing - individual assessment recessory.		

	-	DFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the Annex C of the 2016 Joint Report on Multilateral		Beyond Ratings	CBIGCD (Green Climate Definitions) mapped on MDBIDFCCP	CICERO	PWC	S&P Global Ratings
(MDB-IDFC-CP; For the full text of the Co http://www.eib.org/attach	version 2 - 15th Jur mmon Principles which stan i ments/documents/mdb_idfc_	includes purpose, definitions and guidelines, please refer to: mitigation_common_principles_en.pdf	Development Banks' Climate Finance (published Sept 2017) Note the same categories and sub-categories from the MDB1DFC Common Principles also apply have (Columns B & C)	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB mathodology) Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version dus before and of 2017	Beyond Ratings criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology)	CBI criteria	Note: CICERO does not rely on any predefined axonomies or thresholds but the context of how the issuer-defined project types contribute to the transformation to the low carbon and climate realient future. Please find our comments and considerations based on our experience today in the green bond market today.		
Category	Sub-category	Example	Eligible Activities						
		6.1.1 Teatment of wisterwater if not a compliance requirement (e.g. performence standard or safeguard) as part of a larger project that reduce mentions emissions. Criteria: only if net CHG emission reductions can be demonstrated.	6.1.1 Portion of treatment of wastewater that noduce methane emissions. Chesic orby if not GMO emission reductions onto demonstrated and if not a complexes requirement to meet, for exemple, a performance standard or safeguard requirement.	10.2 (OPed) - avoidance projects from washreader testiment plants Criteria: aligible first CHG emissions induction can be demonstrated and if not a complicance requirement. Desiring criteria under development	10.2 (Other) - avoidance projects from visité veider tre aitment plants. Criteria: eligible il net GHG emissions reduction can be demonstrated andor consistent visit national commitments or sectorial energy efficiency largets.	Water Water Informations Official Improvement on entrastors compared to Business as Usual	Ox for green band financing - individual assessment necessary.		(Wastewater projects) - waterwater treatment plans and recycling Orberia: Wastewater projects include: - Wastewater treatment with real energy recovery, and - Wastewater treatment with energy recovery.
6. Waste and		6.1.2 Waste management projects that capture or comboat methorie emissions	6.1.2 Waste management projects that capture or combuse methore emissions	5. Stild Water - soft water sector projects Closure: New or Huntilly an excess-principle component of project consistent closure engineering or Consistent sections is demonstrated. In Conf. committee sections in demonstrated.	5. Solid Waste - solid wisete sector projects Criberia: share of bandill gas recovery related components of project considered climate misgainor, net CH2 emissions reducin is demonstrated and/or consistent with restorat commitments or sectorial energy efficiency sargets	Waste & Publish Control Waste disposal Glassia Under development - dua Q12017	Ox for greats bend flowchig - Indulated assessment recessary.		
weist faveurhir r	6.1 Waste and wastewater	6.1.5 Waste to weapy pojects	e.1.3 Whatia to analogy projects	5. Sold Water - sold water sector projects Contact: This Subsequential where of their every propin from non-halanthra, non-excyptable water in the Sold Project Control on extraction. It demonstrated	5. Solid Waste - solid wisets sector projects Criberia: The biodegradable shase of total energy inputs from non-hazardous, on non-excitable waste to the facility, nat OHIO emission reduction is democratized anchor consistent with national commissional commission of co	Waste & Publish Control Waste disposal Gestale Under development - dua Q12017	OX for green boost flowcrop. Policias on recycling materials are preferred in-particular focus on place. Tendorar are resided;		Offeria: Landill pas power-powersion
		A. 1.4 Waste collection, recycling and management projects that recover or reuse materials and waste as injust into new products or in a resource. Criteria: only if not emission reductions can be demonstrated.	1.1 A Wase collector, excycling and management projects that recover or reuse materials and waste as inputs rise new products or as a resource. Citeria: crity if not emission reductions can be demonstrated.	Solid Washs - solid washs sector projects Criteria: net GHS emissions reduction is demonstrated	Solid Waste - solid weste sector projects Criteria: net GHG emissions reduction is demonstrated and/or consistent with material commitments or sectorial energy afficiency targets	Wate & Pollution Control. Recycling and or Water Pollution Control. Composting Orderies: Under development—dua Q1 2017	Ox for green-bond financing - individual assessment necessary.		
	7.1 Uhlan tereport model change	7.3.1 Ultion mass tomik	7.1.1 Ultion mass toward	4.3 (Timaport)-urban mass transf Clintari. The John State State plate Session reason and the accompaning siferanciates (thinks, stops and cits Section State (Section Stat	4.3 (Transport) - unless meas hands Othersie: The below's lasted public of the control of the	Criteria: See 3.4 above	No recessarily grains - Norheology is repolly improving in a more environmental flavolly dissolven- volvatal assessment resoluted.		(Chamagord - Grain transport Colorin: That halve transport project automorphise Listen of all galantin
		7.1.2 Non-motorized transport (bicycles and pediestrian mobility)	7.1.2 Non-motorized transport (picycles and pedeshian mobility)	B. B. (Libbur Development) - non-motorised forms of transport Cotteries: No specific otheris	6.8 (Libban Development) - non- motorised forms of transport Criteria: No specific criteria	Towayon Public Passenger Towayoni Chaleria Siz A slavies Transport asset manufarishyl have a love emissions lootyrint, as indicated by baing on the love carbon trajectory for passenger varieties (in ensem of gCCO2-bipsasengeshro) or feelight (in terms of gCC	On for green band framing		

List of activitie	s eligible for MDB/I	DFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the Annex C of the 2016 Joint Report on Multilateral	EIB	Beyond Ratings	CBIGCD (Green Climate Definitions) mapped on MDBIDFCCP	CICERO	PWC	S&P Global Ratings
(MDB-IDFC-CP For the full text of the C http://www.elb.org/attac	; version 2 - 15th Jun tommon Principles which also in hments/documents/mdb_idfc_	ndudes purpose, definitions and guidelines, please refer to: mitigation_common_principles_en.pdf	Development Banks' Člimate Finance (published Sept 2017) Note the same categories and sub-categories from the MD8/1DFC Common Principles also apply here (Columns 8 & C)	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology) Note: EIB List of Eligible Climate Mitigation Activities currently under review, and revised version due before and of 2017	Beyond Ratings criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology)	CBI criteria	None: CICERO does not rely on any predefined assonomies or thresholds but the context of how the issuer-defined project types contribute to the transformation to the low carbon and climate reallient future. Please find our comments and considerations based on our experience today in the green bond market today.		
Category	Sub-category	Example	Eligible Activities						
	7.2 Transport oriented urban development	7.2.1 Integration of transport and urban devalstyment planning (dames devalstyment, miligin less lists, within communities, lessed connective), etc.], leading to a militation to be less of plannings com.	multiple land-use, walking communities, transit connectivity, etc.), leading to a neduction in the use of passenger cars.	E1 (Uthen Developmen) - investments for the induction of the use of passanger care E3 (Uthen Developmen) - investment and other developments that promote under concentration, E6 (in stace the used for traval or 67) premise resource deficiency Contrain: Under development	6.1 (Urban Development) - invisionments for the reduction of the use of passenger cars 6.5 (Urban Development) mixed-see and 6.5 (Urban Development) mixed-see and denser developments that promote urban concertation, (6.6) reduce the need for taxwall or (6.7) promote resource afficiency Criberia:	Transport Cross Cutting Chanta Further work required	Ox for green bond freeching		
7. Transport		7.2.2 Transport demand management measures dedicated to seduce CHG entissions (e.g., speed limits, high-occupiercy-which lanes, congestion charging/out-pricer, pasking management, estifiction or auctioning of license plates cut-free city areas, low-emission zones)	7.22.1 ranapper and travel dominant-insragament measures detactated to retucing pollutarel missions, including CHS desissions (such as high couplancy verbrick lisnes, congession charging or road pricing, parking management, sastiction of auctioning of learnes plates, care lack pluras, the measures zeros.) Citientia: General frailife management is not included. This category is for demand	6.1 (Ubban Development) - reduction of the use of passenger cars and (6.2) CO2 emissions Criteria: Under development	(Lirban Development) - reduction of the use of passenger cars and (6.2) CO2 emissions Criteria:	Transport: Various Criteria: See 3.4 above Transport assert must already have a low emissions footprint, as indicated by being on the low carbon trajectory for passenger vehicles (in terms of gCO2xilpassengester) for freight (in terms of gCO2xilpassengester). There will perform consider level in advanced in Entitle.	Oils for green bond financing		
		7.3.1 Rallway transport executing a model shift of finingle earlier passanger thangeon four earl to sel (Improvement of earling lites or construction of rew frost)	7.3.1 Railway swingord researing a model while of length and or generative passanger transport from mark to all direptowerser of existing linea or construction of rea lines).	e4 (Transport - Har uthan rall Charles Demonstrator of excitation and or at proteing accidence of shift back in read or will Define or information and epigement in seagon found has in excitated.	4.4 (Transport) - inter-orban rail Criteria: Consistency with GHQ entralization successive stages interpretage-ordenity defend from the official toxid CHQ entralization subcolumn toxid CHQ entralization subcolumn toxid CHQ entralization subcolumn entralization entrali	Towapon Public Passarger (Towapon and Dedound Freight is not Obstack See 3.4 above Towapon asset must always have a tow emissions forports, as noticed by being on the tow callow respectory for Towapon asset must always have a tow emissions forports, as noticed by being on the tow callow respectory for Towapon asset must always a tow emissions forports, as noticed by being on the tow callow respectively Towapon asset must always a feet of Towapon asset from the callow and Towapon asset from the callow and Towapon asset from the callow as Towapon	On for green band fraucing - Issail fuel excluded.		(Champort - Grean transport Chanic To below loved public transport project subcollaportes Hadronic cell and fineget systems
	7.3 Inter-urban transport	17.3.2 Waterways transport ensuring a model after after light and/or passenger interport from rade to waterway, (represented of estating infrastructure or esteroculotion of rate infrastructure)	7.3.2 Waterways transport ensuring a model with of freight endoir passenger transport from mark or air substrainty (ingrovement of existing infrastructure or construction of less refearbucture)	4.4 (Transport) related waterway 4.6 (Transport) related waterway and short as a hipping facilities 6.6 (Transport) retermined and short as a hipping fluenteement of model with from made or 6.6 (Transport) retermined waterway and short as a hipping fluenteement of model with from made or 6.6 (Transport) retermined waterway and specific or transport 6.6 (Transport) retermined waterway and specific or transport 6.6 (Transport) retermined waterway in the specific or transport 6.6 (Transport) retermined waterway to the specific or transport 6.6 (Transport) retermined waterway to the specific or transport 6.6 (Transport) retermined waterway to the specific or to the section of	independently assessed by external neviewers Criteria for inland waterways and short	Transport, Water Bourne Collecte Under devolutionment	Depending on fast type and alternatives available		

List of activities	eligible for MDB/ID	DFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as Climate Mitigation Finance as published in the Annex C of the 2016 Joint Report on Multilateral	EIB	Beyond Ratings	CBIGCD (Green Climate Definitions) mapped on MDBIDFCCP	CICERO	PWC	S&P Global Ratings
(MDB-IDFC-CP; For the full text of the Co	version 2 - 15th June	Principles for Climate Change Mitigation Tracking 2015). Culties purpose, definitions and guidelines, please refer to: nitigation_common_principles_en.pdf	Development Banks' Climate Finance (published Sept 2017) Note the same categories and sub-categories from the MDB/IDFC Common Principles	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology) Note: EB List of Eligible Climate Mitigation Activities currently under review, and revised variation due before end of 2017	Beyond Ratings criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology)	CBI criteria	Note: CICERO does not rely on any predefined saxonomies or thresholds but the context of how the issuer-defined project types contribute to the transformation to the low carbon and climate resilient future. Please find our comments and considerations based on our experience today in the green bond market today.		
Category	Sub-category	Example	also apply here (Columns B & C) Eligible Activities	version due before end of 2017	***				
			7.4. Infrastructure for low carbon transport 7.4.1 Charging assers and other infrastructure for electric vehicles, hydrogen or described bolled hashing	4. (Tonoport) Cellaria: Under development	(Transport) Cribariac Consistency with GHC emissions sectorial target independently assessed by estimal networks and chemed from the official total GHZ emissions reduction target or from the total GHZ emissions purposely independently assessed by enternal networkness.		Ox for green bond fraucing		
	8.1 Products or equipment	8.1.1 Projects producing components, equipment or infrastructure dedicated for the renewable and energy efficiency sectors	8.1.1 Projects producing components, equipment or infrastructure dedicated to the nanewable and energy efficiency sectors, or lose-carbon technologies	2.11 (Renewable Energy) - related component menufacturing facibles Criteria: Under development	2.11 (Renewable Energy) - related component manufacturing facilities Criberia:	Covered under the category that the products water to. E.g. for lighting, first etc see Buildings. For earth tablese, see Entrapt', World on Entrapt's End on Entrapt End on Entrapt End on Entrapt End on End of End	ok for green bond francing - Me cycle assessment preferred		
8. Low-earbon technologies	82 R&D	8.2.1 Reasons and development of soverable energy or energy efficiency unknown as the second section of the sec	E.2.1 Research and development of stereoidals energy or energy efficiency technologies, or low cardion's behindings.	as 2005, resemble corpor, 8,21 stored prosection holishs, 8,3 be sensitive regrees, 9,41 energy difficult extended misses, 8,61 pm and division, 8,61 pm and division, 8,61 pm and division, 9,51 pm and pm a	8.1 (RDI) - nervenida energies, (8.2) second generation holistis, (8.1) be- second generation holistis, (8.1) be- second generation holistis, (8.1) be- second generation second devices, (8.5) efficiency improvement form reductating consistent, components form reductating consistent, components form reductating consistent, components materials supposed, previous paradicipal control field with septications leading to protection field with septications leading to protection field with septications leading to protection field of transpositions, which is equipments, well transpositions, which is equipments, well transpositions, describe couplements, well transpositions, describe couplements, well transpositions, describe couplements.	tes explicitly rided in the teaconomy, but PAID could be allowed in fair each calleging that is eligible under the money. Check that he listed to eligible exists and projects pur rest of teaconomy.	uk for greate band floweling		
	9.1 Suspent to national.	2.1.1 Micgaton national, sectorial or writtenia policies i plaveiregitación plan policy plannen jedinárien 1.2.1 Energy seutro práciesa and engulations leading to climate change megapitan or materiasment policiesa policiesa; particular y standente o conflicación changes, exerge prificación y standente o conflicación changes, exerge prificación y procurement subcemas, messagle ferrancia procurement subcemas, messagle serving prodoción (3.2.1.2 Systemas for monotología ple envisiones of grundrosse gasas) 23.1.3 Systemas for monotología ple envisiones of grundrosse gasas.	8.1. Microsi sectoré en teribinal policios planniquistion pranspirareng/minitional actionate de misigiano en la POCA, Noblas en la Poca fe Sala será para fe saintige que envenido antego. 3.1.2 Energy sector policios and regulatorio les despete de cinida charge internacional productional despete de la compartica productional despete despete de la compartica productional despete despete de la compartica productional despete de			Na capitally recognised in sucreum, but if fished to slights massis as cudined elementes, would be eligible Chiefels M. As recognished in sucreum, but if fished to slights massis as cudined elementes, would be eligible Chiefels MA Na capitally recognised in sucreum, but if fished to slights massis as cudined elementes, would be eligible Chiefels MA			
9. Cross-cutting issues	regional or local policy, through technical assistance or policy lending,	2.1.4 Efficient pricing of fuels and electricity (subsidy rationalization, efficient end-case traffs, and efficient egulations on electricity generation, transmission, or distribution)	9.1.4 Efficient pricing of fixels and electricity (such as subsidy rationalisation, efficient and earl telf is, and efficient regulations on electricity generation, transmission or distribution, earl on custom pricing.			Criteria: NA Not explicitly recognised in taxonomy, but if finited to eligible assets as outlined elsewhere, would be eligible Criteria: NA	ok for green bond financing - mostly relevant for MDBs and national government issuances. Could be		
		9.1.5 Education, training, capacity building and awareness raising on climate change mitigation/sustainable energy/sustainable transport; mitigation research	5.1.5 Education, training, capacity-building and awareness-raising on climate charge misgation or sustainable energy or sustainable transport; mitgation research	No corresponding categories in current EIB eligibility list, however this is under review		Not explicitly recognised in tenoromy, but if finked to eligible assets as outlined absenture, would be eligible Criteria: NA	ok for green band financing - mostly relevant for MDBs and national government issuances. Could be difficult to measure impacts.		
		9.1.8 Other policy and regulatory activities, including those in non-energy sectors, leading to climate charge mitigation or mainstreaming of climate action	2.1.6 Other policy and regulatory activities, including those in non-energy sectors, leading to climate change mitigation or mainstreaming of climate action, such as fiscal incentives for low-carbon vehicles, sustainable afforestation standards			Not explicitly recognised in taxonomy, but if inked to eligible assets as cullined elsewhere, would be eligible Criteria: NA			
	9.2 Financing instruments	9.2.1 Carbon Markets and finance (purchase, sale, trading, financing and other sechrical assistance). Includes all activities related to compliance-grade carbon assets and mechanisms, such as COM, UI, AAID, as well as well-astablished voluntary carbon standards like the VCS or the Gold Standard.	9.2.1 Carbon markets and finance (purchase, sale, trading, financing and other technica assistance); includes all activities related to compliance-grade carbon assets and mechanisms			Not explicitly recognised in terrormy, but if finled to eligible assets as outlined elsewhere, would be eligible Criteria: NA			
			Supply chain Sun Messares in existing supply chains dedicated to improvements in energy efficiency or resource efficiency upstream or downstream, leading to an overall reduction in GHG emissions.						
10. miscellanecus	10.1 Other activities with net greenhouse gas reduction	10.1.1 Any other activity not included in this list for which the results of an ex-arte greathroom gas accounting (another last in according to commonly agreed restrictings); whose removem reductions	10.1.1 Any other activity if agreed by MCBs may be added to the Joint Typology of Mitigation Activities when the results of or artic CHD accounting (undertaken according to commonly agreed methodologism) show emission enductions that are higher than a commonly appead enhanciation and are consistent with a pathway towards for greenhouse gas emissions development.	10. Other - any sector activity in a sector reci included in this list. Criteria: not CPG2 missions reduction is demonstrated and compatible with two-carbon pathways in low with Paris Agreement; to be appred with other ACDs.	10. Other - any sector activity in a sector not included in this list Criberia: net CHG emissions reduction is demonstrated and compatible with toe- carbon pathways in line with national policy CHG emissions commitments and largets.	No samilar catch all in CBI taxonomy Criteria NA	See note above, CLEERO does not rely on any prodefined searcomise or thresholds but the contest of two the black offered project types contribute to the transformation to the broadcound climate selected there.		
Categories with no correspondin g categories in MDB-IDFC- CP				EIB Climate Change Mitigation categories with no corresponding categories in MDB-IDF-C-CP		Possible attribution of CBIGCD categories via addition of categories to MDBIDFCCP			Other categories

List of activities eligible for MDB/IDFC classification as Climate Mitigation Finance	List of activities eligible for MDB classification as						
= = = = = = = = = = = = = = = = = = = =	Climate Mitigation Finance as published in the Annex C of the 2016 Joint Report on Multilateral		Beyond Ratings	CBIGCD (Green Climate Definitions) mapped on MDBIDFCCP	CICERO	PWC	S&P Global Ratings
Extract from MDB / IDFC Common Principles for Climate Change Mitigation Tracking (MDB-IDFC-CP; version 2 - 15th June 2015).	Development Banks' Climate Finance (published Sept 2017)	EIB criteria for Climate Mitigation (granular approach used in line with harmonised MDB methodology)	Beyond Ratings criteria for	CBI criteria	Note: CICERO does not rely on any predefined taxonomies or thresholds but the context of		
For the full text of the Common Principles which also includes purpose, definitions and guidelines, please refer to: http://www.eb.org/latachments/socuments/indb_iefc_mitigation_common_principles_en.pdf	Note the same categories and sub-categories from the MDBIDFC Common Principles also apply here (Columns B & C)	Note: EB List of Eligible Climate Mitigation Activities currently under review, and revised version due before end of 2017	Climate Mitigation (granular approach used in line with harmonised MDB methodology)	CBI criteria	Non: CICERO does not rely on any predefined saxonomies or thresholds but the context of how the issuer-defined project types contribute to the transformation to the low carbon and climate resilient future. Please find our comments and considerations bised on our experience today in the green bond market today.		
Category Sub-category Example	Esgible Activities						
		a. Nuclear Energy Nations receiving the control of interesting the second of the control of the	3. Nuclear Energy Nuclear power plants and valend efferiencher (e.g. energy efficiency in nuclear feel processing plants). Exchaffing nuclear enrichment fucilities. Oribaria: net emissions and uctors proceeding engineering in back-up with nutleral going OPC emissions commitments and targets	Sourge - nation Intercently as a placeholder - not considered green as yet. Flagged as needing more thought		ad 2.2.4 Installation of a new facility less OHE-intensive than national power grid average (use of WICSO skettirs sector methodology to power GND reductions, with a combination of Operational and Sould Margins)	Nuclear Energy Nuclear propriets and window distinctions in a graving utilizatory in nuclear lead processing plans). In radiotor hearthy stated Text of Characterosates to American mention of the state of the state of this state of the stat
				Transport - water bourne (phigograp weasels, canel construction ext). Included in teaconemy - citeria under discussions. Production begings vessels, canels ext)	Comments from CLIRO: 1) We are encouraged by your team's explanation that the aim of this work is to licitate rather than replace the oblique between issuers, writters and invention about what is given in the given bord market. The Repupl bond caused invention about what is given in the given bord market. The Repupl bond caused inventions about what is given in the given to be provided to the reduction entitions in the long unor of jat policipe the life of the references. The dislogue bapters without interference from Newy policies and burseascribes considerable and the processes. We thin beautiful processes, when his base also you considerable c		Water demonstration projects are Conservation measure in commercial bailings, Conservation measure in commercial bailings, Conservation measure in commercial bailings, and conservation of the conservation of the conservation of the conservation of the conservation of the federal servation of the conservation of the conservation of the Conservation of the conservation of the conservation of the conservation of the Conservation of the conservation of the conservation of the Conservation of the conservation of the conservation of the conservation of the Conservation of the conservation of the
				Transport - swistion (In taxonomy as potentially green, but not labelled green at present. Flagged as needing more work)	the green bond market.		- Coal plant efficiency upgrades, - New clean coal plants, and
					A taxonomy should not be exhaustive in its form. The transformation to a		- Coal-to-gas conversions.
				CONTADDITIONAL MATERIAL PROPERTY OF THE	low carbon and climate resilient future will require many new investments		
				Additional MDBIDFCCP-categories suggested by CBI	opportunities that we are not aware of today. We should welcome issuers that want to enter the market with new ideas.		
				(CBI) ADDITIONAL - ICT Broadband, data centres, networks			
				(CBI) ADDITIONAL	 It is important to recognize the limitations of a simplified technology taxonomy when determining how green a bond is. What is green is only to some 		
				Fisheries and aquaculture (CBI) ADDITIONAL?	extent dependent on technology types - the context, region, and governance car matter significantly. The context of specific regions has to be studied as well -	-	
				Coastal infrastructure (restoration, enhancement and protection in coastal zones - to go	e.g. could energy efficient train stations qualify as green bonds just because the		
				alongside similar on land) ADDITIONAL - WATER INFRASTRUCTURE	fall under clean transportation? What about zero emission buildings in an airport? What about large hydro in different regions? For resilience projects		
				e.g. Water storage, Protection - flood defences, sea rise defenses, drought defenses, Storm water management etc	understanding the context is even more important, and especially in integration		
				Additional - manufacturing and production for other eligible assets and products beyond	with mitigation infrastructure. It is because of these contextual and regional differences CICERO's approach includes a focus on governance, or management,		
				renewable energy and buildings components, eg also manufacture of electric vehicles etc etc	of the green bond in terms of good processes for analyzing and selecting green projects within a technology type.		
					 OCEAND has not developed on own taxonomy. We follow the Gores hose Precipies categorized, with allow for climate but also broader environment objectives. The categories and sub-categories in the exist left of the control objective. The categories and sub-categories in the exist left of the categories control objective. The categories and sub-categories is the exist left of the categories could be part of green bond financing (e.g. exemple control of the categories could be part of green bond financing (e.g. exemple control of the categories could be part of green bond financing (e.g. exemple control of the categories could be part of green bond financing (e.g. exemple control of the categories could be part of green bond financing (e.g. exemple control of the categories could be part of green bond financing (e.g. exemple control of the categories could be part of green bond financing (e.g. exemple control of the categories could be categories could be part of green bond financing (e.g. exemple control of the categories could be part of green bond financing (e.g. exemple control of the categories could be part of green bond financing (e.g. exemple control of the categories could be categories could be part of green bond financing (e.g. exemple control of the categories could be part of green bond financing (e.g. exemple could be part of green bond financing (e.g. exemple could be part of green bond financing exert or review and profits of the categories could be part of green bond financing exert or review and profits on school and could be part of green bond financing exert or review and profits on school and could be part of green bond financing exert or review and pushing exert or was only on school and could be part of green bond financing exert or review and profits of the categories could be part of green bond financing exert exchool and the control and the categories of the categories or existent school and the categories of the categories or existent school and the categories or existent sch		









Green bonds – A practitioner's roundtable to guide the development of effective and credible frameworks for external reviews

9 June 2017 - final version

Discussion summary

World Wide Fund for Nature (WWF), in cooperation with the European Investment Bank (EIB) and the Institute for Climate Economics (I4CE) organized a practitioner's round-table breakfast event on external reviews of green bonds.

The round-table sought to explore how external reviews can enhance the efficiency of the green bond market, therefore its capacity to shed light on (and help improve) the underlying green finance activities and *inter alia* contribute to the implementation of the Paris Agreement, which relies on transparency, accountability, and compliance¹.

The roundtable event took place on 7 March 2017 in London and brought together practitioners from a large number of organisations² that provide external reviews of green bonds (as defined by the Green Bond Principles: i.e., consultant review, verification, certification and rating), including representatives from three of the big-four auditing firms, all the big-three credit rating agencies as well as a large number of consultants/second-party opinion providers, many of which are also recognised as "approved verifiers" by the Climate Bonds Standard.

It was the first in a series of events and the next roundtable on external reviews of green bonds is scheduled to take place on Thursday 15 June 2017 in Paris, back-to-back to the Annual General Meeting of the ICMA Green Bond Principles.

The roundtable sought to address five specific cross-cutting questions:

- 1. What is the goal of external reviews? Is this goal the same for all issuers and investors? How do different types of external review (*i.e.*, consultant review, verification, certification and rating) complement each other?
- 2. What can be considered best practice in the areas of external review at present?
- 3. Which challenges are external reviewers currently facing?
- 4. How can these challenges be addressed?
- 5. How can external reviewers help to secure integrity, accelerate market uptake, provide for a level playing field and spur the sustainable growth of the green bond market?

² See participant list in **Annex B**.

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See meeting agenda in **Annex A**.







Background

The green bond market has enjoyed steady, double digit growth for several years. According to the Climate Bonds Initiative (CBI), 2016 was the most prolific year to date, with USD 81bn issuances, almost double the amount in 2015 (Climate Bonds Initiative, 2017a).

Green bonds are therefore high on the global agenda, including the G20 Green Finance Study Group, the FSB's Task Force on Climate-related Financial Disclosures (TCFD) and the European Commission's High Level Expert Group on sustainable finance³. Further steps towards mainstreaming of green bonds as intermediate objective for the broader promotion of green finance and the implementation of the Paris Agreement can therefore be expected at G20, EU and EU Member State level.

At EU Member State level, the French government has pioneered this development and taken active steps to promote the green bond market as a tool to underpin the environmental and ecological transition in France, and has identified the need to further increase the comparability and consistency of reporting and external review practices by promoting and harmonising best practices (MEEM, 2016).

The European Commission has equally started to look into ways how standardisation could spur the sustainable growth of the green bond market and a study (EC 2016), recently released by the European Commission, advised to explore how a common 'European Green Bonds Standard' could underpin this objective. More specifically, building on existing market-led initiatives, the study provided recommendations for pre-issuance and post-issuance review, including different types of external reviews that currently exist in the market, such as consultant review (also referred to as 'second opinion'), verification, certification and ratings.

The specification of these different forms of external review, a key step towards the recognition and avoidance of potential conflicts of interest, was introduced by the ICMA/Green Bond Principles (GBPs) in 2016, following the recommendations of a working group coordinated by the European Investment Bank. Another important contribution of this working group, also adopted by the GBPs, is the "External Review Form" (GBP 2016), a standard itemized description of the core components of green bonds which permits to compare more easily the analyses conducted by different external reviewers and at the same time provides an embryo of the "mutually accepted green bond term sheet" advocated by the G20 Green Finance Synthesis Report of September 2016 (G20 GFSG, 2016). This form was put on a tangible footing by KPMG in its Independent Reasonable Assurance Report of EIB's 2015 green bond practice in September last year (EIB 2016)⁴.

WWF believes that effective and credible standards for green bonds --- including robust frameworks for external reviews⁵ are urgently needed. For the green bond market to deliver on its green promise, WWF believes that the practice where issuers make self-declared statements on green benefits (with or without *ad hoc* external reviews) needs to develop organically towards a model in which systematic and complementary external reviews gradually mainstream best practice into the issuers' operations, at the same time promoting a higher degree of transparency, accountability, reliability and comparability among issuers and investors. Actual environmental benefits could then increasingly be fostered and certified according to effective and credible standards and best practices that are widely accepted (WWF 2016).

http://www.eib.org/investor_relations/documents/cab-statement-2015.htm

³ WWF is a member of this group, EIB participates as Observer and technical advisor.

⁵ A summary overview of existing private sector frameworks and standards for green bond external reviews, as well as EU regulatory frameworks is provided in in **Annex C**.







This is why WWF, in cooperation with the European Investment Bank and the Institute for Climate Economics (I4CE), has decided to engage with external review practitioners to explore the best way forward towards the 'next generation of standards and market practice' in green bonds. If adequate standards are established, markets can help policy deliver results of great value for civil society.

Via reliable management of proceeds within a results-oriented framework, green bonds have drawn market attention to the lack of scientific consensus on material aspects of "green" (objectives, sectors, assessment metrics, impact reports, external reviews). A unique, joint platform of communication and action has thus been created for capital market practitioners, civil society representatives, project experts, and policy makers. Via this platform, we can join forces to develop concrete solutions and turn theory into practice in the relevant fields.

1. What is the goal of external reviews? Is this goal the same for all issuers and investors? How do different types of external reviews complement each other?

Green bond proceeds are allocated exclusively to projects in target policy areas. Allocations are reported transparently by policy objective under external monitoring. Larger issuance fosters accountability and peer pressure leads issuers to improve classification, assessment, allocation and reporting on the underlying assets incrementally ("mainstreaming").

This approach is flexible and inclusive: the issuer decides the target areas and the pace of mainstreaming, structuring a realistic dialogue with investors based on the issuer's individual circumstances. External reviews help improve competence, reliability and comparability of this dialogue between issuers and investors.

In this framework, external reviewers do not only act as deterrent in the field of green-washing but also as active motor of strategic change via the mainstreaming of sustainability into the existing operations of the issuers. The goal becomes the progressive and organic "greening" of the whole economy.

External reviews serve different client needs

Client-driven approaches to external review therefore prevail in the market. Different types of external reviews respond to a range of different issuer as well as investor needs and objectives.

As one participant put it: '...some external reviews focus on processes and disclosure of information only, others pertain to the 'truthfulness' of the information provided and seek to assert whether the disclosed information is supported by underlying evidence. Others are applying professional expert judgement and seek to answer the questions whether or not the underlying assets of the bonds are "good enough", e.g.: do investments in energy efficiency in a refinery, an airport or so called 'clean-coal' contribute significantly to pressing environmental efforts in accordance with scientific evidence? By reference to which policy objectives and technical thresholds? Within which strategic framework and transitional plan?'

Pre- and post-issuance external reviews serve different, though complementary, goals

An important distinction needs to be made between pre-issuance and post-issuance external reviews.

The former focuses on consulting services to help issuers put in place appropriate procedures and processes in advance of the issuance itself, and provide investors with *ex ante* comfort on the *capacity* of the issuer to achieve the level of commitment displayed in the issuer's bond documentation. The latter are geared towards providing an independent assessment of actual processes and investment flows once they have become operative, making issuers accountable to investors *ex post*.







The 'approved verifier' approach adopted in the Climate Bond Standard, purveyed by the Climate Bonds Initiative, offers a combination of pre-issuance and post issuance procedures.

From this perspective, four broad categories of mutually reinforcing external reviews were discussed during the roundtable.

Pre-issuance consultant review (also called 'evaluation' or 'second-party opinion'): the objective of pre-issuance review/consultancy services is multi-fold aiming to:

- Guide issuers to clarify what a green bond is about and structure their bond framework (categorization, evaluation, management, control and reporting) in line with market standards and best-practices and provide expertise on the nature and characteristics of the underlying assets;
- Inform investors and other stakeholders on the issuer's ESG profile and target strategy (risks materiality, policies, behaviours, dialogue with stakeholders, controversy management and governance), providing independent information to the market on both the issuer and the issuance;
- · Provide a decision-making tool for investors;
- Provide additional information to be used by regulators to monitor and/or control the market.

"Second-party reviews" seek to (independently) assess the "level of commitment and the robustness of processes" of the issuer and his capacity to manage, monitor and report on the environmental risks and impacts of the bond, based on each consultant's proprietary assessment tools. The review covers 'so-called' reasonable diligences, the management processes and procedures that will be put in place by the issuer in order to ensure that the green bond will finance and achieve what is expected in terms of sustainable environmental benefits. Some of the second-party reviews can also be revised/refreshed subsequently post-issuance.

Post-issuance verification and certification: the objective of post-issuance external reviews is to verify that "what has been said is actually what has been done", including an 'opinion' or an independent public statement on the reporting prepared by the issuer.

<u>Verification</u> typically focuses on alignment of the issuer's green bond practice with internal standards (e.g., as designed by the issuer with the help of consultants) or claims otherwise made by the issuer and may include evaluation of the sustainability/ environmental features of the underlying assets.

<u>Certification</u> assesses such practice on the basis of external standards.

Post issuance green bond ratings and assessment tools: traditionally, the overall sustainability of the issuer has been assessed by <u>ESG issuer ratings</u>.

More recently, several rating agencies, including <u>Moody's Investor Services</u>, <u>S&P Global Ratings</u>, <u>Vigeo Eiris</u> and <u>Oekom</u>, have started developing rating and assessment tools specifically targeted to the green bond market.

One way to look at this task is to determine 'traditional' credit ratings that measure risk based on an assessment of the issuer after consideration of the issuer's financial exposures to environmental risks (e.g. climate-related risks). In this case, the rating applies to the issuer as such and not on specific green bonds issuances.

In another approach, the external reviewer performs a specific analysis of the "greenness" of, on the one hand, the assets eligible for allocation from the bond proceeds, and, on the other hand, the transparency and accountability associated with the allocation and reporting related to the bonds, possibly integrating the analysis with consideration of the issuer's overall sustainability. In this case, an ad hoc "sustainability bond rating" is established.







2. What can be considered "best practice" in the areas of external review at present?

A small group of organisations currently provide external reviews, including consulting/advisory firms, research organisations, auditors (regulated in most jurisdictions), sustainability and/or financial and/or non-financial credit rating agencies, the latter being subject to quality certification such as ARISTA⁶ and/or credit rating regulation and supervised by organisations such as the SEC in the US and ESMA in Europe) (see **Annex C** for more details).

Some external reviewers use commonly-accepted international professional standards for their work, others rely on proprietary approaches they have developed for their own sake⁷. As an example, auditors are required to follow a specific audit standard in their assessment, which is independent and not always aligned with market needs, whereas a research firm is free to structure the analysis as it considers most appropriate for investors. The former provide investors with comparable data, whereas the latter provide details fitted to the specificities of the issuer and its bonds.

In the absence of comprehensive and commonly-accepted standards and frameworks for green bond external reviews, different methodologies and practices prevail even within the same external review area, limiting their <u>comparability</u>.

Several participants recognised that it is necessary to describe their respective service offerings precisely to help clients and external stakeholders better understand the respective scope, methodology and inherent limitations of their services. The required clarification applies to both the <u>subject</u> of the review, the <u>responsibility</u> assumed by the external reviewer and the nature of the existing <u>relation</u> between the issuer and the external reviewer to permit transparent assessment of the actual degree of independence (history, financial link, capital link, etc.).

Subject of external review: several participants highlighted that the <u>External Reviews Form</u> (ERF) template adopted by the GBPs in 2016 (GBP 2016) has identified and itemized the core features of green bonds, standardizing not only the description of external reviews but also that of the underlying green bonds, and making it easier for investors to compare.

Some external reviewers voiced concerns that this "minimalistic" approach may:

- undervalue the breadth and depth of the analysis undertaken by the external reviewer, thereby underestimating the relevance of its qualitative contribution and impact;
- blur the qualitative differences between the methodologies and analysis tools employed by competing external reviewers,

and explained that reviewers prefer to refer to their full report, rather than summarizing the information via the form.

On the other hand, the ERF-approach was strongly praised from a purely capital market perspective, since it makes it possible for investors to easily screen green bonds according to their respective investment criteria. If a single manageable set of core taxonomies is used by both issuers and investors, data providers (e.g. stock exchanges) can over time create automated databases to match issuer and investor preferences on a *prima facie* basis. KPMG's Reasonable Assurance Report on EIB's 2015 CAB Statement (KPMG 2016a), who has put the EIB's ERF on its letterhead last year, established an important precedent in this direction.

These two approaches are complementary and could be pursued hand-in-hand, adding both substance and efficiency to the way in which market assessment develops over time.

See summary in Annex C.

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⁶ <u>ARISTA</u> Standard, a quality standard set up by service providers themselves and purveyed and governed by the Association for Responsible Investment Services (ARISE).







Responsibility of external reviewer: An independent assurance report (also called 'opinion' or 'assurance statement') is a technical paper that is expected to describe scope, modalities, methodology, responsibilities and conclusions of the external reviewer's assessment or examination of the commitments, processes and criteria put in place by the issuer (objectives, procedures, roles and responsibilities, monitoring systems and reports) to manage, control and report on his green bonds. It may assesse the issuer's commitments and performance considering both pre- and post-issuance findings and/or check that what was 'sold to investors' at issuance has actually been delivered only considering post-issuance findings.

Under international accounting standards⁸, there are two different levels of assurance:

- "Reasonable assurance": based on his examination, the reviewer concludes that the issuer actually did what he said he did; or
- "Limited assurance": the reviewer confirms that he had an overall review of processes and procedures and that in the course of this work nothing inconsistent appeared that would contradict the information provided by the issuer. As the scope and level of detail of the work conducted by the reviewer does not allow formulating a positive statement, international standards recommend a more prudent wording: .e.g., '... nothing has come to our attention that prevents us from...".

The comfort provided by EIB's external verification framework in 2016 (reasonable assurance) could be set as <u>objective</u> of a process to be delineated and implemented step-by-step by all types of issuers and external reviewers. Such evaluation frameworks would be more or less detailed depending on the complexity and level of sophistication achieved by the issuers' processes and procedures. It could be adapted incrementally in accordance with an implementation plan laid down by the issuer on the basis of his individual circumstances. This approach would direct attention and help internal as well as external accountability of the "greening" process, rather than the mere description of the *status quo*.

Caveat: while consultant reviews sometimes use an audit-like format and vocabulary, the scope and intent is very different from post-issuance reviews, since the statements are forward-looking and describe what will be done in the future, not what has already been done in the past. International auditing standards do not apply in these circumstances: "reasonable assurance" has a different meaning and adequate reference frameworks are required to avoid market confusion in this respect.

In conclusion, the discussions seemed to suggest that there is a need for clarification, harmonisation and, over time, standardization of the 'vocabulary' that is used within each of, and across, all categories of external reviews. This is a challenge that largely pertains to sustainable finance in general rather than specifically to green bonds.

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⁸ ISAE 3000 uses the terms "reasonable assurance engagement" and "limited assurance engagement" to distinguish between the two types of assurance engagement an assurance practitioner is permitted to perform. Excerpt from [ISAE 3000:] "The objective of a **reasonable assurance** engagement is a reduction in assurance engagement risk to an acceptably low level in the circumstances of the engagement as the basis for a **positive form of expression of the practitioner's conclusion**. The objective of a **limited assurance** engagement is a reduction in assurance engagement risk to a level that is acceptable in the circumstances of the engagement, but where that risk is greater than for a reasonable assurance engagement, as the basis for a **negative form of expression of the practitioner's conclusion**."







3. Which major challenges are external review practitioners currently facing?

<u>Markets</u> are about free and efficient choices among a clear set of alternatives. <u>Policy making</u> is about clear indication of public priorities within those same alternatives. Without a common language, neither of them can work properly.

Most roundtable participants agreed that in the area of sustainable finance, and therefore also for green finance (as a sub-set of sustainable finance) and green bond external reviews, a major challenge is the absence of a single set of universally accepted taxonomies for each of:

- · definitions for project policy objectives and sectors,
- project assessment methodologies (in primis in the field of GHG-emission calculations),
- reporting principles and indicators;
- external review standards.

These differences are due to the absence of scientific consensus as well as diverse range of policy priorities in different parts of the world. Finally, standards are likely to change over time: for example, it was suggested that the assessment of what is green (both with regard to the fight against climate change and by reference to a broader range of environmental challenges) is extending from greenhouse gas emission to more general contributions to the long-term need to 'decarbonise' the economy and help mitigate long-term climate risks.

A further complication derives from one opinion in the market, voiced by two roundtable participants, that defining what is green should not be limited to climate or environment-specific criteria but should entail an integrated approach considering all ESG criteria, in order to take a broader extra-financial risk perspective and consider sustainable long-term impacts of green projects. This raises the issue of how to combine an issuer- and a bond-based perspective in the analysis.

In a nutshell, what is considered "green" according to a framework or standard today, may not comply with future needs or if assessed against another framework or standard. As a result, external reviewers are obliged to rely on a broad range of sources and expertise, as well as their proprietary inhouse tools and data, which might be challenged by other stakeholders. Reputational or legal risks might be involved. This explains why, historically, auditors (and to some extent certification/accreditation bodies) have been slower and more reluctant to enter the green bond market, waiting for credible and effective standards or frameworks to be established.

In addition, these challenges are exacerbated by a lack of knowledge and understanding of the complexity of green finance in the case of many potential issuers and the fact that many issuers (and banks) have trouble distinguishing the value propositions, methods and approaches and respective scope of services of different types of external reviews.

Indeed, while the Green Bond Principles only distinguish four broad categories of external review services (i.e., consultant reviews, verification, certification and rating⁹) some service providers argued that more clarity is needed in this area: external review providers are frequently asked by their clients to play a consulting role and then to review, later in the process, the framework so established or issuance findings. This objectively entails risks of perceived (or real) conflict of interest related to a lack of independence. This can occur because clear standards, guidance or advice on how to build eligibility frameworks are not readily available, even if sometimes the underwriter is playing this advisory role.

In summary: a common language does not exist at the moment.

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⁹ See summary in **Annex C**.







4. How can these challenges be addressed?

Creating a common language would provide a significant step forward to help issuers and investors map and compare different approaches to green and, more generally, sustainable finance. The establishment of shared reference taxonomies in the relevant fields would permit individual market participants to make unambiguous decisions, at the same time leaving them free to clarify and be loyal to their own preferences. This would combine clarity with flexibility to accommodate individual needs, including different national trajectories.

For example, an easy reporting framework could be followed by first-time issuers and facilitate thirdparty assessment. More mature issuers and market leaders could report more details, so that more demanding investors would be able to screen for best practices.

The working group on Green Eligible Projects, convened by the ICMA/GBP, seeks to address this challenge to a certain degree, but with a scope limited by the ambition to coalesce consensus in the market at large by virtue of pure market forces.

The roundtable discussed a number of possible steps to accelerate market uptake by a combination of bottom-up approaches driven by market forces with top-down initiatives of institutional nature (e.g., regulatory measures and/or incentives):

- Capacity-building and awareness-raising initiatives geared towards green bond issuers and investors (potential actors: public bodies, research organisations or NGOs);
- Government support to off-set the cost of pre-issuance consultant reviews and post-issuance assurance, provided that minimum standards are met;
- Voluntary labelling schemes such as the French government's <u>Energy and Ecological</u>
 <u>Transition for Climate label</u> that promote investments that respond to policy priorities;
- Standardized description of core features of a green bond, e.g. via inclusion of a standard form modelled on the GBP External Review Form in the EU Prospectus Directive (an example of the "mutually accepted Joint Term Sheet" advocated by the Green Finance Study Group).
- Standardisation efforts, such as the series of ISO standards for green finance, CBI's Climate Bond Standard as well as the recently announced cooperation between People's Bank of China and EIB for the development of a shared way to look at green bonds;
- Establishment of standardised metrics for impact evaluation and reporting of assets/project-specific environmental performance to strengthen the effectiveness of transparency.

All of the above may be simplified by the adoption of regulatory dispositions in the field of taxonomies, which, however, would need to be constructed on the basis of existing taxonomies, with the help of technical experts, and taking into account practical market needs.







5. How can external reviewers help to secure integrity, accelerate market uptake, provide for a level playing field and spur the sustainable growth of the market?

Several participants mentioned that sharing and developing good practices across external reviewers is useful for the green bond market at this stage of development. WWF, EIB and I4CE are indeed firmly convinced that targeted cooperation among external reviewers on some of the items above could provide valued input in the ongoing debate between market participants and policy-makers on how to best implement environmental policies, thereby spurring the sustainable growth of the green bond market for everybody's benefit.

With this in mind, we jointly intend to promote such cooperation with concrete initiatives, *in primis* in the area of use-of-proceeds taxonomies. This area is particularly important, since it that can be used to classify both eligible project policy objectives and eligible project sectors for a more efficient differentiation, co-existence and matching of sustainable issuance and investment preferences as well as the development of a more integrated approach to different policy priorities around the world.

For example, the technical experts working in the field of external reviews may play an important role in the definition of mapping and comparison of existing use-of-proceeds taxonomies such as, e.g. China Green Bond Endorsed Project Catalogue (CCSFB, 2015), IDFC/MDB climate finance tracking definitions (IDFC/MDB 2015), Climate Bonds initiative (CBI 2015), ICMA/GBP (2016), etc. which is required as a first step towards the development of shared green finance terminology for practitioners. This may take place in cooperation with public authorities and *ad-hoc* working groups with *ad hoc* mandates in this area.

Annexes

Annex A: Agenda of the round-table

Annex B: Participant list

Annex C: Overview of existing frameworks for green bond external reviews

Annex D: Overview of limitations and market challenges for external reviews

Annex E: Bibliography







Annex A - Workshop objectives and agenda

Objectives of the practitioner's round-table

The objective of the round-table is to engage with external review service practitioners to share best practices and explore ways to enhance the comparability of their review statements and consistency of their approaches/methods. This would, of course, seek to build on the work that GBP and CBI have done in this area.

During this event we would like to:

- Put to focus the contribution that external reviews can provide to the efficiency of the green bond market, spurring its sustainable growth and powering its role as public policy instrument
- Inform external review providers about a study on market integrity that I4CE is conducting this year, offering opportunities for market practitioners to actively engage
- Gather information about similarities and differences in market practitioners' approaches to external reviews
- Kick-start the discussion about pathways for the market to generate best practice, develop external review standards, reduce uncertainty, clarify preferences and facilitate market choices.

Agenda of the round-table

To achieve these objectives the round-table breakfast event will be structured as follows:

8:00	Registration & welcome
8:30-	Introductions, meeting objectives and setting the scene by the organisers:
9:00	· Introductions & welcome, Kristyna Pelikanova (EIB, Civil Society Division)
	· Objectives of the meeting, Jochen Krimphoff (WWF)
	 Overview of the I4CE study & key issues of green bonds external review practices, lan Cochran (I4CE).
9:00- 10-45	Practitioner's introduction by <i>Aldo M. Romani</i> (<i>EIB, Capital Markets Department</i>) followed by round-table interventions by external review practitioners and their clients moderated <i>by Jochen Krimphoff (WWF)</i> on best practice examples and how they add value answering the following questions:
	 How do different types of external reviews (i.e., consultant reviews, verification, certification and ratings) complement each other? What can be considered best practice in these areas at present?
	 What type of barriers for market adoption is the market currently facing? E.g.: lack of knowledge, lack of investor interest, lack of public recognition and competitive pressure, cost of services, lack of clarity (no external review standards, no supervisory authority), limited comparability (absence of shared definitions for green sectors-objectives/project assessment metrics/reporting principles, no external review disclosure obligations for issuers, imperfect disclosure of the external reviewers' preferences).
	 How can best practice be promoted to accelerate market uptake and provide for a level playing field? E.g.: knowledge sharing, public guidance, development of market standards (including standardization of green finance taxonomies), listing and investment guidelines, regulation/supervision, etc.
	 Which challenges are external review practitioners currently facing? How could they be addressed?
10:45- 11:00	Conclusion and next steps lan Cochran (I4CE)







Annex B - WWF-EIB-I4CE practitioner's round-table – participant list

#	Organisation	Name	Title	Email
1	Accreditation Services International	Guntars Lagūns	Managing director	g.laguns@accreditation-services.com
2	Beyond Ratings	Guillaume Emin	Founder	guillaume.emin@beyond-ratings.com
3	Cicero	Harald Lund	Senior climate finance specialist	hfl@cicero.oslo.no
4	Climate Bonds Initiative	Rob Fowler	Head of certification	rob.fowler@climatebonds.net rob.fowler@essentialchange.com.au
5	Deloitte	Daniel Bressler	Sustainability Services at Deloitte UK	dbressler@deloitte.co.uk
6	European Investment Bank (EIB)	Aldo Romani	Deputy Head of Funding – Euro Capital Markets Department	a.romani@eib.org
7	European Investment Bank	Kristyna Pelikanova	Civil Society Officer SG/CR/CS - Civil Society Division	k.pelikanova@eib.org
8	EPIC Sustainability	Suryanarayana Murthy Kondreddi	Director	director@epicsustainability.com
9	Fitch Ratings	Monica Klingberg Insoll	Managing director, credit market research	Monica.insoll@fitchratings.com
10	French Ministry of Environment and the Sea (MEEM)	Julie Evain	Chargée de mission finance verte	julie.evain@developpement- durable.gouv.fr
11	I4CE	Morgane Nicol	Project officer	morgane.nicol@i4ce.org
12	I4CE	lan Cochran	Program Manager	ian.cochran@i4ce.org
13	Green Bond Principles / ICMA	Valérie Guillaumin	Director, Paris Office	greenbonds@icmagroup.org
14	KPMG Luxembourg	Jane Wilkinson	Partner	Jane.wilkinson@kpmg.lu
15	Moody's	Henri Shilling	Senior Vice President	Henry.Shilling@moodys.com
16	Oekom AG	Jaspreet Duhra	Director International Business Development	jaspreet.duhra@oekom-research.com
17	PricewaterhouseCoo pers (PwC)	Damian Regan	Director assurance services	damian.regan@uk.pwc.com
18	S&P's Global Rating Services	Miroslav Pektov	Director financial institutions	miroslav.petkov@spglobal.com
19	S&P's Global Rating Services	Jessica Williams	Environmental & Climate Risk Research	jessica.williams@spglobal.com
20	Sustainalytics	Cecilia Barsk	Manager Advisory Services	cecilia.barsk@sustainalytics.com
21	TÜV Nord	Tahsin Choudhury	Head of Environmental Services	tchoudhury@tuv-nord.com
22	Vigeo-Eiris	Laurie Chesné	Senior Sustainability consultant, Head of Sustainable Bonds services	laurie.chesne@vigeo.com
23	WWF- France/International	Jochen Krimphoff	Deputy director - green finance	jochen@krimphoff.eu







Annex C: Overview of existing frameworks for green bond external reviews

The 2016 edition of the Green Bond Principles, recommends that ... issuers use an external review to confirm the alignment of their Green Bonds with the key features of the GBP. There are a variety of ways for issuers to obtain outside input to the formulation of their Green Bond process and there are several levels and types of review that can be provided to the market. The Climate Bonds Initiative also offers guidance on the different types of reviews 10. The table below summarizes the different types of external reviews that currently exist in the market, as well as the respective best practice, private standards or regulatory frameworks under which they are performed.

Туре	Scope or review services and deliverables ¹¹	Best practice guidance, if and where applicable	Existing private sector standards and frameworks	EU regulatory frameworks
Evaluation (or assessment)	An issuer can seek independent evaluation from consultants and/or institutions with recognized expertise in environmental sustainability or other aspects of the issuance of a Green Bond, such as the establishment/review of an issuer's Green Bond framework. "Second opinions" may fall into this category.	Not available (TBC)	Only very broad guidance for management consultancy services available (under ISO/PRF 20700).	Unregulated (TBC)
Verification	An issuer can have its Green Bond, associated Green Bond framework, or underlying assets independently verified by qualified parties, such as auditors. In contrast to certification, verification may focus on alignment with internal standards or claims made by the issuer. Evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria.	Not available (TBC) Green bonds, draft disclosure guidance for issuers, PwC 2015	International Standard for Assurance Engagements (ISAE) 3000	Auditing and professional services firms are regulated businesses in most jurisdictions.
Certification	An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against an external green assessment standard. An assessment standard defines criteria, and alignment with such criteria is tested by qualified third parties / certifiers.	Climate Bonds Standard 2.1 (December 2015) requirements for approved verifiers and related guidance.	Not available (TBC)	Unregulated.
Ratings	Rating: An issuer can have its Green Bond or associated Green Bond framework rated by qualified third parties, such as specialised research providers or rating agencies. Green Bond ratings are separate from an issuer's ESG rating as they typically apply to individual securities or Green Bond frameworks / programmes	Not available (TBC)	ARISTA standard, purveyed by the Association for Responsible Investment Services (ARISE), an industry body set up by service providers themselves.	Credit rating agencies are regulated in European markets by the European Securities and Markets Authority (ESMA)

https://www.climatebonds.net/market/second-opinion
 source: Green Bond Principles (2016 edition)







Annex D: Overview of limitations and market challenges for external reviews

The table below summarizes selected market challenges and limitations for external review¹² and how these challenges could be addressed in the future.

Type ¹³	Advantages	Market challenges / limitations	Ways how challenges could be addressed
Consultant review	 Valuable improvement on issuer disclosure and bond structuration. Ensure the information investors are looking for is disclosed, providing a decision-making tool. 	 Relatively high transaction costs for investors, limiting scaling of the market. Reviews can lack independence. Reviews often provide limited disclosure of environmental performance criteria. 	Increased consistency and detail in disclosure for second party reviews would be an important improvement going forward.
Verification	 Transaction costs can be lower, as the assurance can be integrated with general financial audits for the issuer. More independence than the second party review; adherence to international assurance standards. 	 Assurance does not cover the environmental impacts of the projects funded by the bond. Post-issuance auditing might result in a requalification of the green bonds and the risk for investors to see their investments classified as not green. 	International assurance standards (ISAE 3000) could offer possibilities to expand the scope of the verification to include standardised non-financial metrics and data (see: EIB 2016; PwC 2015).
Certification	 Reducing transaction costs through standardisation. Verifiers are less reliant on internal environmental expertise. Independence from issuer increased compared to second party review model. Science-based criteria. 	 It is time-consuming and resource intensive to develop robust sector-specific criteria. Issuers may be under the perception that undertaking third party assurance is costlier, in effort and money than a second party review, although the reverse can be the case in practice. Post issuance verification can give rise to confidential price sensitive information that must be managed with due consideration (market sensitivity, legal and regulatory implications). 	 Engaging the "big 4" professional services tapping into their expertise in auditing and assurance. Engaging local auditing firms, while requiring them to apply a standardized approach to enable scale and improved access to international investors.
Ratings	 A robust and effective green bond product will help expand the labelling and certification of green bonds into the much broader and deeper mainstream debt capital markets. The green bond reviews could benefit from rating agencies' credibility in the mainstream financial markets. 	 Certain rating agencies are currently exploring green bond assessments that are focused on rating the process (management of proceeds, disclosure and reporting), rather than providing detailed rating on how green the projects funded by the green bonds are. Investors may want more on green asset quality, which some rating agencies do not directly have the expertise to assess. As for second party providers, rating agencies might face lack of independence issues. 	Adapt methodologies to ensure that a green bond cannot get a high green bond rating based on good management of proceeds and reporting processes alone if the bond is not funding sound green projects.

 $^{^{12}}$ adapted from the G20 Green Finance Study Group (G20 GFSG 2016) and the European Commission (EC 2016) source: Green Bond Principles (2016 edition)







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About the organisers

WWF - World Wide Fund for Nature (www.panda.org) is one of the world's largest and most experienced independent conservation organisations, with over 5 million supporters and a global network active in more than 100 countries. WWF's mission is to stop the degradation of the planet's natural environmental and to build a future in which humans live in harmony with nature, by conserving the world's biological diversity, ensuring that the use of renewable natural resources is sustainable, and promoting the reduction of pollution and wasteful consumption.

The European Investment Bank (EIB) (www.eib.org) is the long-term lending institution of the European Union, owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals, operating on a non-profit-maximizing basis. The Bank's strong credit standing is underpinned by exceptional asset quality, a strong capital base, firm shareholder support, prudent liquidity management, conservative risk management and a sound funding strategy.

Institute for Climate Economics (I4CE) (<u>www.i4ce.org</u>) is a think tank decoding climate policies for public and private decision makers: industry, energy, finance, cities, agriculture, forest.

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