



# Green Bonds for Financing Green Buildings in ASEAN

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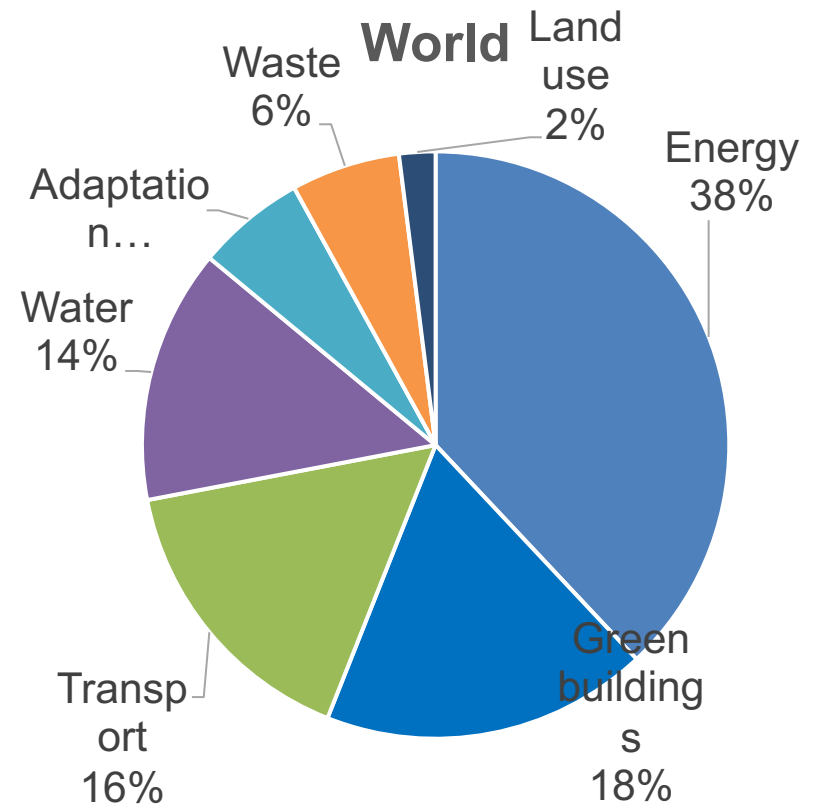
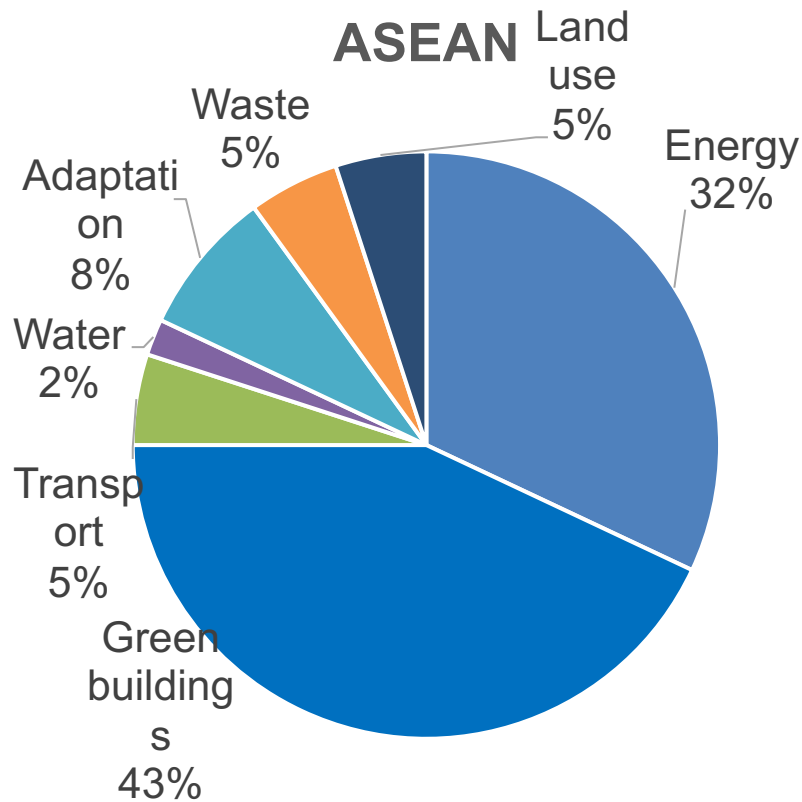
# What are Green Bonds?

Green bonds are fixed income financial instruments used to fund projects that have positive environmental and/or climate benefits.

The issuer commits to use proceeds only for ‘green projects’ with clear environmental benefits.

**Labelling** provides a guarantee that proceeds will be used only to fund Green Projects.

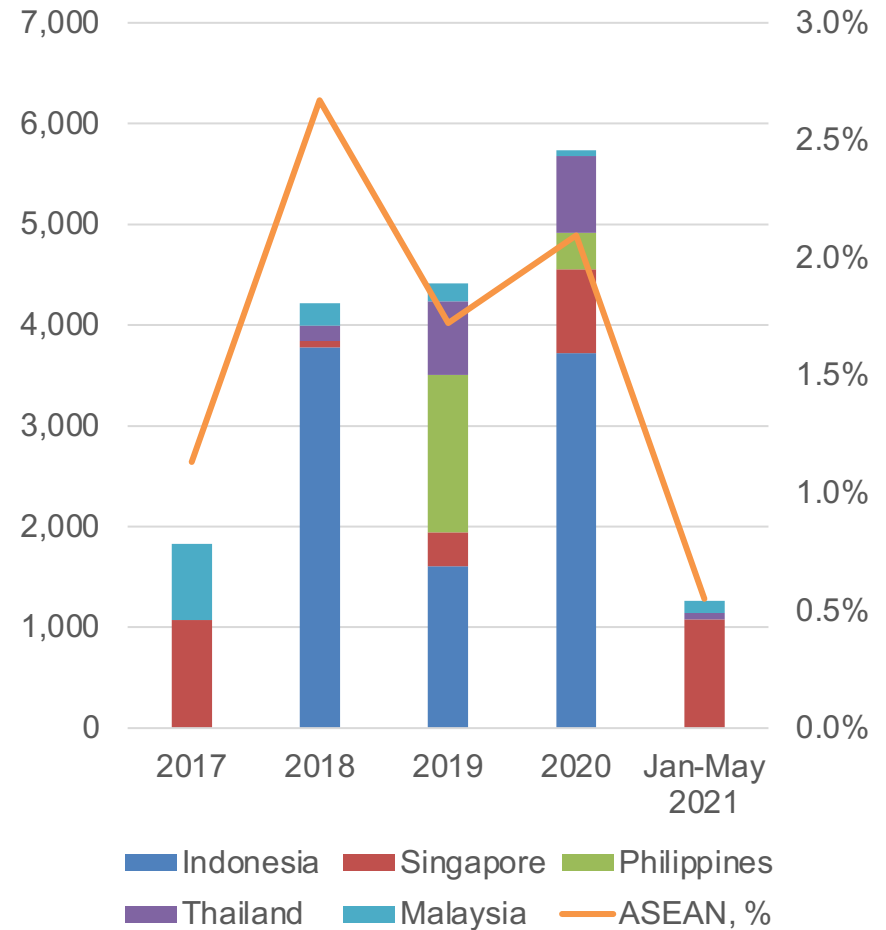
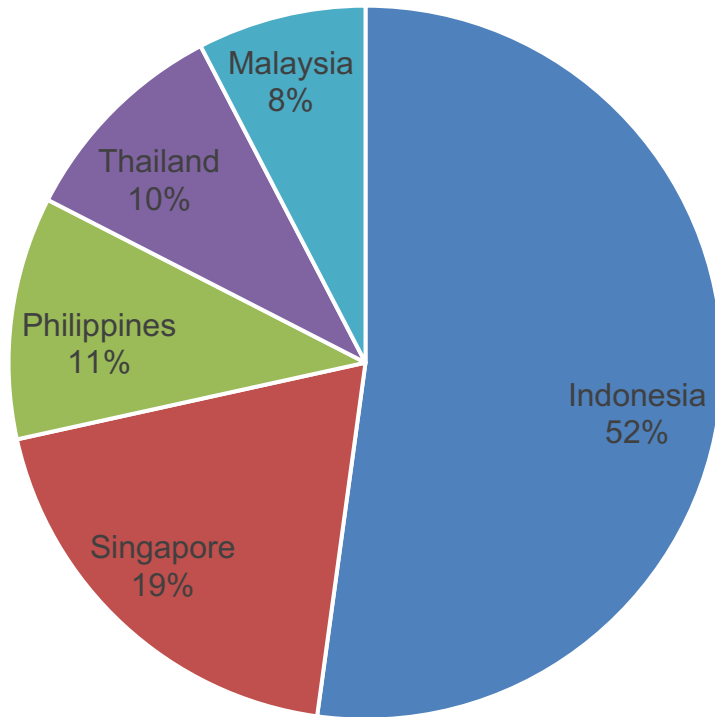
# Nearly half (43%) of green bonds in ASEAN were used for financing Green Buildings



Source: Filkova et al. (2018)

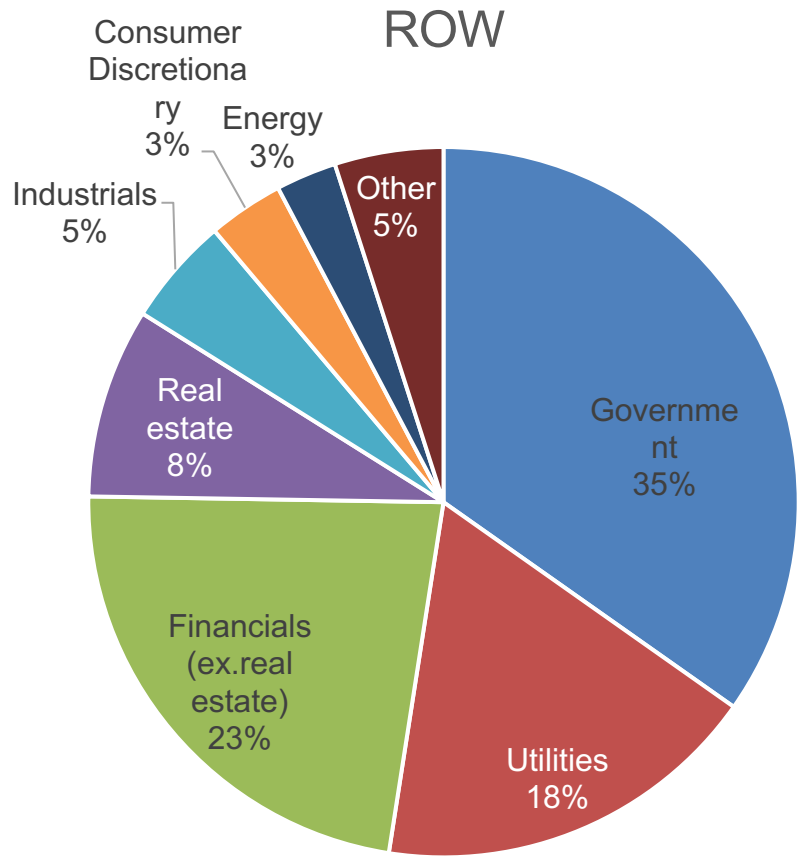
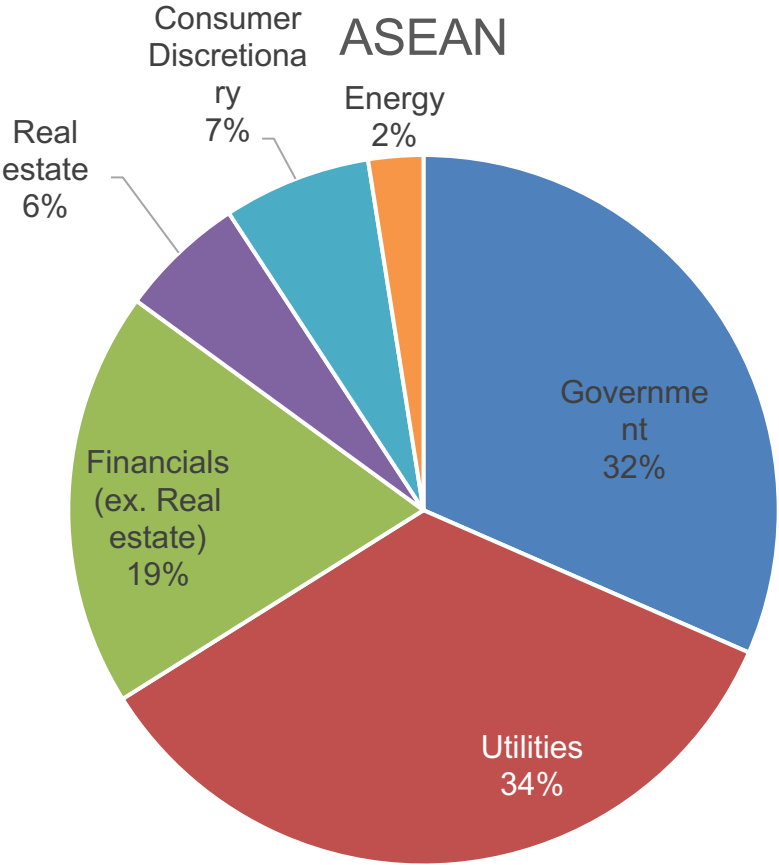
# Issuance of green bonds in ASEAN

Data source: Bloomberg (as of 2 June 2021)



# Issuance of Green Bonds across sectors

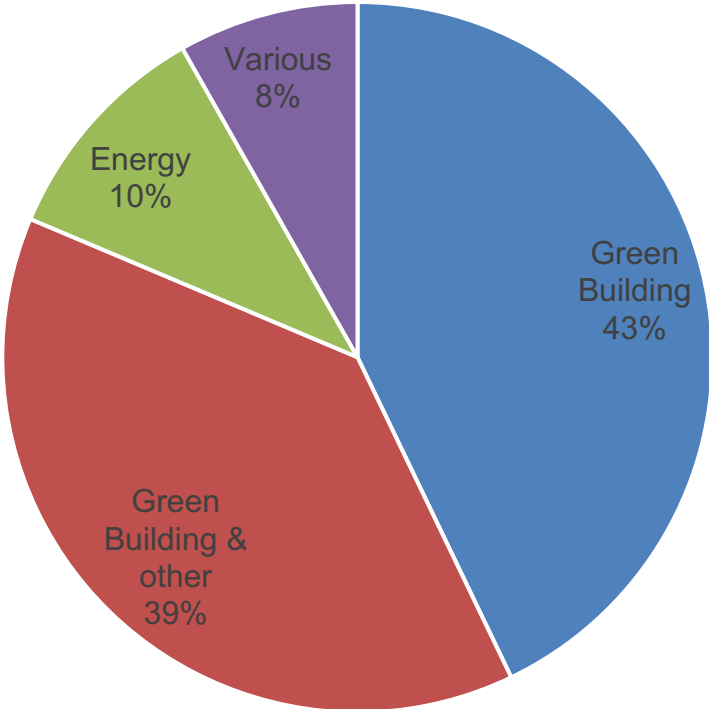
Data source: Bloomberg (as of 8 June 2021)



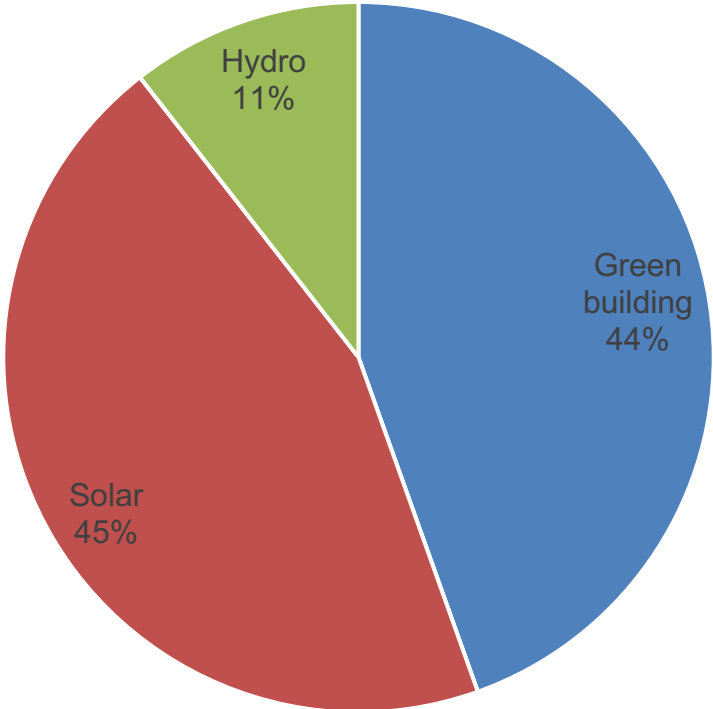
# Green bond issuance by project

(as of 8 June 2021)

Singapore



Malaysia



# Green Bond Grants

- Green bond grants in ASEAN are provided in **Malaysia and Singapore**. Non-ASEAN countries with grants include **Hong-Kong (PRC) and Japan**.
- Green bond grant reduces the cost of labelling bonds 'green'.
- Both green bond grant schemes are usually set for a limited number of years as a temporary measure to boost green bond issuance.
- Allow to claim up to around **USD 70,000** to cover the cost of **external review**.
- However, there are some differences in eligibility for these grant schemes.

# Eligibility of buildings in Green Bond Standards

Country	Green bond standard	Building eligibility
Indonesia	<a href="#">Green Bond and Green Sukuk Framework</a>	Green Building Council Indonesia <b>Greenship</b>
Malaysia	<a href="#">Sustainable and Responsible Investment Sukuk Framework</a>	<b>regional, national or internationally</b> recognised standards or certifications;
Thailand	<a href="#">Kingdom of Thailand Sustainable Financing Framework</a> (2020)	<ul style="list-style-type: none"> <li>• <b>internationally</b> recognized green building certification scheme, or</li> <li>• a minimum 20% improvement in energy use and/or carbon emissions compared to a mandated <b>local or regional</b> baseline or code</li> </ul>
	<a href="#">ACMF ASEAN</a> (2018)	<b>regional, national or internationally</b> recognised standards or certifications.
	<a href="#">ICMA GBP</a> (2018)	<b>regional, national or internationally</b> recognised standards or certifications.



# Most issuers used both national and internationally recognised Green Building standards/certification

Country	National Standards/certification used for Green Bond issuance
Indonesia	Green Building Council Indonesia GREENSHIP
Malaysia	Green Building Index GreenRE
Philippines	Philippine Green Building Council Building for Ecologically Responsive Design Excellence
Singapore	Building and Construction Authority Green Mark Scheme

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## Deadline 31 October 2021

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