The Research on the Development of Green Bond Impact Reporting System in China

CECEP Consulting., Co
March,2017

Content

01.Green Bond Impact Reporting System

Green Bond Reporting System in China

中国节能
CHINA ENERGY CONSERVATION INVESTMENT CORPORATION

Principle	Reliable, Accurate, Complete, Prompt, Fair, Continuous Disclosure
Method	Prospectus (for stocks and bonds), Listing Memorandum, Listing Announcement, Regular Reports, and Interim Reports
Content	Info of companies, operation, finance, rating, and important events
Participant	Regulators, Information Disclosure Obligors, Investors, Sponsors, Securities Service Agencies, and Media

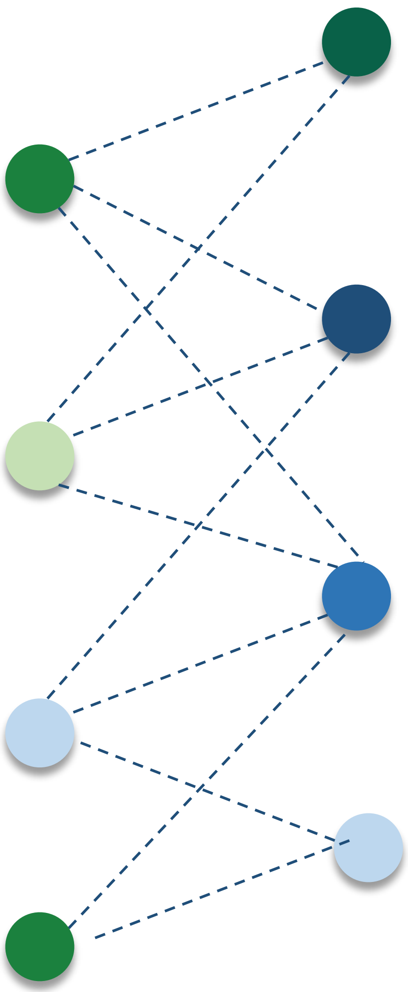
Green Bond Reporting System in China- Guiding Policies

Environmental Impact Assessment Reform Plan

Environmental Protection Law

Rules on enterprise environmental credit assessment

Environmental Disclosure Rules



Opinions of the CPC Central Committee and the State Council on Accelerating the Ecological Civilization Construction

Integrated Reform Plan for Promoting Ecological Progress

Opinions on establishing China's green financial system

The announcement of PBOC on issuing the green financial bond

Green Bond Reporting System in China-Guiding Policies

PBoC — **Green Financial Bonds**

CSRC — **Green Corporate Bonds**

NDRC — **Green Enterprise Bonds**

Environment Protection, Energy Saving, Clean Energy, Clean Transport, Green Building

Construct, Operate

Improve the Environment

Deal with Climate Change

Use Resource Efficiently

Economic Activities

Purchase, Pay for loans

Project or Project Cluster

Green Bond Reporting System in China-Guiding Policies

Projects Requirements

- Green industry projects recognized by governing departments;
- Proceeds should finance green industry projects.

Disclosure Information Required

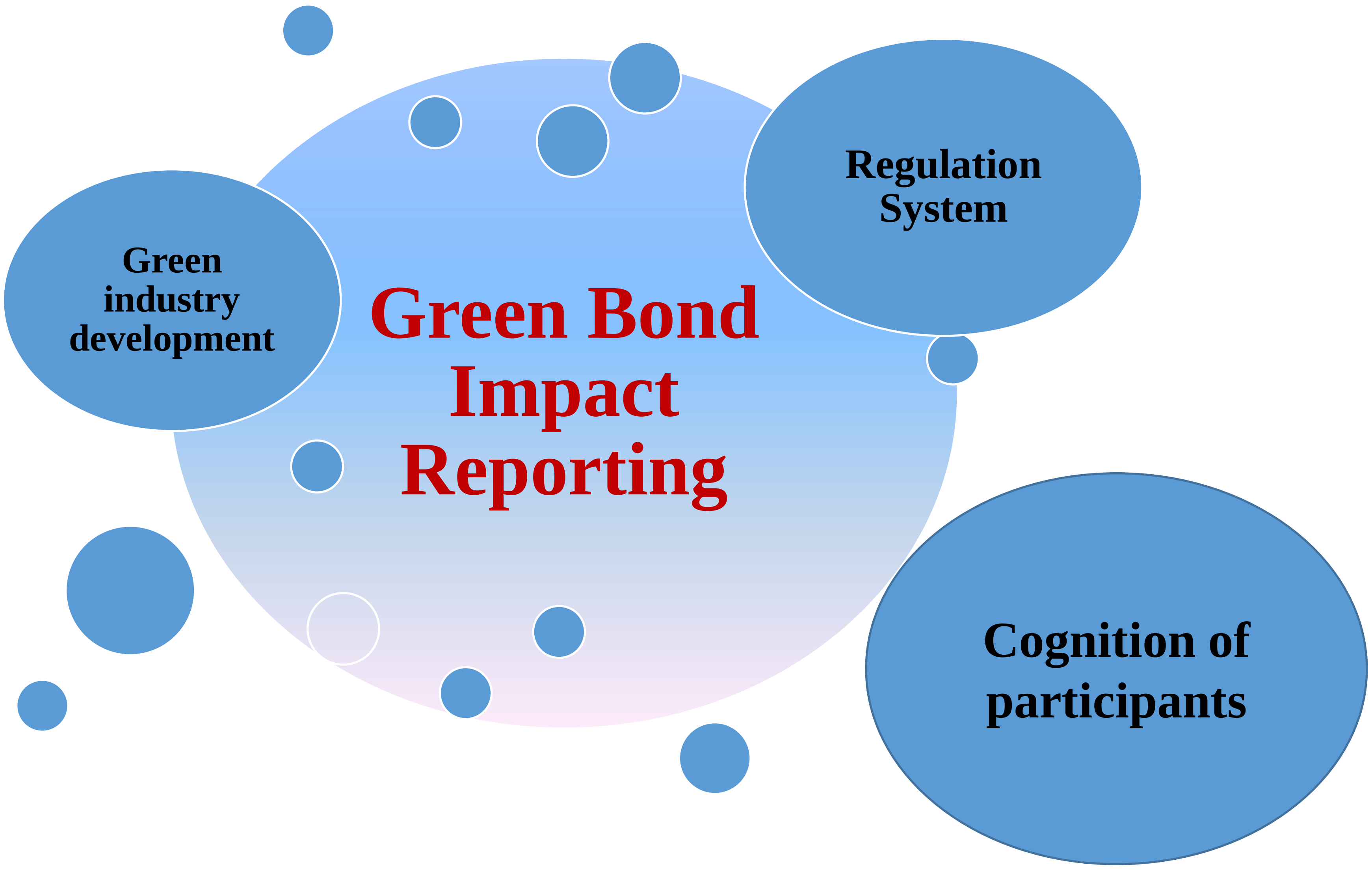
- Financial information of green projects;
- Management information of green projects;
- Environmental benefits of green projects;
- Environmental risks of green projects.

Green Bond Impact Reporting System-International Practice

	Climate Bonds System (CBS)	Green Bond Principles (GBP)
Constitutors：	CBI	ICMA
Disclosure Principle：	Verified climate bonds should disclose the information compulsively during the duration	The green bonds that meet standards should disclose the information compulsively
Time：	At least once a year, at fix time	At least once a year
Content：	The projects that will be invested (re-invested) in using the funds raised by bonds; list of assets; brief introduction of projects; payment amount; and the estimated environmental benefits.	The usage of the raised and idle funds; the list of projects that the raised funds will be invested in; the allocation of the funds; the estimated sustainable environmental benefits.

02. Main Factors that Influence Green Bond Impact Reporting

Main Factors that Influence Green Bond Impact Reporting



03. Developing Green Bond Impact Reporting System in China

Developing Green Bond Impact Reporting System in China-General Idea

Considering difference by sectors and industries, some indicators reporting are mandatory while others voluntary

Developing mandatory or voluntary indicators based on characteristics of project or project cluster;

Issuer can incorporate relevant regulations and third party verification report into their own reporting

Combine pre-issuance reporting, continued reporting and post-issuance evaluation

Plan integrally;

Implement gradually;

Pilot project first;

Popularize step by step

Developing Green Bond Impact Reporting System in China — Reporting Indicators

Conform with the existing securities information disclosure rules

Meet the green bonds management requirements

Refer to the classification and scope of the existing catalog

Fully embody the characteristics of each project or project cluster of every sector in green industry

Consider the feasibility, convenience, integrity and representativeness of information and data acquisition

Consider the influence of multidimensional factors, and build the system according to different stages and classifications.

Developing Green Bond Impact Reporting System in China —Indicators Framework

1.Issuing stage
Pre-issuing、duration、post evaluation

2.The classification of management
Mandatory、encouraged、voluntary/selected

3.The classification of industry/projects（Catalog）

4. The classification of project/project cluster
Construct, operate, purchase and pay the loan.

5.The classification of project information
Basic information, progress, technical level, and other changes.

6. The classification of the funds usage information
The funds usage information, idle capital usage information.

7.The classification of green/environmental information
The information can be acquired directly or must be calculated to acquire; The information of project cluster, or acquire the information of projects that need to make environmental benefits from other sector indirectly.

Developing Green Bond Impact Reporting System in China —Indicators Framework

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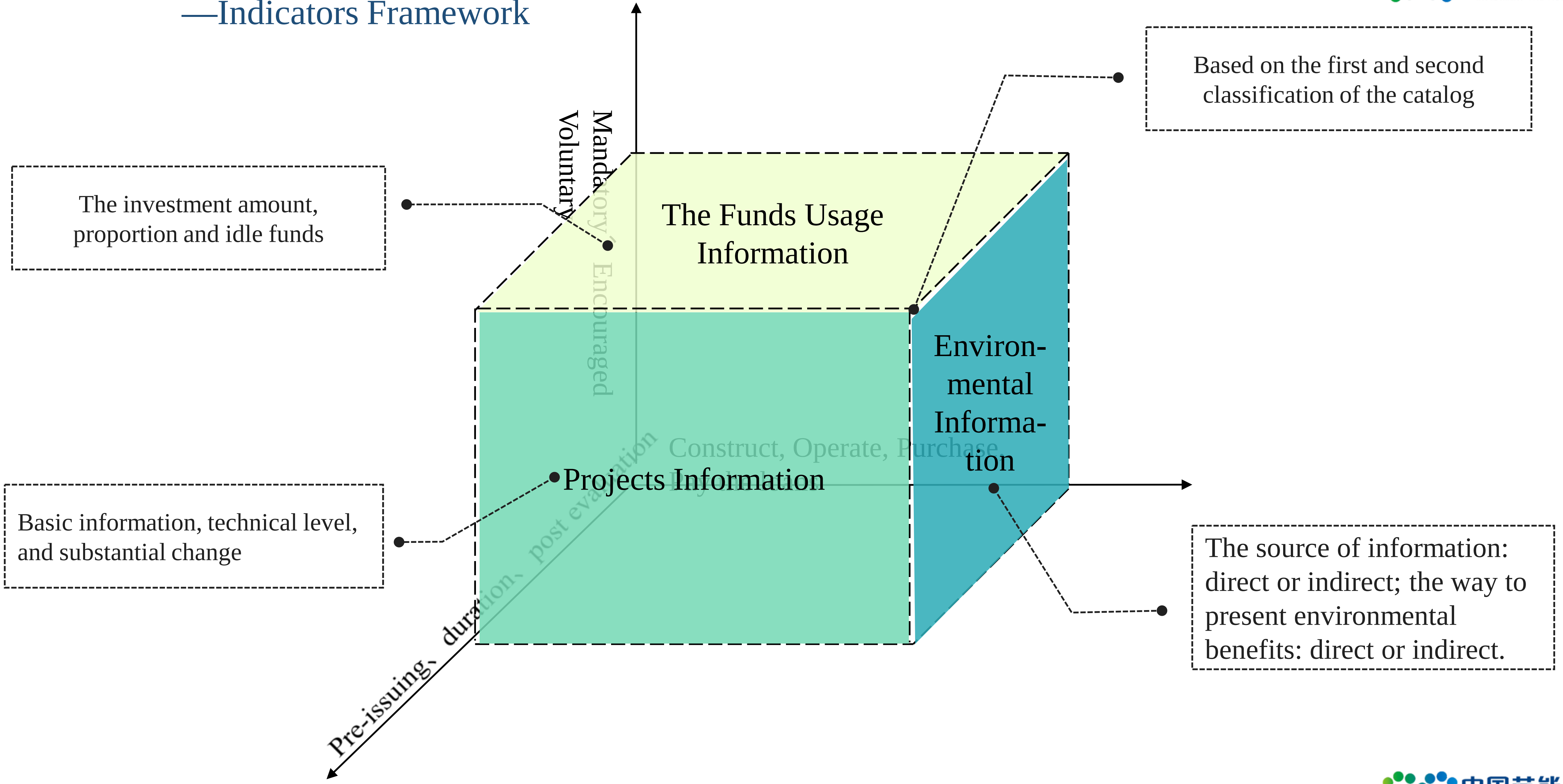

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About CECEP Consulting

China's largest technology-based and service-oriented industrial group in energy conservation and environmental protection

13th Five Year Plan for Development of Energy Conservation and Environmental Protection Industry

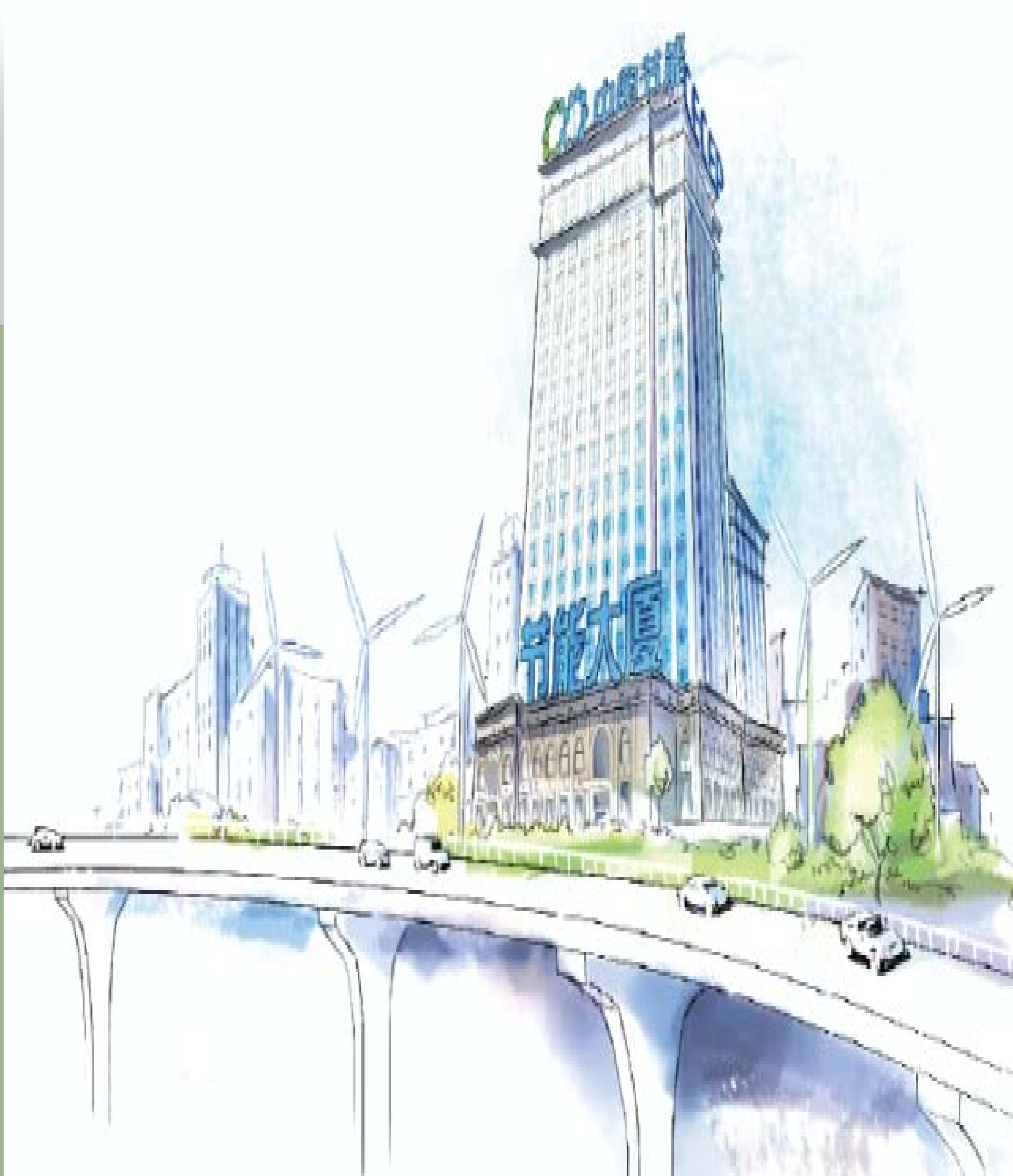
NDRC “National Key Low Carbon Technologies Promotion Catalogue (2013 - 2016) “

National Development Bank “Green Credit Environmental Benefits Evaluation System”

Green Finance Committee “Green Bond Endorsed Project Catalogue”

Green Finance Committee “Green Project Environmental Benefits Evaluation System”

ChinaBond-China Green Bond Index



THANK

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