

## Application Guidelines

### Green Taxonomy Alignment Report Service for Proposed New Buildings / Renovation of Existing Buildings

#### 1. PURPOSE

The Green Taxonomy Alignment Report Service is provided by HKGBC to enable concerned parties to obtain a report on whether a construction / renovation project meets the criteria in the “Hong Kong Taxonomy for Sustainable Finance” issued by the Hong Kong Monetary Authority (HKMA).

#### 2. BACKGROUND

- 2.1 In May 2024, the HKMA published the “Hong Kong Taxonomy for Sustainable Finance”, which provides the financial sectors with consistent definitions of green and environmentally sustainable economic activities. The HKMA encourages banks to use the Taxonomy in the issue of green loans, green bonds and other green finance products.
- 2.2 Since then, the Council has received enquiries from the financial sector on how to determine if a proposed building construction / renovation project complies with the Taxonomy. In response to the market demand, HKGBC hereby offers a report service in relation to the Taxonomy.

#### 3. TAXONOMY REQUIREMENTS & HOW TO FULFIL

*Construction of new commercial and residential buildings in Hong Kong*

- 3.1 The Taxonomy requires a new building construction project to meet all the following four requirements if the BEAM Plus pathway is chosen:
  - (a) BEAM Plus Gold rating or above (provisional rating before building is built / final rating after building is built);
  - (b) In the credit “Reduction of CO<sub>2</sub> Emissions”, obtain at least 10 credits;
  - (c) In the final total mark for the chapter “Energy Use”, obtain at least 70% score; AND
  - (d) In the energy simulation, achieve the required percentage of energy saving against a specified baseline, i.e. 30% saving against Building Energy Code (BEC) 2018 Edition for projects certified under BEAM Plus NB v1.2; OR 20% saving against BEC 2021 Edition for projects certified under BEAM Plus NB v2.0.

- 3.2 The BEAM Plus Assessment Report of a project may not contain all the above details, e.g. Item (d) may not be fully indicated. Thus, holders of the Assessment Report may not be able to tell whether the project meets the Taxonomy. The Report Service provided here is intended to fill this gap.
- 3.3 Besides BEAM Plus, there is another pathway in which a building project can comply with the Taxonomy by obtaining the Level 2 Improvement (i.e. 25% reduction) in energy reduction under the HKGBC Zero-Carbon Ready Building (ZCRB) Certification Scheme. In this regard, a provisional ZCRB rating based on Provisional Assessment result of BEAM Plus is required if the building has not been built. If the building has been built, a final ZCRB rating is required as the Final Assessment (or Compliance Assessment) of BEAM Plus should have been completed.

#### *Renovation projects of existing commercial buildings*

- 3.5 As one of the pathways for renovation projects, the Taxonomy requires the projects to be at least Extra Low or Level 2 Improvement according to the ZCRB Certification Scheme.
- 3.7 The building has to conduct Energy Performance Certificate assessment before renovation, followed by the adoption of Target Setting Certificate mechanism under the ZCRB scheme, i.e. a building with action plan to achieve Extra Low / Level 2 Improvement (or better) may obtain a Target Setting Certificate from HKGBC. Based on this Target Setting Certificate, HKGBC can issue a report to state that the project provisionally aligns with the Taxonomy. Once the renovation works are completed, the building should further adopt the Progress Certificate mechanism to demonstrate that the target has been achieved.

## **4. USERS OF THE SERVICE & OWNER CONSENT**

- 4.1 A major user of the service would be banks and other similar financial institutions involved in green finance. In order to protect the privacy of BEAM Plus / ZCRB project applicants, HKGBC will require these financial institutions to obtain a written consent on disclosure from the building owners first, before HKGBC can commit to providing the Report service.
- 4.2 HKGBC will also accept service requests from the building owners direct. In that case, a separate consent on disclosure is not required.

## **5. DELIVERABLES AND FEES**

#### *Construction projects where BEAM Plus is used*

- 5.1 The service will involve the following two tasks concerning any construction project that has been issued with BEAM Plus Provisional/Final Assessment Report (Gold rating or above):
- (a) To extract the relevant scoring data from the Assessment Report, and compile a statement to report whether the scores comply with the Taxonomy criteria; and
  - (b) To extract the energy simulation result from the assessment database, and compile a statement to report whether the energy saving complies with the Taxonomy criteria; in case a project has adopted the prescriptive compliance route rather than the energy simulation route (thus no data are available), a statement to that effect will be provided to the client.

A fee of HK\$5,000 per report will be charged before the service is rendered.

*Construction projects where ZCRB is used*

- 5.2 The service will involve the carrying out of ZCRB assessment based on the energy simulation result of a proposed new building that has completed BEAM Plus Provisional/Final Assessment. If the BEAM Plus result is provisional, the ZCRB assessment result will be provisional. If the BEAM Plus result is final (or at least Compliance Assessment has been completed), the ZCRB assessment result will be final. Depending on the applicability of the above cases, a statement will then be compiled to indicate whether the project provisionally / finally complies with the Taxonomy criteria. In this case, the fee will be the same as the fee for obtaining an Energy Performance Certificate under ZCRB (i.e. HK\$5,000 per certificate).

*Renovation projects where ZCRB is used*

- 5.3 The service will involve the carrying out of Energy Performance Certificate and Target Setting Certification assessments based on the action plan submitted by the building owner. Then a statement will be compiled to indicate whether the project provisionally complies with the Taxonomy criteria. In this case, the fee will be the same as the fee for obtaining an Energy Performance Certificate (i.e. HK\$5,000) plus the fee for obtaining a Target Setting Certificate (i.e. HK\$5,000) under ZCRB.

**6. APPLICATION FORM**

For engaging the above service, please fill in the on-line application form available on our website.

**7. ENQUIRIES**

For enquiries, please contact HKGBC Secretariat at Tel no. 3994 8868, or email [eddy.lau@hkgbc.org.hk](mailto:eddy.lau@hkgbc.org.hk).

HKGBC Secretariat  
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