The Development Bank of Japan (DBJ) issued its inaugural Euro 250 million green bond in October 2014 with a maturity of 3 years. This was the first green bond in the Euro market issued by a Japanese issuer. Those that jointly acted as lead managers for the transaction were Merrill Lynch International, Morgan Stanley & Co. International plc, Citigroup Global Market Limited and Daiwa Capital Markets Europe. The bond paid an annual coupon of 0.25% per annum and the total amount of the Eligible Assets for the Green Bond is ¥49 billion (approx. €346 million).

Green bonds are created to raise capital for new and existing projects with environmental and social benefits. DBJ green bond are recourse-to-the-issuer debt obligation for which the proceeds shall be tracked by DBJ and attested to by a formal internal process that will be linked to DBJ’s lending operations for the projects. The net proceeds of the issuance of the notes will be used to finance the Eligible Assets. Eligible Assets means new loans and/or existing loans under management by the DBJ which finance a building/development receiving a DBJ Green Building Certification of at least 3 stars out of 5 stars.

The ‘DBJ Green Bond’ won the ADFIAP Outstanding Development Project Award 2015 under the Environmental Development Category.

DBJ: Greening the Bond Market

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VDB’s wind power plant project reduces fossil fuel dependency

Electricity in Vietnam is heavily dependent on fossil fuel until Vietnam Development Bank (VDB) has invested in the construction of the Bac Lieu Province Wind Power Plant. The construction included a near-shore wind power farm with an area of 540 ha. along the East Dam (De Dong) of Bac Lieu City, Bac Lieu Province, Vietnam. It has a 99.2 MW and gross annual electricity output of 335.2 GWh and it involves the installation of 62 wind turbines at capacity of 1.6 MW each in two phases. The Phase 1 of the project has installed 10 wind turbines on 83.2 ha area and the net electricity output is 16 MW and 55,355 MW/year, respectively. The Phase 2, which is under construction, includes the installation of the remained 52 turbines with combined capacity of 83.2MW and annual net output of 272, 471MW.

The purpose of this project is to produce and supply electricity to the national grid under a Power Purchase Agreement signed with the Electricity Corporation of Vietnam (EVN). Once finished, the project will reduce the emission of greenhouse gases by replacing electricity generated from fossil fuel fired power plants with zero emissions electricity from a wind power plant. It is expected that the power plant, when in full operation, will result in the reduction of 143, 761 tCO2 on average and 1,006,328 over the first crediting period.

VDB’s “Wind Farm Project in Bac Lieu Province” was given a Merit Award in the ADFIAP 2015 Outstanding Development Project Award under the Environmental Development category.

DFCC finances first grid connected solar project in Sri Lanka

Solar energy has been touted as the green energy category with the highest potential and the future of Sri Lanka’s green energy drive. It is a resource that is not only sustainable for energy consumption but also renewable. DFCC Bank leads the way in financing renewable projects undertaken by the private sector in Sri Lanka. In August 2014, DFCC Bank financed Sri Lanka’s first commercial scale grid-connected Solar Power Project with a term loan of Rs850 million (approx., USD6.5 million) out of a total cost of Rs 2.5 billion (approx. USD19 million).

Financing renewable energy project in Sri Lanka is based on a 20-year tariff agreement, where the project developer enters an agreement with the government for 20 years. Using this, DFCC structured the financial solution sought by the borrower and will be assisting the promoter from concept to completion. The project is under implementation and expected to be completed this year. When completed, it will help reduce government’s reliance on high cost, environmentally unfriendly thermal power projects. This will also set the stage for the other energy developers and equity investors to increase their focus on this sector.

This project was given a Merit Award in the ADFIAP 2015 in the Outstanding Development Project Award under the Environmental Development category.

Our environment, the world in which we live and work, is a mirror of our attitudes and expectations.

--Earl Nightingale

This publication is a result of a grant-project from the European Union’s Asia Pro Eco-Programme.
Building material of the future—wood?

The world leader in designing and building tall buildings out of wood, Vancouver architect Michael Green, is in partnership with French architects DVVD Paris and developer REI France, for a proposed 35 story carbon neutral wood skyscraper for the Reinvent Paris competition, a bold effort by local authorities to inspire innovations in urban design and sustainability that will revitalize Parisian architecture.

One of the primary benefits of wood buildings is their contribution to global sustainability. If built, the tower would sequester 3,700 metric tons of carbon dioxide—equivalent to removing more than 2,000 cars from the roads for a year. Wood construction products also require significantly less energy to produce than concrete or steel.

A new study by Planet Ark has some startling findings about the benefits that wood provides for the building occupants. The report says, "The studies examining the effects of wooden rooms and furnishings clearly demonstrate that the presence of wood has positive physiological and psychological benefits that mimic the effect of spending time outside in nature. "The feelings of natural warmth and comfort that wood elicits in people has the effect of lowering blood pressure and heart rates, reducing stress and anxiety and increasing positive social interactions. Wood products within a room have also been shown to improve indoor air quality by moderating humidity."

For those who hear about wood buildings and immediately think of the risk of fire, what Green and his partners are proposing is not your grandfather’s timber frame house made of 2x4’s. Today, architects and builders are using cross laminated timber (CLT)—a technique that glues multiple layers of dimensional lumber together using high strength adhesives to create structural members that are lighter and stronger than steel. The number of laminations and their orientation can be customized to meet the structural needs of various building parts.

Source: http://greenbuildingelements.com/

What is Dutch Green Fund?

One of the most innovative approaches to finance environmental projects is the ‘Dutch Green Fund’. Via this instrument, the Dutch government encourages private investors to invest their money in the funds operated by the seven Dutch banks and benefit from tax exemption on return on green investments. Banks operating green investments funds can offer loans below market interest rates while making the funds attractive to investors. The fund is administered by the Dutch Central Bank and the projects are being certified by the Ministry of Housing, Spatial Planning and Environment. The benefits of using the Dutch Green Fund are threefold: the company obtains a cheaper loan, private investors can invest their money at attractive rates, and the environment benefits from these activities.

Source: Scoping Study to Assist in Structuring of a Biodiversity Financing Technical Assistance Facility (BTAF)

9 reasons your sustainability communications fail

Alexandra Kuelle, a junior consultant on the SSC team, specializing in peer benchmarking, industry best practices, and sustainable strategy development enumerated 9 reasons your sustainability Communications fail:

1. Distrust versus Trust. Have you ever found yourself talking to someone who is not 100% on board with sustainability, and you instantly go on the defensive? Instead of trusting the person you’re talking to right off the bat, try trusting them. When you open up, communications can go a lot further.

2. Monologue versus Collaboration. You’re speaking to a room full of people, and you find yourself talking non-stop. Take a moment and look at the crowd. How engaged are they? Do you see people doing head nods? It’s very easy to get carried away when speaking, because you want to get your point across, but collaboration goes a long way. Engage with the audience and see what happens!

3. Complexity versus Simplicity. The sustainability field loves their acronyms. GHG, LCA, GRI, CDP, SASB, IIRC. The list goes on and on. While many people within sustainability might know what you’re talking about when mentioning these words, but you don’t always know who is in your audience. Simplicity is key; don’t get carried away with industry lingo.

4. Insensitivity versus Tact. When talking about sustainability, the conversation can often mention climate change. Unfortunately, climate change is still a politically charged topic, and people can get turned off when listening to someone speak about it. You don’t have to avoid the topic completely, but be smart and tactful about how you approach certain topics.

5. Achievement versus Potential. You might have a handful of published reports under your belt and a countless number of speaking opportunities, but that doesn’t mean you can rest on your laurels. You might think you know the best way to deliver a presentation, but listen and look to the people around. There is always room to grow and improve the way you communicate sustainability.

6. Dilution versus Distinction. You find yourself trying to convince a client that it’s important to publish a sustainability report, and in order to prove your point, you keep going on and on with a variety of anecdotes and facts. Stop diluting your point and cut to the chase. If you keep dragging out your reason why, the client may lose interest! Clear through the clutter, and lay out the key facts.

7. Generalization versus Specificity. It’s very easy when writing sustainability plans, reports, etc. to become very generic with your statements. “X company cares deeply about the environment.” “X company works very hard at recycling.” Instead of just spouting off platitudes, get specific. How has a company achieved their recycling goals? What sets a company apart from others when it comes to environmental care? Make your communications meaningful.

8. Logic versus Emotion. There is a time for logic and a time for emotion when it comes to communication, but what happens when you don’t recognize the right place to use these two tactics? If you’re trying to motivate a crowd at a conference to get excited about sustainability, tap in on emotion, but if you’re speaking to a client about a potential project, use logic.

9. Distortion Versus Perspective. The sustainability field is ever-changing, and no one can remain an expert forever. Don’t write an article acting like you know everything about sustainability, or don’t give a presentation where you come off as being better than everyone else. With new information and research always being published, sometimes you should take a back seat and learn from your peers. After all, no one likes listening to a know-it-all.

Source: http://www.environmentalleader.com/