

LGFA Climate Action Loan Programme Loan Application Form



New Zealand Local
Government Funding Agency
Te Pūtea Kāwanatanga ā-rohe

1. Apply for a Climate Action Loan

Please complete the relevant fields and send this application form, together with the requested supporting evidence, to LGFA's Sustainability team.

The loan (in the form of debt securities issued under the Multi-issuer Deed) itself is transacted through the same process as LGFA's usual loan process.

LGFA will normally be able to process applications within ten working days to determine whether LGFA will make Climate Action Loan (CAL) financing available. Accordingly, LGFA encourages member councils and council-controlled organisations to complete and return the application form well in advance of the borrowing requirement.

LGFA must receive all supporting evidence before giving feedback on the application.

Please refer to LGFA's Climate Action Loans- Lending Programme Criteria document for an outline of CALs.

If you require assistance, or have any questions or comments, please contact LGFA's Sustainability team who will be able to assist you.

2. Application

Member details

1. Name of member

2. Date of the application

3. Member contact person

First and last name

Title

E-mail address

Telephone number

4. Amount of initial CAL
(NZ\$ million) sought

CAL Requirements

Efficacy of documentation

The following documents must be attached to your application. Please ensure the name of the attached document(s) is provided below.

Requirement	Borrower confirmation that this requirement has been met and attached to the application (Y/N)	Supporting evidence provided to confirm the requirement has been met (include document name and where applicable, pg number)
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GHG emissions inventory

Prior to applying for a CAL, the member council is required to have developed, and have independently assured a GHG Emissions Inventory for the current year and a base year.

Assured emissions inventories for the latest reporting year and the chosen base year that includes all scope 1 & 2 absolute gross emissions.		
Third-party assurance reports have been provided for both current year and base year.		

Requirement	Borrower confirmation that this requirement has been met and attached to the application (Y/N)	Supporting evidence provided to confirm the requirement has been met (include document name and where applicable, pg number)
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Emission Reduction Targets

Prior to applying for a CAL, the council is required to have set science-aligned gross absolute short-term, medium-term and long-term emission reduction targets for scope 1 and 2 emissions.

Short, medium and long-term scope 1 and 2 emission reduction targets.		
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Emissions Reduction Plan

Prior to applying for a CAL, the council is required to have a credible and approved emission reduction plan (ERP) that articulates a strategy to achieve its short-term (2030) emission reduction targets, at a minimum.

An ERP that includes tangible and credible actions to meet your short-term (2030) emission reduction target, achieving the long-term target of net zero by 2050 or sooner.		
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LGFA requires supporting documentation that demonstrates compliance with the CAL requirements. Such documentation must be attached to the application for LGFA to assess it. Please ensure the name of the attached document(s) is provided below.

No.	Requirement	Response	Supporting evidence and source provided to confirm the requirement has been met (include document name and where applicable, pg number)
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GHG emissions inventory

1a	What is the date of your base year?		
1b	What is the year that your latest verified inventory is dated?		
1c	Has your GHG Inventory been calculated using GHG Protocol or ISO14064 Standard?		
1d	Have third-party assurance reports been provided for both current year and base year?		
1e	Can you confirm that the assurance provider you have chosen does not provide non-assurance services in relation to GHG emissions measurement and management.		
1f	Does your inventory outline your consolidation approach?		
1g	Does your inventory cover all material emission sources that are controlled by the council under your chosen consolidation approach?		
1h	Does your inventory include indirect scope 3 emissions across the full value chain?		

No.	Requirement	Response	Supporting evidence and source provided to confirm the requirement has been met (include document name and where applicable, pg number)
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If you have more than one year's worth of data, please answer questions 2a-2c. If not, skip ahead to question 3a.

2a	Have your emissions reduced against the base year?		
2b	Is the reduction in line with your targets?		
2c	Has the base year been revised or recalculated since it was first set? If so, please provide more detail.		

Emission reduction targets

3a	Are your targets science-aligned with a pathway of limiting global warming to a 1.5°C rise above pre-industrial levels?		
3b	Do your targets have an established base year?		
3c	Have you set reduction targets for indirect scope 3 emissions across the full value chain?		

Emissions Reduction Plan (ERP)

4a	Is this a standalone plan or part of a transition plan or climate change strategy? Please confirm the location of the plan.		
4b	Does the ERP provide confirmation that the ERP has been approved, and by whom and when?		
4c	Does the ERP include the emission reduction impact of each action?		
4d	Does the ERP include timeframes to achieve each action?		
4e	Does the ERP include the anticipated cost of each action? Costs may be qualitative.		
4f	Does the ERP outline which actions have agreed and approved budgets?		
4g	Does the ERP include actions to address indirect scope 3 emissions?		

Scope 3 GHG Emission Reporting Requirements

If you answered no to questions 1h, 3c and 4g, please confirm the following:

- ☐ Scope 3 emissions from across the member's full value chain will be included in the members GHG emissions inventory within two years from when the CAL is first approved.
- ☐ Science-aligned scope 3 targets will be adopted across the member's full value chain within two years from when the CAL is first approved and that the scope 3 targets will include a short-term target out to 2030, achieving the long-term target of net zero by 2050 or sooner.
- ☐ The member's ERP will be expanded to include actions to reduce scope 3 emissions within one year from when the scope 3 emission reduction targets are adopted.

Annual Performance Reporting Requirements

If this application is approved, you will need to meet annual performance reporting requirements that are required to be submitted to LGFA within five months following each Sustainability Reference Period¹ (i.e. by 30 November each year).

Please confirm that you will be able to meet each performance reporting requirement.

No.	Annual performance reporting requirements	Borrower confirmation that this requirement will be met if approved as a CAL borrower
1	A GHG emissions inventory that has been assured by an independent third-party in accordance with the CAL criteria (Section 3.2.2).	<input type="checkbox"/> Y <input type="checkbox"/> N
2	Performance against your emission reduction targets for the latest reporting period (i.e., cumulative % reduction against Base year Performance).	<input type="checkbox"/> Y <input type="checkbox"/> N
3	Confirmation as to whether your emission reduction targets (as set out in the Borrowers ERP approved by LGFA at the outset of the CAL) were achieved or not and/or whether they are on track to be achieved.	<input type="checkbox"/> Y <input type="checkbox"/> N
4	Report on progress against the key actions outlined in your ERP.	<input type="checkbox"/> Y <input type="checkbox"/> N
5	Report on progress against any Borrower-specific conditions set as part of the CAL.	<input type="checkbox"/> Y <input type="checkbox"/> N

Confirmation

Loans financed by a CAL are included in LGFA's financial reporting. We need to be able to assure ourselves and stakeholders that the CALs meet the criteria for CALs. Therefore, please confirm the following points:

- ☐ The information provided is correct.
- ☐ Any information provided about the CAL loan can be used in LGFA's reporting, including as set out at section 3.3.1 of the Criteria.

Signed

Dated

¹ The preceding 12-month period of each year during which the ERTs are measured, being 1 July to 30 June or such other period agreed with LGFA.

Contact us

LGFA will provide assistance in answering any questions on the Criteria or the process for applying for a GS Loan. We also welcome queries to assist Borrowers in assessing which projects in its asset portfolio could potentially qualify for a GS Loan and can look at the measures you could take in relation to future projects so that they may qualify for a GS Loan.

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About this Form

This LGFA Green and Social Loan Application Form is available at www.lgfa.co.nz