

Green and Sustainable Finance Grant Scheme

Frequently Asked Questions

1. What is the submission timeline for a grant application?

A formal application must be made within 3 months after the bond/loan is issued, or within 3 months from the issuance date of the relevant external review report in the case of post-issuance external reviewer costs.

2. What is the timeline of application processing?

Applications are processed in monthly batches. Application results are typically available 1–2 months after all required supporting documents have been received. Subject to formal approval, it may take around a month for processing the grant payment upon confirming the payment details. The processing time depends on the specific circumstances of each application and the number of applications being processed at the time.

3. How are tap issuances treated?

For the purpose of the GSF Grant Scheme,

- (i) all tranches under the same bond issue, including those issued under a tap issuance, would be considered and assessed as a single issuance; and
- (ii) for bonds that comprise green/sustainable and non-green/sustainable tranches, the green/sustainable tranche(s) alone must meet all eligibility requirements under the GSF Grant Scheme (including bond size).

4. How eligibility or applicability is assessed for (i) the principles, standards, or guidance, or (ii) the taxonomy used in external review services?

The relevant requirements are alignment with internationally-recognised principles, standards, guidance, and/or taxonomy. For transition instruments, an appropriately disclosed transition plan developed at the entity level is also required. The HKMA will review each case based on the assessment(s) made by recognised external reviewers in the pre-issuance review process.

5. Are external review services based on the Hong Kong Taxonomy for Sustainable Finance (Phase 2A) published by the HKMA (“Hong Kong Taxonomy”) eligible for the GSF Grant Scheme?

Yes, instruments referencing the Hong Kong Taxonomy may be eligible for both Track I and/or II of the GSF Grant Scheme, subject to fulfilment of all criteria as set out in the [Guideline](#).

Starting from 24 April 2026, a higher subsidy rate of 75% will apply to eligible Track II expenses for bonds or loans aligned with the Hong Kong Taxonomy, compared to those that are not (50%).

6. Are external review services on the entity’s transition plan / planned transition activities eligible for the GSF Grant Scheme?

Provided that the instrument meets the eligibility requirements for transition instruments under the GSF Grant Scheme (including but not limited to a pre-issuance external review in relation to the issuance demonstrating the adoption of internationally-recognised transition finance principles, standards or guidance, as provided by a recognised external reviewer), the costs for review on the entity’s transition plan / planned transition activities relevant to the instrument may be regarded as eligible expenses under the GSF Grant Scheme.

7. Are there specific requirements for eligible advisory services related to the development of green and sustainable bond/loan frameworks?

Eligible advisory fees must be **transaction-related** and paid to **recognised sustainability advisors** for the development of a green or sustainable bond/loan framework.

For avoidance of doubt, this does not include costs incurred by the issuer / borrower for sustainability advisory services provided by the arrangers / the lenders.

Eligible services relate to the framework development for an eligible issuance, including, but not limited to:

- Establishment of key performance indicators and sustainability performance targets, for sustainability-linked products;
- Design of eligible projects, for use-of-proceeds instruments; and
- Development of a transition plan, including a decarbonisation pathway, for transition finance.

8. Can the same service provider serve both as sustainability advisor and as the external reviewer of a green and sustainable bond or loan?

No. For the purpose of the GSF Grant Scheme, the entity responsible for providing advisory services in developing the bond/loan framework (including transition plan) must be different from the entity conducting the external review of the bond/loan.

9. According to the Guideline, each entity may apply for Track II subsidy for two eligible loans at most. Does this also apply to bond issuers?

No, this limit applies only to loan applications.