



WEBINAR: Gender bonds in sub-Saharan Africa: A landscape analysis and feasibility study

30 September 2020

3pm EAT



SCAN CODE TO ACCESS REPORT AND SUMMARY

Agenda

>Welcome - Juliet Munro, FSD Africa

Introductory remarks

Evans Osano, FSD Africa

Anita Bhatia, UN Women

Report highlights

Gaia De Battista, Lion's Head Global Partners

Reflections on the report

Suzanne Biegel, Catalyst at Large

Q&A/Poll

Closing remarks

Evans Osano, FSD Africa



Panelists



Evans Osano
Director, Capital Markets
FSD Africa



Anita Bhatia
Deputy Executive Director for Resource
Management, Sustainability and Partnerships
UN Women



Gaia De Battista
Executive Director
Lion's Head Global Partners



Rebecca Calder
Director & Co-founder
Kore Global



Suzanne Biegel
Founder
Catalyst at Large



Juliet Munro
Director, FSD Network Directorate
FSD Africa



Viability of Gender Bonds in sub-Saharan Africa

Presented by: Gaia De Battista, Lion's Head Global Partners



Contents:

- 01 What is a Gender Bond?
- 02 How big is the market? Who is issuing Gender Bonds?
- 03 What are Gender Bonds being used for?
- 04 What else and what more can Gender Bonds do?
- 05 To grow, the market needs standards and transparency
- 06 Can gender Bonds be issued in SSA? Absolutely
- 07 Covid-19 and Gender Bonds



1 What is a Gender Bond?

Gender Bond:

- The proceeds of the issuance are used “in line” with gender equality and women’s empowerment goals;
- The Bond results in a benefit for women;
- However, unlike *Green and Social bonds*, there are no universally accepted standards
- Most bonds issued to date are “use of proceeds” bonds and aligned with the Social Bond Principles

FINANCIALS MARCH 17, 2017 / 12:28 AM / UPDATED 3 YEARS AGO

National Australia Bank sells rare A\$500 million gender equality bond

IDB Invest and Banistmo announce first gender bond in Latin America



Q Search

Bloomberg

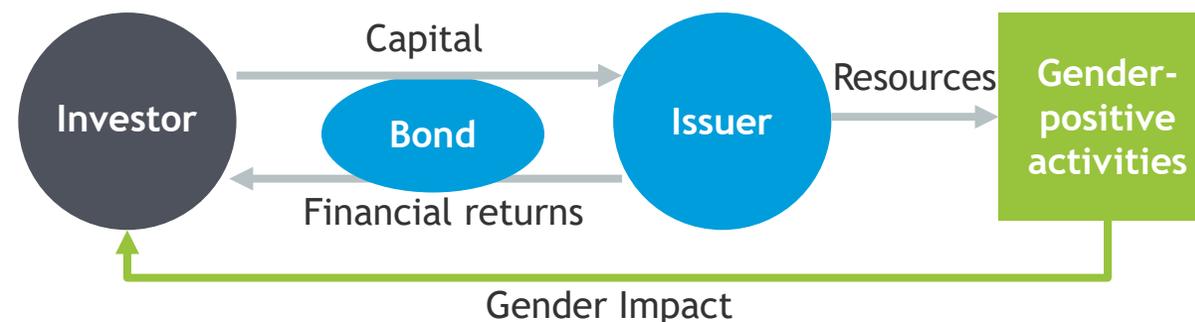
Sign In

Business

CIBC's Gender Bond Paves Way for More Socially Responsible Debt

By Maciej Onoszko

September 13, 2018, 5:00 AM EDT



2 How big is the Market? Who is issuing Gender Bonds?

USD 2 billion across 9 labelled Gender Bonds* in the market today, which have been issued all over the world, USD 3.3bn if we include MDBs and DFIs



*This excludes bonds issued by DFIs and MDBs and bonds which are labelled with multiple SDGs rather than specifically "gender" or "women"

3 What are Gender Bonds being used for?

Uses of proceeds range from base of the pyramid to corporate boardrooms: **both** are relevant to gender equality.



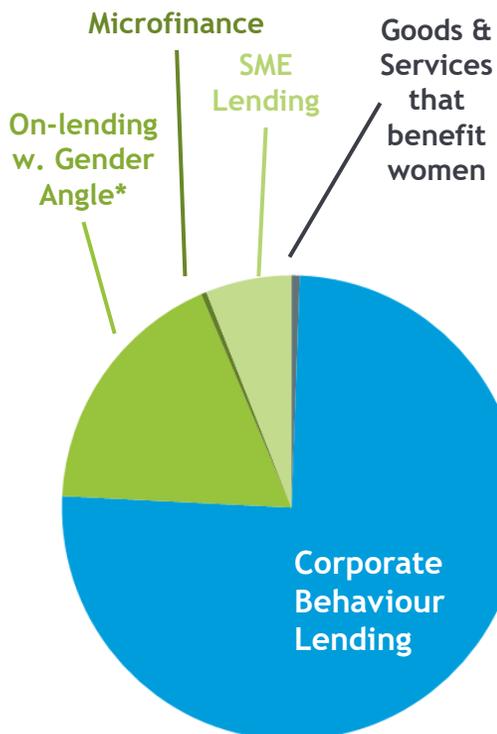
Corporate behaviour bonds

Geography: Mostly issued in the Global North

Goal: Equality and opportunity in the workplace

Use of proceeds:

- Loans to companies that meet specific gender equality targets
- Not restricted for use on a specific activity
- Often lean on existing principles and ratings to select companies for investment



*Including on-lending to microfinance institutions, and SME lending to women



Financial Inclusion

Geography: Mostly emerging and frontier markets

Goal: Closing the financing gap for women, women-owned businesses and female entrepreneurs

Use of proceeds:

- Financing or refinancing of loans to women-owned SMEs and to female entrepreneurs;
- Financing or refinancing of loans to Microfinance institutions with gender aligned products

4 What else or what more can gender bonds do?

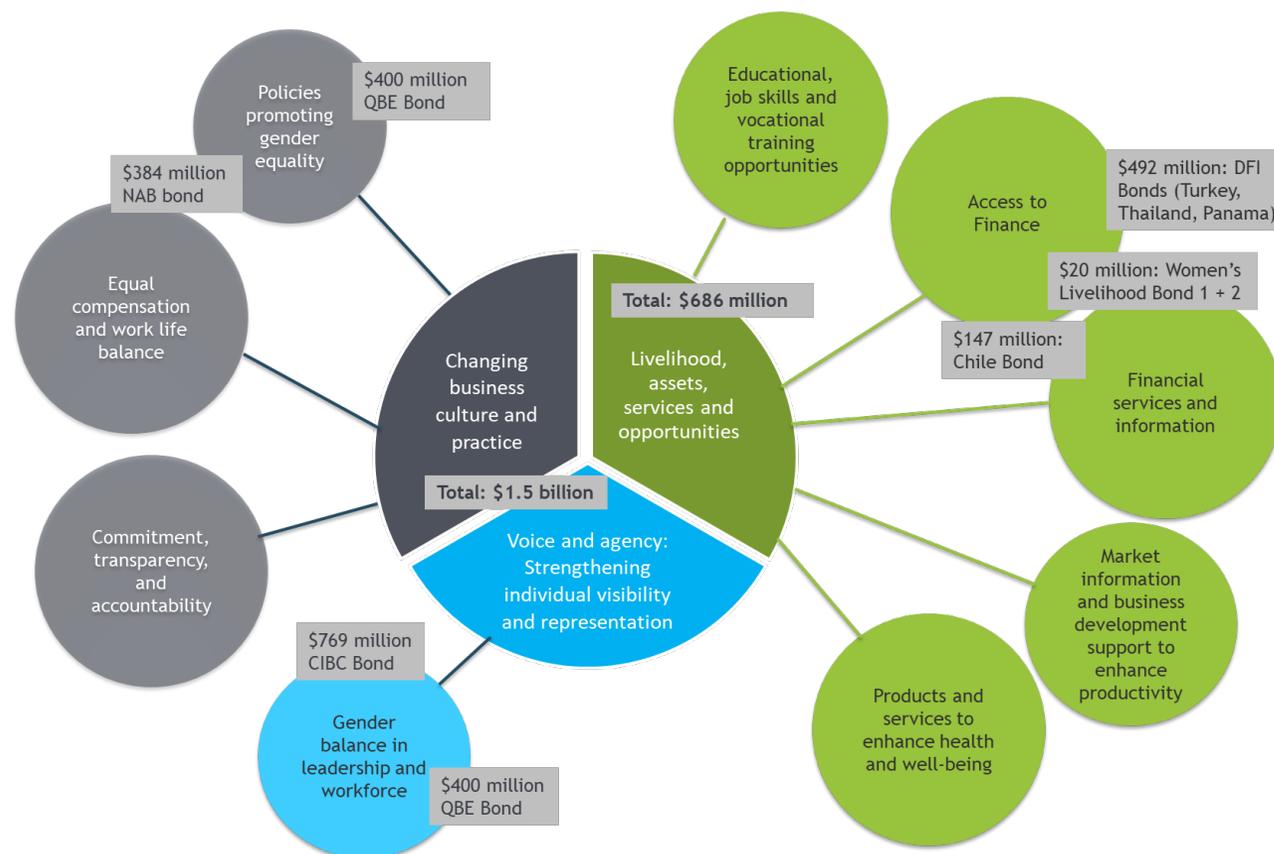
No category is “full”: more capital is needed across the spectrum, but some uses haven’t been explored yet.

Uses of Proceeds:

- Companies with good corporate policies regarding gender ✓
- Lending to women ✓
- Lending to women-owned SMEs ✓
- Lending to women-run and women-owned companies ✓
- Companies that sell goods and services that disproportionately benefit women ✓
- “Women in the supply chain” ✓

Structure:

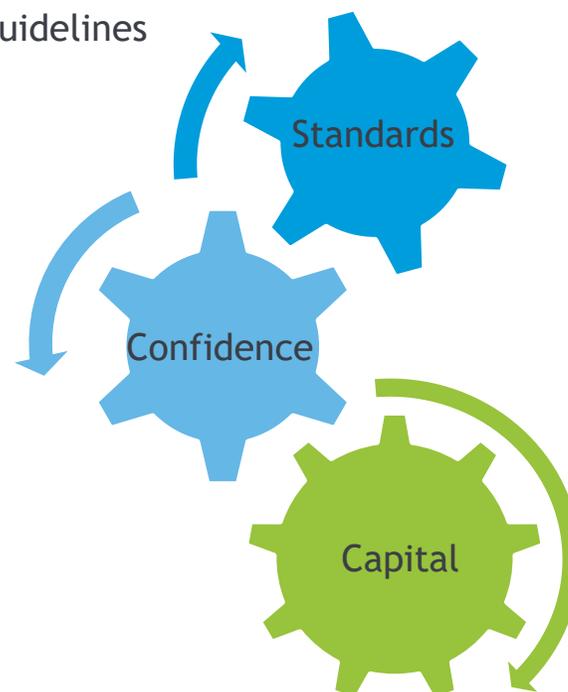
- Gender-linked Bonds: coupon linked to meeting gender-targets
- Sovereign issuers



5 To grow, the market needs standards and transparency

Standardisation has helped the Green and Social Bond market grow: providing issuers and investors with clear guidance removes significant uncertainty and hurdles to issuance.

Today Gender Bonds reference different guidelines or principles:



Harmonised standards which include:

- Eligible uses of proceeds
- Issuance requirements

Unlocks:

- Investor confidence in the product
- Issuer's understanding of the opportunity
- Greater transparency

Leading to:

- Greater flows of capital into gender-aligned companies or activities

6 Can gender Bonds be issued in SSA? Absolutely

Three key ingredients:

1. A willing issuer
2. A credible use of proceeds
3. An interested investor

Some indicators of potential for issuance include:

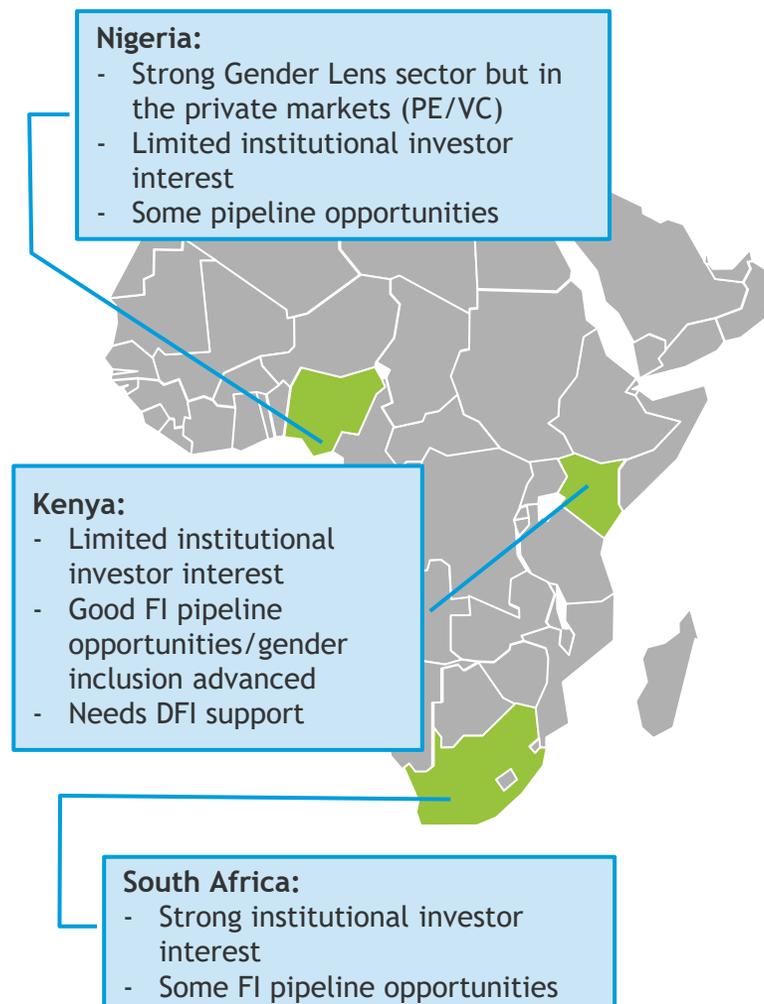
- Relatively developed debt capital market
- Demonstrable interest in themed investment (i.e. a market where a green or social bond has been successfully issued)
- Existence of some gender lens investing activity

Key barriers in SSA:

- Institutional investors tend to be conservative;
- There are fewer “dedicated” pools of capital for specific themes;

→ Solutions:

- Prioritize investor education ahead of any issuance
- Tailor the offering to local market preferences
- Leverage concessional capital/support where possible



7 Covid-19 and Gender Bonds

Covid-19 has had a disproportionate impact on women - Gender Bonds could be a tool to ensure a paradigm shift emerges from the recovery efforts.

Covid-19 has disproportionately affected women:

- Women are **70% percent of the healthcare workforce**;
- **Job-losses** in sectors with significant female employment skew
- In SSA 92% of women are employed in the **informal sector** versus 86% of men
- **Women's health:** services for women's health disrupted by the pandemic
- **Unpaid care work** has increased for women during lockdown

Gender Bonds for Recovery

- Raising capital to support companies affected
- Women's health services

And for Future Resilience

- Inclusion of women in supply chains
- Job security and decent conditions
- Corporate policies: flexible hours and childcare

- Reflections
- Q&A



Survey

Would you be interested in participating in a technical workshop to discuss the modalities of a gender bond issuance and what may be needed to grow this market in sub-Saharan Africa?

