



FSD Africa reinforces commitment to the climate agenda through partnership to develop a green bond market in the Southern Africa Development Community

The partnership aims to accelerate the uptake of green bonds by SADC member countries to finance sustainable green projects

NAIROBI, March 11, 2021 – FSD Africa (FSDA) has today signed a Co-operation Agreement with the Committee of SADC stock Exchanges (CoSSE) to support the development of a green bond market in the SADC region. The agreement will support the SADC's 16 member countries to leverage domestic and international capital markets for investment in green projects.

The FSD Africa-CoSSE partnership programme will support member countries and both private and public sectors to issue green bonds, creating a favourable ecosystem and improving knowledge and capacity for sustainable investments. The programme will also help SADC countries to develop listing guidelines and regulations for green bonds, build a pipeline of potential green bonds issuers, tap the countries' institutional investment community for investment into green bonds, train stakeholders on climate finance and support the adoption of climate-related financial reporting and disclosure.

Recently, South Africa, Namibia, Seychelles and Mauritius have successfully issued green bonds. The partnership builds on the increasing appetite and momentum for the uptake of green bonds in the SADC region. It will be implemented through CoSSE's central coordination mechanism, which links together the SADC countries' stock exchanges, capital markets institutions and stakeholders. FSD Africa will provide technical assistance in engaging consultants and service providers to facilitate the programme.

Over the last three years, FSD Africa has supported two green bond programmes in Kenya and Nigeria in collaboration with implementing partners and helped channel approximately \$185 million into sustainable investments in the two countries. Going forward, the FSD Africa-CoSSE partnership programme aims to expand its scope to include support for issuing sustainability and social bonds.

Mark Napier, CEO, FSD Africa said:

“FSD Africa is excited to be extending its technical support for green bonds to the SADC region and we are grateful to CoSSE for the partnership. We are confident that green bonds will soon play a critical role in financing the region's growth, accelerating the bounce-back from Covid-19 and ensuring the recovery is both resilient and respectful of the environment. In recent years, SADC countries have experienced extreme climate-related challenges including drought and cyclones. Green bonds can be an excellent way to channel SADC significant capital resources



into job-creating projects that can help pivot the region towards a low-carbon economy and protect it from environmental shocks”.

Evans Osano, Director, Capital Markets, FSD Africa added:

“Managing climate change in Africa is essential for the continent to meet its sustainable development goals. However, we know that climate projects need a source of reliable, sustainable funding to get off the ground and positively impact the climate ecosystem. I’m pleased that the significant scope of the FSD Africa-CoSSE partnership programme across the SADC region will therefore significantly increase the awareness, capacity and take up of sustainable investments in Africa”.

James Duddridge, UK Minister for Africa, said:

“Climate change is the most important challenge facing future generations and ahead of COP26, our partnerships with African nations are building resilience and driving clean growth. This landmark agreement will increase access to green finance, create jobs and help support a sustainable recovery from COVID-19 to deliver for those on the forefront of the climate crisis and our planet”.

Thapelo Tsheole, CoSSE Chairperson said:

“CoSSE is pleased to consistently deliver on its objective to encourage the transfer of securities markets’ intellectual capital and technical expertise of member countries of CoSSE. This milestone Co-operation Agreement with FSD Africa to support the development of a green bond market in the SADC region represents the hard work and commitment to the development of African capital markets by both parties. As CoSSE, we usher in this new chapter with pride and we are committed to promoting the uptake of this programme by the SADC region. We extend gratitude to FSD Africa for this partnership and we remain committed to the development of the region”.

For more information, please contact:

FSD Africa

Lara Cornaro;
Head of Communications
Tel: +44 7412 990 592
Email :Lara@fsdafrica.org

CoSSE Secretariat Contacts

Rhea Oremeng;
CoSSE Coordinator
Tel: +267 3674421
Email: cossesecretariat@bse.co.bw
Website: www.cosse.africa



About FSD Africa

FSD Africa is a specialist development agency working to reduce poverty by strengthening financial markets across sub-Saharan Africa. Based in Nairobi, FSD Africa's team of financial sector experts work alongside governments, business leaders, regulators and policy makers to design and build ambitious programmes that make financial markets work better for everyone. Established in 2012, FSD Africa is incorporated as a non-profit company limited by guarantee in Kenya. It is funded by UK aid from the UK government.

About CoSSE

CoSSE which was formed in 1997 is a collective and co-operative body of the 14 stock exchanges in the Southern African Development Community (SADC) region. CoSSE is charged with the responsibility to accelerate the development of the SADC capital markets through co-operation and collaboration between SADC stock exchanges and other key SADC institutions and stakeholders. CoSSE Secretariat has close working relations with the SADC Secretariat, and SADC Structures such as the Committee of Central Bank of Governors (CCBG), Committee of Insurance, Securities and Non-Banking Financial Authorities (CISNA), the Committee of Ministers of Finance and Investment (CoMFI) and the Committee of Senior Treasury Officials (CoSTO).