



## MALAWI STOCK EXCHANGE

### **CoSSE LAUNCHES THE SADC GUIDELINES FOR SUSTAINABILITY BONDS**

The SADC guidelines for sustainability bonds have today been launched during a virtual seminar. The guidelines are meant to guide Stock Exchanges and other market players on how best to establish Sustainable Bond market regulatory frameworks in the SADC region in line with international best practices and standards. The development of the guidelines was sponsored and led by Financial Sector Deepening Africa (FSD Africa) in collaboration with the Committee of SADC Stock Exchanges (CoSSE) with the participation of other key SADC institutions and stakeholders. The framework is based on Green Bond Principles which have four pillars that issuers should incorporate in their sustainability framework including Pillar 1: Use of proceeds, Pillar 2: process for project evaluation and selection, Pillar 3: Management of proceeds and Pillar 4: Reporting.

Development of a sustainable bond regulatory framework is essential to enable SADC countries to tap into resources that can be utilized to finance green and sustainable projects. This is especially critical for the region and Malawi considering the weather-related shocks that have derailed economic growth. Further, sustainable bonds will help to channel sustainable finance towards the achievement of the Sustainable Development Goals and facilitate recovery and long-term resilience in a post- COVID world. The Malawi Stock Exchange intends to adopt and customize the guidelines for the Malawi market.

FSD Africa is offering financial support to potential issuers that will go towards meeting the cost of an independent verifier who is essential in providing comfort to the investors regarding certification or verification of the sustainability status of an issuance. Interested issuers are encouraged to contact the Malawi Stock Exchange to get more details on how they can benefit from the opportunity.

You can download the guidelines by visiting: <https://mse.co.mw/upload/9>