



Ground-breaking Jasiri Gender Bond in Tanzania



Jasiri Gender Bond

AN INNOVATIVE FINANCIAL INSTRUMENT EMPOWERING WOMEN BY PROVIDING CAPITAL AND RESOURCES TO WOMEN-LED SMES AND MSMEs.



The bond's has provided capital to more than:



The Jasiri Gender Bond plays a crucial role in stimulating economic growth and empowering women in business.

By focusing on enterprises that are owned (at least 50%) by women, those that have at least 30-50% of women in their workforce or have at least 30% women in key management roles, the bond contributed to bridging the gender finance gap and promoting sustainable development and gender equality in the business landscape. Enterprises owned by men that produce goods and services that benefit women were also entitled to benefit from the bond proceeds.



In recognition of its contributions to sustainable finance, NMB Bank was awarded the prestigious Platinum Prize in the Sustainable Bond of the Year category by the International Finance Corporation (IFC).

"The contribution [of the Jasiri Bond] towards creating awareness...has helped us even as a capital market authority, we had to learn, we had to see, understand what are the kind of issues that this product is trying to address."

Alfred Mkombo
Director, Research, Policy and Planning, CMSA

"The collaboration with FSD Africa enabled NMB Bank to access a broader investor base, including foreign investor."

Gladness Deogratis
NMB Bank



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In Tanzania, women-led businesses face a considerable finance challenge, highlighted by the African Development Bank's estimate of a gap exceeding US\$ 42 billion across Africa. FSD Africa played a pivotal role by offering essential technical assistance and support in the creation of the NMB Bank's Social Bond Framework. Their efforts extended to obtaining a Second Party Opinion from Morningstar Sustainalytics, a key step that facilitated the successful launch of the NMB Bank Jasiri Gender Bond.

THE JASIRI GENDER BOND

Launched in **February 2022**
Listed on the Dar Es Salaam Stock Exchange.

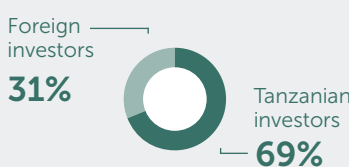
March 2023
International Women's Day

Annual return **8.5%**

The Jasiri Gender Bond became the first Sub-Saharan Bond listed the **Luxembourg Green Exchange**

Mobilising **~USD 32 M**

Oversubscription **197%**



Institutional investors **1%**

Retail investors **99%**

Women investors **52%**

This differs significantly from the corporate bond market's reliance on institutional investors.

The broad-based investor involvement signifies a move towards more inclusive capital markets, highlighting the **bond's dual impact of providing financial returns and fostering social change.**

The bond has played a catalytic role in shaping Tanzania's financial landscape by demonstrating the viability of using capital market instruments to channel private sector financing towards sustainable and inclusive growth initiatives.

The success of the bond was facilitated by the innovative approach of the Capital Markets and Securities Authority (CMSA). Following the International Capital Markets Association (ICMA) guidelines instead of creating local rules embraced global standards and laid the groundwork for local ESG product guidelines. This enhanced the regulatory framework, promoting sustainable and inclusive financial products.

SURPASSING FUNDING GOALS

The Jasiri Bond's success in mobilising funds was remarkable, with its proceeds being fully allocated to women-owned or -controlled enterprises in less than a year, far ahead of the 18-month timeline envisaged in the NMB Social Bond Framework. The rapid deployment of funds, totalling TZS 74.2 billion across three quarters, underscored the bond's effectiveness in addressing the urgent financing needs of women-led MSMEs. By providing loans at a highly competitive interest rate of 14%, compared to the market average of 19%, the bond substantially boosted the profitability and growth prospects of these businesses.

The Jasiri Gender Bond signifies a strategic enhancement in the bank's support of female entrepreneurs. This financial instrument introduces accountability and transparency, demanding rigorous reporting and evaluation of fund deployment, attracting investors interested in gender-positive outcomes. Going beyond capital provision, the Jasiri Bond collaborates with entities like the African Guarantee Fund to address collateral challenges faced by women entrepreneurs. This ensures secured loans, expanding access to businesses and entrepreneurs traditionally underserved by conventional banking products.

Looking ahead, NMB Bank is committed to building on the success of the Jasiri proposition. The bank's strategy is centred around a four-pillar approach that emphasises outreach, penetrating the women's market with innovative services, enhancing financial literacy, and expanding market share. The strategy is designed to sustain the momentum achieved thus far and create a lasting impact aligned with the Sustainable Development Goals (SDGs), further embedding the principles of inclusivity and sustainability into Tanzania's financial and economic systems.