

JOINT PRESS RELEASE- ENGLISH

Tanga UWASA's Water Green Bond oversubscribed, officially listed on DSE

Embargoes until 15th May 2024, afternoon.

Dodoma

Tanga UWASA's Water Infrastructure Green Bond, the first ever Sub-national bond to be issued in East Africa, has been oversubscribed by **103%**. The green bond, worth **TZS 53.12 billion**, and launched on 22nd February 2024, was successfully listed at the Dar es Salaam Stock Exchange (DSE) on 15th May 2024. It performed impressively with **65%** of collection being from local investors while attracting **35%** of foreign investors. This is a clear indication of the growing interest in sustainable investment and confidence of international investors to the Tanzania market.

The Tanga UWASA bond will now be traded at the DSE, and funds raised will propel sustainable water supply infrastructure and environmental conservation efforts in Tanga. Listing of the Tanga UWASA bond signifies a successful demonstration that the existing regulations and frameworks can be used by municipalities, cities, and sub-national entities to raise significant capital from domestic markets, in local currency to finance development, and in turn reduce pressure on Government budget.

On his address, the guest of honor, **Hon. Dr. Mwigulu L. Nchemba, Minister of Finance**, said *"this event and similar events by Corporates in the recent past, is a clear testimony that the Alternative Project Financing Strategy (APF) launched by the Government in May 2021 is doable not only to corporates, but also to Government institutions. And considering that the fully amount required for project implementation is now available, the Ministry of Finance will keep on following up to ensure that this project is successfully implemented as planned."*

Hon. Jumaa Aweso, the Minister for Water highlighted that, *"financing needs for water infrastructure across the nation is still very high. Competing government priorities, and limited budget, results in delay of projects implementation. Bond issuance such as this one, complements government efforts and expedite provision of water services to the citizens. I urge other water utilities to learn from the Tanga UWASA bond and commence replication in their localities"*.

On his key remarks, the **Head of United Nations Capital Development Fund (UNCDF) in Tanzania Mr. Peter Malika** congratulated the government for achieving this historic milestone. He added *"In collaboration with the government, our significance and support as a development finance*

institution has resulted in clearing and clarifying technical and policy hurdles that existed before this transaction, so that future transactions can use Tanga UWASA's bond as a national template, fit for replication and taking to scale to other sectors such as energy, agriculture, health, education, income generation and productive sectors. I want to recognize the National Municipal Bond Taskforce, with this team we have built and entrenched a lasting crosscutting national capacities that ought to be emulated as a winning formula in other initiatives".

From the regulator perspective, **Mr. Nicodemus Mkama, Chief Executive of the Tanzania Capital Market and Securities Authority (CMSA)** highlighted that, *"Successful issuance and listing of Tanga Water Bond on the Dar Es Salaam Stock Exchange, solidifies the position of Tanzanian capital markets on the map of global capital markets that offer innovative and sustainable financing products attracting both domestic and international investors. He further urged other subnational institutions and municipalities to emulate the path taken by Tanga UWASA, in financing revenue-generating projects through capital markets."*

In addition, *"The listing of the TANGA UWASA bond demonstrates the power of collaboration between the public and private sectors, as well as the commitment of stakeholders to make investments that generate financial returns and positive impacts on society and the environment. Therefore, DSE invites public institutions, companies, and the private sector to continue this path of raising capital aimed at promoting and building a competitive economy for the development of people"* said **Ms. Mary Mniwasa, the Chief Executive Officer of DSE.**

On his side, the **Managing Director of Tanga UWASA, Eng. Geoffrey Hilly,** expressed immense pride and honor in witnessing the successful listing of the Tanga Water Bond. He emphasized its significance in advancing sustainable water infrastructure and environmental conservation, extending gratitude to investors, partners, and stakeholders for their unwavering support and trust. He assured the investors, *"as the pilot, we are determined to maintain a strong and unwavering commitment to our investors and the government, on professionalism, proper use of funds, honoring our obligations, and delivering quality water services to our customers"*.

Other stakeholders involved in preparations of the Tanga water green bond includes NBC Bank (lead transaction advisor), FSD Africa (supported green framework), FIMCO and Global Sovereign Advisory (financial & investment advisory), ALN Tanzania (legal advisor), Innovex (reporting accountant), Vertex International Securities (stockbroker) and ISS Corporate Solutions (second-party opinion provider).

END

JOINT PRESS RELEASE- SWAHILI

Hatifungani ya Tanga UWASA yavuka lengo, yaorodheshwa DSE

Embargoes until 15th May 2024, afternoon.

Dodoma

Hatifungani ya kijani ya Mamlaka ya Maji Tanga, ambayo ni ya kwanza kuwahi kutolewa Afrika Mashariki imefanikiwa kukusanya asilimia **103%** ya mauzo yaliyotarajiwa. Hatifungani hiyo yenye thamani ya **Sh bilioni 53.12** ilianza kuuzwa tarehe 22 Februari 2024 na kufanikiwa kuorodheshwa kwenye Soko la Hisa la Dar es Salam (DSE) leo tarehe 15 Mei 2024. Tanga UWASA imeweza kuvutia wawekezaji wa kimataifa, ambapo **asilimia 35** ya makusanyo ni kutoka kwa wawekezaji wa nje na **asilimia 65** ni wawekezaji wa ndani. Hii ni dalili tosha ya kuongezeka kwa uhitaji wa uwekezaji endelevu na imani ya wawekezaji wa kimataifa kwenye soko la Tanzania.

Hatifungani hii sasa itauzwa DSE, na fedha zitakazopatikana zitagharamia miundombinu endelevu ya usambazaji maji na uhifadhi wa mazingira Tanga. Kuorodheshwa kwa hatifungani ya Tanga kunaashiria udhahirisho wa mafanikio kuwa sheria na mifumo iliyopo inaweza kutumika na manispaa, majiji na taasisi nyingine za Serikali kupata fedha za miradi kupitia masoko ya mitaji na dhamana, na kupunguza utegemezi kwenye bajeti kuu ya serikali.

Akitoa hotuba yake wakati wa ufunguzi wa hafla hiyo, mgeni rasmi **Mhe. Dkt. Mwigulu L. Nchemba, Waziri wa Fedha** alisema " *tukio hili na matukio mengine ya aina hii ambayo yamefanyika katika siku za karibuni kwa taasisi na makampuni binafsi, ni ushahidi wa wazi kuwa Mkakati wa Serikali wa kugharamia Miradi ya Maendeleo kwa njia mabadala (APF) uliozinduliwa Mwezi Mei, 2021 unatekelezeka pia kwa taasisi za umma. Hivyo, kwa kuzingatia kuwa fedha zilizohitajika kwa utekelezaji wa mradi huu zimepatikana zote, Wizara ya Fedha itaendelea kufuatilia kwa karibu utekelezaji wa mafanikio ya mradi huu kama ilivyopangwa.*"

Mhe. Jumaa Aweso, Waziri wa Maji alisisitiza kuwa "mahitaji ya kifedha kwa ajili ya miundombinu ya maji nchini kote bado yako juu sana. Wengi wa vipaumbele vya serikali, na ufinyu wa bajeti, husababisha kuchelewa kwa utekelezaji wa miradi. Upatikanaji wa fedha kupitia hatifungani kama hii ya Tanga, inasaidia juhudi za serikali na kuharakisha utoaji wa huduma bora ya maji kwa wananchi. Natoa rai kwa Mamlaka nyingine za Maji kujifunza kupitia hatifungani ya Tanga UWASA na kuiga mfano huu".

Katika salamu zake, **Mkuu wa Shirika la Umoja wa Mataifa la Maendeleo ya Mitaji Tanzania (UNCDF) Ndg. Peter Malika** ameipongeza serikali ya Tanzania kwa ubunifu na kufanikiwa

kukamilisha tukio hili la kihistoria kwa Tanga UWASA. Pia akasema *“kwa kushirikiana na Serikali, umuhimu na msaada wetu kama taasisi ya fedha ya maendeleo umesababisha kuondoa na kufafanua vikwazo vya kitaalam na kisera vilivyokuwepo kabla ya kutolewa hatifungani hii, ili nyingine zijazo zitumie hatifungani ya Tanga UWASA kama mwongozo au kielelezo cha kitaifa, kinachofaa kuendelezwa na kutumika katika sekta nyingine kama vile nishati, kilimo, afya, elimu, miradi ya kibishara na sekta ya uzalishaji mali. Napenda pia kutambua uwepo wa timu ya Kitaifa (national municipal bond taskforce), kwa pamoja tumejenga na kuimarisha uwezo wa kitaalam wa kitaifa utakaodumu, na ambao unapaswa kuigwa kama fomula ya ushindi katika nyanja nyingine”*.

Afisa Mtendaji Mkuu wa Mamlaka ya Masoko ya Mitaji na Dhamana (CMSA), Ndg. Nicodemus Mkama alisema, *“Mafanikio ya utoaji na kuorodheshwa kwa Hatifungani ya Tanga UWASA kwenye Soko la Hisa la Dar es salaam, unaimarisha nafasi ya masoko ya mitaji ya Tanzania kwenye ramani ya masoko ya mitaji ulimwenguni, yanayotoa bidhaa bunifu na endelevu, zinazovutia wawekezaji wa ndani na wa kimataifa. Aidha, ametoa rai kwa taasisi zingine za umma; na Mamlaka za Serikali za Mitaa kuiga mfano wa Tanga UWASA, wa namna ya kupata fedha za kugharamia miradi yenye uwezo wa kujiendesha kibiashara, kupitia masoko ya mitaji”*.

Naye Bi. Mary Mniwasa, Afisa Mtendaji Mkuu wa Soko la DSE alieleza kuwa kuorodheshwa kwa Hatifungani ya TANGA UWASA, kunadhihirisha nguvu ya ushirikiano kati ya sekta ya umma na binafsi, pamoja na azma ya wadau kufanya uwekezaji ambao unazalisha faida kifedha na unazingatia athari chanya kwa jamii na mazingira. *“Hivyo, Soko la Hisa la Dar es salaam linapenda kuzialika taasisi za Umma, Makampuni na sekta binafsi kuendelea kutumia njia hii kuongeza mitaji yenye lengo la kuchagiza na kujenga uchumi shindani kwa maendeleo ya watu na Taifa kwa ujumla,”* aliongeza.

Kwa upande wake Mkurugenzi Mtendaji wa **Tanga UWASA, Eng. Geoffrey Hilly,** aliona fahari kubwa kushuhudia mafanikio ya kuorodheshwa kwa hatifungani hiyo ya kijani. Alisisitiza umuhimu na malengo yake katika kuendeleza miundombinu endelevu ya maji na uhifadhi wa mazingira, huku akitoa shukurani kwa wawekezaji wote, Serikali, washirika, na wadau mbalimbali kwa ushiriki wao, ikiwemo imani yao kwa Tanga UWASA. Aliwahakikishia wawekezaji kuwa, *“tumedhamiria kudumisha ahadi yetu kwa wawekezaji na serikali, kwa kufanya kazi kwa weledi, kusimamia matumizi sahihi ya fedha, kuheshimu wajibu wetu wa kulipa riba kwa wakati, na kutoa huduma bora za maji kwa wateja wetu.”*

Wadau wengine muhimu waliohusika na uandaaji wa hatifungani hii na maeneo yao ya kitaalam ni pamoja na Benki ya NBC (mshauri mwelekezi), FSD Africa (upatikanaji wa hati ya kijani), FIMCO na Global Sovereign Advisory (fedha na uwekezaji), ALN Tanzania (sheria), Innovex (uhasibu),

Vertex International Securities (wakala wa soko la Hisa Dar es Salaam) and ISS Corporate Solutions (mtoa ithibati wa kimataifa).

MWISHO
