

Global Banking & Markets Africa 2025

FSD Africa Breakfast Roundtable

Session Title: Unlocking the Potential of Sustainable Bonds in Africa

Wednesday, 26 March 2025, 8:15 am – 10:00 am

Cape Town International Convention Centre, Cape Town, South Africa

Meeting Room 2.61 - 2.63

1. Background and Context

Africa faces a substantial climate finance gap. To meet its Nationally Determined Contributions (NDCs) under the Paris Agreement, it requires an annual funding requirement of USD 190 billion. However, the continent currently mobilises only USD 44 billion annually—just 23% of the required funding. This shortfall underscores the urgent need for scalable financing mechanisms to enhance Africa's climate resilience.

Green bonds present a promising solution, with the global market now valued at USD 2.8 trillion. The African green bond market was established in 2013 with the African Development Bank's inaugural issuance. Since then, it has expanded to approximately 76 issuances from 40 issuers, raising USD 9.6 billion. However, the region's share remains less than 1% of global green bond issuances, highlighting significant untapped potential.

Over the past decade, Africa's green bond market has expanded at a 20% compound annual growth rate (CAGR)—a significantly slower pace than Asia-Pacific (70%) and Latin America (43%). This slower growth is largely attributed to macroeconomic constraints and the high resource demands of the issuance process.

FSD Africa's Role in Strengthening the Green Bonds Market

To date, FSD Africa has supported 23 issuances which will mobilise USD 1.4 billion of sustainable finance in local currency.



23 green bond issuances = USD 1.4 billion

- Facilitating the development of green bond markets and supporting issuers in identifying green projects.
- Influencing the establishment of national green bond guidelines to align with global best practices.
- Creating a pool of licensed verifiers to enhance credibility and ensure adherence to standards.
- Connecting issuers to financiers and investors and provide technical assistance to improve access to capital.

With growing momentum around sustainable finance, African regulators are increasingly exploring new financial instruments, such as sustainability-linked bonds and blended finance solutions.

2. Event Overview

In this invite-only side event, FSD Africa will present key research findings on the impact of green bonds in Africa and explore solutions to enhance market development. The session will bring together senior stakeholders from financial institutions, regulators, investors, and development partners to engage in high-level discussions on the evolution of the green bond market and strategic interventions needed to expand its reach to bridge the financing gap in Africa and ultimately support the broadening and deepening of capital markets in the African continent.

2.1 Event Objectives

This side event will provide a platform to:

- **Disseminate key research findings on the impact of green bonds in Africa:**
Share insights from FSD Africa's research on the impact of green bonds across capital markets, environmental sustainability, and social inclusion.
- **Discuss challenges and solutions:** Identify barriers limiting green bond adoption and explore practical pathways to overcome them.
- **Highlight strategic interventions:** Present FSD Africa's role in providing technical assistance for three critical areas to accelerate the green bond market in Africa:
 1. Capacity Building and Transaction Support: Enhancing expertise among issuers, investors, and regulators to facilitate green bond structuring and issuance.
 2. Green Bond Guidelines: Strengthening regulatory frameworks and best practices to boost investor confidence.
 3. Use of Blended Financing Mechanisms: Developing de-risking tools and innovative financial instruments to attract capital inflows.

Time	Topic	Speaker
08.15 am – 08.30 am	Guests' arrival and registration	
08.30am – 08.35 am	Welcoming remarks	Dr. Evans Osano Chief Financial Markets Officer, FSD Africa
08.35 am -08.55 am	Launch of the Green Bonds Impact Report Presentation Q&A	Kevin Munjal Director, Development Impact
08.55 am – 09.50 am	Fireside Chat: Unlocking the Potential of Sustainable Bonds in Africa (35 mins) Speakers <ul style="list-style-type: none"> • Olamipo Ogunsanya, Executive Director, ALCB Fund • Gill Raine, Senior Policy Advisor, ASISA • Gladness Deogratias, Head Global Markets, NMB Bank Plc. • Mensa Samira, Managing Director – Africa Research & Analytics & Country Head South Africa, Global Fund Ratings, S & P Global Ratings Facilitated interactive Q&A	Cecilia Bjerborn Murai Senior Specialist, Capital Markets - Green Finance
09.50 am – 10.00am	Closing Remarks and Photo Session	Jemima Gathumi