



Project Title

Kenya Green Bond Programme



Implementing Partner

Climate Bond Initiative (CBI), Kenya Bankers Association (KBA) and Nairobi Securities Exchange (NSE)



Donor

FSD Africa, KBA/NSE



Value (in £)



Implementation Period

2017 - 2021



Countries Covered

Kenya



Project Description

This project aims to accelerate the take-up of green bonds as a tool for Kenya to tap into international and domestic capital markets to finance green projects and assets.

The project will support:

- Policy reform to promote investment instruments.
- Engagements with the institutional investment community to promote green bond issuances.
- Potential Kenyan green bond issuers to come to market.
- The development of a pool of Kenya-based licensed verifiers.
- The development of cooperative mechanisms to support access to the green bond market for smaller banks and corporates that don't currently have access
- The development of green Islamic finance products.



Target Results

- The project will facilitate climate change mitigation and adaptation investments promoting sustainable growth, prosperity and poverty reduction in Kenya.
- The project will facilitate supportive regulatory conditions and a favourable ecosystem for green bond issuance, which will positively impact the financing of green projects beyond the project term.
- The project will develop Kenya's green bond market and build local capacity to catalyse similar projects across East Africa
- The project will improve regulator and market capacity and knowledge on sustainable investments.



Progress

- NSE Green Bond Listing Rules and the Capital Market Authority (CMA) Guidelines on green bonds have been developed.
- Kenya's parliament passed tax incentives for green bonds.
- Development of e-learning modules on green bonds for the Sustainable Finance Initiative (SFI) platform: The SFI platform was designed by the Kenya Bankers Association (KBA) and is currently accessible to all bank employees. The e-learning platform has hosted over 20,000 bank employees trained in fundamental areas of sustainable finance, covering the need for comprehensive risk management, enhanced governance, and opportunities for investment in the green economy.
- Three green finance transactions have been supported – two green bond issuances and one green Real Estate Investment Trust (REIT).
- GBP 64.95 million of private finance has been mobilised for climate change purposes, including the first green bond issued in Kenya, listed on the NSE and cross-listed on the London Stock Exchange.
- Three (3) training programmes for Kenyan verifiers (institutions) were facilitated by CBI and KBA
- Sixteen (16) Kenyan verifiers (institutions) have been trained.
- Twelve (12) green investment forums have been convened and facilitated.
- Four hundred fifty-six (456) market actors have been trained through investment forums.
- An Africa Green Bond toolkit has been developed to guide potential issuers on key aspects of green bond financing.
- Engagements with other potential issuers, including the Kenya Government, on future green bond issuances are in progress.



Contact

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