

Botswana, Namibia outline efforts towards green bonds, sustainable stock exchanges

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After South Africa, Namibia, through its Namibian Stock Exchange, is the second African country to issue a green bond after signing up to the United Nations' (UN's) sustainable stock exchanges initiative, said Namibian Stock Exchange CEO **Tiaan Bazuin**.

Speaking during the Southern Africa Green Bonds Intensive webinar on September 23, he said the country's first green bond was issued by Bank Windhoek four or five years ago, adding that it achieved "great success" with an oversubscription.

Subsequently, that green bond has run its course, following which Namibia is doing a sustainable bond, noted Bazuin.

"The market has matured to beyond just a green bond point and they are seeing a lot of interest . . . there is capital that is definitely available for this [green investment]," he added.

However, in issuing its first green bond, Bazuin said Namibia faced a challenge in choosing which mechanisms to use to check that the projects the funds were being allocated towards, actually qualified objectively.

"In the green bond, we made it a requirement from our end, that they do an independent audit on that."

Unfortunately, he added, only audit firms were willing to conduct independent audits, which proved to be costly.

Going forward, Bazuin said Namibia would work towards making it easier for future green bonds to be more successful, having learnt from its first issuance, as well as implementing measures to check that the funds are being used towards what they are committed for.

BOTSWANA

In Botswana, no green bonds have been issued yet, noted Botswana Stock Exchange CEO **Thapelo Tsheole**. “A number of companies have been working on trying to issue green bonds for about two years now.”

However, he added that the Botswana market started “early enough” in terms of taking out a number of sustainable initiatives, especially listed companies in terms of their sustainable practices.

“But I know a number of companies that have increased their initiatives towards building the market to[wards] green bonds,” said Tsheole.

In addition, in terms of the framework required, he noted that Botswana was making good progress with its efforts to join the UN’s sustainable stock exchanges initiative. 🇳🇮

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<https://www.engineeringnews.co.za/article/botswana-namibia-outline-efforts-towards-green-bonds-sustainable-stock-exchanges-2021-09-28>