



**CAPITAL MARKETS AND SECURITIES (CORPORATE AND SUBNATIONAL
SUSTAINABILITY BONDS) GUIDELINES, 2023**

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CHAPTER 79
CAPITAL MARKETS AND SECURITIES ACT
GUIDELINES
(Made under section 10(2) (f))

**CAPITAL MARKETS AND SECURITIES (CORPORATE AND SUBNATIONAL
SUSTAINABILITY BONDS) GUIDELINES, 2023**

PART I
PRELIMINARY PROVISIONS

1.1 Citation

These Guidelines shall be cited as Capital Markets and Securities (Corporate and Subnational Sustainability Bonds) Guidelines, 2023 and shall come into operation on the date of publication in the *Gazette*.

1.2 Scope and Application

These Guidelines shall apply to all issuers of sustainability bonds in United Republic of Tanzania and shall cover requirements and procedures for issuance of sustainability bonds namely; green bonds, blue bonds, social bonds and sustainability-linked bonds.

1.3 Legal framework

These Guidelines shall also be governed by the Government Loans, Guarantee and Grants Act Cap 134; The Local Government Finance Act Cap 290; The Public Procurement Act Cap 410; Financial Leasing Act Cap 417; The Anti-Money Laundering Act Cap 423 R.E 2022; The Anti-Money Laundering and Proceeds of Crime Act No. 10 of 2009; Forest Act Cap 323; Wildlife Conservation Act Cap 283; Marine Parks and Reserve Act 1994; Companies Act Cap 212; Zanzibar Companies Act 2013; The Environmental Management Act Cap 191; The Guideline for Project Planning and Negotiations for Raising Loans, Issuing Guarantees and Receiving Grants of 2020 and Financing Income-Generating Infrastructure Investment of 2021.

These Guidelines shall be read together with Guidelines for issuance of Corporate Bonds, Municipal Bonds and Commercial Papers, 2019 and other relevant guidelines issued by Capital Markets and Securities Authority (CMSA).

1.4 Objectives

These Guidelines aim at achieving the following:

- (a) widen the scope of financing projects that have environmental or social impacts;
- (b) provide guidance for the issuance of sustainability bonds in Tanzania;
- (c) set minimum requirements for management of bond proceeds and disclosures that aim to maintain integrity of the market and protect interests of investors;
- (d) promote financial inclusion by taking on-board segments of society excluded due to lack of sustainability financial instruments, including green bonds, blue bonds, social bonds and sustainability-linked bond;
- (e) promote and support professional development on sustainable finance; and
- (f) widening the scope of financing through diversification of financial products and enhancement of market liquidity.

1.5 Interpretation

In these Guidelines, unless the context requires otherwise-

“Act” means the Capital Markets and Securities Act, Cap 79;

“aggregated portfolio basis” means the percentage of proceeds allocated to certain project categories due to a large number of underlying projects;

“approval” means an authorization granted under the Act as the case may be;

“Authority” means the Capital Markets and Securities Authority established under section 6 of the Act;

“blue bond” means a debt instrument which facilitates capital-raising and investments into new or existing eligible blue projects for resilience of marine and coastal ecosystems, including conservation and sustainable use of the oceans, seas, lakes, rivers, wetlands and marine resources for sustainable development.

“bond” means a debt security or instrument issued by a legal entity to which these Guidelines apply, to secure the repayment of money borrowed by such entity;

“certification” means certifying a sustainability bond or any other bond issued under these Guidelines against a recognized external standard or label;

“eligible projects” mean the following -

- (a) green projects focusing on environmental aspects includes climate change mitigation, climate change adaptation, natural resource conservation, biodiversity conservation and pollution prevention and control;

- (b) blue projects focusing exclusively on conservation, sustainable use of oceans, seas and marine resources and critical clean water resources protection for sustainable development; or
- (c) social projects focusing on initiatives that aim to address social issues, improve social well-being, promoting gender inclusion and bring about positive change in the community.

“green bond” means a debt instrument which facilitates capital-raising and investments into new or existing eligible green projects which have environmental benefits and can mitigate risks associated with climate change;

“greenwashing” means misrepresentation of the sustainability characteristics of a financial product and/or of the sustainable commitments and/or achievements of an issuer that is either intentional or due to gross negligence;

“External Reviewer” means an entity, independent of an issuer, its directors, senior management and advisers, accredited under the Climate Bonds Standards and Certification Scheme, or any other professional body acceptable to the Authority, who verifies the internal tracking and the allocation of funds from the sustainability bond proceeds;

“issuer” means a legal person who makes available, offer for subscription or purchase, or issue an invitation to subscribe for or purchase sustainability bond;

“key performance indicator (KPI)” means quantifiable metrics used to measure the performance of selected indicators;

“performance indicators” means performance measures which may be based on parameters such as electricity generation, electricity connections made, greenhouse gas emissions reduced or avoided, increases in forest cover, number of people provided with access to clean energy, decreased water use, reduction in the number of un-ecofriendly cars among other indicators;

“prospectus” has the same meaning ascribed to it under the Act;

“social bond” means any type of debt instrument where the proceeds, or an equivalent amount, will be exclusively applied to finance or re-finance in part or in full new or existing eligible social projects;

“Subnational institutions” means government entities that operate below the national level including municipalities and government agencies;

“sustainability bond” for the purpose of these guidelines, means bond instrument where the proceeds or an equivalent amount will be exclusively applied to finance or re-finance eligible projects;

“sustainability bond framework” means a document that outlines the sustainability bond issuance process, including issuer's objectives; project evaluation and selection; use of proceeds; management of proceeds; monitoring and evaluation; and reporting.

“sustainability bond scoring/rating” means the assessment by a qualified third party, such as a specialized research provider or rating agency, according to an established scoring/rating methodology;

“sustainability linked bond” means bonds for which the financial or structural characteristics can vary depending on whether the issuer achieves predefined sustainability objectives. These are not use of proceeds bonds but general purpose bonds where the issuer commits to future improvements in sustainability outcomes within pre- defined timeline;

“sustainability performance target (STP)” means measurable improvements in KPI on to which issuers commit to a predefined timeline;

“taxonomy” means classification system identifying activities, assets or project categories that deliver on key climate, green, social or sustainable objectives with reference to identified thresholds or targets;

“trigger event” means the result of the observation whether a KPI has achieved a given predefined SPT that may cause a change in the characteristics of the bond or not;

“verification” means an independent authentication of the alignment of the sustainability bond with the internal or external standards or assertions made by the issuer.

PART II GREEN BONDS

2.1 The Green Bond Principles

These principles shall guide issuers in the approach to be taken and practices to be observed when considering issuance of green bonds. Issuers shall ensure that these principles continue to form the foundation on which green projects are executed.

2.1.1 Use of Proceeds

- (a) The proceeds of green bonds shall only be used for funding of eligible green projects including-
- (i) clean renewable and sustainable energy;
 - (ii) energy efficient innovations and technologies;
 - (iii) pollution prevention and control;
 - (iv) terrestrial and aquatic biodiversity conservation;
 - (v) clean transportation;
 - (vi) sustainable waste management including recycling efficient disposal of waste;
 - (vii) climate change adaptation;
 - (viii) climate change mitigation;
 - (ix) green buildings and infrastructures;
 - (x) sustainable management of natural resources and land use;
 - (xi) eco-efficient or circular economy adapted products, production technologies and processes; or
 - (xii) any other category as may be specified by the Authority.

Provided that, such projects shall have clear environmental benefits which shall be assessed and, where feasible, quantified by the issuer.

- (b) The issuer shall demonstrate that the project intended to be financed by the green bond proceeds, results in short or long term environmental improvement, within the local context of the business or activity.

- (c) In case of multiple projects, the issuer shall provide a description of the estimated proceeds allocation per green project category. If unknown at time of issuance, should indicate when this will be determined.
- (d) When funds are raised for financing and re-financing, the issuer shall provide estimate share of financing and re-financing and where appropriate, clarify which investments or project portfolios may be re-financed, and to the extent relevant, the expected lookback period for the re-financed green projects.
- (e) Green projects qualify for re-financing as long as they are in use, follow the relevant eligibility criteria at the time of issuance and are still assessed as making a meaningful impact.
- (f) In the circumstances that, green projects have social co-benefits; the classification of the proceeds of a green bond shall be determined by the issuer based on its primary objectives for the underlying projects.
- (g) The expected net proceeds of the bond shall not be greater than the issuer's total investment exposure to the proposed projects, or the relevant proportion of the total market value of the proposed projects which are owned or funded by the issuer.

2.1.2 Project evaluation and selection

- (a) Issuers of green bonds shall establish internal processes for the evaluation and selection of projects to be funded by the proceeds of the green bonds.
- (b) The issuer shall disclose to the Authority and the public the following minimum information prior to issuance-
 - (i) The environmental sustainability objectives of the green projects and how the selected projects fit within the issuer's wider sustainability strategy, goals and objectives;
 - (ii) The internal process for evaluating how the proposed project is classified as an eligible green project; and
 - (iii) The governance process by which the green projects are evaluated and selected including-
 - (aa) details on who will be part of the process to select eligible projects for allocation;
 - (bb) the alignment with the use of proceeds categories, qualitative and quantitative inclusion criteria and, if applicable, exclusion criteria; or

- (cc) the alignment with official or market-based taxonomies, qualitative and quantitative criteria and if applicable, exclusion criteria.
- (iv) The internal process around the selection and approval of the proposed project.
- (v) Processes by which the issuer identifies and manages perceived social and environmental risks associated with the proposed project.
- (vi) Description of measures taken to avoid or minimize negative impact of the project or activity including significant negative impact on the other environmental objectives or other vulnerable groups or social areas.
- (vii) Any green standards or certification referenced in the proposed project, recognized by the Authority.
- (viii) Alignment of the issuer's green bond framework with the applicable standard and principles.

2.1.3 Management of Proceeds

- (a) The issuer shall establish clearly defined internal mechanisms to manage and track the proceeds of green bonds to ensure to the traceability of the use of invested proceeds as well as the remaining unallocated balance.
- (b) Issuers to ensure that proceeds are used for pre-agreed objectives at the issuance, the proceeds of green bonds shall be restricted in trust accounts in a licensed custodian bank.
- (c) Issuers shall ensure that the balance of the tracked net proceeds shall be periodically adjusted in relation to allocations to eligible green projects made during that period.
- (d) Issuers shall ensure that the intended types of temporary placement for the balance of unallocated proceeds shall be made known to investors and the Authority prior to issuance.
- (e) Where the issuer appoints a third party to verify the issuer's management of proceeds, the issuer shall make the report produced by the third party to the Authority and publish on issuer's website.
- (f) Issuers shall ensure that the proceeds of green bonds can be managed per bond (bond-by-bond approach) or on an aggregated basis for multiple green bonds (portfolio approach).
- (g) Where a project in a portfolio, ceases to qualify as eligible project, the issuer shall notify the Authority and the net proceeds originally allocated shall be reallocated to other eligible projects.

PART III BLUE BONDS

3.1 Blue Bond Principles

These principles shall guide issuers in the approach to be taken and practices to be observed when considering issuance of blue bonds;

Provided that, issuers shall ensure that these principles continue to form the foundation under broad categories of principles similar to those of green bonds except for use of proceeds.

3.1.1 Use of Proceeds

- (a) The proceeds of blue bonds shall only be used for the funding of eligible blue projects;
- (b) Eligible blue projects shall have clear environmental benefits which shall be assessed and, where feasible, quantified by the issuer;
- (c) The eligible blue project categories includes -
 - (i) water supply: investments in the research, design, development, and implementation of efficient and clean water supply;
 - (ii) water sanitation: investments in the research, design, development, and implementation of water treatment solutions;
 - (iii) ocean and freshwater friendly products: investments in the value chain, including production, packaging and distribution of environmentally-friendly products that avoid water or ocean pollution;
 - (iv) chemicals and plastic management activities in freshwater and oceans: investments in the research, design, development and implementation of measures to manage, reduce, recycle and treat plastic, pollution or chemical wastes in coastal and terrestrial ecosystems;
 - (v) sustainable shipping and port logistics sectors: investments in the research, design, development and implementation of water and waste management and reduction measures in shipping vessels, shipping yards and ports;
 - (vi) fisheries, aquaculture, and seafood value chain: sustainable production and waste management measures that meet the marine stewardship council certification standards or equivalent;
 - (vii) marine and freshwater ecosystems restoration including investment in conserving, improving and restoring marine, freshwater and coastal ecosystems; the development of ecosystems' insurance products related to critical aquatic ecosystems; and

information systems, technology, and instruments deployed for measuring, tracking, and reporting physical and chemical indicators of the water body to achieve sustainable fishery and aquaculture management, water-related ecosystem restoration, and disaster resilience.

- (viii) sustainable tourism services in the vicinity of marine conservation areas with inclusive livelihood elements and business opportunities; and nature-based freshwater and marine visitor centers showcasing the environment and disseminating research, innovations and knowledge about lakes, rivers, wetlands, reefs, and other aquatic ecosystems.
- (ix) offshore wind energy facilities, such as wind farms that do not harm marine ecosystems. The offshore wind farm may include additional features, such as fisheries' sanctuaries for juveniles of certain marine species, substantial artificial reef elements, and other additional measures promoting marine biodiversity; provided that, the proceeds shall not be allocated to the offshore oil and gas sector as well as marine extraction of seabed minerals sector.

Provided that, projects involving research, design and & development shall obtain guarantee from a bank, insurance company or other reputable institution recognized by the Authority.

PART IV SOCIAL BONDS

4.1 Social Bond Principles

These principles shall guide issuers in the approach to be taken and practices to be observed when considering issuance of social bonds. Issuers shall ensure that these principles continue to form the foundation on which social projects are executed.

4.1.1 Use of Proceeds

- (a) The proceeds of social bonds shall only be used to address a specific social issue to achieve positive social outcomes especially, but not exclusively, for a targeted population and, where feasible, quantified by the issuer.
- (b) The eligible social project categories includes -
 - (i) affordable basic infrastructure including clean drinking water, sewers, sanitation, transport and energy;
 - (ii) access to essential services including education and vocational training, health, telecommunication, financing and financial services;
 - (iii) affordable housing including construction, renovation and maintenance, provision of housing loans, development and provision of rental housing;
 - (iv) employment generation including Micro, Small and Medium Enterprise (MSME) financing, skills development for employability and entrepreneurship;
 - (v) food security including sustainable farming and fishery, agricultural credit and insurance, crop innovation, infrastructure development for agriculture and aquaculture;
 - (vi) socio-economic advancement and empowerment including targeted financing schemes such as loans to women- or youth-owned businesses; social support services such as rehabilitation, counselling and integration programmes; development of community centers and facilities.
- (c) Eligible projects may target populations including those that are -
 - (i) living below the poverty line;
 - (ii) unemployed;
 - (iii) with special needs;
 - (iv) migrants or displaced persons;

- (v) limited access to formal education;
- (vi) people with limited access to essential social services;
- (vii) women;
- (viii) elderly and vulnerable youth; and
- (ix) vulnerable groups such as those affected by natural disasters.

4.1.2 Project Evaluation and Selection

- (a) The issuer shall establish the process for project evaluation and selection prior to the issuance of the social bond.
- (b) The issuer of social bonds shall clearly disclose to the Authority and investors the following minimum information prior to issuance-
 - (i) the social objectives;
 - (ii) any social standards or certifications referenced in project selection;
 - (iii) the process by which the issuer determines how the projects fit within the eligible social project categories identified; and
 - (iv) the related eligibility criteria including, if applicable, exclusion criteria or any other process applied to identify and manage potential social and environmental risks associated with the social projects.
 - (v) Alignment of the issuer's social bond framework with the applicable standard and principles
- (c) The issuer shall position the information prescribed under (b) (iv) within the context of its overarching objectives, strategy, policy or processes relating to social sustainability.
- (d) The issuer shall make the information publicly available on issuer's website throughout the tenure of the social bonds.

4.1.3 Management of Proceeds

- (a) Issuer shall establish clearly defined internal mechanisms to manage and track the proceeds of social bonds.
- (b) The traceability of the proceeds shall include use of invested proceeds as well as the remaining unallocated balance.

- (c) To ensure that proceeds are used for pre-agreed objectives at the issuance, the proceeds of social bonds must be restricted in trust accounts in a licensed custodian bank.
- (d) Issuers shall ensure that the balance of the tracked net proceeds shall be periodically adjusted in relation to allocations to eligible social projects made during that period.
- (e) Issuer shall ensure that the social bond proceeds are used exclusively for the eligible social projects defined in the offer document.
- (f) The intended types of temporary placement for the balance of unallocated proceeds shall be made known to investors and the Authority prior to issuance.
- (g) Where the issuer appoints a third party to verify the issuer's management of proceeds, the issuer shall make the report produced by the third party publicly available on issuer's website.

PART V

SUSTAINABILITY-LINKED BOND

5.1 Sustainability-linked Bond Principles

These principles shall guide issuers in the approach to be taken and practices to be observed when considering the issuance of sustainability-linked bond. Issuers shall ensure that these principles continue to form the foundation on which sustainability-linked bond projects are executed.

5.1.1 Selection of Key Performance Indicators (KPIs)

- (a) The issuer shall select external or internal sustainability KPIs that are relevant to issuer sustainability project.
- (b) In selecting the KPIs, the issuer shall ensure that the KPIs are-
 - (i) under management's control;
 - (ii) relevant and material to the issuer's core sustainability and business strategy;
 - (iii) addressing relevant environmental, social or governance challenges of the industry sector;
 - (iv) measurable or quantifiable on a consistent methodological basis;
 - (v) externally verifiable; and
 - (vi) benchmarked using an external reference or definitions to facilitate the assessment of the SPTs level of ambition.
- (c) The issuer shall disclose the following in the documentation for issuance of the sustainability-linked bond on issuer's website throughout the tenure of the bond-
 - (i) the rationale and process on the selection of KPIs and how the KPIs fit into the issuer's sustainability strategy; and
 - (ii) A clear definition of the KPIs including the applicable scope or perimeter and the calculation methodology.

5.1.2 Calibration of Sustainability Performance Targets (SPTs)

- (a) The issuer shall calibrate one or more SPTs per KPI to express the level of ambition that the Issuer is ready to commit to, and thus considers realistic.
- (b) The issuer shall disclose strategic information that may decisively impact the achievement of the SPTs.

- (c) The SPTs shall comprise the following features-
- (i) represent a material improvement in the respective KPIs;
 - (ii) be compared to a benchmark or an external reference, where possible;
 - (iii) be consistent with the issuer's sustainability framework; and
 - (iv) be determined on a predefined timeline, set before or concurrently with the issuance of the bond.
- (d) The target setting exercise for the SPTs shall be based on a combination of the following benchmarking approaches-
- (i) the issuer's own performance, which can include measurement track record on the selected KPIs for a minimum of three years, where feasible and forward-looking guidance on the KPI, when possible;
 - (ii) the issuer's peers' performance, which can include the SPT's relative positioning versus its peers where available and comparable or current industry or sector standards; and
 - (iii) reference to the science, which can include systematic reference to science-based scenarios, absolute levels, official targets, recognized best available technologies or other proxies to determine relevant targets across environmental and social themes.
- (e) The issuer shall disclose the following in the offer document and publish on issuer's website throughout the tenure of the bonds -
- (i) description and definition of SPTs;
 - (ii) motivation for the outlined SPTs indicating ambition level and consistency with issuer's overall strategic planning;
 - (iii) relevant benchmarking approaches set out in paragraph 5.1.2 (d);
 - (iv) timelines for the target achievement, including the target observation date(s)/period(s), the trigger event(s) and the frequency of SPTs;
 - (v) verified baseline or reference point selected for improvement of KPIs as well as the rationale for that baseline or reference point to be used including date/period;
 - (vi) situations in which recalculations or pro-forma adjustments of baselines will take place; and
 - (vii) any other key factors beyond the issuer's direct control that may affect the achievement of the SPTs.

5.1.3 Bond Characteristics

- (a) The financial or structural characteristics of a sustainability-linked bond can vary depending on whether the selected KPIs reach, or not, the predefined SPTs:
- (b) The variation of the bond characteristics should be commensurate and meaningful relative to the issuer's original bond characteristics.
- (c) The sustainability-linked bond shall include a financial or structural impact involving trigger event(s).
- (d) The issuer shall disclose the following in the offer document and publish on issuer's website throughout the tenure of the bond-
 - (i) the potential variation of the sustainability-linked bond's characteristics; and
 - (ii) any fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner.
- (e) In relation to 5.1.3 (d), the issuer shall consider including, where needed, narration in the bond documentation to take into consideration potential exceptional events or extreme events, including drastic changes in the regulatory environment that could substantially impact the calculation of the KPI, the restatement of the SPT, provisional adjustments of baselines or KPI scope.
- (f) In case of any material change to perimeter/KPI methodology/SPTs calibration prior to maturity of the sustainability-linked bond, the issuer shall-
 - (i) clearly communicate the rationale or restatement optionality, or set out a restatement policy as part of the issuer's documentation of the sustainability-linked bond on issuer's website; and
 - (ii) appoint an external reviewer to assess any changes and publish the external review report on issuer's website throughout the tenure of the bond.

5.1.4 Reporting

- (a) The issuer of the sustainability-linked bond shall publish, and keep readily available and easily accessible the following information on issuer's website throughout the tenure of the bond-
 - (i) up-to-date information on the performance of the selected KPIs, including baselines;
 - (ii) a verification assurance report which includes an assessment on the issuer's performance against the SPTs as well as its related impacts and timing of such impacts, on the bond's characteristics; and

- (iii) a qualitative or quantitative explanation of the contribution of the main factors, including mergers and acquisition activities, behind the evolution of the KPI;
 - (iv) an illustration of the positive sustainability impacts of the performance improvement; and
 - (v) any information enabling investors to monitor the level of ambition of the SPTs.
- (b) The reporting on the sustainability-linked bond shall be published at least annually, and in any case for any period relevant for assessing the SPT performance leading to a potential adjustment of the sustainability-linked bond's characteristics.

5.1.5 Verification

- (a) The issuer shall seek independent and external verification of their performance level against each SPT for each KPI by a qualified external reviewer with relevant expertise.
- (b) The verification shall be carried out at least annually, and in any case for any period relevant for assessing the SPT performance leading to a potential adjustment of the sustainability-linked bond's characteristics, until after the last SPT trigger event of the bond has been reached.
- (c) The external reviewer shall disclose relevant credentials and expertise, and scope of the verification conducted in the verification assurance report.
- (d) The verification assurance report shall be made publicly available on issuer's website throughout the tenure of the sustainability-linked bond.

PART VI

GENERAL REQUIREMENTS

Issuers of sustainability bonds shall comply with the following general requirements;

6.1 Reporting and Disclosures

- (a) The issuer shall submit to the Authority the prospectus to be accompanied by a sustainability bond framework. The framework shall include the following information-
 - (i) a statement of intention of post-issuance reporting on the impact of the bond issued, detailing among others frequency, duration and level of impact;
 - (ii) description of the qualitative and quantitative impact performance indicators that will be used to demonstrate contribution to green or social objectives per project category;
 - (iii) description of the key underlying methodology or assumptions that will be used in the quantitative determination;
 - (iv) estimated lifetime results of the project to provide users with a basis for understanding the impact of the project over its lifetime; and
 - (v) a statement on alignment with the applicable standard and principles.
- (b) The issuer shall submit a report including details on the expected output achieved or impact of projects financed by sustainability bond proceeds either on a project level or on a portfolio level throughout the lifetime of the bond.
- (c) The expected impacts shall be based on projected estimates, developed prior to project implementation, of expected annual results for respective year once a project is completed and operating at normal capacity.
- (d) In case of reporting on a portfolio level, projected estimates can be based on the annual analysis per portfolio and, if several project categories are financed, per category.
- (e) The issuer shall prepare annual sustainability bond progress report throughout tenure of the bond, for investors to ensure the ongoing transparency and regular disclosure of information about the status of the bond proceeds.
- (f) The sustainability bond progress report shall include information on;
 - (i) allocation reporting: confirming the allocation of the bond proceeds to eligible projects and assets. In case of full allocation, the reporting shall be done within fourteen (14) days following material developments;
 - (ii) eligibility reporting: confirming the characteristics or performance of eligible projects and assets that support their eligibility to be associated with the bond;

- (iii) description of each project and the corresponding amount disbursed;
 - (iv) specification of the project that has been financed or re-financed;
 - (v) impact reporting: disclosing the indicators that reflect the expected or actual impact of eligible projects and assets;
 - (vi) the qualitative and where feasible, the quantitative, key performance indicators used to measure the environmental and social impact of the projects;
 - (vii) the underlying methodology or assumptions used in preparing the key performance indicators;
 - (viii) confirmation of the ongoing eligibility of the projects qualifying as eligible projects;
 - (ix) the balance and type of temporary placement for the unallocated bond proceeds;
 - (x) the expected remaining timeframe for completion of the projects;
 - (xi) where confidentiality agreements, competitive considerations or a large number of underlying projects limit the amount of details that can be disclosed, the information shall be presented in generic terms or on an aggregated portfolio basis: provided that, the information provided shall be sufficient to enable investors and the Authority to formulate their opinion on the credibility of the projects.
- (g) The reporting can be done on the individual bond level (bond-by-bond approach) or on aggregated level (portfolio approach). In case of bond-by-bond approach the issuer shall clearly reference to which bond International Securities Identification Number (ISIN) the reported impact belongs.
- (h) The latest progress report shall be made available on the issuer's website with the date that it was prepared.
- (i) The issuer shall keep the Authority informed as soon as reasonably practicable of any information relating to the outstanding sustainability bond prior publication on the issuer's website.
- (j) The issuer whose securities are listed in a Stock Exchange in Tanzania, shall also abide by reporting requirements provided in the Stock Exchange rules as part of Continuing Listing Obligations.

6.2 External Review

- (a) An issuer shall appoint an independent external reviewer to carry out a pre-issuance review on the credentials of the projects to be funded by the sustainability bond proceeds and the issuer's compliance with these Guidelines.

- (b) The independent external reviewer shall assess and confirm where-
 - (i) the projects to be funded by the bond proceeds are eligible to be categorized as qualifying sustainability projects;
 - (ii) the issuer has established appropriate internal policies, processes, controls and governance mechanisms to comply with the requirements of the Guidelines;
 - (iii) the issuer has complied with the principles outlined in the Guidelines prior to the issuance of the sustainability bond; and
 - (iv) a pre-issuance review report clearly states the procedures performed as part of their review and the conclusion reached.
- (c) For the purpose of these Guidelines, an external reviewer shall meet stipulated criteria by Climate Bonds Initiatives or other institution duly recognised by the Authority.
- (d) Issuer shall adopt verification as a minimum requirement level of independent external review or such other option providing higher level of assurance such as certification and sustainability bond scoring or rating.
- (e) The issuer shall ensure that-
 - (i) results of external reviews are published on issuer's website; and
 - (ii) external review is provided at all stages of the bond issuance, to ascertain issuance documentation; and verification of both the internal tracking and the allocation of proceeds.
- (f) An external reviewer shall not assess the same project for more than two consecutive terms of three years.
- (g) Issuer shall notify the Authority where the external reviewer ceases to act for an issuer and shall include with that notification the reason for ceasing to so act.