



Capacity
Building and
**Technical
Assistance**
Services

Navigating Sustainable Finance

The Sustainable Finance Technical Assistance team at the Climate Bonds Initiative provides comprehensive guidance to prospective debt issuers embarking on the issuance of climate-related labelled bonds and analogous debt instruments. With a focus on assisting governments, municipalities, national development banks, and corporate entities, the team possesses extensive expertise in facilitating all stakeholders in navigating the intricacies of sustainable finance. Additionally, support is offered to asset owners and managers in formulating investment methodologies grounded in scientifically substantiated criteria, aimed at mitigating the multifaceted challenges posed by climate change and its repercussions on society.

Climate Bonds is a leading standards setter of internationally recognised sector criteria that are science-based and aligned with a 1.5-degree pathway, while playing a fundamental role in the development of most global and national taxonomies currently in place.

Furthermore, we are one of the primary database sources for all climate-related themed bond issuances, where we curate, analyse, and review bond issuances. This provides us with a deep understanding of current market trends and best practices, enabling us to offer guidance on industry-level benchmarking.

This wealth of experience and expertise has been instrumental in advising governments, regulators, and policymakers on effectively promoting sustainability. Our insights and understanding of what motivates governments and international investors position Climate Bonds well to collaborate with potential issuers in navigating taxonomies, sustainable principles, transition guidance, and sector criteria.

Our unique position in Sustainable Finance



Over 10 years of extensive experience in supporting corporates, banks, multilateral, sovereign, and sub-sovereign entities in LAC, Africa, Central Europe, Central Asia, and ASEAN to raise funds through the use of green and other labelled/sustainability linked debt instruments aligned with a 1.5-degree emissions pathway or the Paris Agreement.



Climate Bonds' experience in the development of internationally recognised and accepted taxonomies and sector criteria underpins our technical assistance approach and methodology.



Climate Bonds' extensive analysis and review of all climate-themed bond issuances enables the identification of best practices and industry benchmarks. Our analysis is showcased in our climate-themed databases, which are used by international index providers and investors.



Climate Bonds' country and regional programmes, which focus on policy engagement and advocacy, provide clear insight into policymakers' and regulators' strategies and long-term policy outlooks.

How we can support you

ESG readiness for the Entity

Climate Bonds works with entities that want to begin transitioning into a low emissions entity but are uncertain about what is needed to integrate climate considerations into their business model, strategy development, risk management, governance, and financial planning.

We assist organisations in identifying gaps and offer guidance on best practices for making this transition within your organisation. Furthermore, through our network of delivery partners, we offer guidance to ensure that capital investments not only support climate goals but also enhance resilience and promote social inclusion.

Pre-issuance support

1 Climate aligned bond readiness assessment and action plan

Climate Bonds works closely with first-time labelled bond issuers to review and analyse current operating models, identify gaps, and recommend steps for a successful green bond transaction. Additionally, Climate Bonds can review the issuer's projects, selection processes, and systems to track sector allocation and management of the use of proceeds.

2 Portfolio assessment and review

Climate Bonds guides issuers through best practices on how to successfully issue climate-aligned debt instruments. We equip you with the knowledge and tools to replicate the process for future issuances.



Labelled Bonds

Projects or portfolio assessments are conducted against one or more taxonomies, such as Climate Bonds, EU, Chinese, Colombian, etc., and/or principles like ICMA GBP, ICMA SBP, MDB, etc., depending on the issuer's proposed investor base.



Transition-themed Bonds

Given the increasing significance of transition activities and the role of Sustainability Linked Bonds (SLB) and Transition Bonds, we can assist issuers in **hard-to-abate sectors** in identifying science-based Key Performance Indicators (KPIs) and the most relevant aspects of robust transition plans and strategies.



Sub-sovereign & Municipality Debt:

We assist sub-sovereign and city authorities in developing climate-action plans that are aligned with the authority's climate and social impact commitments and goals. Subsequently, support is provided to identify relevant assets and activities that enable the financing of these climate action and resilience plans.

3 Strategy, Green and other labelled bond framework review

Climate Bonds supports the development and review of climate mitigation, adaptation, and social strategies, ensuring their accurate reflection in thematic bond frameworks, which is a necessary step before issuing labelled bonds.

Labelled bond frameworks will be assessed against the ICMA, MDB, and other green or social principles, as well as national/regional taxonomies and Climate Bonds sector criteria.

Post-issuance support:

4 Impact reporting

Entities issuing labelled debt instruments are often obligated or encouraged to report annually until the end of the bond term on the impact and use of proceeds. We provide guidance on best practices and relevant advice on impact reporting.

5 Capacity building

We deliver customised and tailored workshops for individuals at all levels of seniority within the client's organisation. The aim of these workshops is to enhance a client's ability to restructure processes and strategies, enabling them to access sustainable finance in the long term.

6 Guidance on reviewers and subject matter experts

Climate Bonds has significant experience in understanding the nuances related to debt issuances and the role each stakeholder plays. We can provide guidance on what to expect from external reviewers and facilitate conversations with other subject matter experts, for example, on social, governance, risk analysis, and credit review.

7 Investor engagement and profiling

Climate Bonds has a robust network of investors and other fundraising stakeholders with whom we can facilitate conversations to provide insights on market expectations. Additionally, Climate Bonds can raise awareness for potential issuances through the implementation of a communication strategy.

Case study

Banco de Bogotá

Green bond issuance aligned with Climate Bonds Standard and Taxonomy

In this client engagement, Climate Bonds conducted a portfolio analysis in accordance with Climate Bonds' taxonomy, and also reviewed and provided feedback on its green bond framework to ensure alignment with the best international standards.

After receiving technical assistance from Climate Bonds, Banco de Bogotá issued a green bond in 2020.

**COP 300 billion
(about USD
80.2million)**

in a bid to cover 3.04 and
two tranches

&

A 3-year tenor that was
priced at a floating rate of
IBR + 1.14%
and a five-year tenor priced at
4.75% per year.

As part of the support, Climate Bonds has continued close communications with the issuer even after the bond issuance to support questions that surge when preparing their annual reports.

This is an inherent part of the technical assistance available to all beneficiaries.

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Testimonial

“The Climate Bonds team, through their technical assistance service, helped us to understand and update our technical knowledge according to the most recent standards in the market for the issuance of green, social and sustainable financial instruments; in our case, it was very valuable to understand how international standards and Climate Bonds criteria have evolved, as well as to understand and understand more deeply the development of new taxonomies such as the Colombian green taxonomy.

Their support was key to understanding how our portfolio of current and future fundable projects could be potentially eligible, according to clear technical criteria, as thematic emissions feedstock to focus resources more efficiently to contribute to climate change mitigation and adaptation and sustainable development in our country.”

- Juan Camilo Galván, Treasury Management, Colombian Development Bank Findeter

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Climate Bonds INITIATIVE

