



BOLSA DE VALORES DE PANAMA

Bolsa de Valores de Panamá releases inaugural Guidelines for Social, Green, and Sustainable Bonds in Central America

Social, Green and Sustainable (SGS) Debt Securities are an effective way to mobilize capital towards priority sectors in Panama and across the region.

PANAMA, 24/10/2019 - Bolsa de Valores de Panamá (BVP) launches Guidelines for issuing Social, Green and Sustainable (SGS) Bonds on 24 October, an important milestone towards the development of Central American markets.

The SGS Guidelines are intended to offer market players a guide comprising international best practices and local parameters for the issuance of SGS bonds and for assessing eligible assets.

During the last 5 years, there has been a global increase in the demand for investment opportunities for mitigation and adaptation towards climate change, the creation of a positive social impact and sustainable development, mainly by the institutional investors coming from the member states of the Organization for Economic Co-operation and Development (OECD). The Guidelines are an essential part of a wider transition initiative towards low carbon as well as an important tool for Central America in financing key sectors such as energy, transport and infrastructure.

The Guidelines provide assistance to stakeholders on how to issue SGS bonds locally and highlight benefits for both investors and issuers, which include obtaining financial returns comparable to conventional instruments, with the addition of environmental and/or social benefits and improving diversification of investors, capturing new business opportunities by taking advantage of the growing demand for sustainable development and attracting long-term capital, respectively.

Olga Cantillo, CEO, Bolsa de Valores de Panamá:

“We are pleased to launch this guideline for the issuance of social, green and sustainable bonds with international standards, such as those of Climate Bonds Initiative. This important step is

crucial to our commitment of providing our listed companies with best ESG principles when issuing responsible and impact bonds to local and international investors.”

Justine Leigh-Bell, Deputy-CEO, Climate Bonds Initiative:

“The launch of BVP’s Guidelines establishes an important benchmark for market development in Panamá. Exchanges play a key role towards enabling investments and BVP is to be congratulated on taking a lead in with the SGS. Over time we expect the Guidelines to boost green and sustainable investment locally and in the region. It’s a pleasure to work together with BVP as a Climate Bonds Partner on such significant projects.”

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Contact:

Luiza Mello

LAC Communications and Media
Officer,
Climate Bonds Initiative

+55 (61) 98209-8126

luiza.mello@climatebonds.net

Diana García

Public Relations and Communications
Executive,
Bolsa de Valores de Panamá

+507 269-1966 Ext. 220

dgarcia@panabolsa.com

Notes to Journalists:

About Bolsa de Valores de Panamá: Bolsa de Valores de Panamá is the capital market infrastructure operator in Panama providing services to local and regional issuers and investors. BVP’s mission is to develop Panama’s capital market, the integration of capital markets of the region and become the regional hub trading center of issuers and investors of the country and the region, whose objective is to promote the stock market for the

financing of companies in a transparent and efficient manner.

Since 2018, BVP has identified and included sustainable finance as an important pillar in its strategic plan to promote the Sustainable Development Goals (SDGs) and become the Hub of Sustainable Finance in Latin America and the Caribbean. In [September 2018](#), the BVP joined the Sustainable Stock Exchange Initiative (SSE) by signing a letter of commitment to promote sustainable and transparent capital markets.

In [May 2019](#), it became the first stock exchange in Latin America to join the Climate Bonds Initiative (CBI) Partner Program, further strengthening its commitment to promote sustainable finance among local and regional actors. In [August 2019](#), Corporación Interamericana para el Financiamiento de Infraestructura (CIFI) , issued the first Green Bond from Panama, thus opening this market in the BVP. For more information, please visit www.panabolsa.com

About the Climate Bonds Initiative: Climate Bonds Initiative is an international investor-focused not-for-profit organization working to mobilise the USD100tn bond market for climate change solutions. The Climate Bonds Initiative carries out market analysis, policy research, market development; advises governments and regulators; and administers a global green bond Certification Scheme. For more information, please visit <http://www.climatebonds.net>.