Early Warning System

IFC-46027

Nedbank Green Bond DCM

Early Warning System
Nedbank Green Bond DCM

IFC-46027

Quick Facts

Countries	South Africa
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Voting Date	2021-11-30
Borrower	NEDBANK LTD
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 32.79 million

Project Description

According to bank provided information, the proposed investment consists of an IFC anchor investment of ZAR500 million in a 7-year ZAR 1.090 billion privately placed senior unsecured green bond issuance by Nedbank Limited (“Nedbank” or the “Bank”). The bond will be issued under the Bank’s ZAR75,000,000 Domestic Medium Term Note Programme dated February 8, 2019, will be certified to confirm alignment with the International Capital Market Association Green Bond Principles, and listed on the Johannesburg Stock Exchange (the “Project”). The proceeds of the bond will be fully dedicated to financing Excellence in Design for Greater Efficiencies (“EDGE”)-certified green residential housing developments in South Africa, up to 75% of which are anticipated to be in the affordable housing segment, on a reasonable-efforts basis.

Investment Description

- International Finance Corporation (IFC)

The proposed investment consists of an IFC investment of ZAR500 million for IFC's own account in Nedbank's ZAR1.090 billion bond issuance. The funding will be used exclusively for the expansion of the Bank's EDGE-certified green residential housing development portfolio in South Africa.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Nedbank Limited (Financial Intermediary)

Private Actors Description

Nedbank is one of the top four largest banks in South Africa, with a market share of 18% in advances and deposits and 17% in total assets. It is a front runner in climate finance, having been the first bank to issue a green bond in local currency in South Africa. The Bank is a wholly owned subsidiary of Nedbank Group Limited (“Nedbank Group” or the “Group”). Nedbank Group is one of the largest financial services groups in Africa offering wholesale and retail banking services as well as insurance, asset management, and wealth management.

Contact Information

Nedbank Limited
Arvana Singh
Head: Sustainable Finance Solutions
+27 10 234 8708
arvanas@nedbank.co.za
135 Rivonia Road, Sandown, Sandton, 2196, South Africa
www.nedbank.co.za

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org