

Zambia's first green bond to be issued by year-end by Copperbelt Energy Corp

By [Chris Mfula](#)

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Zambia's Copperbelt Energy Corporation (CEC) will issue the southern African country's first green bond by the end of the year, the power company said on Tuesday, with a \$54m note to be sold as part of a \$200m green bond programme.



Image source: andreyopov – [123RF.com](#)

The proceeds will be used to fund solar energy generation, as part of the company's aim to generate 200MW of renewable energy, Owen Silawwe, CEC's chief executive officer said in a statement released on the sidelines of the COP28 climate summit.

Green bonds have grown in popularity globally as policymakers and financiers seek market-driven ways to tackle climate change. It is also part of a broader rise in finance linked to environmental, sustainability and governance (ESG) goals.

Zambia finalised regulations for issuing green bonds locally to support climate-related projects in December 2022.



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"We anticipate that (CEC's announcement) will catalyse the listing of more green bonds as a means of capital raising for green initiatives and contribute towards deepening capital in our country," Nonde Sichilima, a director at Zambia's Securities and Exchange Commission, said in the announcement.

The lead arranger for CEC's green bond programme was Cygnum Capital, while the cornerstone investor was the Emerging Africa Investment Fund "in partnership with" South African bank Absa.

Emerging Africa Investment Fund is owned by Private Infrastructure Development Group, which in turn is owned by six developed country governments and the World Bank's International Finance Corporation.

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