



# AIFC GREEN FINANCE CENTRE:

Comprehensive Casebook  
on Sustainable Financial  
Instruments











## Daniyar Kelbetov

Chairman of the Board of Directors,  
AIFC Green Finance Centre Ltd.

Chief Product Officer –  
Member of the Management Board,  
Astana International Financial Centre  
Authority

We are pleased to present to your attention the Casebook - a compilation of case studies - on sustainable finance instruments, supported by the AIFC Green Finance Centre.

At the AIFC, we recognize the pivotal role the financial sector plays in shaping a sustainable future for our planet. We also acknowledge that the financial flows required to achieve global climate and sustainable development goals will not materialize solely through traditional mechanisms, and therefore, we must seek new breakthrough solutions.

To this end, we established the AIFC Green Finance Centre — the cornerstone of our efforts to provide forward-thinking solutions for financing the green transition in Kazakhstan, Central Asia, and the Caucasus. The Centre plays a crucial role in implementing global initiatives to combat climate change and advance sustainable development in our region, assisting countries in attracting funding to fulfill their commitments under the Paris Agreement, as well as to achieve carbon neutrality and the Sustainable Development Goals.

With the publication of this Casebook, we aim to underscore the significant role of the Centre in the development of sustainable finance markets in the region, which has become the first and, to date, the only entity in Central Asia to gain accreditation with leading international organizations setting the standards for sustainable finance.

This Casebook also seeks to raise public and business awareness about sustainable finance instruments and the opportunities they offer in mobilizing funding for green and sustainable projects.

We would like to extend our sincere gratitude to the companies that are actively implementing sustainable finance tools, demonstrating their commitment to responsible business practices. Thanks to their efforts, this Casebook has become a reality. Their success serves as a vivid example, inspiring businesses aimed at long-term sustainability and societal well-being to take responsible and forward-looking steps.

As we continue to develop and refine our innovative solutions and instruments, we invite all interested parties to join us on this important journey, helping our region remain at the forefront of the global movement towards a sustainable future.



## Manas Gizhduaniyev

CEO, AIFC Green Finance  
Centre Ltd.

It is with great pleasure that we present our Casebook, which marks an important milestone in AIFC Green Finance Centre's efforts in assisting companies to attract capital for projects that not only deliver positive economic outcomes but also contribute to environmental and social impacts.

Thematic bonds such as green, social, sustainability bonds are gaining momentum globally, and together with loans and other instruments, they form the backbone of sustainable finance markets. AIFC Green Finance Centre has played a pivotal role in shaping green finance markets in Kazakhstan, Central Asia, and the Caucasus, providing support in the issuance of the debut green bonds in Kazakhstan, Kyrgyzstan, Uzbekistan, and Azerbaijan. These bonds will help attract funding for a range of projects aimed at combating climate change and improving environmental sustainability. The Centre has also assisted several companies in issuing social bonds, such as those supporting women entrepreneurs, as well as sustainability bonds that combine both environmental and social aspects.

These and other case studies are compiled in this Casebook, which stands as the result of the joint efforts of the AIFC Green Finance Centre and leading companies making a significant contribution to the development of sustainable finance in our region. We express our sincere gratitude to all the companies that agreed to have their cases featured in this Casebook. Your experience and initiatives will undoubtedly inspire others, creating a foundation for further inflows of investment into sustainable projects in the region. We look forward to continuing our fruitful cooperation in the future.

We urge all readers of this Casebook, including companies implementing and financing sustainable projects, investors, international organizations, to also become part of the global movement towards sustainable development.

AIFC Green Finance Centre is ready to be your reliable partner in mobilising financing for projects that combine economic benefits with tangible contributions to society and the environment.





ABOUT AIFC GREEN  
FINANCE CENTRE LTD.



## DISCLAIMER

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In the event of any discrepancies in the Kazakh and Russian translations with the text in English language, the latter takes precedence.

We reserve the right to modify or update this Casebook at any time without prior notice.



## What is AIFC Green Finance Centre?

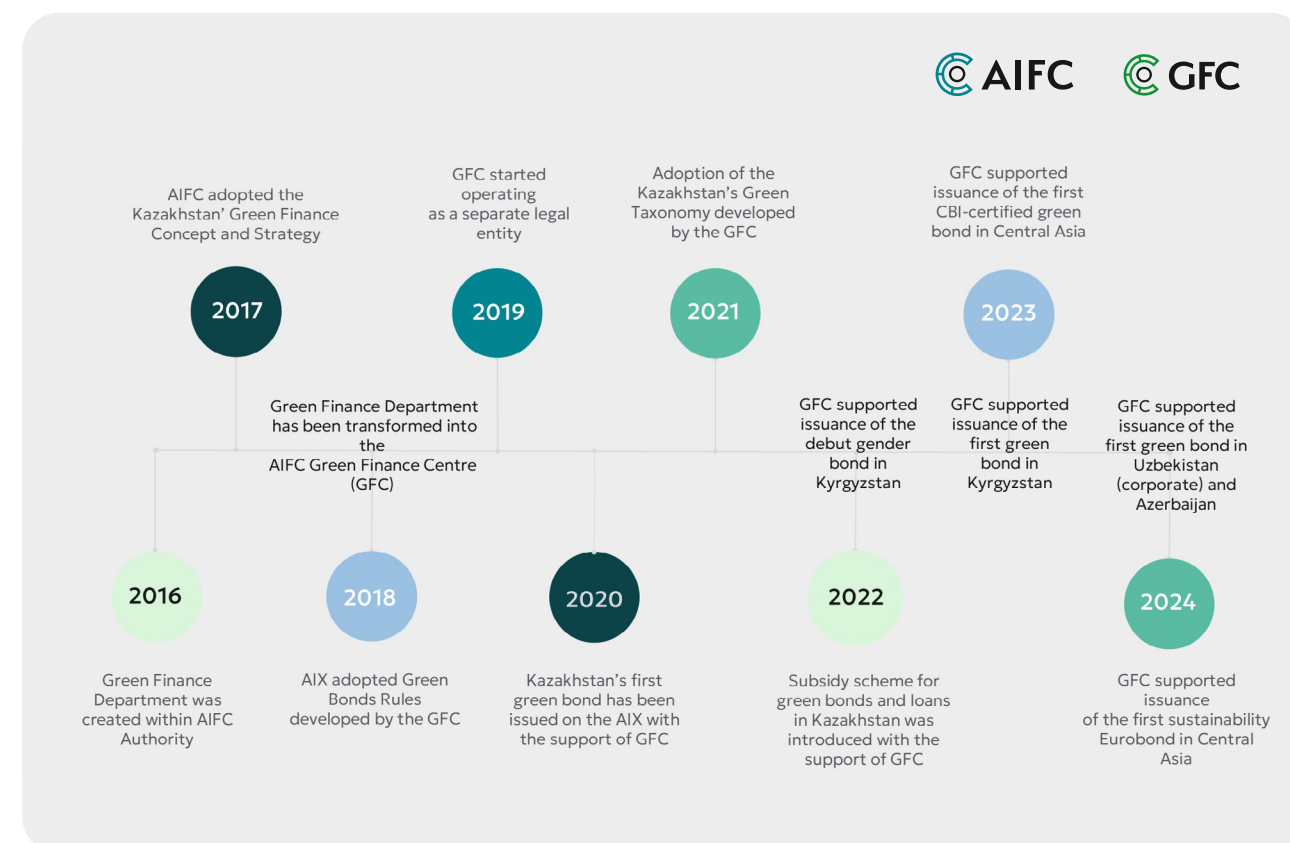
Astana International Financial Centre (hereinafter – AIFC) strives to contribute to the sustainable economic growth of Kazakhstan, Central Asia and Caucasus by facilitation of sustainable investments and creation of a supporting financial ecosystem.

AIFC Green Finance Centre Ltd. (hereinafter – GFC) took its beginning in 2016 as Green Finance Department as part of AIFC Authority, and in December 2019 it began operating as a separate legal entity (a subsidiary of the AIFC Authority). In July 2020, the Eurasian Development Bank became the second shareholder of the GFC.

**Mission** of the GFC is to contribute to the sustainable economic development of Kazakhstan, Central Asia and Caucasus, by development of enabling sustainable finance policies, fostering sustainable finance instruments and innovation, and providing world-class sustainability services.

**The primary goal** of the GFC is to promote and develop sustainable financing tools and attract investments into environmental and social projects in Kazakhstan, Central Asia and Caucasus. Given the underdeveloped market, the GFC acts as a development institution and provides full support to market participants, including potential issuers of sustainable bonds, investors, and professional service providers.

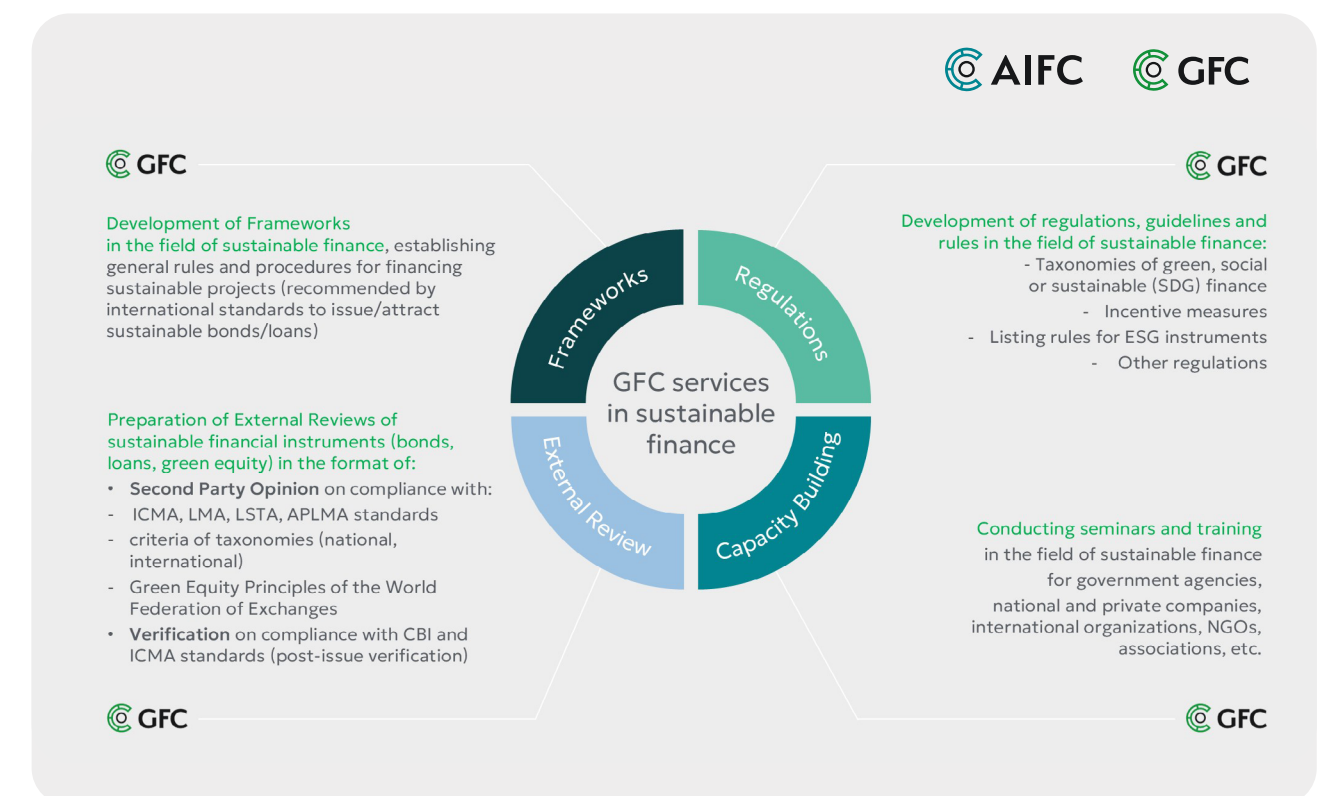
Fig-1. Key development milestones and achievements of GFC



GFC has a license to provide consulting services, namely:

- services in the area of sustainable finance (for more details see Fig. 2);
- ESG consulting services (preparation of sustainable development strategies and non-financial (ESG) reporting, ESG screening of a project portfolio, ESG training);
- legal services (legal support of registration of companies in the AIFC jurisdiction, post-registration services).

Fig-2. GFC services in sustainable finance

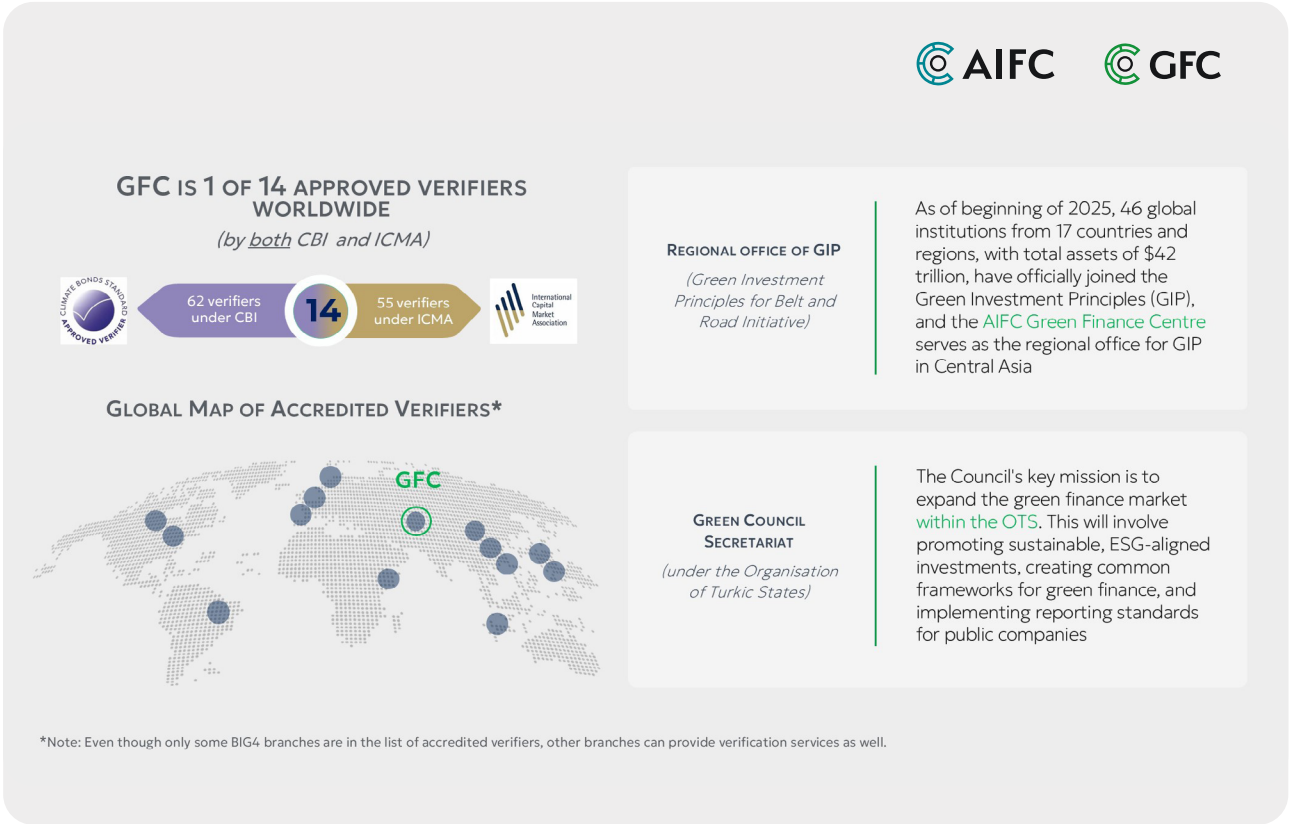


AIFC Green Finance Centre is currently the only company in Central Asia accredited by the Climate Bonds Initiative (hereinafter – CBI) and is also recognised by the International Capital Market Association (hereinafter – ICMA) in its external review providers mapping (see Fig-3). GFC provides External Reviews against ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines (hereinafter – ICMA GBP, SBP and SBG respectively), Green Loan Principles and Social Loan Principles of Loan Market Association, the Loan Syndications & Trading Association and the Asia Pacific Loan Market Association (hereinafter – LMA, LSTA, APLMA GLP and SLP respectively), as well as against the Climate Bonds Standards of CBI.



Thanks to GFC efforts AIFC occupies leading positions in Eastern Europe and Central Asia in the Global Green Finance Index (GGFI) and is ranked 62nd in the world for green finance.

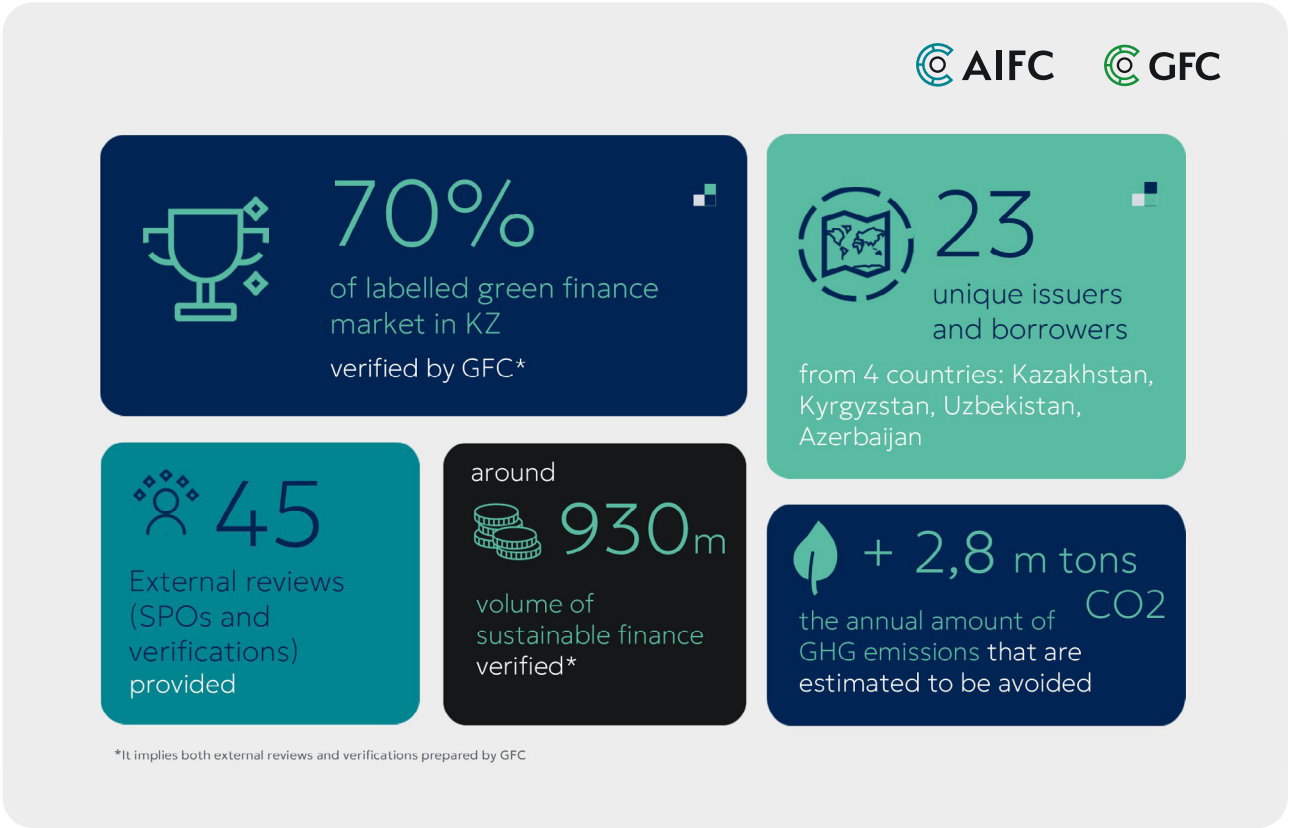
Fig-3. Global Accreditation of GFC and Regional Leadership in Green Finance



The GFC has almost 5 years of experience in preparing External Reviews for the issuance of green/social/sustainability bonds and attraction of green loans. Over this period GFC has prepared 45 external reports, including Second-Party Opinions (hereinafter - SPO), one

verification report according to the CBI standard (with CBI certification), as well as verifications for post-issuance annual reports of issuers from Kazakhstan, Kyrgyzstan, Uzbekistan and Azerbaijan.

Fig-4. GFC in numbers





The background is an abstract composition of various green geometric shapes. It includes a large, dark green curved shape on the left, several translucent green rectangular blocks of different sizes and orientations, and a large, light green curved shape at the top. The overall effect is a modern, architectural feel with a strong emphasis on the color green.

## CASE STUDIES:

Sustainable financial products  
supported by AIFC Green  
Finance Centre Ltd.



## DISCLAIMER ON CASES

In this Casebook cases were built based on External Reviews prepared by GFC for the companies (issuers/borrowers) in relation to their sustainable finance frameworks and related financial instruments.

Of all the External Reviews prepared by GFC, those were selected to be reflected as cases in this Casebook where the bonds in question have been issued or loans have been provided at the time of the preparation of this Casebook. At the same time, GFC is independent in making decision on selecting cases for inclusion in this Casebook at its own discretion. Inclusion or non-inclusion in this Casebook shall not be perceived as any kind of assessment or judgement by GFC regarding related companies, their business activities or financial instruments.

According to the ICMA recommendations, issuers of sustainable bonds (green, social, sustainability bonds), and according to the LMA, LSTA, APLMA recommendations, borrowers of green and social loans should explain the alignment of such bonds (loans) or bond (loan) programme with the four core components of the ICMA GBP/SBP/SBG and LMA, LSTA, APLMA GLP/SLP respectively (i.e. Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds and Reporting) in a Green/Social/Sustainable Finance Framework or in their legal documentation.

It is recommended by ICMA (and by LMA, LSTA and APLMA in relation loans) that issuers (borrowers) appoint (an) External Review provider(s) to assess through a pre-issuance external review the alignment of their Green/Social/Sustainability Bond (Green/Social Loan) or Green Social/Sustainability Bond (Green/Social Loan) programme with the four core components of the GBP/SBP/SBG/GLP/SLP respectively. Post issuance (after receiving a loan), it is recommended that an issuer's (borrowers') management of proceeds be supplemented by the use of an external auditor, or other third party, to verify the internal tracking and the allocation of funds from the bond (loan) proceeds to eligible green and (or) social projects.

GFC provides External Review in the form of Second Party Opinion or verification. Second Party Opinion is the most common format. The GFC's External Review is an independent opinion on the relative likelihood that the proceeds of the bond issue (of attracted loan) will be invested in supporting the environmental and socio-economic projects specified by the issuer (borrower) and that their governance and disclosure processes are in line with the GBP/SBP/SBG/GLP/SLP.

Therefore, information provided in this Casebook on companies (issuers/borrowers), their business activities, financial instruments (bond issuance volume or loan size, bond issuance date or loan provision date, maturity, coupon rates, etc.), projects financed (or planned to be financed) and impact of such projects is derived from External Reviews prepared by GFC at the request of such companies, also from bond prospectuses and post-issuance annual reports of companies, from websites of stock exchanges where respective bonds has been placed, as well as from companies themselves. Information on the credit ratings of issuers/borrowers at the time of bond issue/loan receipt is obtained from official websites of companies or rating agencies, as well as directly from the companies themselves. Base rates at the time of issue of bonds (loan receipt) were obtained from the official websites of the central banks of the countries in whose national currency the issue was made/loan was obtained.

Based on the above, this Casebook do not disclose the companies' confidential information. All information presented in the cases, including company logos, is approved by relevant companies. GFC also release itself from any liability if information reflected in cases is inaccurate or unreliable.

GFCs release itself from any liability if projects/assets that were presented by issuers (borrowers) as projects/assets to be financed through relevant sustainable financial instruments do not actually achieve the estimated effect.

This Casebook is not for advertising purposes of the referred companies and their financial instruments. In no event shall the content of this Casebook be deemed as an investment advice with respect to any financial instruments or an offer to purchase or sell these.



## For reference:

**Green bonds** are bonds where the proceeds will be exclusively applied to financing or refinancing (full or partial) of new and/or existing green projects of environmental importance, and which comply with the GBP.

**Green loans** are any type of loan instruments and/or contingent facilities (such as bonding lines, guarantee lines or letters of credit) made available exclusively to finance, re-finance or guarantee, in whole or in part, new and/or existing eligible Green Projects and which are aligned to the four core components of the GLP.

**Social bonds** are any debt instruments where the proceeds will be exclusively applied to financing or refinancing (full or partial) of new and/or existing Social Projects helping to solve socio-economic issues, and which comply with the four core components of the SBP.

**Social loans** are any type of loan instruments and/or contingent facilities (such as bonding lines, guarantee lines or letters of credit) made available exclusively to finance, re-finance or guarantee, in whole or in part, new and/or existing eligible Social Projects, and which are aligned to the four core components of the SLP.

**Sustainability bonds** are any debt instruments where the proceeds will be exclusively applied to financing or refinancing (full or partial) of new and/or

existing projects that are a combination of green and social projects helping to solve environmental and social issues and consistent with the key four components of both the GBP and SBP, and combined, with the SBG. The Green Bond Principles apply to green projects or the “green” component of projects, and the Social Bond Principles apply to social projects or the “social” component of projects.

**Sustainable bonds** - a general term including green bonds, social bonds, sustainability bonds, etc.





1st  
green bond in Kazakhstan

CASE 1

GREEN BOND,  
“DAMU” ENTREPRENEURSHIP DEVELOPMENT  
FUND, KAZAKHSTAN

Transaction Summary

Instrument type: Green bond  
Issuance volume: KZT 200 m  
Stock exchange: AIX  
Issue date: August 2020  
Maturity: 3 years  
Coupon rate: 11.75%  
Base rate: 9%  
Issuer’s credit rating:  
S&P Global Ratings: BB+/B¹  
Standards: ICMA GBP



Issuer Overview

“DAMU” Entrepreneurship Development Fund (hereinafter – Damu) is a national development institution whose mission is the implementation of comprehensive and effective support tools for the sustainable development of micro, small, and medium-sized enterprises (MSMEs) in Kazakhstan. The sole shareholder of Damu is Baiterek National Managing Holding JSC.

Damu provides government support measures in the form of subsidies, guarantees, and preferential financing aimed at developing the entrepreneurial environment in Kazakhstan. The Damu has a presence in all regions of Kazakhstan, with its regional network consisting of 20 branches in the regional centers and cities of republican significance.

Deal Highlights

On 24th of February 2020 Damu signed the General Agreement with the UNDP Kazakhstan within the UNDP-Global Environment Facility project “Derisking Renewable Energy Investment” aimed at stimulating and assisting micro, small and medium-sized enterprises (hereinafter – MSMEs) in the development of renewable energy projects.

Under this Agreement, MSMEs are provided with financial support for the implementation of renewable energy projects by applying one of the following mechanisms:

- subsidising interest rate on the loan up to 10%;
- subsidising a portion of the main loan up to 30%;
- issuance of green bond by the Damu to finance renewable energy projects with reduced coupon rates which entail a reduction in the interest rate on MSMEs loans.

As part of this cooperation, in August 2020 Damu issued its debut green bonds which has also become the first-ever green bonds in Kazakhstan and Central Asia. UNDP provided technical support in the selection of green projects to be financed by proceeds of the green bonds. Damu was recognized by the 6th Annual Climate Bonds Awards 2021 as one of the global leaders in promoting green finance and received the Green Market Pioneer award for issuance of first green bonds.

Projects/Assets Overview

The proceeds from green bonds were disbursed through the second-tier bank - SB Sberbank JSC (On September 21, 2024 the bank completed its re-registration as “Bereke Bank” JSC) and provided to “Cascade NRG” LLP in the form of a loan in the amount of 200 million KZT, for a period of 5 years for the purpose of acquisition of fixed assets and equipment for building a solar power plant with a capacity of 2 MW in the Turkestan region (see Fig-5).

Fig-5.

Solar power plant in Shoulder village, Otyrar district, Turkestan region, financed by the first green bonds issued in Kazakhstan



Source: UNDP Kazakhstan

Impact Overview

According to the Damu’s Use of Proceeds Report on green bonds, the “Cascade NRG” LLP is estimated to generate 2 788 mWh electricity per year while annual avoidance of CO2 emissions is estimated at 2 732,24 tons CO2. As a result of project implementation, it may potentially fulfill the needs in electricity of 1 951 persons.

¹S&P Global Ratings. Research Update: Kazakhstan's DAMU Entrepreneurship Development Fund Affirmed At 'BB+/B'; Outlook Stable



# CASE 2

## GREEN LOAN, “BATYS TRANSIT” JSC, KAZAKHSTAN

### Transaction Summary

**Instrument type:** Green loan  
**Loan size:** KZT 8 432 m  
**Borrower:** "Batys Transit" JSC  
**Creditor:** Eurasian Development Bank  
**Loan agreement date:** Dec 2022  
**Interest rate:** 14%  
**Base rate:** 16.75%  
**Borrower’s credit rating:**  
S&P Global Ratings: B/B; stable<sup>2</sup>  
**Standards:** LMA, APLMA and LSTA GLP



### Borrower Overview

"Batys Transit" JSC (hereinafter – Batys Transit) was established in accordance with the Resolution of the Government of the Republic of Kazakhstan dated 7 October 2005 N°1008 for the implementation of the project "Construction of the interregional power transmission line "Northern Kazakhstan - Aktobe region". Batys Transit operates in the electric power industry as a natural monopoly entity and provides electricity transmission services in the Aktobe region.

The mission of Batys Transit is to promote the development of Kazakhstan's electric power industry by participating in improving the structure of the Unified Energy System

of Kazakhstan, as well as supporting the implementation of state policy in the field of public-private partnership in Kazakhstan. It has successfully implemented the concession project: "Construction and operation of the interregional power transmission line 500 kV "Northern Kazakhstan - Aktobe region", as well as the investment project: "Construction and operation of two single-circuit power transmission lines 220 kV from the electrical substation "Ulke" to main step-down substation-2 Aktobe Ferroalloy Plant "Kazchrome".

### Projects/Assets Overview

In December 2022, Eurasian Development Bank and Batys Transit signed a loan agreement to offer a labelled (according to international standards) green loan in the amount of KZT 8 432 m to finance the project “Construction and operation of street lighting networks in Atyrau city” (length – 270 027 m).

The project has the following objectives:

- construction of street lighting networks in the city of Atyrau that meet sanitary and environmental standards with subsequent operation;
- ensuring energy efficiency and energy saving in the city, in particular with an indicator of reducing energy consumption of lighting networks by 40% or more;
- implementation of a comprehensive automated outdoor lighting control system with a brightness control function;
- operation and maintenance of street lighting networks in accordance with industry standards.

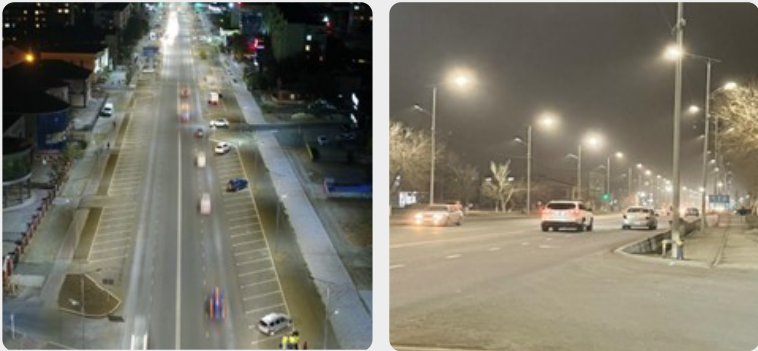
The project will be implemented in the period 2022-2028, and the green loan funds will be used to implement the second stage of the project in the period 2023-2028, which includes the installation of 9,000 new lighting poles; installation of 9,000 new LED street lighting fixtures; installation of 100 outdoor lighting control cabinets; laying overhead lines (0.4 kV - 280,000 meters), installation of 3 units of stationary outdoor complete transformer substations.

### Impact Overview

According to calculations presented by BatysMassiv LLP (the official distributor of Philips Lighting in Kazakhstan), energy savings as a result of installing LED lamps will amount to approximately 66%.

Fig-6.

Energy-saving lamps installed as part of the project “Construction and operation of street lighting networks in Atyrau city” using a green loan



Source: “Batys Transit” JSC

<sup>2</sup><https://eabr.org/en/investors/ratings/>



CASE 3

GREEN BOND,  
“KEGOC” JSC, KAZAKHSTAN

Transaction Summary

Instrument type: Green bond  
Issue volume: KZT 35 000 m  
Stock exchange: KASE  
Issue date: Sep 2022  
Maturity: 15 years  
Coupon rate: TONIA+3% = 16.861  
Base rate: 14.5%  
Issuer’s credit rating:  
S&P Global Ratings: BB+/ negative<sup>3</sup>  
Standards: ICMA GBP



Issuer Overview

“KEGOC” JSC (hereinafter – KEGOC) is a national company of Kazakhstan and a subsidiary of the Sovereign Wealth Fund “Samruk-Kazyna” JSC, whose mission is to ensure reliability, availability and accelerated development of the energy system of Kazakhstan. “KEGOC” JSC carries out the following types of activities in the field of electric power industry:

- Transmission of electric power via the National Electric Grid;
- Technical dispatching of supply to the grid and consumption of electric power;
- Organization of balancing of production and consumption of electric power.

The main asset of KEGOC is the National Electric Grid which as of the end of 2021 consists of 384 overhead power transmission lines with dimensions of 0.4-1150 kV with a total length of 26 973.228 km (by circuits) and 81 electrical substations with a voltage of 35-1150 kV with an installed transformer capacity of 38 742.9 MVA.

Projects/Assets Overview

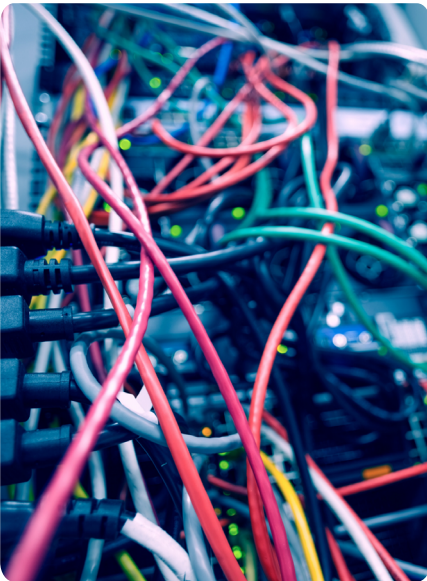
According to KEGOC’s Annual Report on green bonds, out of the total volume of the announced issue in the amount of KZT 35 000 m, green bonds in the amount of KZT 35 000 m were placed.

The proceeds from the placement were used to finance following projects:

- “Reconstruction of the 220-500 kV power transmission line of the branches of KEGOC”. The project aims to increase the reliability of the National Electric Grid of Kazakhstan through the reconstruction of existing power transmission lines;
- “Strengthening the Electric Grid of the Western Zone of the Unified Energy System of Kazakhstan, construction of Electric Grid Facilities”. The project aims to increase the throughput capacity and reliability of power supply to consumers of the Western Zone of the Unified Electric Power System of Kazakhstan by strengthening the 220 kV electric networks between the western regions of the country.

Impact Overview

According to KEGOC’s Annual Report on Green Bonds, projects financed by green bonds proceeds have shown the following results:



“Reconstruction of the 220-500 kV power transmission line of the branches of KEGOC”: in the period from 2020-2023, a reduction in the average energy loss indicator based on the results of the project implementation is ensured compared to the average actual electricity losses for the period from 2000 to 2019 - by 14% (from 6.3% to 5.4%), which meets the threshold criterion for reducing electricity losses by at least 10% compared to the baseline level (before the project implementation) in accordance with KEGOC’s own Green Finance Framework and the Kazakhstan’s Green Taxonomy;

“Strengthening the Electric Grid of the Western Zone of the Unified Energy System of Kazakhstan, construction of Electric Grid Facilities”: promoting the scaling of the use of renewable energy sources by increasing the access of introduced renewable energy sources capacities to power transmission lines (the share of newly introduced renewable energy generating capacities connected to the grid in the Western Zone from the total volume of capacities planned for introduction in the Western Zone will amount to 37.4% by 2035). At the same time, due to the introduction of new renewable energy capacities, the average emission coefficient of the grid based on electricity generation sources in the Western Zone of Kazakhstan can be reduced from 2022 to 2035 by 43% (from 0.5253 tCO2/MWh to 0.2982 tCO2/MWh).

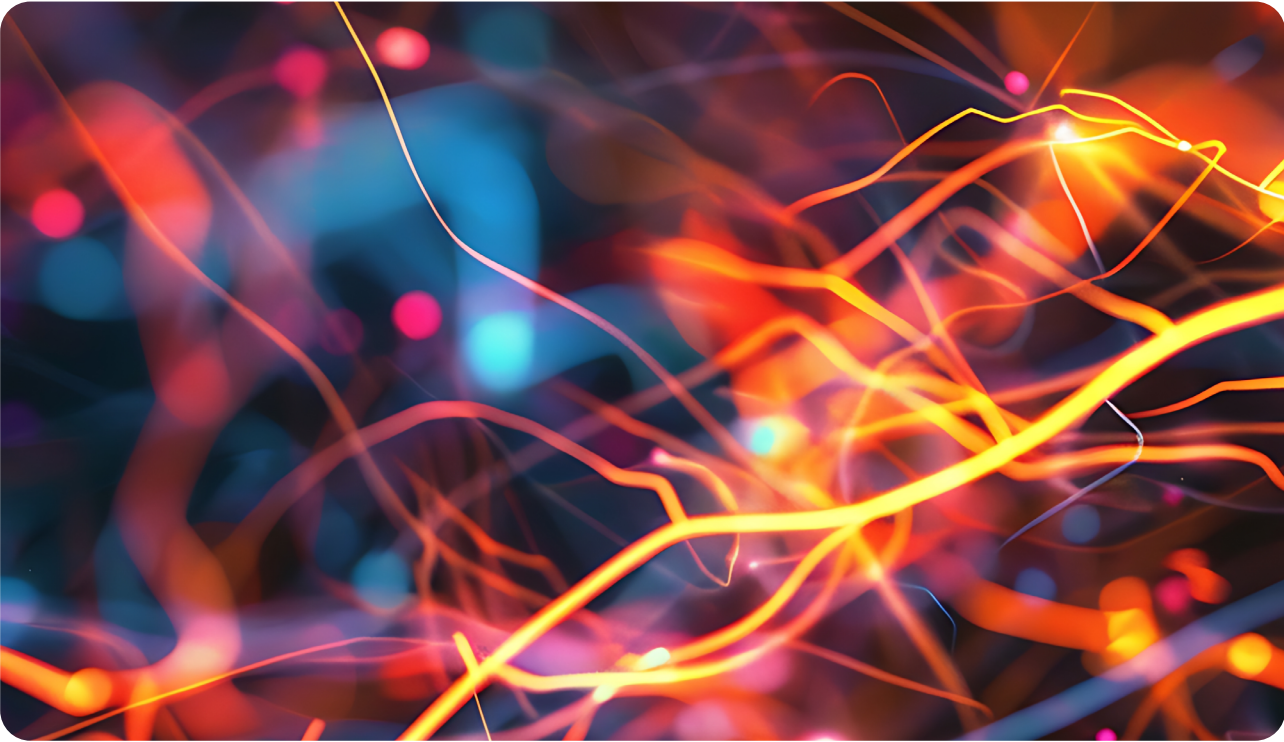
<sup>3</sup><https://www.kegoc.kz/ru/for-investors-and-shareholders/raskrytie-informatsii/rejtingi-ao-kegoc/>



Fig-7.  
Scheme of the project of  
Strengthening the Electric  
Grid of the Western Zone of  
the Unified Energy System  
of Kazakhstan



Source: Green Bonds Report of “KEGOC” JSC







1st  
gender bond in Kyrgyzstan

CASE 4

GENDER (SOCIAL) BOND,  
“BANK OF ASIA” CJSC, KYRGYZSTAN

Transaction summary

Instrument type: Gender (social) bond  
Issue volume: 82 m kyrgyz som (~USD 0.9 m)  
Stock exchange: Kyrgyz Stock Exchange  
Issue date: Nov 2022  
Maturity: 3 years  
Coupon rate: 12%  
Base rate: 9%  
Issuer’s credit rating: N/A  
Standards: ICMA SBP



Issuer Overview

"Bank of Asia" Closed Joint-Stock Company (hereinafter – Bank of Asia) was founded in February 1998 and registered as a subject of the Free Economic Zone. The bank is one of the few financial institutions in the Kyrgyz Republic created with 100% foreign capital. The main activity is the provision of a full range of banking services, including lending to legal entities and

individuals, letters of credit, bank guarantees, deposits, settlement and cash services, foreign exchange transactions, money transfers and payment cards. Priority areas of development include digitalization of banking services, support for entrepreneurship and the introduction of ESG banking principles.

Projects/Assets Overview

The goal of the Bank of Asia program for issuing gender bonds is to develop the business of women entrepreneurs, improve the well-being and livelihoods of women, and reduce gender inequality. On November 18, 2022, in honor of the International Women's Entrepreneurship Day, together with partners represented by the Institute for Economic Policy Research of the Kyrgyz Republic, UN Women, the AIFC Green Finance Centre, Kyrgyz Stock Exchange, and Senti Financial Company, an official ceremony was held to issue social (gender) bonds on the market of the Kyrgyz Republic, the purpose

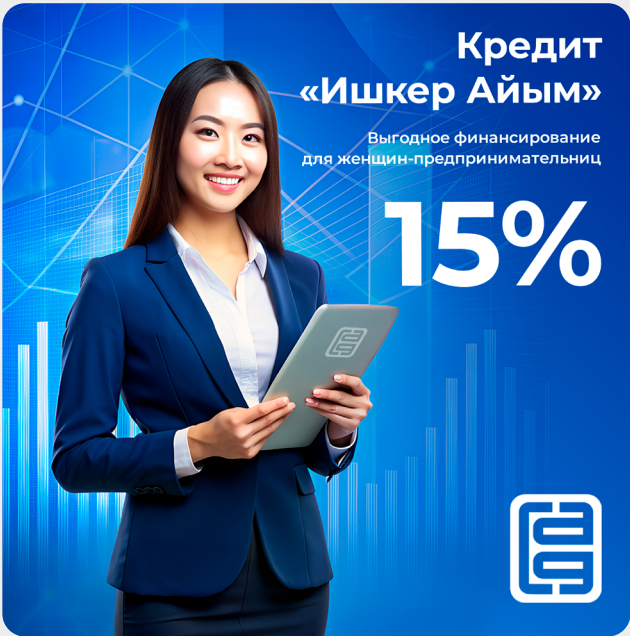
of which is to finance projects in the field of sustainable development, namely the development of women's entrepreneurship, improvement of working conditions, creation of additional jobs for women and further expansion of access to goods produced by women. In particular, proceeds from gender bonds are planned to be directed to a specially developed credit product, “Ishker Ayim”, under which it is planned to issue loans to women entrepreneurs at an interest rate below the market rates.

Impact Overview

According to the First Social Gender Bonds Report (annual report) of the Bank of Asia, 10 loans worth 36 235 thousand Kyrgyz som were issued using bond funds, 9 of which were received by women entrepreneurs. As a result of the financing, 105 jobs with improved working conditions were created, 99.04% of which are women, and 15 jobs are expected to be created in the near future, due to the issuance of the last loan. Monitoring of the loans was carried out jointly with UN Women experts.

Fig-8.

Advertisement of the Bank of Asia’s “Ishker Aiym” credit program on its social media, the program is financed through issuance of gender bonds



Source: Instagram page of Bank of Asia @bankasia.kg



CASE 5

GREEN BOND,  
DEVELOPMENT BANK OF KAZAKHSTAN,  
KAZAKHSTAN

Transaction Summary

Instrument type: Green bond  
Issue volume: 10 000 m tenge  
Stock exchange: KASE  
Issue Date: Mar 2023  
Maturity: 3 years  
Coupon rate: TONIA Compounded +2%  
Base rate: 16.75%  
Issuer’s credit rating:  
S&P Global Ratings: BBB-/stable<sup>4</sup>  
Standards: ICMA GBP



Issuer Overview

Development Bank of Kazakhstan JSC (hereinafter - DBK) is a national development institution and the Bank authorized to implement the state investment policy and state support for industrial and innovative activities. The sole shareholder of the DBK is “Baiterek” National Managing Holding JSC. DBK has 2 subsidiaries: Industrial Development Fund JSC and DBK Capital Structure Fund B.V.

As one of the key institutions supporting the development of a non-resource economy DBK adheres to its strategic objective and mission to improve national prosperity by fostering the sustainable development of the non-resource economy sector and creating infrastructure that supports economic growth. The Bank’s objectives are to improve and increase the efficiency of government investment activities, development of production infrastructure and manufacturing industry, assistance in attracting foreign and domestic investments into economy of Kazakhstan.

Projects/Assets Overview

According to Post-Issuance Report on Green Bonds of the DBK dated 31 July 2024, DBK used proceeds from green bonds to purchase green bonds of KEGOC issued in December 2022, the projects financed in this case are the same ones financed by proceeds of KEGOC’s green bonds (see Case N°3 “Green bonds, KEGOC above).  
The allocation by the issuer of green bond proceeds to purchasing green bonds of other issuers, according to the ICMA Guidance Handbook, while restricted generally, is allowed in the case of such issuances by national development institutions in emerging markets for the purpose of promoting local sustainability capital markets, subject to full transparency and disclosures to the investment community on the appropriate use of proceeds to avoid double counting. The necessary disclosure of this circumstance was made in the issue documentation and in the verification report on the Bank’s post-issuance report.

Impact Overview

Since DBK used the proceeds from its green bonds to purchase green bonds of KEGOC, the impact of the projects financed in this case is the same as for projects financed with proceeds from KEGOC’s green bonds (see Case No. 3 “Green Bonds of “KEGOC” JSC above).



<sup>4</sup>Eurobonds & Ratings of the bank | JSC "Development Bank of Kazakhstan"





1st  
corporate gender bond  
in Kazakhstan

## CASE 6

### GENDER (SOCIAL) BOND, "MFO ONLINEKAZFINANCE" (SOLVA) JSC, KAZAKHSTAN

#### Transaction Summary:

**Instrument type:** Gender (social) bond  
**Issue volume:** KZT 20 000 m  
**Stock exchange:** KASE  
**Issue date:** Jun 2023  
**Maturity:** 2 years  
**Coupon rate:** 21.5%  
**Base rate:** 16.75%  
**Issuer's credit rating:**  
S&P Global Ratings: B/stable<sup>5</sup>  
**Standards:** ICMA SBP



#### Issuer Overview

"Microfinance organization OnlineKazFinance" JSC (represented as Solva trademark, hereinafter - Solva) provides microloans to legal entities (micro, small and medium businesses) and individuals, and is currently one of the leaders in the microcredit market of Kazakhstan and a technological leader among non-bank financial

institutions. Solva became the first digital microfinance organization in Kazakhstan to provide online microloans through the Solva application for up to five years. Solva is also one of the leaders in supporting the development of women's entrepreneurship in the country.

#### Projects/Assets Overview

Funds received from the placement of Solva's gender bonds in the amount of 100% are used to finance and/or refinance businesses of women entrepreneurs or MSMEs in which the management or staff is predominantly made up of women, in particular the following categories of businesses:

- business projects implemented by women – individual entrepreneurs or self-employed women;
- SMEs which owner/owners is/are woman/women;
- MSMEs, in the management of which the share of women is more than 50%;
- MSMEs with the share of women in staff is more than 50%.

#### Impact Overview

According to Solva's annual gender bond report, the bonds provided loans totaling over 31 million tenge to 14 791 clients, including 97 women-led LLPs, 11 140 individual women entrepreneurs, and 3 554 self-employed women (engaged in entrepreneurial activities). In total, 11 841 unique clients (women entrepreneurs) received financing through gender bonds. As a result, 7 400 jobs were created by women entrepreneurs who received loans, and the expected sales growth in their businesses due to the loans received is over 100 billion tenge.

Fig-9.

Illustration of women entrepreneur used in advertisement of Solva's microloans on social media



Source: Solva's Instagram page @solva\_app

<sup>5</sup>[https://kase.kz/files/emitters/MFOK/mfokp\\_2023\\_rus.pdf](https://kase.kz/files/emitters/MFOK/mfokp_2023_rus.pdf)





1st  
green bond in Kyrgyzstan

CASE 7

GREEN BOND,  
“DOSCREDOBANK” OJSC,  
KYRGYZSTAN

Transaction summary

Instrument type: Green bond  
Issue volume: 85 m kyrgyz som ( ~ USD 1 m)  
Stock exchange: Kyrgyz Stock Exchange  
Issue date: Jun 2023  
Maturity: 3 years  
Coupon rate: 16%  
Base rate: 13%  
Issuer’s credit rating: N/A  
Standards: ICMA GBP;  
LMA, LSTA and APLMA GLP



The purpose of the Doscredobank activities is to generate profit in the interests of shareholders, business partners and clients by providing banking services in the commercial and investment areas of the banking business based on advanced technologies, as well as:

- attracting and mobilising financial resources for their further investment in the production sector in order to support and develop industries and businesses in the Kyrgyz Republic;
- creating and implementing an effective system of medium-term and long-term financing, in particular, production sectors of the Kyrgyz Republic;
- investing in the development and expansion of small and medium businesses.

Projects/Assets Overview

In its Green Finance Framework, Doscredobank states that at least 100% of the proceeds from issuing green bonds or attracting green loans will be used to finance and/or refinance green projects that bring specific environmental benefits and that can be measured by quantitative and qualitative characteristics. The categories of eligible green projects that are eligible for financing and/or refinancing using funds received from attracting green financing instruments are presented in the Doscredobank’s Green Finance Framework.

Issuer Overview

"Doscredobank" Open Joint-Stock Company (hereinafter - Doscredobank) was established on June 18, 1997, is a financial and credit institution and, as a legal entity, carries out its activities in accordance with the legislation of the Kyrgyz Republic and on the basis of the license of the NB KR No. 037, issued by the National Bank of the Kyrgyz Republic.

Impact Overview

The impact of projects financed through the issuance of green bonds will be presented by Doscredobank in annual reports.



1st  
green bond in Kazakhstan  
with subsidized coupon rate

CASE 8

GREEN BOND,  
LLP “KAZWIND ENERGY”, KAZAKHSTAN

Transaction Summary

Instrument type: Green bond  
Issuance volume: KZT 3 000 m  
Stock exchange: KASE  
Issue date: Oct 2023  
Maturity: 5 years  
Coupon rate: 21.75%  
(subsidized by Damu to arrive at 6% for issuer)  
Base rate: 16%  
Issuer’s credit rating: N/A  
Standards: ICMA GBP;  
LMA, APLMA and LSTA GLP



Issuer Overview

LLP “KazWind Energy” (hereinafter – KazWind Energy) was established on December 2, 2011. The participants of the Partnership are ZHYLDYZ Ltd (70%) and UNEX STROY Company LLP.

The main activities of KazWind Energy:

- generation of electricity by wind power plants;
- generation of electricity by other power plants and industrial block stations;
- wholesale trade in electrical energy, capacity and other goods and services admitted to circulation on the wholesale market;
- transmission of electrical energy;
- distribution of electrical energy.

Deal Highlights

KazWind Energy's green bonds became the first case of issuing green bonds in the country with a subsidized coupon rate through the Damu fund within the framework of the National Project for Supporting Small and Medium-Sized Businesses in the Republic of Kazakhstan in Priority Sectors of the Economy.

KazWind Energy took part as a laureate in the award ceremony for the best representatives of the Kazakhstan stock market within the framework of the International Exchange Forum "The Role of Exchanges in Transforming Financial Markets", receiving an award and a diploma "Leader of the ESG Bond Market".

Projects/Assets Overview

According to the green bonds report of KazWind Energy, the green bond proceeds were used to finance the project "Construction of a 48 MW wind power plant in the Arkalyk district of the Kostanay region". The issuer completed the construction of the wind power plant and commissioned the facility on December 12, 2023.

Impact Overview

Before issuance of green bonds, annual avoided greenhouse gas emissions from wind power plant were estimated at 177 133.5 t eCO2. In accordance with the KazWind Energy’s report, taking into account the actual electricity generation for 10 months from the date of commissioning of the wind power plant (from December 2023 to September 2024), which amounted to 127 196 MWh, the prevented GHG emissions for the specified period amounted to 87 384 t eCO2.







1st  
CBI certified green bond in  
Kazakhstan and Central Asia

CASE 9

GREEN BOND,  
DEVELOPMENT BANK OF KAZAKHSTAN

Transaction Summary

Instrument type: Green bond  
Issue volume: USD 15 m  
Stock exchange: AIX  
Issue date: Dec 2023  
Maturity: 1 year  
Coupon rate: 5.65%  
Base rate: 5.33%  
Issuer’s credit rating:  
S&P Global Ratings: BBB-/stable<sup>6</sup>  
Standards: CBI



Қазақстанның  
даму банкі

Issuer Overview

Development Bank of Kazakhstan JSC (hereinafter - DBK) is a national development institution, and the Bank authorized to implement the state investment policy and state support for industrial and innovative activities. The sole shareholder of the DBK is Baiterek National Managing Holding JSC. DBK has 2 subsidiaries: Industrial Development Fund JSC and DBK Capital Structure Fund B.V.

As one of the key institutions supporting the development of a non-resource economy DBK adheres to its strategic objective and mission to improve national prosperity by fostering the sustainable development of the non-resource economy sector and creating infrastructure that supports economic growth. The Bank’s objectives are to improve and increase the efficiency of government investment activities, development of production infrastructure and manufacturing industry, assistance in attracting foreign and domestic investments into the economy of Kazakhstan.

Projects/Assets Overview

According to Post-Issuance Use-of-Proceeds Report on Green and Sustainable Bonds of the DBK dated 23 December 2024 (hereinafter – DBK report), 100% of net proceeds from the CBI-certified Climate (Green) Bond were allocated in full to finance the DBK loan transaction for the project “Construction and commissioning of a Wind Power Development Project with a total installed capacity of about 150 MW» near the city of Khromtau, Aktobe region (hereinafter - Khromtau Wind Power Plant).

Impact Overview

Clean energy from the Khromtau Wind Power Plant will be conducive to less coal generation in Kazakhstan. The implementation of this project will result in avoided carbon dioxide emissions into the atmosphere. Windpower generation will not only cover the growing needs of the existing mining and processing plants but also provide additional electricity to the Aktobe region and neighboring industrial enterprises. The estimated environmental effect of project is annual prevented GHG emissions in the amount of 366 501 tCO2 per year. The main environmental benefit will be reducing Kazakhstan’s contribution to climate change and air pollution.

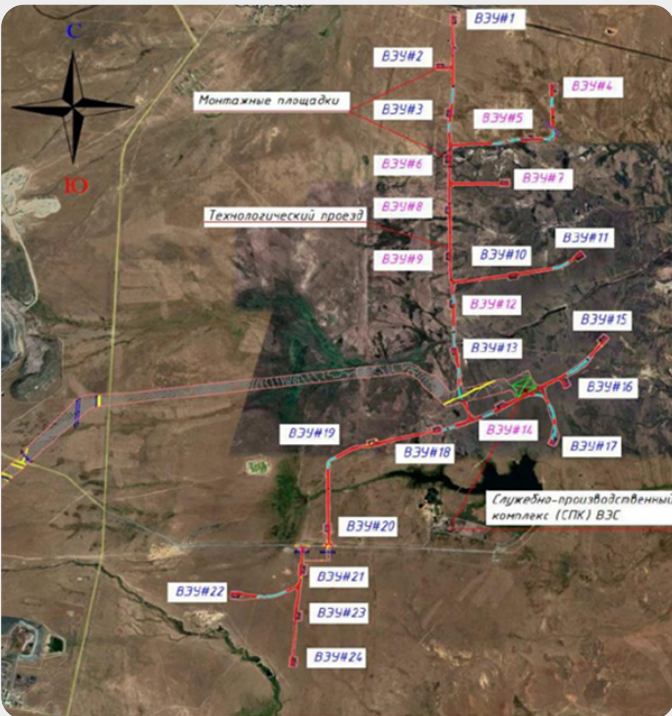


Fig-10. Khromtau Wind Power Plant project location

The construction site is located in Kyzylsu rural area, Khromtau district of the Aktobe region.

Source: DBK Report

<sup>6</sup>Eurobonds & Ratings of the bank | JSC "Development Bank of Kazakhstan"

CASE 10

GREEN BOND,  
JET GROUP LTD.,  
KAZAKHSTAN

Transaction Summary

**Instrument type:** Green bond  
**Issue volume:** KZT 3 000 m  
**Stock exchange:** AIX (main listing), KASE  
**Issue date:** Dec 2023  
**Maturity:** 3 years  
**Coupon rate:** 20.75%  
(subsidized by Damu to arrive at 6% for issuer)  
**Base rate:** 15.75%  
**Issuer's credit rating:** N/A  
**Standards:** ICMA GBP



Issuer Overview

JET Group Ltd. Private Company (hereinafter – Jet) is a holding company registered in AIFC jurisdiction. The following subsidiaries are 100% owned by the company: Kolesa Rent LLP (Kazakhstan), Jet Sharing LLP (Kazakhstan), Jet Sharing LLC (Belarus), and Jet Georgia LLC (Georgia). The subsidiaries' main activity is the leasing of electric scooters under the Jet brand. Jet operates in seven countries: Kazakhstan, Uzbekistan, Azerbaijan, Belarus, Georgia,

Armenia, and Mongolia, and it owns a fleet of over 25 000 electric scooters. It is also planned to launch Jet in South America, the Middle East, and North Africa. Jet is present in 18 cities in Kazakhstan, including three cities of republican significance and 15 large cities – regional centres.

Projects/Assets Overview

The proceeds from the green bonds are planned to be used to expand the Jet's fleet of e-scooters, in particular for:

- purchase of electric scooters;
- providing access to the system for sharing e-scooters, as well as developing software to provide access to the system for sharing e-scooters, including using a mobile application.

Jet plans to purchase about 7170 e-scooters in Almaty and Astana to enhance the current fleet of e-scooters as part of Jet's services for providing access to the e-scooter sharing system using a mobile application, which will also require purchasing about 9320 rechargeable batteries and 1100 charging devices. These scooters will be part of the scooter infrastructure in Almaty and Astana. In 3 years, Jet is considering moving these e-scooters to other regions of Kazakhstan. The formal accounting depreciation lifetime for the scooters is 3 years, but Jet expects a service life of 5 years.

Impact Overview

In 2023 the average distance coverage reported by Jet by one e-scooter was 1200 km, and Jet estimates that e-scooters to be acquired will result in extra 8.6 million km travelled by e-scooters, potentially yielding extra 220 tons of avoided annual CO2 emissions due to car travel replacement.

More detailed information on the impact of projects financed by the issuance of green bonds will be provided by Jet in annual reports.

Fig-11.  
JET e-scooters

Source: JET Group Ltd.





## CASE 11

### GENDER (SOCIAL) BOND, MFO “ARNUR CREDIT” LLP, KAZAKHSTAN

#### Transaction Summary

**Instrument type:** Gender (social) bond  
**Issue volume:** KZT 1 500 m  
**Stock exchange:** KASE  
**Issue date:** Dec 2023  
**Maturity:** 2 years  
**Coupon rate:** 19%  
**Base rate:** 15.75%  
**Issuer's credit rating:** Fitch Ratings: B/stable<sup>2</sup>  
**Standards:** ICMA GBP, SBP  
 LMA, LSTA and APLMA GLP, SLP



#### Issuer Overview

MFO "Arnur Credit" LLP (hereinafter – Arnur Credit) is one of the leading microfinance organizations of Kazakhstan that has been successfully operating in the microfinance services market for over 20 years. The company has an extensive branch network, numbering 47 offices and serves more than 23 000 clients, of which about 50% are women.

#### Projects/Assets Overview

According to prospectus, proceeds from the placement of first social bonds will be used to address social issues, namely gender issues, by helping micro, small and medium enterprises headed by women to gain access to financing, know-how and non-financial business development services.

<sup>2</sup>Fitch Affirms MFO Arnur Credit at 'B'; Outlook Stable

The following categories of projects/borrowers are expected to be financed under the issuance of gender bonds:

- Individuals and/or legal entities that are a company, enterprise, firm, business, individual entrepreneur or other legal entity established in accordance with the legislation of the Republic of Kazakhstan, or an individual engaged in economic activity in accordance with the legislation of the Republic of Kazakhstan:

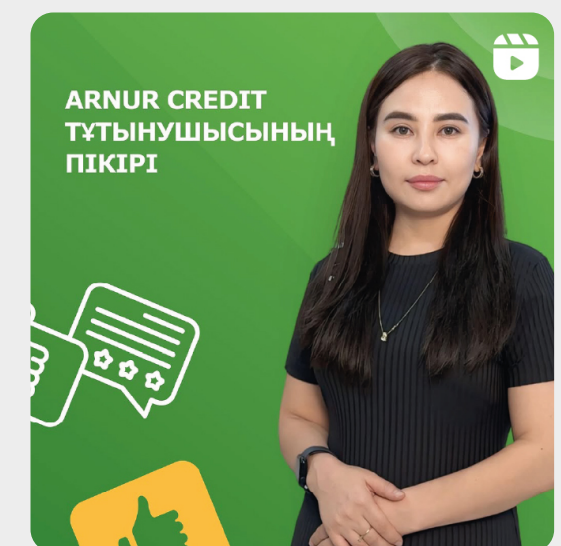
- headed by women;
- responsibility for operational management is borne by a woman (or women);
- overall responsibility for operational management is borne by a woman (or women), and a woman (or women) also owns all or part of the authorized capital.

#### Impact Overview

According to the first annual report of Arnur Credit, using bond proceeds in a net equivalent (i.e. after deducting commissions and other issue expenses), which amounted to 1 296 262 996 tenge, for the reporting period from 08.12.2023 to 08.12.2024, 136 microloans were issued in the amount of over 1.1 billion tenge, which ensures 91% distribution (utilization) of funds received from the placement, and taking into account early (including partial) repayments on microloans, ensures the distribution of funds by 75%.

Fig-12.  
One of the female clients who received a microloan from Arnur Credit

Source: Arnur Credit's Instagram page @arnurcredit





1st  
sustainability bond in  
Kazakhstan & CIS

CASE 12

SUSTAINABILITY BOND,  
DEVELOPMENT BANK OF KAZAKHSTAN

Transaction Summary

**Instrument type:** Sustainability Eurobond  
**Issue volume:** KZT 100 000 m  
**Stock exchange:**  
Dual listing on Vienna MTF and KASE  
**Issue date:** Apr 2024  
**Maturity:** 3 years  
**Coupon rate:** 13%  
**Base rate:** 14.75%  
**Issuer's credit rating:**  
S&P Global Ratings: BBB-/stable<sup>a</sup>  
**Standards:** ICMA GBP, SBP, SBG  
LMA, LSTA and APLMA GLP and SLP



Қазақстанның  
даму банкі

Issuer Overview

Development Bank of Kazakhstan JSC (hereinafter - DBK) is a national development institution and the Bank authorized to implement the state investment policy and state support for industrial and innovative activities. The sole shareholder of the Development Bank is Baiterek National Managing Holding JSC. DBK has 2 subsidiaries: Industrial Development Fund JSC and DBK Capital Structure Fund B.V.

As one of the key institutions supporting the development of a non-resource economy DBK adheres to its strategic objective and mission to improve national prosperity by fostering the sustainable development of the non-resource economy sector and creating infrastructure that supports economic growth. The Bank's objectives are to improve and increase the efficiency of government investment activities, development of production infrastructure and manufacturing industry, assistance in attracting foreign and domestic investments into the economy of the Republic of Kazakhstan.

Projects/Assets Overview

According to Post-Issuance Use-of-Proceeds Report on Green and Sustainable Bonds of the DBK dated 23 December 2024 (hereinafter – DBK Report) 51.5% of net proceeds from Sustainability Eurobonds have been allocated to finance loan transactions associated with the following investment projects:

- Construction of small hydroelectric power station-2 and hydroelectric power station-3 in Sarkand district of Almaty region” (borrower - “Baskan Power” LLP);
- Construction of a processing plant for processing waste tailings from the Donskoy Mining and Processing Plant in the city of Khromtau (borrower - “Transnational Company Kazchrome” JSC);
- Construction of the 150 MW "Khromtau" Wind Power Plant (borrower - "Kazakhstan Electrolysis Plant" JSC);
- Construction of a 50 MW Solar Power Plant (Stage 1 of a 100 MW project) (borrower - "KAZ GREEN ENERGY" LLP);
- Construction of the Turgusun hydroelectric power station with a capacity of 24.9 MW in the East Kazakhstan region" (borrower – “Turgusun-1” LLP).

Impact Overview

- 1) Construction of small hydroelectric power station-2 and hydroelectric power station-3 in Sarkand district of Almaty region (borrower - “Baskan Power” LLP). The main environmental benefit will be reducing Kazakhstan’s contribution to climate change and air pollution: annual avoided GHG emissions are estimated at 42 663 tCO2 per year;
- 2) Construction of a processing plant for processing waste tailings from the Donskoy Mining and Processing Plant (DMPP) in the city of Khromtau (borrower - “Transnational Company Kazchrome” JSC). The main environmental benefit will be reducing waste: estimated reduction of the volume of generated waste at DMPP annually is by 372,8 - 400 thousand tons as a result of enrichment of waste tailings;
- 3) Construction of the 150 MW "Khromtau" WPP (borrower - "Kazakhstan Electrolysis Plant" JSC). The main environmental benefit will be reducing Kazakhstan’s contribution to climate change and air pollution: estimated annual prevented GHG emissions in the amount of 366 501 tCO2 per year;
- 4) Construction of a 50 MW Solar Power Plant (Stage 1 of a 100 MW project) (borrower – “KAZ GREEN ENERGY” LLP). The main environmental benefit will be reducing Kazakhstan’s contribution to climate change and air pollution: avoided GHG emissions are estimated at 135 442,2 tCO2 (in 2022-2024), while annual projected avoided GHG emissions are estimated at 60 196,5 tCO2.
- 5) Construction of the Turgusun hydroelectric power station with a capacity of 24.9 MW in the East Kazakhstan region (borrower – “Turgusun-1” LLP) - avoided GHG emissions are estimated at 96 619,06 tCO2 (in 2021-2024), while annual projected avoided GHG emissions are estimated at 33 770 per year.

<sup>a</sup>Eurobonds & Ratings of the bank | JSC "Development Bank of Kazakhstan"







CASE 13

SOCIAL BOND,  
INDUSTRIAL DEVELOPMENT FUND,  
KAZAKHSTAN

Transaction Summary

Instrument type: Social bond  
Issue volume: KZT 6800 m  
Stock exchange: AIX  
Issue date: May 2024  
Maturity: 3 years  
Coupon rate: 13.5%  
Base rate: 14.75%  
Issuer’s credit rating: Moody’s: Ba1<sup>2</sup>  
Standards: ICMA SBP;  
LMA, LSTA and APLMA SLP



Issuer Overview

“Industrial Development Fund” JSC (hereinafter - IDF) is a subsidiary of the Development Bank of Kazakhstan JSC and is part of the Baiterek National Management Holding JSC group. The IDF was created on instruction of the Head of State Kassym-Jomart Tokayev dated May 11, 2020 with the aim of developing the industrial potential of the national economy, stipulated by Government Decree dated August 18, 2020 No. 521 “On the creation of the Industrial Development Fund JSC.” On December 27, 2021, a Law of the Republic of Kazakhstan “On Industrial Policy” (No. 86-VII ZRK) was adopted, which set forth the goals, objectives and mandate of the Fund (Article 15).

IDF’s mission is to finance import substitution projects and export-oriented production in the manufacturing industry and infrastructure, in order to increase competitiveness and develop the industrial potential of the national economy.

Previously, the IDF operated as DBK-Leasing JSC, created on September 6, 2005, in order to expand the instruments for financing investment projects provided by Development Bank of Kazakhstan JSC. On September 21, 2020, the Board of Directors of Development Bank of Kazakhstan JSC decided to change the corporate name of DBK-Leasing JSC to the “Industrial Development Fund” JSC.

Projects/Assets Overview

According to the prospectus, the IDF intends to use the proceeds from bonds to finance (through leasing and credit operations) two projects for the acquisition of 250 ambulances:

- Purchasing 50 ambulance units in Akmola region; financial lease loan application submitted by Akimat (City Administration) of Akmola region;
- Purchasing 200 ambulance units in Kyzylorda region; financial lease loan application submitted by Akimat (City Administration) of Kyzylorda region.

The acquisition of the vehicles is part of the current broad plans of the lessees (Akimats) to modernize medical equipment, improve the coordination of care and improve the qualifications of emergency medical personnel, which is also in line with the national “Roadmap” for the renewal of the ambulance fleet.

Impact Overview

In Akmola region the issue of transport shortage at emergency medical aid stations has been quite urgent. The situation is aggravated by constant breakdowns of sanitary transport. In Kyzylorda region, similarly, cases of outdated emergency vehicles and underserved populations have been reported. Purchase of ambulance units for Akmola and Kyzylorda regions will help to modernize medical equipment and improve medical care coordination.

More detailed information on the impact of projects financed through the issuance of social bonds will be provided by the IDF in its annual reports.

Fig-17.

Ambulance units purchased for Kyzylorda region through the issuance of social bonds by IDF

Source: <https://idfrk.kz/ru/pr/news/50-sanitarnykh-avtomobiley-vydany-lechebnym-uchrezhdeniyam-kyzylordinskoy-oblasti>

A photograph showing a long line of modern yellow and white ambulances parked on a paved street under a clear blue sky. Several people in white uniforms are standing near the vehicles.

<sup>2</sup><https://idfrk.kz/ru/investors/rating/credit-rating>



1st  
green bond listed on the  
Republican Stock Exchange  
"Tashkent"

CASE 14

GREEN BOND,  
MORTGAGE REFINANCING  
COMPANY OF UZBEKISTAN JSC,  
UZBEKISTAN

Transaction summary

**Instrument type:** Green bond  
**Issue volume:** UZS 50 000 m (~USD 4 m)  
**Stock exchange:**  
Republican Stock Exchange «Toshkent»  
**Issue date:** Sep 2024  
**Maturity:** 5 years  
**Coupon rate:** 18%  
**Base rate:** 13.5%  
**Issuer’s credit rating:** Ahbor-Reyting: uzA++  
**Standards:** ICMA GBP LMA, LSTA and APLMA GLP



Mortgage Refinancing  
Company of Uzbekistan

Issuer Overview

“Mortgage refinancing company of Uzbekistan” JSC (hereinafter - UzMRC) was established on November 14, 2019, by the Ministry of Economy and Finance of the Republic of Uzbekistan with the objective of ensuring enhanced mortgage liquidity in the country. In its public statements, UzMRC undertakes to address various challenges in mortgage lending, including the lack of long-term and accessible financing, exposure to interest rate risk, absence of tailored mortgage products for diverse income groups and housing markets, deficient housing finance policies.

UzMRC seeks to serve as a reliable source of long-term financing at attractive rates to commercial banks, thereby reducing the risk of asset-liability mismatch for its borrowers, and increasing availability of mortgage loans in the country, specifically catering to the needs of informal income earners. UzMRC aims to catalyse innovation in housing finance, working closely with local banks, international development partners, and government stakeholders to create a competitive and sustainable housing market.

Projects/Assets Overview

UzMRC plans to allocate the proceeds from the first green bond to finance green renovation loans extended via a web platform titled Green Renovation slated to commence in 2024, through participating financial institutions (commercial banks). UzMRC aims to disburse USD 7 m equivalent green renovation loans via this platform and program in 2024-2025. The maximum loan size to be disbursed via the tool is UZS 140 m (~ USD 11k), however, the size can be further increased.

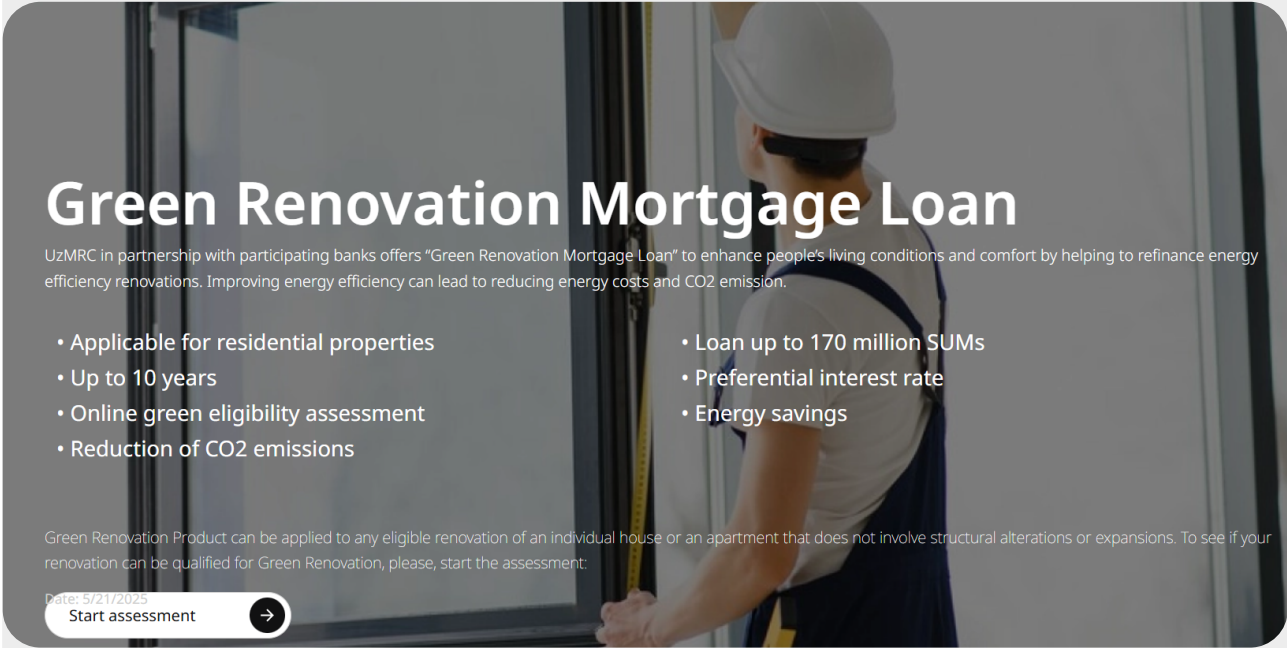
The green renovation mortgage loans to be extended via the web platform aim to support energy-efficient improvements to apartments and houses in Uzbekistan by making them more affordable. This project is supported by ADB as part of the ADB’s second round loan to UzMRC with the objective to scale green finance in the Uzbek market.

Impact Overview

The impact of projects financed by green bonds will be presented by UzMRC in annual reports.

Fig-18.

The front page of the Green Renovation web platform website



Source: UzMRC website <https://uzmrc.uz/>





1st  
green bond in Azerbaijan

# CASE 15

## GREEN BOND, UNIBANK JSC, AZERBAIJAN

### Transaction summary

**Instrument type:** Green bond  
**Issue volume:** AZN 20 m (~ USD 11.8 m)  
**Stock exchange:** Baku Stock Exchange  
**Issue date:** Oct 2024  
**Maturity:** 3 years  
**Coupon rate:** 11.5%  
**Base rate:** 7.25%  
**Issuer's credit rating:**  
Moody's: B2/positive<sup>10</sup>  
**Standards:** ICMA GBP;  
LMA LSTA and APLMA GLP



### Issuer Overview

UNIBANK is one of the largest private banks in Azerbaijan, founded in July 1992 under the name MBank. In 2002, following the merger of Mbank with another leading bank of Azerbaijan, the bank was renamed to Unibank Commercial Bank Open Joint Stock Company. In 2005, Unibank received its first syndicated loan from the EBRD and was recognized as the Best Bank in Azerbaijan by The Banker and Euromoney. In 2007, the bank again received this award and provided a syndicated loan of USD 30 million, and in 2008, was named the Bank of the Year in the Republic

of Azerbaijan by The Banker. In 2021, Unibank founded Leobank, which is the first branchless bank in Azerbaijan, i.e. operating on the “mobile only” principle. Being one of the leading banks in the country by branch network, the bank had 31 branches as of December 2024.

### Projects/Assets Overview

Due to its unique position as one of the largest private banks in the country, Unibank is well positioned to contribute to the Sustainable Development Goals and the Azerbaijan’s commitment to combat climate change. In line with UNIBANK’s sustainability vision, the Supervisory Board approved the Sustainable Financing Framework on 19 July 2024. In line with it and the national green taxonomy, potential

projects to be financed by UNIBANK through prospective green bonds include, among others, clean transport, sustainable water management, pollution prevention and control.

### Impact Overview

Detailed information on projects financed by green bond proceeds and their impact will be published in upcoming annual reports of Unibank.

<sup>10</sup>Moody's Ratings affirms ratings of Unibank with positive outlook on the long-term deposit ratings







First green bond of a Kyrgyz issuer listed on the AIX

CASE 16

GREEN BOND,  
LLC "PLANDEM",  
KYRGYZSTAN

Transaction summary

Instrument type: Green bond  
Issue volume: 370 m Chinese yuan  
Stock exchange: AIX  
Issue date: Dec 2024  
Maturity: 30 years  
Coupon rate: 1-year SHIBOR+ 1,7%  
Base rate: 3.1%  
Issuer's credit rating: N/A  
Standards: ICMA GBP;  
LMA, LSTA and APLMA GLP

Issuer Overview

The main activity of the Limited Liability Company PlanDeM (hereinafter – PlanDeM) is consulting on commercial activities and management. In particular, PlanDem's activities are focused on investments in the field of renewable energy.

PlanDeM is part of a group of companies owned by an investor implementing projects for the construction of solar and wind power plants in various jurisdictions (currently, renewable energy projects with a total installed capacity of more than 1.0 GW are at various stages of implementation in the Republic of Kazakhstan, the Republic of South Africa, the Republic of Serbia and other countries).

Projects/Assets Overview

PlanDeM plans to use the proceeds from its first green bond to finance the construction and operation of a number of renewable energy facilities (solar and wind power plants) and photovoltaic cell manufacturing plants located

in the Republic of Kazakhstan, the Republic of South Africa, the Republic of Serbia and other countries, while the company reserves the right to seek investment opportunities in both solar and wind energy in new international markets.

Impact Overview

The projects to be financed by the proceeds of green bonds are aimed at sustainable development, including reducing carbon emissions and facilitating the transition to clean energy in emerging markets.

The main environmental benefit of the projects considered for financing through the issuance of green bonds will be reduction of contribution to climate change of those countries where the projects are to be implemented. Solar and wind power plants, as low-carbon alternatives to thermal power plants, make it possible to avoid (prevent) greenhouse gas emissions into the atmosphere. The approximate total annual volume of greenhouse gas emissions that will be avoided as a result of the implementation of the projects planned for financing is estimated at about 2.2 million tCO<sub>2</sub>.





CASE 17

SOCIAL BOND,  
"NATIONAL MANAGEMENT HOLDING  
"BAITEREK" JSC,  
KAZAKHSTAN

Transaction summary

**Instrument type:** Social bond  
**Issue volume:** KZT 100 000 m  
**Stock exchange:** KASE  
**Issue date:** Dec 2024  
**Maturity:** 1.25 year  
**Coupon rate:** 15%  
**Base rate:** 15,25%  
**Issuer’s credit rating:**  
Fitch Ratings: BBB/«Stable»<sup>11</sup>  
**Standards:** ICMA GBP, SBP and SBG



Issuer Overview

“National Management Holding Baiterek” JSC (hereinafter - Holding) is a key national integrated development institution that provides support to priority sectors of the economy and includes 8 subsidiaries that support micro, small, medium and large businesses, export operations, venture business, agriculture and housing financing, in particular, joint-stock companies with 100% participation of the Holding, such as JSC Development Bank of Kazakhstan, JSC Otbasý Bank, JSC Damu Fund, JSC Kazakhstan Housing Company, JSC Kazakh Export, JSC Qazaqstan Investment Corporation,

JSC Agrarian Credit Corporation. At the same time, within the framework of the instrument of direct investment in the capital of the company, the subsidiaries of the Holding have various ownership shares in 59 companies. The sole shareholder of JSC NMH Baiterek is the Government of the Republic of Kazakhstan. The Holding is a key operator in the implementation of a number of state and government programs, including, for example, programs within the Concept of Development of the Agro-Industrial Complex of the Republic of Kazakhstan for 2021-2030, the Nation Plan - "100 Concrete

Steps", measures of state support and business development within the framework of the Business Roadmap-2025 program (now - the Resolution of the Government of the Republic of Kazakhstan on certain measures of state support for private entrepreneurship), the State Program for Housing and Public Utilities Development "Nurly Zher" and others. Accordingly, the measures and instruments of state support

for the economy and business used by the Holding's subsidiaries cover a very wide range from subsidies, preferential lending, guarantees and shared financing to non-financial support measures.

Projects/Assets Overview

The holding plans to use the proceeds from the issue of debut social bonds of its subsidiary JSC Agrarian Credit Corporation (hereinafter referred to as ACC) for subsequent financing of the program of preferential lending to farmers "Ken Dala 2". "Ken Dala 2" is a new program of ACC (effective since April 2024, additional financing was allocated in November 2024). Under the program "Ken Dala 2", preferential loans are allocated and implemented through ACC branches, credit unions, second-tier banks and social entrepreneurship corporations.

The intended purpose of preferential loans for farmers is to replenish working capital for spring field and harvesting work, as well as advance payment for the purchase of crop products for spring field and harvesting work. The target group for the program "Ken Dala 2" is farmers, including beginners.

Target indicators for the program:

- Number of farmers who received preferential loans;
- Area of sown land (thousand hectares);
- Satisfaction of the need for credit resources in crop production, of the total need for cash resources in crop production, %.

<sup>11</sup><https://baiterek.gov.kz/ru/investoram-i-steykkholderam/rejtingi-kholdinga/>



Timely financing of sowing and harvesting works is the key to a sufficient harvest. Due to the fact that farmers annually experienced difficulties with sowing due to delays in payments, by order of the Head of State, preferential loans for spring field work will become available from December 2024. As a result, farmers will be able to purchase fuel, spare parts, and other necessary goods and services in advance. The program provides a preferential interest rate for borrowers at the level of 5% per annum. Also, in accordance with the new mechanism of state

support, 85% of the loan amount of farmers under the “Ken Dala 2” program are guaranteed by the Damu Entrepreneurship Development Fund. As a result of the optimization of the application review process, farmers can receive a loan in two days. The program also included processors who finance farmers by purchasing raw materials. Beginning farmers with no work experience can now receive money for spring field work. Previously, farmers were required to have three years of experience in plant growing.

Impact Overview

Concessional lending to farmers, including beginning farmers, for spring sowing and harvesting can be described as financing projects aimed at mitigating a specific social problem and/or achieving positive social results, especially for the target group of the population, according to the ICMA Social Bond Principles. The main target indicators of the social impact of social bonds are “Number of farmers who received concessional lending”, “Satisfaction of the need for credit resources in crop production, of the total need for cash resources in crop production, %”, “Area of sown land (thousand hectares)”, which correspond to the ICMA documents “Guidance - harmonized impact reporting framework (June 2023)” and “Harmonized social bond impact reporting framework (2023).

In addition to the direct impact in the form of an increase in the number of farmers who received support, indirect assistance is provided to improve the following indicators:

- Number of people provided with safe, nutritious and sufficient food;
- Reducing the poverty level among farmers;
- Increasing crop yields and/or agricultural productivity.

Information on the intermediate effect of the issuance of social bonds will be provided by the Holding as part of reporting on the use of proceeds from social bonds, their intended purpose and the impact of financed social projects, including in the case of the acquisition of sustainable development bonds (if any), on the environment or social environment.







1st  
sustainability bond in Kyrgyzstan

CASE 18

SUSTAINABILITY BOND,  
"ELDIK BANK" OJSC,  
KYRGYZSTAN

Transaction summary

**Instrument type:** Sustainability bond  
**Issue volume:** 200 m kyrgyz som  
**Stock exchange:** Kyrgyz Stock Exchange  
**Issue date:** Dec 2024  
**Maturity:** 3 years  
**Coupon rate:** 11%  
**Base rate:** 9%  
**Issuer's credit rating:**  
Fitch Ratings: BBB/«stable»<sup>12</sup>  
**Standards:** ICMA GBP, SBP, SBG  
LMA, LSTA and APLMA GLP, SLP



Issuer Overview

“Eldik Bank” Open Joint-Stock Company (hereinafter - Eldik Bank) is one of the largest banks in Kyrgyzstan. The history of the Bank dates back to 1996, when the Resolution of the Board of the National Bank of the Kyrgyz Republic No. 24 established the Settlement and Savings Company OJSC (hereinafter - RSK OJSC). In December 2007, the RSK OJSC received a license to carry out banking activities. In 2008, the general meeting of shareholders decided to change the name of the RSK OJSC to the RSK Bank OJSC. In May 2024, the RSK

Bank OJSC was officially renamed to the Eldik Bank OJSC. The Bank is state-owned - 100% of the shares of Eldik Bank belong to the Cabinet of Ministers of the Kyrgyz Republic. The Bank is the leader in terms of the size of the branch network; The Bank's network of service points consists of the Head Office, 52 full-fledged branches, 41 savings banks, 32 mobile cash desks, 21 Customer Service Centers and 1 Self-Service Centre.

<sup>12</sup>[https://www.rsk.kg/ru/news/eldik-bank-zavershaet-2024-god-s-rekordnymi-dostiz?for\\_who=individual](https://www.rsk.kg/ru/news/eldik-bank-zavershaet-2024-god-s-rekordnymi-dostiz?for_who=individual)





Projects/Assets Overview

Eldik Bank plans to use the proceeds from the issue of its first sustainability bond to finance a lending program through green and gender financing (lines of "green" and "gender" products). The lines of "green" and "gender" products have been developed as part of Eldik Bank's strategy for the transition to ESG goals/principles, where one of the goals is the development of sustainable financing.

In particular, the following priority areas have been identified within the framework of green financing:

1) Preferential financing for gasification - the transition from solid fossil fuel to gas (only for Bishkek and Chui region), including:

- CIW (construction and installation works);
- installation/purchase of gas heating boilers;
- purchase of consumables for real estate.

2) "Green" loans to the Agricultural Sector, including in the following areas:

- development of water-saving irrigation technologies (drip irrigation, sprinkling, hydroponic irrigation, hydroponic plants, irrigation using water pipes);
- production of organic preparations, including organic fertilizers, vermicompost, improving and improving the condition of the soil, as well as increasing the fertility of the land (land plot);
- afforestation (planting) of forest crops;
- modernization of greenhouses, etc.;

3) "Green" loans to Business, including in the following areas:

- introduction of and transition from fossil fuels to renewable energy sources (solar, wind, hydropower);
- resource conservation and energy conservation/energy efficiency of buildings;
- purchase of refrigeration and freezing equipment (class "A++" and above), heat pumps;
- sorting, collection, transportation and processing of solid waste/raw materials;
- eco-fuel station, charging station for electric vehicles, trolleybuses, electric buses and related infrastructure.

4) "Green" loans within the framework of Consumer loans and Mortgages, including in the following areas:

- resource conservation and energy conservation/energy efficiency of houses, apartments (insulation of external walls, roofs and floors);
- installation of heat pumps for heating and cooling systems;

- gasification (transition from solid fossil fuels to gas);
- installation of energy-efficient lighting (LED lamps, sensors, automation);
- installation of air conditioners with a split system (class "A++" and above);
- installation of solar systems (purchase of solar collectors, solar photovoltaic panels);
- purchase of energy-efficient windows, glazing of loggias and balconies; etc.

Within the framework of "gender" financing, the Ishker-Ayim Financing Program has been defined in order to support women's entrepreneurship and competitive conditions for the development of women's entrepreneurship in the country.

Participants in the product might be:

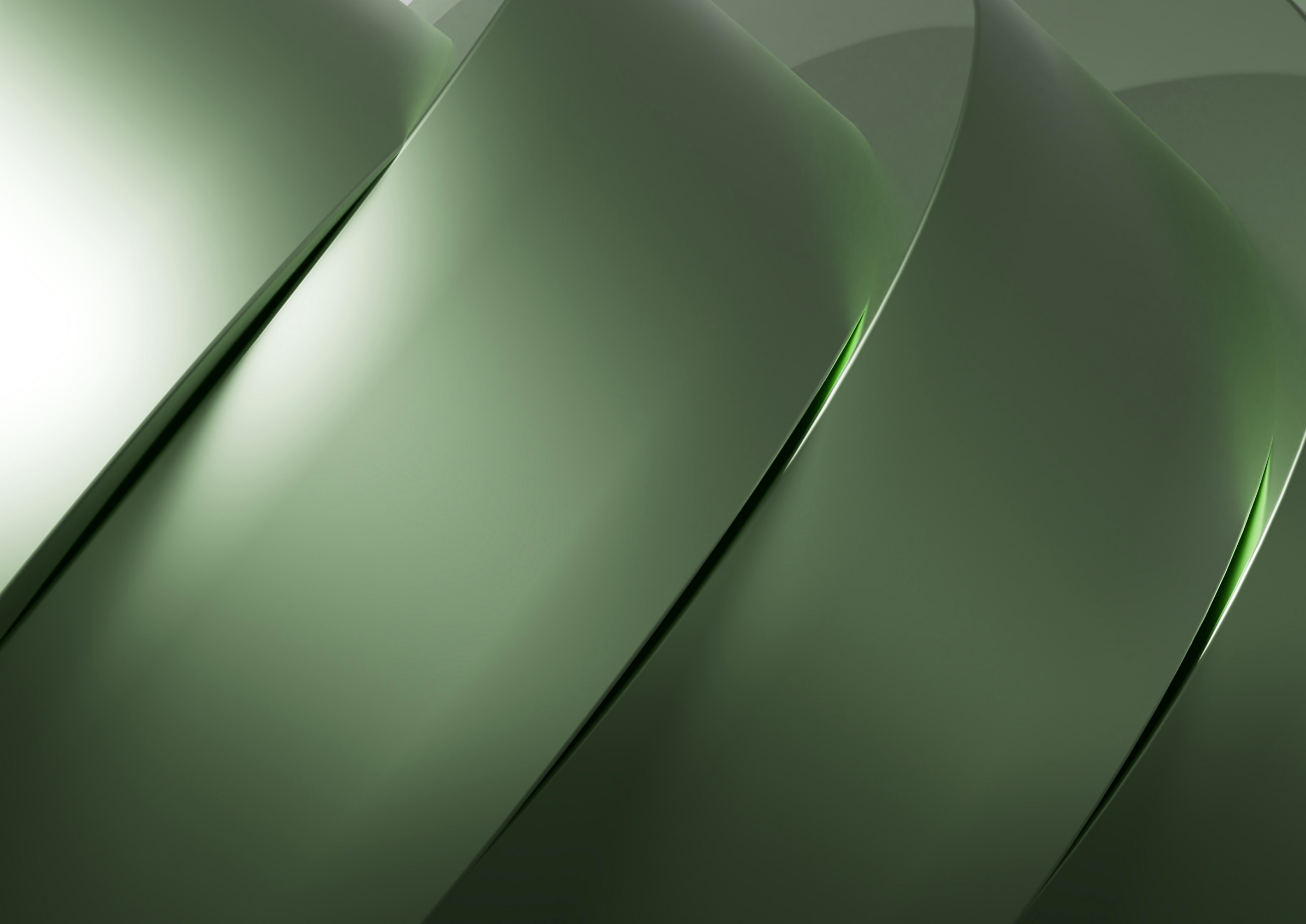
- individual (private) entrepreneurs (women);
- legal entities where the main shareholders/participants (more than 50%) are women.

Impact Overview

The impact of projects financed through the issuance of green bonds will be presented by Eldik Bank in annual reports.










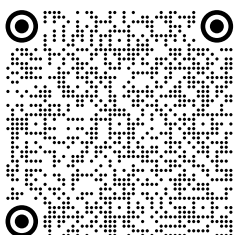


## Contact information:

For inquiries regarding sustainable finance instruments or other services offered by the AIFC Green Finance Centre, please reach out to us at:

 + 7 707 155 55 33

 [greenfinance@aifc.kz](mailto:greenfinance@aifc.kz)



**LinkedIn:**  
AIFC Green Finance  
Centre