



FEASIBILITY STUDY FOR A GENDER BOND FOR MONGOLIA



2023

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For enquiries, please contact:

United Nations in Mongolia, UN House,
United Nations Street 14 Sukhbaatar District, 14201,
Ulaanbaatar, Mongolia

Telephone: +976-11-327585

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Acronyms

CEDAW	The Convention on the Elimination of All Forms of Discrimination Against Women
COVID	Coronavirus Disease
DCO	Development Coordination Office
DFI	Development financial institutions
ESG	Environmental, Social and Governance criteria for bond issuance
FRC	Financial Regulatory Commission
GDP	Gross Domestic Product
ICMA	International Capital Markets Association
ILO	International Labor Organization
MSE	Mongolian Stock Exchange
MNT	Mongolian national tugriks
NBFI	Non-banking financial institutions
NSO	National Statistical Office
OTC	Over-the-counter market
SDG	Sustainable Development Goals
TUS	Time Use Survey
UNDP	United Nations Development Programme
USD	United States Dollars

Executive Summary





EXECUTIVE SUMMARY

Promotion of gender equality and women's empowerment is central to the mandate of UNDP and is recognized as a key driver in achieving the objectives of UNDP's Gender Equality Strategy 2022-2025¹ and the 2030 Agenda for Sustainable Development. The empowerment of women is therefore integrated into every aspect of the UN's support to countries striving to eradicate poverty and reduce inequalities.



This effort includes mobilizing financial resources for gender equality and increasing the financial inclusion of women by strengthening the capacity of domestic financial institutions to encourage and expand women's access to banking, insurance and financial services. This includes mobilization in the private capital and strengthening the private sector. Increasingly, investors are looking at areas that align profitable investment with attainment of social, environmental and good governance or ESG goals.

Mongolia faces a number of challenges to achieve the gender equality goals included in the SDG commitments (including SDG 5) and its own national strategic commitments as reflected in the National Gender Strategy Action Plan and other strategic plans that contain gender specific goals. One of the most urgent to address is the decreasing labour participation rates of younger women and the decreasing participation rates of men of all ages. While the national gender gap in labour participation is 15 percentage points in 2019, for the younger age groups this can go as high as 24 percentage points. This is due, in part, to the lack of care services for younger children and other family members that prevent women from seeking gainful employment outside their homes or restrains them to home based businesses. Even if women are given their workplace 3 years later, their overall work life benefits are negatively affected. Although working from home can be seen as an advantage, and during the COVID lockdowns it seems to have been the case, it severely limits business growth and other opportunities. Increasing women's participation in the workforce and closing the wage gap would have a tremendous growth impact on the country.

¹ UNDP (2022) Gender Equality Strategy 2022-2025, <https://www.undp.org/publications/gender-equality-strategy-2022-2025>



The ILO in 2017 estimated that closing the wage gap could add \$3.2 trillion to Asia and Pacific region economies (ILO, 2017). In Mongolia, the wage gap differs between regions (aimag) and in some cases favour women, but the trend points to an increase in the gap of 2 percentage points between 2014 and 2021.

Another important challenge revolves around access to finance for women. Although there is recognition that gender is an important dimension among financial institutions, gender expertise in the sector is still lagging. As clients or consumers of financial services, Mongolian women experience difficulty in accessing finance, particularly loans due to the lack of named ownership of immovable assets and lack of registry of movable assets (IFC, 2014); loan sizes for women are smaller, the processing time is longer, there are more rejections from female loan applications, and women are charged higher rates than men (UNDP, 2018); and 90 percent of women entrepreneurs did not know how to access information about their industry (Asia Foundation, 2021) so that growth for their business and the associated financial needs could be identified.

Nomadic husbandry is an ancient tradition and part of the cultural heritage of Mongolia whereas farming is an activity carried out in only certain parts of the country where cropping is possible. However, both herder and farmer households are highly vulnerable to climate change effects and in some cases are negatively affected by other important activities in the country such as mining. Men and women are affected differently by these phenomena based on the gender roles assigned to each. Women herders experience this in a different way than men as their roles in herder society mean they are less likely to be documented, be dwelling or livestock related property owners, and although both herder women and men have low documented land ownership, the figure for women is much lower. As legislation trying to address these imbalances is passed, investment in women herders will be an area that the gender bond can also address. Women farmers face similar challenges including lack of finance for their activities.

Climate change affects women disproportionately more than men, given the existing structural disadvantages driven by entrenched gender inequality, direct and indirect discrimination and social and economic disadvantage that is often met with a lack of commitment to equality and non-discrimination in key disaster risk management environment and climate change laws and policies (ADB, 2022). Although the National Action Programme on Climate Change (NAPCC) 2011 includes gender equality as an implementation principle and mentions the need to promote the representation of women in international and regional forums as well as the Environment Sector Gender Strategy, gender issues and the situation of women is not being addressed systematically in Mongolia vis a vis climate change. Moreover, General Recommendation 34 by the CEDAW (Convention on the Elimination of Discrimination Against Women) Committee on the Rights of Rural women calls on the States parties to “strengthen local rural economies, including through the promotion of social and solidarity economies, and create local employment opportunities and livelihoods for rural women in the context of sustainable development. They should review relevant laws, regulations and policies that limit rural women’s access to decent employment and eliminate practices that discriminate against women in rural labour markets, such as not hiring women for certain jobs.”² They should also “address specific threats posed to rural women by climate change, natural disasters, land and soil degradation, water pollution, droughts, floods, desertification, pesticides and agrochemicals, extractive industries, monocultures, biopiracy and the loss of biodiversity, in particular agro biodiversity.”



² CEDAW Recommendation No 34 on the Rights of Rural Women, (2016), https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolNo=CEDAW%2FC%2FGC%2F34&Lang=en.



Unpaid care work is another very important issue that raises a number of challenges that can also present potential investment opportunities. Mongolia has a rapidly growing dependency ratio. This means that care for children and for the elderly, in addition to any persons living with disabilities needing care and support, creates opportunities to invest in the care sector. The diversification planning for the economy must include the care sector as one of the pillars to support the working age population. This very fast change in the dependency ratio can be observed going from 50 to 60 in just one decade in Mongolia, faster than other similar income countries in East Asia and the Pacific where the ratio has only risen on average from 40 to 45 in the past decade. However, Mongolia shows an advantage in the region as the gap between women and men in unpaid production work is smaller than other Asian countries. Even so, two thirds of all unpaid production is carried out by women in Mongolia.

For women, only 17% of a day on average are spent on paid labor, 19% on unpaid labor, and the remaining 62% of the day on self-development and self-care activities. This confirms the common perception in society that women spend more time on unpaid labor and less time on paid labor than men by numeric data and statistics. Compared to previous surveys, the average time spent on paid labor for both men and women was lower than in 2015, but higher than in 2007 and 2011. On the contrary, the time spent on unpaid labor has increased from the 2015 survey but is lower than the 2007 and 2011 surveys.

Although men also face some challenges, in this case the discrepancy is not caused by discrimination based on gender roles. The most important one is the disparity in life expectancy that is in favour of women strongly linked to gender roles assigned and assumed by men that lead to unhealthy habits like drinking and smoking that deteriorate men's health. The National Committee on Gender Equality in 2020 other factors such as higher rates of accidents and suicides (up to 5.9 times more compared to women) also explain the large gap. This situation would also affect the care burden of women within a household. Compared to other ex-socialist countries, these numbers are not unique to Mongolia where similar gaps are observed.

In Mongolia, COVID-19 has massively affected the livelihood of Mongolians, especially vulnerable women. The study conducted by UNDP in 2020 at the height of the pandemic shows that 1) compared to men, more women were working in the front lines and fighting against the coronavirus pandemic, 2) during the quarantine period, it was difficult for women, especially women with disabilities and pregnant women, to get urgent medical services; as a result, the maternal mortality increased by 27.8 % during the pandemic period compared to the past three years, and 3) women have more mental health risks than men due to the increased burden of unpaid work at home. The main reason for increasing unpaid care work was school closures and lockdowns. In a context of increased vulnerability, there is an undisputable need to support vulnerable businesses and entrepreneurs and gender bonds represent a unique instrument to catalyze financing to reduce gender inequality. Empowering women and expanding their access to finance and economic inclusion can drive growth, especially in the post-coronavirus disease (COVID-19) pandemic recovery environment. On April 29, 2022, the Parliament adopted a resolution to increase the availability of kindergarten. The following measures were assigned to the Government: 1. Double the variable cost for a child for non-budget kindergartens in locations where access is low. 2. Support initiatives to operate kindergartens next to private entities.





Recent studies indicate that ESG-oriented investments are positioned to grow exponentially, with the ESG share of overall assets under management projected to grow from 14.4% in 2021 to about 21.5% by 2026³.

This report looks to evaluate the extent to which a Gender Bond issuance for Mongolia is feasible given the Mongolian corporate bond market developments and achievements, and national intent to achieve sustainable outcomes. The report will describe the gender inequality issues and challenges in Mongolia. This will inform the degree to which a Gender Bond is feasible, the steps required to issue such bond, and the partners required for such an issuance.,

Key findings:

- Thematic bonds are increasing in popularity and market share in the international bond market.
- It is international best practice to align with voluntary principles and guidelines. In the case of gender bond issuances, the current best practice is to align with ICMA's Social Bond Guidelines.
- There is no obstacle to gender bond issuance in the local market. However, it requires some resource and time in order to identify and communicate with potential issuers and support them in issuing gender bonds. Demonstration issuance from highly rated and established entities will provide good examples for other potential issuers to follow by creating early momentum and building market confidence.
- There are a number of key factors in a successful issuance of a gender bond, including availability of pipeline, investor interest, enabling factors, issuer credibility as well as capacity.
- Key sectors for impact for gender bonds are SME Financing and Microfinance, access to essential services, access to health and educational services, affordable housing, clean transport, socioeconomic advancement and empowerment, sustainable agriculture, land use, forestry & biodiversity conservation, green and social building, renewable energy, and energy efficiency.
- Furthermore, technical assistance and capacity building needs to be conducted for the potential issuers in areas including impact measurement, reporting, and gender responsive projects development. Impact measurement and reporting and ensuring gender responsive project development will be critical following the issuance of the bond.



³ PricewaterhouseCoopers (PwC). 2022. *Exponential Expectations for ESG*.

Section 1.

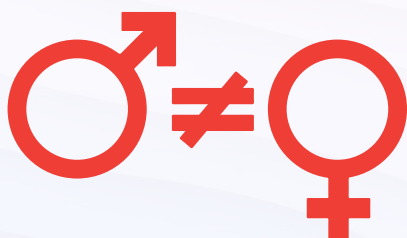
Situation analysis for Mongolian Gender Equality



Section 1.

Analysis of gender inequalities in Mongolia

According to the UNDP's Gender Inequality Index of 2022, Mongolia has a Gender Inequality Index of 0.322, ranking 71 out of 162 countries.



While a greater proportion of women (91.5 per cent) than men (86.1 per cent) have at least a secondary education, they encounter long-standing and prevailing traditional views about women, which in turn contribute to lower levels of access to finance and workplace disadvantages. Women's lower rate of access to finance⁴ and workplace underscores the need to facilitate opportunities for promoting women's access to economic resources.

The following Issues related socioeconomic advancement and empowerment (specifically: "equitable access to and control over assets, services, resources, and opportunities; equitable participation; and integration into the market and society, including the reduction of income inequality) are summarised below and the references should be consulted for a deeper understanding of the issues. As regards the bond framework they should be kept in mind as the critical knowledge or intelligence behind the eligible projects that the framework encompasses.

EMPLOYMENT:

According to labor force participation rate indicator statistics, women's labor force participation has been declining since 2006 to fall from 64.3% to 49.9% in 2021. Women's empowerment and incomes are lower than men's and they earn almost 20 percent lower salaries than men⁵ as of 2021. The following graph shows this phenomenon based on this data. If the same growth in participation rates of women was sustained, the participation rate would have reached 62%, much higher than the present 55.5 (before COVID-19). Although the graph below shows a large change in 2019, the trend since 2000 has been one showing lower rates. The simple linear projection to 2029 therefore shows only slightly higher rates than in 2018. The main message is that women's participation in economic activities needs to increase and the gap with men which in 2019 represented a 15-percentage point difference needs to be closed.

⁴ Asia Foundation, (2022),

⁵ National Statistics Office of Mongolia,(2022), www.1212.mn,



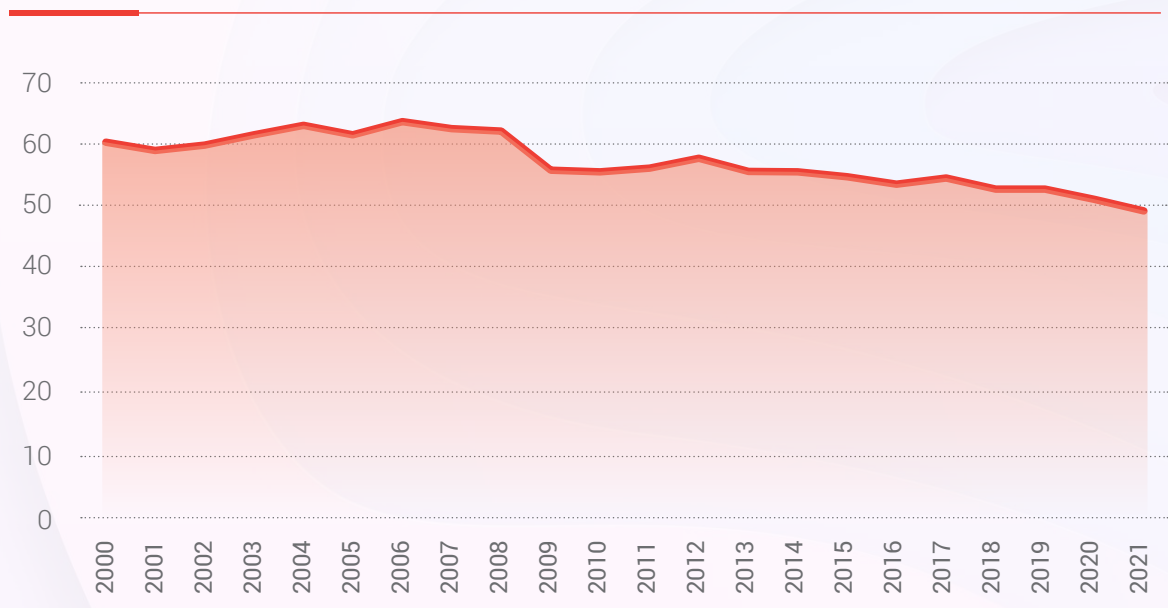


The factors that restrict women to employment in static and low paid work include high enrolment rates of female students in tertiary education, larger numbers of women engaged in household activities and childcare, and the fact that women retire earlier than men (UNDP, 2014). Another factor is the lack of legal support for paternity leave and the attitude of employers who view the maternity is an operational setback and economic burden for the company.

Due to the limited availability of free or affordable daycare and after school programming in Mongolia, unemployment among young women is primarily attributed to childbirth and childcare and women’s opportunities to re-enter the labor market after having children is limited, as they must stay at home to care for the child.

Not only young women, but also retired women are facing higher disparities in income than men. Women’s earlier retirement and the size of their pensions are becoming the causes of poverty for women in their old age. According to the 2015 data, women’s average pensions were 18.6% lower than men’s⁴. In addition, periods of absence from work due to childcare are not accounted for in pension benefits (World Bank, Women Business, and the Law Database) and presently there is no paternity leave nor parental leave available to working parents in Mongolia, only maternity leave.

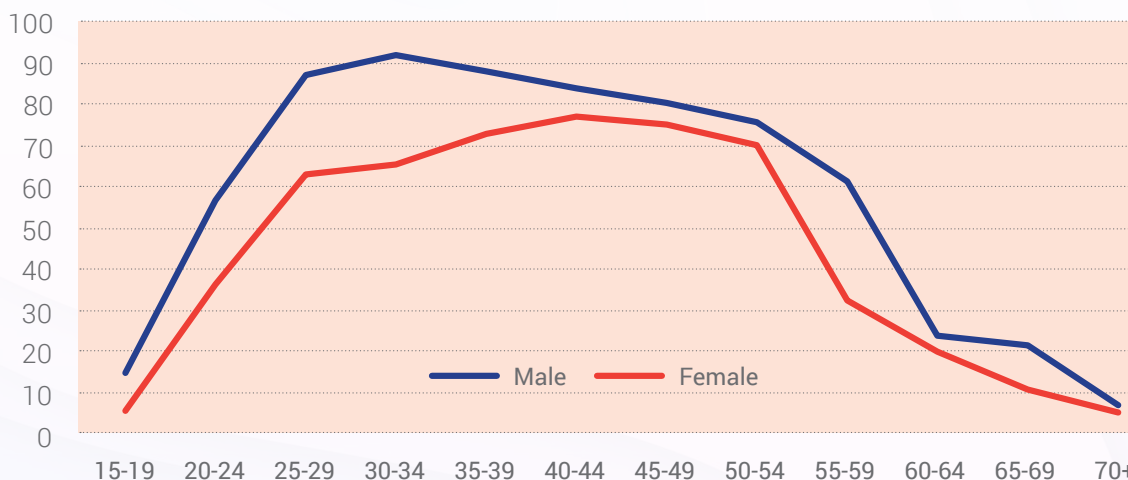
FIGURE 1. Female Participation Rate in Mongolia, modelled data and projection 2000-2019



Source: Mongolia National Statistics Office Database and own visualization

Furthermore, this gap is sustained throughout the life cycle and also reflects how this lower participation rate in recent years has affected younger women in particular. In Figure 2 the participation rate by age in 2021 can be observed. Women in lower age groups exhibit much large gaps with men of the same age group then older women who have much higher participation rates. As will be analysed below under the section on unpaid care work, this is mostly due to the lack of care services for younger children and other family members.



**FIGURE 2. Participation rate by sex and age group, 2021**

Source: Mongolia National Statistics Office Database and own visualization

Women in Mongolia are concentrated in the services sector and employment has dropped sharply during the COVID-19 pandemic, however, in sectors such as Education and Health where they usually dominate the proportion of women has actually risen⁶.

WAGE GAP:

The unadjusted wage gap measured by the monthly average wages and salaries of employees in establishments published by the National Statistics Office of Mongolia shows that since 2014 up to 2021 this gap has increased from 14 to 16 percent after reaching only 11 percent in 2015 and 2016. It must be pointed out that in some aimags the gap favours women (Arkhangai being the largest at 11 percent in favour of women) and that in some the gap is much larger (such as Orkhon where it has risen from 34 to 37 per cent from 2014 to 2021).

**TABLE 1. Monthly Average Wages And Salaries Of Employees In Establishments, by employees size class and gender, quarter, year in MNT**

Aimags	Sex	2014	2015	2016	2017	2018	2019	2020	2021
National average	Male	859.7	856	913.9	1029.4	1100.3	1222.6	1326.2	1390.1
National average	Female	733.3	760.7	811	860.4	903.3	1021.3	1109.6	1163.1

Source: National Statistics Office

Increasing women's participation in the workforce and closing the wage gap would have a tremendous growth impact for the region. ILO in 2017 estimated that this could add \$3.2 trillion to Asia and Pacific region economies (ILO, 2017).

⁶ In agriculture and wholesale retail, where most people work, the number of employees, no matter of gender, started to decline before COVID. Number of men in the retail sector is subject to sharper change. The main reason for the workforce decline in these 2 sectors are probably collapse of the retail sector due to closure of the border and the increased transporting cost. NSO, Employment by classification of economic activities, sex and age group. It is important also to note that men also leaving some sectors, such as education, has had the effect of increasing the proportion of women.



Lack of access to finance:

“With women comprising nearly 40% of Mongolia’s entrepreneurs, and a female-to male labor force ratio of 82%, Mongolia’s economic future is tied to the ability of women to seize and expand opportunities in the marketplace” (ADB and Asia Foundation, 2018).

However, according to a recent report by UNDP (UNDP, 2021) “gender is on the radar of financial institutions in Mongolia and rising as a priority, not only within the financial institutions, but also within the Bank of Mongolia and the Financial Regulatory Commission and more generally across Mongolian institutions”. This means that half of the population may not be taking advantage, and the institutions are missing business opportunities.

Financial inclusion is a key element for growth and attaining the national development goals. Women’s participation is part of this strategy. Although there is a recognition that “gender, as a nascent topic, needs better articulation of the business case and that it is essential to build capacity. Mongolia is lacking in the depth and breadth of gender experts needed” in the financial sector (UNDP, 2021).

Although there is a healthy representation of women in the Finance Sector at management levels, they are still missing from bank boards. Dedicated investment by companies in mentoring and ensuring women reach parity in boards is also possible (UNDP, 2021) (Asia Foundation, 2022).

As clients or consumers of financial services, Mongolian women experience difficulty in accessing finance, particularly loans due to the lack of named ownership of immovable assets and lack of registry of movable assets (IFC, 2014); loan sizes for women are smaller, the processing time is longer, there are more rejections, and women are charged higher rates than men (UNDP, 2018); and 90 percent of women entrepreneurs did not know how to access information about their industry (Asia Foundation, 2021) so that growth for their business and the associated financial needs could be identified.



Herder and farmer women:

According to the UN Common Country Assessment for Mongolia (United Nations Mongolia, 2021), the livelihood of around 30 percent of the population⁷ or 169,706 nomadic or semi-nomadic herder households is highly vulnerable, depending on severe weather conditions with livestock often their only source of income. Alternate job opportunities in general are scarce in rural areas. They are exposed to external shocks caused by climate change and natural disasters such as dzud, dry summers and pasture degradation. The poor herder households with less than 200 livestock (42.3 percent of the total herder households) and middle- income households with 201-500 livestock (34.4 percent) are particularly at adverse risks to fall deeper into poverty in the year when dzud hits hard.

Women herders experience this in a different way than men as their roles in herder society mean they are less likely to be documented, be dwelling or livestock related property owners, and although both herder women and men have low documented land ownership, the figure for women is much lower. (USAID, 2016). As legislation trying to address these imbalances is passed in the country, investment in women herders and their families will be an area that the gender bond can also address.

⁷ According to ADB this figure could be as high as 40 percent (ADB, 2022).



On the other hand, women farmers face similar challenges including lack of finance for their activities. The tendency to have men as certified owners or inheritors of land is more pronounced in the rural areas (USAID, 2016) and is most likely behind this outcome. A 2013 survey with 8,000 urban and rural respondents showed that female share in land inheritance was only 27.2% (MCC, 2017). Focus group discussions with land farmers further revealed that while men engaged in grain or potato production on large land areas, or lend their land, women mostly do vegetable gardening on smaller plots.

Moreover, General Recommendation 34 by the CEDAW Committee on the Rights of Rural women calls on the States parties to “strengthen local rural economies, including through the promotion of social and solidarity economies, and create local employment opportunities and livelihoods for rural women in the context of sustainable development. They should review relevant laws, regulations and policies that limit rural women’s access to decent employment and eliminate practices that discriminate against women in rural labour markets, such as not hiring women for certain jobs.”



Climate change:

According to the report by ADB on women’s resilience in Mongolia (ADB, 2022) “impacts on women from disasters and climate change—and the disadvantages that emerge in decision-making by societies on adaptation—happen because women are already structurally disadvantaged by entrenched gender inequality, direct and indirect discrimination, and social and economic disadvantage there is a distinct lack of commitment to equality and nondiscrimination in key disaster risk management, environment, and climate change laws and policies.”

Disaster risk management and environmental laws rely on the inclusion of the Constitution and make no explicit mention of the LPGE or gender equality. Notable exceptions are the National Action Programme on Climate Change (NAPCC) 2011—which includes gender equality as an implementation principle and mentions the need to promote the representation of women in international and regional forums, and the Environment Sector Gender Strategy.

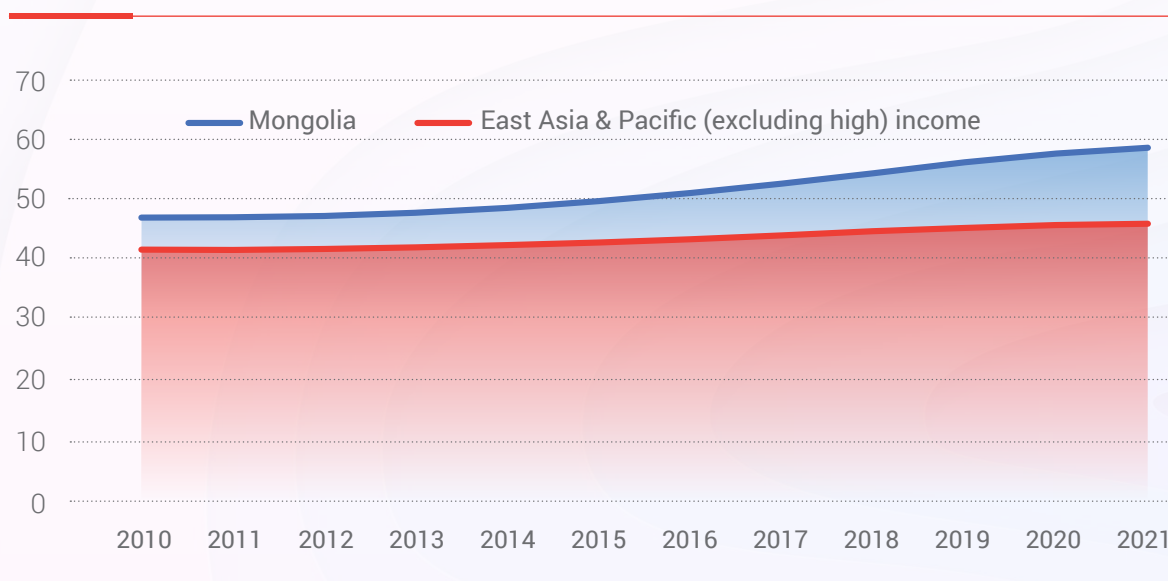
This means that the type of inequalities shown in the present document exacerbate the situation of women vis a vis the impact of disasters. The CEDAW recommendation on the rights of rural women states that State parties should “address specific threats posed to rural women by climate change, natural disasters, land and soil degradation, water pollution, droughts, floods, desertification, pesticides and agrochemicals, extractive industries, monocultures, biopiracy and the loss of biodiversity, in particular agro biodiversity.”



Unpaid care work:

Mongolia has a very rapidly growing dependency ratio. This means that care for children and for the elderly, in addition to any persons with disabilities needing care and support, create opportunities to invest in the care sector. The diversification planning for the economy must include the care sector as one of the pillars to support the working age population. This very fast change in the dependency ratio can be observed in Figure 3 below. The dependency ratio for Mongolia is higher than the average for East Asia and Pacific, excluding high income countries.

FIGURE 3. Mongolia dependency ratio 2010-2020 and East Asia and Pacific Average (excluding high income)



Source: World Bank

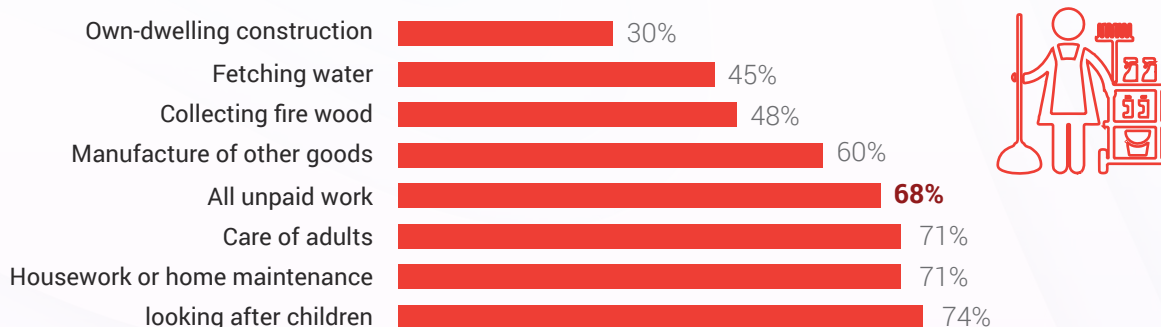
Moreover, a recently adopted National Gender Strategy action plan could be the basis for introduction of finance for reduction, recognition, and redistribution of unpaid care in line with SDG target 5.4.

Furthermore, according to recent research by ILO on time use in Asia and the Pacific (ILOSTAT, 2022), shows that although women engage in unpaid production work in Mongolia at a higher rate than men (90% working age women vs 80 % working age men), the gap in Mongolia is smaller than the average for the five countries included in the study. Gender norms result in women spending disproportionately more time than men in these activities. This study shows that in Mongolia, two-thirds of all unpaid production work was done by women. The unequal distribution of the workload is particularly noticeable among the subcategory unpaid care work. On average, women performed 80 per cent of unpaid care work in the five countries of the study. The following graph shows the results for Mongolia of the unpaid activities where it is clear that care activities take up a large share of women’s time. In Figure 4 below, the share of women’s total hours spent on unpaid production by activity can be observed. Unpaid care of adults, housework and care of children is much higher than other unpaid activities among women.





FIGURE 4. Women’s share of total hours spent on unpaid production work by activity (%) in Mongolia



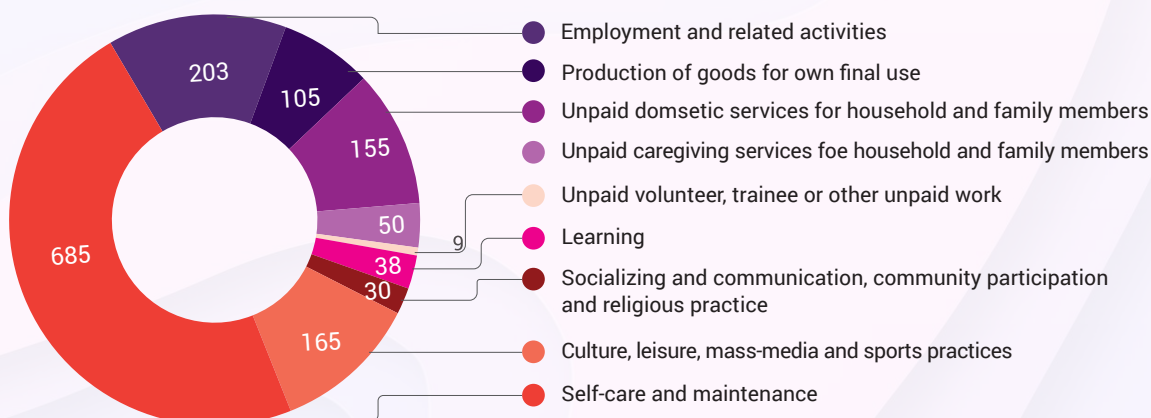
Source: ILOSTAT calculations based on labour force surveys Mongolia 2019

In addition, the 2019 Time Use Survey for Mongolia also shows the unpaid care work for the entire population as shown in the following figure. On average, for the entire population, caregiving seems to take up only around 50 minutes per day. However, the sex and age disaggregation of the variable shows a different picture.

In Mongolia, women spend 3 times more on unpaid care work compared to men⁸. Due to the lack of free or affordable daycare and after school programming in Mongolia and other unpaid care work, women tend to run microenterprises or household enterprises thus limiting the growth of their businesses. Other phenomena such as rapid urbanization (traffic congestions, air pollution) increases burden of care work of women in urban areas as children and other household members become sick from the polluted air.

A Google Map search of kindergartens in Ulaanbaatar shows a high concentration in only certain parts of the city⁹. Furthermore, the latest Multiple Indicator Cluster Survey for Mongolia (2022) indicates that during the COVID-19 lockdown women were 3 times more likely than men to take care others with COVID or to care for other members with other illness and could not work.

FIGURE 5. General picture of time use of the population aged 12 and over on one day of the week, by activities and minutes, Mongolia, 2019



Source: Mongolia time use Survey 2019, National Statistics Office

⁸ Time use survey of 2019, National Statistics Office of Mongolia

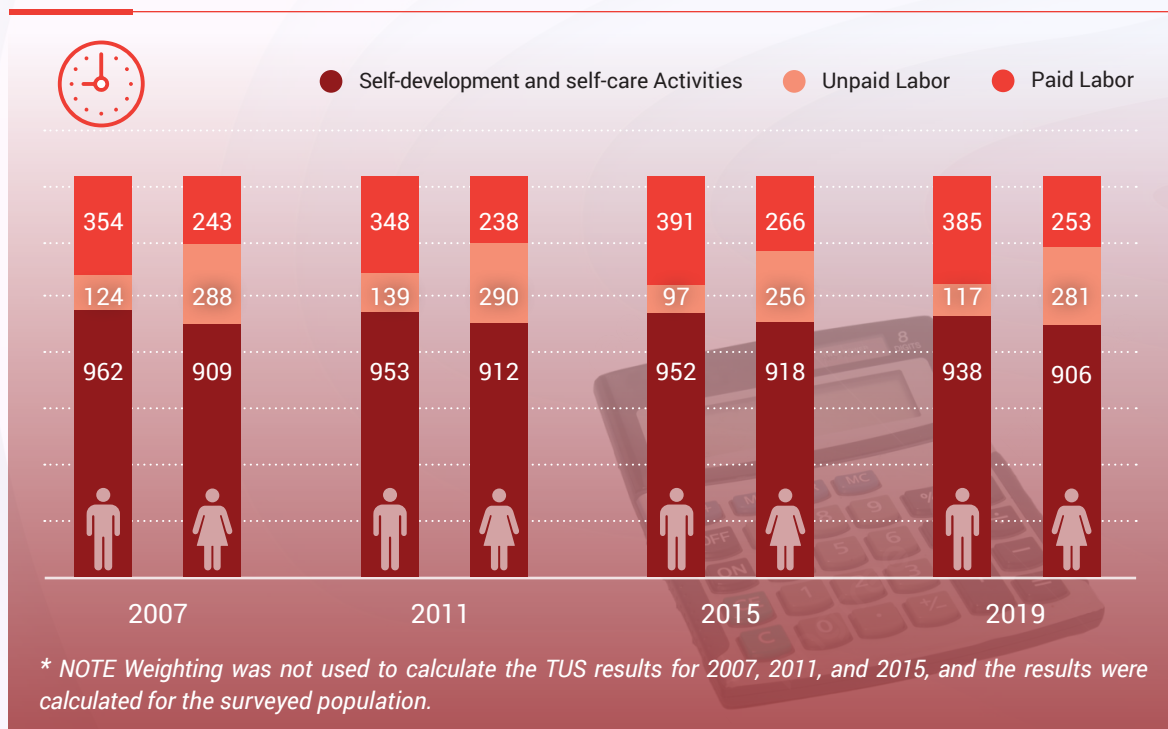
⁹ <https://www.google.ca/maps/search/kinder+Ulaanbaatar,+Mongolia/@47.902767,106.8899626,14z?hl=en>



The women’s burden of unpaid care work increases in rural areas. Herder women work 15-20 hours a day on average¹⁰ from 4 am to 2 am.

Figure 6 shows the average minutes spent on paid and unpaid labor, as well as self-development and self-care activities per day of the week by sex for the years of the time use survey in Mongolia. As of 2019, men aged 12 and over in Mongolia spent 27% of the day on paid labor, 8% of the time on unpaid labor, and the remaining 65% of the day on self-development and self-care activities. For women, only 17% of a day on average are spent on paid labor, 19% on unpaid labor, and the remaining 62% of the day on self-development and self-care activities. This confirms the common perception in society that women spend more time on unpaid labor and less time on paid labor than men by numeric data and statistics. Compared to previous surveys, the average time spent on paid labor for both men and women was lower than in 2015, but higher than in 2007 and 2011. On the contrary, the time spent on unpaid labor has increased from the 2015 survey but is lower than the 2007 and 2011 surveys.

FIGURE 6. Average minutes spent on paid and unpaid labor and self-development and self-care activities by the population aged 12 and over on one day of the week, by sex, Mongolia, 2007, 2011, 2015, 2019*



Source: Mongolia time use Survey 2019, National Statistics Office

Although men also face some challenges, in this case the discrepancy is not caused by discrimination based on gender roles. The most important one is the disparity in life expectancy that is in favour of women strongly linked to gender roles assigned and assumed by men that lead to unhealthy habits like drinking and smoking that deteriorate men’s health. This situation would also affect the care burden of women within a household.

¹⁰ Protecting human rights of herder women, UNFPA, 2019



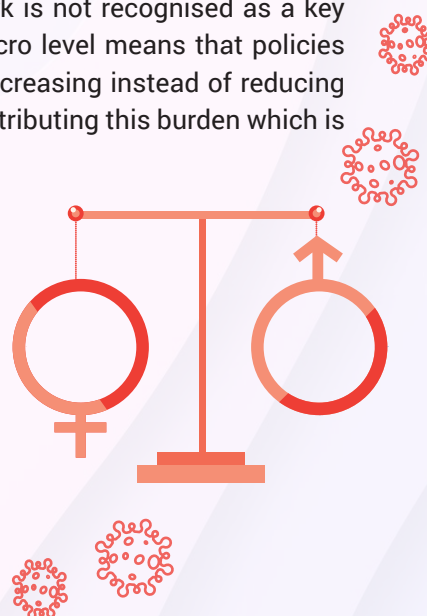
The impact of the COVID-19 pandemic on gender inequality:

The COVID-19 pandemic is disproportionately impacting women, widening the gender gap, and making the need for financing to address gender inequalities even greater. At the time of the pre-COVID-19 crisis, USD (United States Dollars) 2.5 trillion of funding gaps was identified as missing funding annually to achieve the SDGs (Sustainable Development Goals) by 2030. The funding gap has increased to USD 4.2 trillion due to the COVID-19 emergency, global economic down-turn followed by geo-political conflicts between Russia and Ukraine and shifting of resources towards COVID-19 response spending in developing countries. This has underlined the need for reinforcing interlinkages within and between the SDGs and for preparing integrated resilience frameworks that address the links between health, eradicating poverty, climate change, and continued degradation of nature.

In 2019, prior to the COVID-19 pandemic, the World Bank (2021) estimated global gross domestic product (GDP) to equal almost USD 88 trillion. McKinsey (2015), in its report *The Power of Parity*, calculated that a scenario whereby women participated in the global economy identically to men could increase annual global GDP by USD 28 trillion. It also found that economies of Asia Pacific alone could add USD 4.5 trillion by 2025, or 12% above business as usual. Although 2021 was expected to offer the region a strong recovery from the 2020 economic contraction, this recovery can further be advanced by a greater focus on including women in the recovery (Biswas, 2021).

In Mongolia, COVID-19 has massively affected the livelihood of Mongolians, especially vulnerable women. The study conducted by UNDP in 2020 at the height of the pandemic shows that 1) compared to men, more women were working in the front lines and fighting against the coronavirus pandemic, 2) during the quarantine period, it was difficult for women, especially women with disabilities and pregnant women, to get urgent medical services; as a result, the maternal mortality increased by 27.8 % during the pandemic period compared to the past three years, and 3) women have more mental health risks than men due to the increased burden of unpaid work at home. The main reason for increasing unpaid care work was school closures and lockdowns. The increased unpaid care work has only reinforced the deep-rooted gender stereotypes and is a big challenge to achieving gender equality. It denies women from accessing opportunities for their empowerment in social, economic, and political spheres. The fact that unpaid work is not recognised as a key element in the formulation of policies at the macro, mezzo, and micro level means that policies can exacerbate the negative impact of this lack of recognition by increasing instead of reducing unpaid work and by increasing the burden on women instead of redistributing this burden which is key for human well being.

To reduce the widening financing gap and address gender inequality in Mongolia, UNDP aims at promoting responsible investment in the public and private sectors that complies with global environmental, social and governance standards and is gender-responsive, that is responsive to the needs of women and men, boys and girls of any age and situation.





Brief synthesis of approaches for gender bonds

Thematic bonds, which are traditional fixed income instruments, allow investors to finance specific impact themes such as climate change, gender equality, health and target specific SDGs through investment. These Bonds include green, blue, social, gender, SDGs and more. They have the potential to finance and support the delivery of the low carbon, the climate-resilient, gender responsive infrastructure needed globally (e.g., renewable energy, low-carbon transport, water infrastructure, sustainable agriculture, gender equality, unpaid care work, and other areas).

Needs and challenges of mobilizing private capital to address gender inequality

The pandemic has exacerbated those existing gender inequalities. There is a significant need for financing (both from private and public resources) to address these gaps, public financial resources, solely is not enough. Thus, more private capital should be mobilized and unlocked to contribute to gender equality. An innovative financial instrument is gender bond which will be presented in the next section.

In the case of gender bonds, the approach to date has been to support women's micro and small businesses (including farming or rural enterprises) using proceeds as microfinance loans. Given that this model has proven to be effective, it is important to design the product to meet all the needs that women need to have success in their business and to ensure a good return to investors. In addition, the proceeds of these bonds could be used to address the needs of men that are driving gender inequality. This can include addressing differences in health outcomes and access to health, access to education or addressing behaviour that leads to violence against women and girls.


For Bonds that address the specific objectives of recognising, reducing, and redistributing unpaid care work, more concretely for child and dependent persons in general, the following issues should be considered:

- The private sector must consider both demand and supply issues relating to these sectors and find niches where either the public services for care of dependent persons (children and adults) is scarce or non-existent resulting in a demand for these services.
- These services might be covered by informal arrangements that are not regulated and thus more formal supply options may be unaffordable or forced to compete with informal arrangements.
- Regulation of the sector might be missing, which increases investment risk if regulation is suddenly introduced, and businesses need to adapt. New regulation can also create further opportunities for a private bond to support adaptation to the new regulation.
- Companies offering employee support services such as meals or other non-salary items could finance care services. In this case fiscal incentives for these benefits as part of pay packages would need to be revised to find if there is room to include care services.
- Introduction of benefits above legal minimums that can include longer maternity leaves, paternity leaves, parental leaves, and other related human resource incentives (like employee support services described above) to attract talent and linked to increased productivity can be another area to explore for financing.







In addition, there are several specific issues impacting the demand side of care facilities that also link to SDG targets and that directly impact time use, productivity and, ultimately, economic growth and social development in Mongolia:

-  Air pollution in Ulaanbaatar, Mongolia's capital city, is causing a public health crisis. The use of coal for heating homes in these areas is the main source of the city's air pollution. Households living in the area are burning tons of coal every winter, creating 60% of all air pollution in the city of Ulaanbaatar, the coldest capital in the world. This has severe health implications for the entire population, especially children who suffer the most. Children suffer serious illness due to weakened immune system that is caused by poor air quality. This air pollution is one of causes of communicable diseases among children, especially during winter. This high spread of communicable disease among the children increases burden of unpaid care work for women and health related costs.



-  The rapid urbanization (to Ulaanbaatar) has resulted in a lack of schools and kindergarten in Ulaanbaatar, especially on the outskirts of the city. Consequently, mothers spend considerable time in drop off and pick up children from schools.
-  Human rights among herder women should also be considered. Innovative solutions for care should be introduced considering the high cultural heritage value that their work represents. Although the Mongolian government has reported to the CEDAW committee that "a gender-sensitive approach had been introduced for sectoral policies. The Minister of Education had taken steps to increase the number of kindergartens to increase women's employment rate. Microcredit was provided to rural women, and training had been provided for 5,500 women in the corporate sector. Comprehensive reform of human rights legislation was underway."¹¹ With the school starting age recently brought down from 8 to 6 years old, many young married women move into their local soum centre with their young children-and stay there for up to 9 months each year, while their husbands stay in the countryside, taking care of the family's livestock.

Finally, it should be made clear that provision of care facilities is only one factor that may contribute to increasing women's participation in a number of domains. Having quality affordable child care is essential, but there are also several other elements that impede women's full integration, on a par with men, in the economic, political, and social arenas. The following table shows a comprehensive list of public policies that address the recognition, reduction, and redistribution of unpaid care work. These policies complement the gender bond being proposed here in terms of the focus that it has on eligible projects that address unpaid care work.



¹¹ Summary of discussions available at <https://www.ohchr.org/en/press-releases/2022/06/experts-committee-elimination-discrimination-against-women-commend-progress>.

**TABLE 2. List of public policies to recognition, reduction, and redistribution of unpaid care work**

Type of policy	Brief description of policies (not exhaustive)
Legal framework	Update legal framework to ensure full enjoyment of social and economic rights by women
Data and information	Visibility of unpaid work. Satellite accounts, surveys of time use (already being used by Mongolia).
	19 th ICLS (International Conference of Labour Statisticians) recommendations (currently used by Mongolia)
	Integration into mainstream economic and social indicators.
Active labor market	World Economic Forum's Global Competitiveness index 4.0 policy indicators ¹²
	Generalized flexible working time without penalization (by slower career progression for example) OECD's family database
	Return to work after maternity leaves or longer absences from the workforce for older women including formal acknowledgement of skills
	Promote and increase teleworking
Social Protection	Include unpaid care work as a permanent risk in the life cycle of women as it reduces educational and income generation opportunities.
	Recognise rights for domestic workers
	Recognise periods of absence from the labour market due to care responsibilities
Income	Align maternity and paternity and parental leaves with ILO conventions and resolution and with CEDAW recommendations.
	Universal basic income. This may be a good policy for alleviating poverty but it does not decrease unpaid work not the gender gap in domestic shares. However, it can alleviate gender wage gaps and encourage women to remain employed as extra income can be used to cover for child or dependent care needs.
	Reduce gender inequalities in paid work
Family	Increase wages/income in "care" occupations. Equal wage/income to men occupations of similar ability.
	Family discrimination (acknowledgment of the diversity of families).
	Equalization of maternity and paternity leaves
Social infrastructures (provision of quality public services, free universal childcare, national care service)	Parental leave for mothers and fathers
	Childcare from 0 to 3.
	Extension of compulsory public education from age 3
	Extension of public health
Fiscal	Public lodging for elderly and disabled (day centers and long term care).
	Public social expenditures/GDP
	Tax rates for second earner do not discourage employment (they are not taxed at a higher marginal rate)

Source: Author based on desk review

¹² World Economic Forum (2018) Global Competitiveness Report. Available at <https://reports.weforum.org/global-competitiveness-report-2018/appendix-c-the-global-competitiveness-index-4-0-methodology-and-technical-notes/>.

Section 2.

Feasibility for Issuance of Gender Responsive Bond in Mongolian capital market



Section 2.

International standards, guidelines and principles for gender bonds

Global debt capital market instruments are being increasingly deployed to channel financial resources in a way that combines financial returns with environmental, social, and governance (ESG) outcomes often linked to internationally recognized objectives such as the SDGs. Referred to generally as sustainable finance, these themed instruments include social bonds, sustainability bonds, and sustainability-linked bonds, all of which can—to different degrees address gender inequalities.

Gender bonds specifically finance projects that support the empowerment of women, gender equality, and access to finance.


Yet globally—while a rising stream of sustainable and green bond issuances is underway—only a negligible amount has gender as their priority objective. One estimate suggests that only about \$17 billion in assets are gender-labeled financial products within a global sustainable investment universe of over \$40 trillion¹³. Gender bonds are only one way of investing with a ‘gender lens’; more established approaches include direct equity investments through private equity or impact funds.

Thematic Bonds, are debt instruments where the proceeds are used exclusively for predefined eligible projects with positive environmental and/or social outcomes as defined by International Capital Market Association (“ICMA”).



¹³ D. Uzsoki and S. Rahim. (2021). *Integrating Gender in Sustainability-Linked Bonds: Innovations in Multi-KPI Sustainability-Linked Structures*.

TABLE 3. Types of thematic bonds

TYPE OF BONDS	DESCRIPTION	INTENT	PRINCIPLES OR GUIDELINES
GENDER 	Underlying projects that are gender responsive	Finance eligible gender positive projects, e.g. investments in companies with good corporate policies, lending to women and women owned MSMEs, companies that sell products that disproportionately benefit women	ICMA Social Bond Principles, UN Women Empowerment Principles, IIX's Orange Bond Principles
GREEN	Underlying projects that are green eligible	Finance eligible <u>green</u> projects, e.g. investments in Renewable Energy, Energy Efficiency, Green Buildings, Clean Transportation, Climate-Smart Agriculture & Forestry, Waste & Wastewater, Adaptation to Climate Change	ICMA Green Bond Principles, CBI Taxonomy, IFC Climate Definitions
SOCIAL	Underlying projects that are social eligible	Finance eligible <u>social</u> projects, address or mitigate a specific social issue and/ or seek to achieve positive social outcomes especially but not exclusively for a target population(s).	ICMA Social Bond Principles, CBI Taxonomy
SUSTAINABILITY	Finance a combination of both Green and Social Projects	For Social Projects, address or mitigate a specific social issue and/or seek to achieve positive social outcomes especially but not exclusively for a target population(s). For Green Projects, refer to Green Bond Intent	ICMA Green Bond Principles, ICMA Social Bond Principles, ICMA Sustainability Bond Guidelines, CBI Taxonomy, IFC Climate Definitions
SDG	Finance a combination of projects aligned to SDGs	These are sometimes considered under the label of sustainability and Sustainability-Linked Bonds.	ICMA Green Bond Principles ICMA Social Bond Principles, ICMA Sustainability Bond Guidelines, CBI Taxonomy, IFC Climate Definitions SDG Impact Standards
SUSTAINABILITY-LINKED	Incentivizes the borrower's /sub-borrower's achievement of ambitious, predetermined sustainability performance objectives	Finance eligible <u>green</u> and <u>social</u> projects. Bond coupons may be linked to sustainability performance.	ICMA Sustainability-linked Bond Principles





Best practice eligibility criterion for projects selected for a Gender Bond issuance is designed to align with the below principles and guidelines:

SOCIAL BOND PRINCIPLES OF THE ICMA

ICMA is a not-for-profit association under the Swiss Civil Code, which is headquartered in Zurich. Along with its 620 members, they have worked together to pioneer the rules, principles, and recommendations for sustainable debt instruments, among other activities and promote the development of the international capital and securities markets.

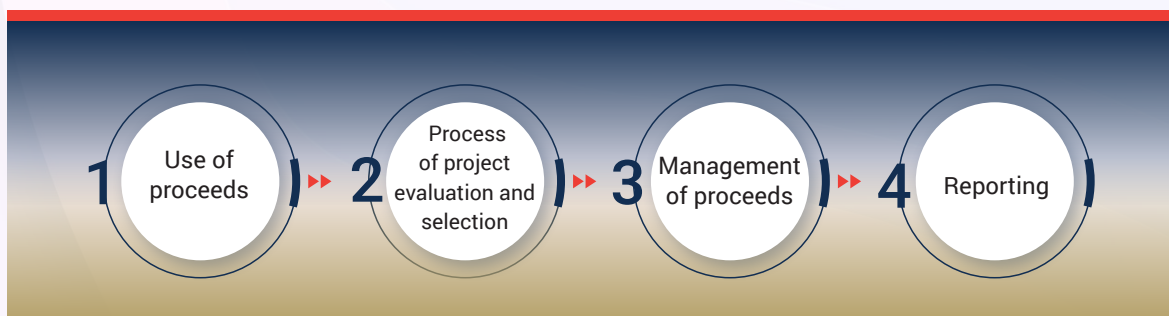
ICMA's Social Bond Principles provide an outline of broadly eligible activities and associated beneficiary groups, as well as issuance requirements, but they do not explicitly refer to gender – although this is widely accepted as within their scope.

The allocation of a Social Bond is where an amount equal to the net proceeds of the bond will be exclusively used to finance and/or re-finance eligible expenditures falling within the eligible social categories.

Social project categories include, but are not limited to, providing and/or promoting affordable basic infrastructure, access to essential services, affordable housing, Employment generation, including through the potential effect of SME financing, and microfinance, food security, and socioeconomic advancement and empowerment. The Social Bond Principles can be found, here: [ICMA Social Bond Principles](#)

The principles include a transparent project selection process, both pre- and post-issuance, in order to make visible the impact generated from the proceeds. This step is required because proceeds are invested with the condition that they are funnelled to projects aligned with the Bond theme.

This is actioned in 4 steps:



Steps 1 and 2 occur at the pre-issuance phase and are part of the ambition to match project selection and budget considerations with the additional funding and impact potential. Steps 3 and 4 occur post-issuance, where reporting mandates are in place to make sure that proceeds are fully allocated on eligible projects. The purpose of this 4-step process is so investors are reassured on the validity and outcome of their investment.

**TABLE 4. The components of the Social bond principles**

	Use of Proceeds	Process for Project Evaluation and Selection	Management of Proceeds	Reporting
SOCIAL BOND	<p>Social Projects with clear social benefits.</p> <p>Clarify the share and projects of refinancing.</p> <p>List eligible categories of Social Projects.</p>	<p>Communicate to investors:</p> <p>The Social objectives</p> <p>Process to determine eligible Social Projects</p> <p>Eligibility criteria</p> <p>Disclose other relevant Information.</p>	<p>Track the net proceeds and prove its linkage to Social Projects.</p> <p>Periodically adjust to match allocations to Social Projects.</p>	<p>Disclose up-to-date information in the annual report.</p> <p>Timely basis update in case of material developments.</p>

WOMEN'S EMPOWERMENT PRINCIPLES

The Women's Empowerment Principles (WEPs)¹⁴ are a set of Principles offering guidance to business on how to advance gender equality and women's empowerment in the workplace, marketplace and community. Established by UN Global Compact and UN Women, the WEPs are informed by international labour and human rights standards and grounded in the recognition that businesses have a stake in, and a responsibility for, gender equality and women's empowerment. However, these are very high level and do not provide clear guidance on which activities are eligible or what is required for a credible issuance.

<p>1  PRINCIPLE</p> <p>Establish high-level corporate leadership for gender equality.</p>	<p>2  PRINCIPLE</p> <p>Treat all women and men fairly at work – respect and support human rights and non-discrimination.</p>	<p>3  PRINCIPLE</p> <p>Ensure the health, safety and well-being of all women and men workers.</p>	<p>4  PRINCIPLE</p> <p>Promote education, training and professional development for women.</p>
<p>5  PRINCIPLE</p> <p>Implement enterprise development, supply chain and marketing practices that empower women.</p>	<p>6  PRINCIPLE</p> <p>Promote equality through community initiatives and advocacy.</p>	<p>7  PRINCIPLE</p> <p>Measure and publicly report on progress to achieve gender equality.</p>	

¹⁴ More on these principles can be found at <https://www.weps.org/>.



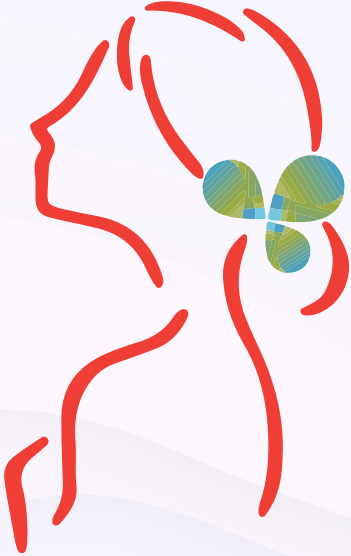
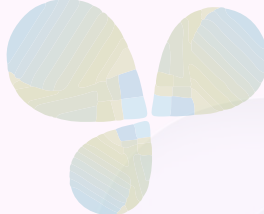
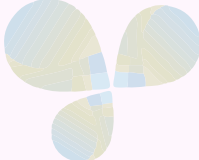
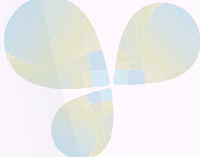
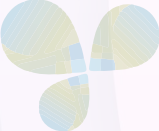
ORANGE BOND INITIATIVE

The Orange Bond Initiative, led by the Impact Investment Exchange (IIX) based in Singapore, has a mission to mobilize US\$10 billion by 2030 to advance gender equality worldwide, particularly in low-income countries, and to empower 100 million women, girls, and the LGBTQI+ community. The Initiative’s three main objectives include (1) creating a set of guiding principles (and subsequent standards, taxonomies, etc.); (2) facilitating the mobilization of capital through Orange Bond transactions; and (3) enabling ecosystem building (through market intelligence reports, data-analysis and measurement tools, and certifications, among other practitioner-focused support).

To qualify as an Orange Bond, issuers are expected to align with three overarching Principles:

- 1 Gender-Positive Capital Allocation;
- 2 Gender-Lens Capacity and Diversity in Leadership; and
- 3 Transparency in the Investment Process and Reporting.

In December 2022, the IIX successfully issued the first Orange bond that is expected to empower 300,000 women and girls across Asia and Africa, in compliance with the Orange Bond Principles, raising US\$50 million¹⁵.



¹⁵ Impact Investment Exchange, 2022, <https://iixglobal.com/impact-investment-exchange-iix-closes-the-womens-livelihood-bondtm-5-the-fifth-issuance-in-the-womens-livelihood-bond-series-and-the-worlds-first-orange-bond/>

**TABLE 5. Orange bond principles**

Principles	
Gender-Positive Capital Allocation	<p>Issuers (including governments, quasi-governments, corporates, financial institutions, and impact investing firms) are expected to use the proceeds of the Orange Bonds to advance gender equality in one or more of the following ways, taking into account the needs of the region or target population:</p> <ol style="list-style-type: none"> 1a. Financing the development and/or provision of products and/or services that substantially and disproportionately benefit women, girls, or gender minorities including the LGBTQI+ community and other groups facing gender-based and intersectional discrimination. 1b. Financing projects or enterprises with a substantially gender diverse and equitable workforce, and/or gender-inclusive value chains, that ensure gender-pay equity and equal workplace and employment-related rights to all regardless of gender identity. 1c. Financing enterprises or organizations that are founded by, are majority (i.e. >50%) owned by or whose senior leadership (e.g., C-suite executives, key decision makers, and/or heads of departments) have >30% women or gender minorities. 1d. Financing other ESG or SDG-aligned projects or initiatives that are intentionally designed to substantially and disproportionately have a positive net impact on women, girls or gender minorities.
Gender-Lens Capacity and Diversity in Leadership	<p>In order to demonstrate they have capacity within their own organizations to integrate a gender-lens into the investment decision-making process, as well as to align with Orange Bond Initiative's commitment to diversity and inclusion, issuers of Orange Bonds are expected to satisfy one or more of the following:</p> <ol style="list-style-type: none"> 2a. Over 30% of the leadership team (e.g., the Board, the officers, and/or the Investment Committee) are women and/or gender minorities. 2b. Over 30% of the team working on the core functions of the Orange Bond (e.g., structuring, due diligence, portfolio management, investor relations, and/or reporting) are women and/or gender minorities. 2c. The leadership team and/or team working on the core functions of the Orange Bond includes women and/or gender minorities from the same ethnicity as the target population in one or more regions where proceeds of the Orange Bonds will be allocated.
Transparency in the Investment Process and Reporting	<p>Issuers are expected to take a data-driven, bottom-up and verifiable approach to ensure gender-transformative impact is adequately measured, managed, and magnified, by adopting each of the following practices:</p> <ol style="list-style-type: none"> 3a. Transparency in investment process – to ensure a continued gender-lens approach is adopted in line with Principles 1 and 2 3b. Transparency in impact measurement – during the life of the Orange Bonds, conducting an annual confirmation of the impact (output, outcomes, impact) achieved by the bonds through interviews, surveys, or other means of collecting data directly from a sample size of the target population of the bond's proceeds (i.e., women, girls, gender minorities, or other individuals experiencing gender equality related outcomes or impact). 3c. Transparency in reporting





2X CHALLENGE

The 2X Challenge¹⁶ is investor-driven guideline, an initiative launched by the G7 Development Financial Institutions (DFIs), which is aimed at accelerating the rate of investment in women by mobilising \$3 billion in commitments from DFIs. It calls on DFIs to unlock resources from their own funds as well as private capital that will help advance women as entrepreneurs, business leaders and employees. However, they have yet to be referenced by a gender bond.

To guide their investments, the 2X Challenge members created the following criteria, which are divided between those that apply to direct and indirect investments that include gender bond issuers.

Direct criteria:

1. Entrepreneurship:	<ul style="list-style-type: none"> • Female share of ownership over 51%, or, • Business founded by a woman.
2. Leadership:	<ul style="list-style-type: none"> • Share of women in senior management: the threshold here is variable depending on the sector. For example, an investment in the infrastructure, power or telecommunications sectors only requires 20% of leadership to be women. In healthcare or education, however, the threshold is 30%, or • Share of women on the board or investment committee: 30%.
3. Employment:	<ul style="list-style-type: none"> • Share of women in the workforce: again, recognising that women are underrepresented in certain sectors, the threshold in sectors such as infrastructure and power is low – 30% of the workforce must be women. In healthcare, education or light manufacturing, the threshold is set at 50%, and: • At least 'one quality indicator' must be met, such as a policy or programme addressing barriers to women's quality of employment (e.g. wage inequality, lack of childcare, discrimination/harassment), with evidence that these programmes are being implemented.
4. Consumption:	<ul style="list-style-type: none"> • Product or service specifically for, or which disproportionately benefits, women.
5. Indirect/ Investments through financial intermediaries that are applicable for bond issuers:	<ul style="list-style-type: none"> • On-lending facilities: at least 30% of the DFI loan proceeds must support businesses that meet the direct criteria, or, • Funds: at least 30% of the portfolio companies must meet the direct criteria

Global guide for Gender bonds

UN Women, ICMA and the World Bank Group (IFC) launched the first set of Global Gender Bond Guidelines in November 2021. This guide supports the debt market to integrate gender equality objectives into sustainable debt products in a credible and clear way and contains illustrative examples for public and private sector issuers.

¹⁶ More on this initiative can be found at <https://www.2xchallenge.org/>.



Review of gender bonds issued to date globally

The gender bonds issued to date internationally all focus on two criteria: lending to female-owned or female-led businesses (whether large firms in developed markets or SMEs/self-employed women in developing countries), or lending to businesses who aim at addressing, or already addressing, gender equality.

Gender bond issuances lag green and sustainability bond issuances. Since the first women's bond issuance in 2013, UN Women reported that there have been less than 80 gender bond issuances globally that are aligned with ICMA principles. In 2021, the global bond market represents US\$20.1 trillion which was considered the largest asset class in the global financial markets. However, roughly 5% of the bond market was classified as sustainable bond issuances and less than 1% aligned to SDG 5 Gender Equality¹⁷. To date, there are two common types of gender bonds issued internationally:

CORPORATE BEHAVIOR GENDER BONDS:

These are bonds where capital is issued to corporates that promote gender equality through their internal policies or their business activities and initiatives, rather than to specific activities or projects that benefit women. The issuer uses third party research to identify corporates eligible for financing¹⁸. All of them reference SBPs.

FINANCIAL INCLUSION GENDER BONDS:

These are bonds that have typically been issued in emerging and frontier markets (or referencing activities in these markets), where the focus is on women's economic empowerment and on closing the financing gap for women through access to finance. Some, though not all, reference the SBPs¹⁹.



Issuers vary, however, the main market is primarily driven by the DFIs that provided anchor investments or guarantees, or issued the bonds themselves, except for the few large corporate issuers in Canada, Australia and Thailand. For example, the ADB's issuance of ¥10 billion gender bond in 2017; International Finance Corporation's investment in gender bonds issued by the Bank of Ayudhya in Thailand in 2019; and the UN-backed \$12 million Women's Livelihood Bond 2 by Impact Investment Exchange.

¹⁷ *Environmental Finance (2022). Sustainable Bonds Insight*

¹⁸ *Pendal Group (2019). Furthering Gender Equality: Next Generation Bonds*

¹⁹ *UN Women, FSD Africa (2020). Viability of Gender Bonds in SSA - A Landscape Analysis and Feasibility Assessment*



Mexico:






The Trust Funds for Rural Development's Social Bond with a Gender Focus

Issuer	Trust Funds for Rural Development (FIRA) is a Mexican second-tier development financial institution which offers credit and support to the agricultural and fisheries sectors and promotes rural industrial development. Founded by the Government of Mexico in 1954, the Institution consists of four trust funds ¹ with varying missions and has 131 offices throughout Mexico, particularly in small communities. The Special Fund for Agricultural Financing (Spanish: Fondo Especial para Financiamientos Agropecuarios; "FEFA") was created in 1965 to facilitate access to financing related to agriculture, livestock, poultry, agro-industry, fisheries and other related activities that are carried out in rural areas, and is one of the four trust funds that form FIRA ²⁰	
Amount issued	MXN \$3 billion (US\$150 million approx.)	MXN \$3.5 billion (US\$175 million approx.)
Date of issuance	19 October 2020	26 April 2021
Maturity	3 years	3 years
Coupon rate	Interbank Equilibrium Interest Rate (Spanish: TIIE) +14 bp +27 basis points	
Listing venue	BIVA stock exchange: https://www.biva.mx/	BIVA stock exchange: https://www.biva.mx/
Use of proceeds	<p>Proceeds from the Gender Bond were used to finance and/or refinance projects exclusively involving women or led by them.</p> <p>Projects fell within the agricultural, fishing, forestry, agri-food and rural sectors in three categories outlined in the framework:</p> <ol style="list-style-type: none"> 1. Financial inclusion, aimed at new credit recipients 2. Labour and productive initiatives, to provide financing for short-run credit or working capital for productive projects 3. Entrepreneurship, to provide long-term financing for capital investment in productive infrastructure 	
Target population	Women-led SMEs and women individuals involved in agriculture, forestry, fisheries and rural area projects in Mexico	
Gender considerations in the use of proceeds	<ul style="list-style-type: none"> • Access to essential services and financial inclusion • Generation of employment and labour and productive initiatives • Socioeconomic advancement and empowerment and entrepreneurship 	

²⁰ Sustainalytics, (2020). Fondo Especial para Financiamientos Agropecuarios (FEFA) Social Bond with a Gender Focus Framework





<p>Alignment with the Sustainable Development Goals (SDGs)</p>     	<ul style="list-style-type: none"> • SDG 1 – Target 1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance. • SDG 2 – Target 2.3: By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous people, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment. • SDG 5 – Target 5.5: Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life. • SDG 8 – Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. • SDG 10- Target 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
<p>Impact metrics</p>	<ul style="list-style-type: none"> • Amount of credit granted (millions of pesos); • Number of credits; • Number of women;
<p>Framework, SPO provider and international standards alignment</p>	<ul style="list-style-type: none"> • ICMA Social Bond Principles • Sustainalytics • https://www.fira.gob.mx/Files/ESG-Social-FEFA21G-MarcoReferencia-english.pdf
<p>Investor appetite</p>	<ul style="list-style-type: none"> • Oversubscribed 3.8 x In an environment affected by the COVID-19 pandemic, the social gender bond saw an overdemand of 3.8 times, greater than overdemand for plain vanilla bonds issued in the same year (2020) and even for green bonds (For example, FEFA 20V). This indicated the interest of institutional investors, made up mainly of pension fund administrators, brokerage firms, private banks, investment funds and insurance companies, among others²¹ • Oversubscribed 3.2 x Overdemand was 3.2 times, greater than that observed in three previous green bond issuances (1.8 times on average)



²¹ UN Women (2023). Mexico: Social Bond Issued by Public Development Bank



Thailand:

Krungsri²² Women SME Bond


Issuer	Bank of Ayudhya Public Company Limited (Krungsri), one of Thailand's Domestic Systemically Important Banks (D-SIBs) was established in 1945. The Bank was listed on the Stock Exchange of Thailand in 1977. With more than 30,000 employees, based in 4 ASEAN countries, Krungsri services more than 8.8 million clients.
Amount issued	USD 220 million (6.64 billion baht)
Date of issuance	October 2019
Listing venue	Unlisted
Use of proceeds	<ul style="list-style-type: none"> • Employment generation through women owned SME financing and microfinance for women • Socioeconomic advancement and empowerment through financing to women with low income, or disadvantaged female groups
Target population	<ul style="list-style-type: none"> • SMEs run by women, and • Women with low income, and/or disadvantaged groups of women
Alignment with the Sustainable Development Goals (SDGs) 	<ul style="list-style-type: none"> • SDG 5 – Target 5.1: End all forms of discrimination against all women and girls everywhere. • SDG 8 – Target 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services. • SDG 10 – Target 10.3: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
Impact metrics	<ul style="list-style-type: none"> • Amount of credit granted (millions of pesos); • Number of credits;
Framework, SPO provider and international standards alignment	<ul style="list-style-type: none"> • ICMA's Social Bond Principles • Sustainalytics • krungsri-second-party-opinion.pdf
Investor appetite	The bond was offered to the IFC and Deutsche Investitions- und Entwicklungsgesellschaft (DEG) with a total private subscription of USD220 million (or 6.64 billion baht). The investment was made by the Women Entrepreneurs Opportunity Facility (WEOF) – a joint initiation of the IFC and Goldman Sachs “10,000 Women”.

²² The first part of this section was obtained from the 2021 Allocation and Impact Report available at <https://www.krungsri.com/en/investor-relations/sustainable-finance/gender-bond>.



Kyrgyzstan:

Bank of Asia




Issuer	Bank of Asia was established in 1998 and is one of the few banks in the Kyrgyz Republic established with 100% foreign investment.
Amount issued	82 million som (US\$ 1 million)
Date of issuance	Nov 2022
Maturity	3 years
Coupon rate	12%
Listing venue	Kyrgyz Stock Exchange
Use of proceeds	<ul style="list-style-type: none"> • Employment generation through women-owned SME financing and microfinance for women • Socioeconomic advancement and empowerment through financing to women
Target population	<ul style="list-style-type: none"> • Women entrepreneurs from suburban and rural areas and different regions of Kyrgyzstan
Alignment with the Sustainable Development Goals (SDGs) 	<ul style="list-style-type: none"> • SDG 5 – Target 5.1: End all forms of discrimination against all women and girls everywhere. • SDG 8 – Target 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services. • SDG 10 – Target 10.3: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
Impact metrics	<ul style="list-style-type: none"> • Amount of credit granted (millions of pesos); • Number of credits;
Framework, SPO provider and international standards alignment	Not applicable
Investor appetite	25% of gender bonds (20,500,000 KGS) were purchased within the first half hour of trading, mainly by the business sector. Among the first buyers were the Accumulative Pension Fund of Kyrgyzstan; Lee Jong Beck, one of the shareholders of Bank of Asia; businessperson Jumabek Salymbekov; Nadira Kasymova, CEO of World Class Bishkek; the insurance company Jubilee Kyrgyzstan, and the association 'Dordoï'.





Georgia:

Joint Stock Company Microfinance Organization Crystal (Crystal)

Issuer	Joint Stock Company Microfinance Organization Crystal (Crystal) started operations in 1997 and is the largest and oldest microfinance institution in Georgia. It has a loan portfolio of GEL362 million as of the end of 2021 (a 10.0% increase since the end of 2020), more than 1,000 staff, and 120,000 customers across 13 regions served through 50 physical branches and digital channels. Crystal focuses on low-income borrowers with informal incomes, mostly in rural areas. Its clients operate and earn income from services (29.0%), agriculture (26.0%), small trade and production (17.0%), formal salaries (16.0%), and remittances (11.0%) and 1% from other income, such as pension and other financial aid. 16 Crystal plans to maintain the same sector concentration. Fitch Ratings affirmed Crystal's rating at B- with a stable outlook on 15 July 2022.
Amount issued	25 million Georgian Lari (USD 9.6 million)
Date of issuance	Feb 2023
Maturity	2 years
Coupon rate	~11.2%
Listing venue	Georgian Stock Exchange
Use of proceeds	<ul style="list-style-type: none"> • Access to essential services • Employment generation through SME finance and microfinance • Socioeconomic advancement and empowerment
Target population	Women owned micro, small and medium enterprises, focusing additionally on climate-related financing and borrowers in rural areas
Alignment with the Sustainable Development Goals (SDGs)   	<ul style="list-style-type: none"> • SDG 1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance. • SDG 5.a: Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws • SDG 9.3: Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.
Impact metrics	<ul style="list-style-type: none"> • Number of WMSME borrowers • Number of WMSME borrowers of climate-related loans • Number of WMSME borrowers in rural areas
Framework, SPO provider and international standards alignment	<ul style="list-style-type: none"> • ICMA's Social Bond Principles • Scope ESG Analysis GmbH - Second-Party Opinion (crystal.ge) 20220916-Crystal-Gender-Bond-Framework_Final.pdf
Investor appetite	ADB (75%) and Bank of Georgia (25%)





Australia:

National Australia Bank Social Bond with Gender Focus²³

Issuer	The National Australia Bank (NAB) Group is a financial services organization with over 35,000 employees, more than 595,000 shareholders and serving more than 10 million customers. The majority of its businesses operate in Australia and New Zealand with additional operations located in the United States, Asia and Europe. ^{1,2} The bank operates the following customer-facing units: Business & Private Banking, Personal Banking, Corporate & Institutional Banking and the Bank of New Zealand. ^{3,4} Recognizing the importance of advancing gender equality in the workplace, the marketplace and the community, NAB became a signatory to the United Nations Women's Empowerment Principles in 2017.
Amount issued	AUD 500 million
Date of issuance	24 March 2017
Maturity	5 years
Coupon rate	3.25 per cent per annum fixed rate
Listing venue	Unlisted
Use of proceeds	<p>The net proceeds were earmarked for refinancing a portfolio of existing loans and assets for organizations that had been awarded the Employer of Choice for Gender Equality citation (EOCGE) by the Workplace Gender Equality Agency (WGEA).</p> <p>The Workplace Gender Equality Agency is an Australian governmental agency that aims to promote and improve gender equality in workplaces nationally as framed by the Workplace Gender Equality Act 2012. To receive an EOCGE citation by the</p> <p>WGEA, organizations must comply with the above-mentioned act and with the requirements under seven focus areas of the citation.</p> <p>The focus areas since 2019–2020 are:</p> <ol style="list-style-type: none"> 1. Leadership, strategy and accountability 2. Developing a gender-balanced workforce 3. Gender pay equity 4. Support for caring 5. Mainstreaming flexible work 6. Preventing sexual harassment, gender-based harassment and discrimination, and bullying 7. Driving change beyond your workplace <p>Organizations, however, must substantiate their claims through a robust assessment process. Citations are awarded for a two-year period. The WGEA conducts a five-year review of its EOCGE citation process.</p>
Target population	Not applicable



²³ UN Women. 2023. Australia: Social Bond Issued by a Commercial Bank – National Australia Bank



Australia:

Alignment with the Sustainable Development Goals (SDGs)



- **SDG 5 – Target 5.1:**
End all forms of discrimination against all women and girls everywhere.
- **SDG 5 – Target 5.5**
Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.
- **SDG 5 – Target 5.b:**
Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women.

Impact metrics

- Number and percentage of women
- Number and/then percentage of women in managerial positions
- Number and/then percentage of women on board

Framework, SPO provider and international standards alignment

- ICMA’s Social Bond Principles
- Framework: National Australian Bank Limited Social Bond: Framework Overview and Second Opinion by Sustainalytics. 15 March. <https://capital.nab.com.au/docs/170315-NAB-Social-Bond-Framework-and-External-Opinion.pdf>
- SPO: Sustainalytics, with use of proceeds assurance provided by Ernst & Young. <https://capital.nab.com.au/disclaimer-area/green-and-sri-bonds>

Investor appetite

The NAB Social Bond was fully subscribed by superannuation funds and investors in Australia and abroad, many of whom focus on sustainable assets.





Regulations, steps, and main stakeholders of Gender Responsive Bond Issuance

The key laws that regulate the Mongolian bond market is the Securities Market Law, the Company Law and the Asset-Backed Securities Law.

The FRC is the main governing body of the capital market and operates as the regulatory body for all non-bank financial markets. The FRC supervises more than 3,000 non-bank financial entities, including insurance companies, brokerage companies, non-bank lenders, savings and credit cooperatives, etc.

The detailed regulatory process is outlined in Regulation on Debt instrument Registration of the Financial Regulatory Commission (amended as per Resolution No. 226 on 11 June 2021).

According to the Securities Market Law, bonds may be issued for sale by way of public offer (referred to as open securities) or by private placement (referred to as closed securities).

The Mongolian Stock Exchange, established in 1991, is the main stock exchange in Mongolia and a listed company with 66% ownership of the Ministry of Finance. As of the first half of 2023, there were 183 listed public companies with a combined market capitalization of USD3.1 billion, 16 corporate bonds, with maturities of 1 and 3 years, 2 listed funds and 7 asset backed securities listed on the MSE. Please refer to the list of publicly traded bonds from the Appendix 1.

Ulaanbaatar Securities Exchange was established on May 1, 2015 as the second stock exchange in Mongolia. As of the first half of 2023, it has one listed security with a market capitalization of USD 0.5 million.

Public offerings of corporate debt securities are regulated by the Listing Rules and Trading Rules of the stock exchanges (Mongolian Stock Exchange and Ulaanbaatar Securities Exchange) while the private placement is regulated by the OTC Market regulations.

1. BY WAY OF PUBLIC OFFER (REFERRED TO AS OPEN SECURITIES): EXCHANGE-TRADED

A public offer means making an offer to the public, through news media channels, or the sale of securities to 50 or more persons in accordance with the procedures issued by the FRC, according to the law. It is required to get approval from both the FRC and the exchange to publicly offer its securities.

The issuer is required to appoint an underwriter and prepare a securities prospectus to file with both the FRC and the exchange. A bond prospectus is required to have the following reports from third-party professional institutions regulated by the FRC: (i) audited financial report by a licensed auditing firm; (ii) legal opinion by a licensed legal firm; and (iii) asset valuation report by a licensed valuation firm.





The bond prospectus and other required documentation is then provided to the exchange and the FRC, and it needs both their approval before it can be offered to the public.

The Securities Market Law restricts the total value of publicly offered debt instruments to be not more than the value of its net assets or the sum of the value of its net assets and value of third-party guarantees. However, FRC allows that the bond can be unsecured if the issuer has a credit rating that is provided by an eligible credit rating organization. Also, if the issuer is a listed company, it may issue an equity backed bond and the equity shall not be more than 50 percent of the outstanding shares.

Detailed requirements on the contents of the prospectus are outlined in the Securities Market Law as well as the FRC Regulation on Debt Securities Registration. According to the MSE Listing Rules, the issuer for debt securities shall meet the criteria for MSE Tier 2 listing requirements, which are a minimum of 3 years of operations and audited financial statements, net profit of no less than MNT100 million, or sufficient working capital to operate for more than 12 months. In addition, the issuer needs to be either fully guaranteed by the government or hold sufficient collateral assets to guarantee full repayment of the principal and interest payments, or the debt security needs to have a credit rating by an eligible international or domestic agency.

TABLE 6. Bond registration and listing criteria

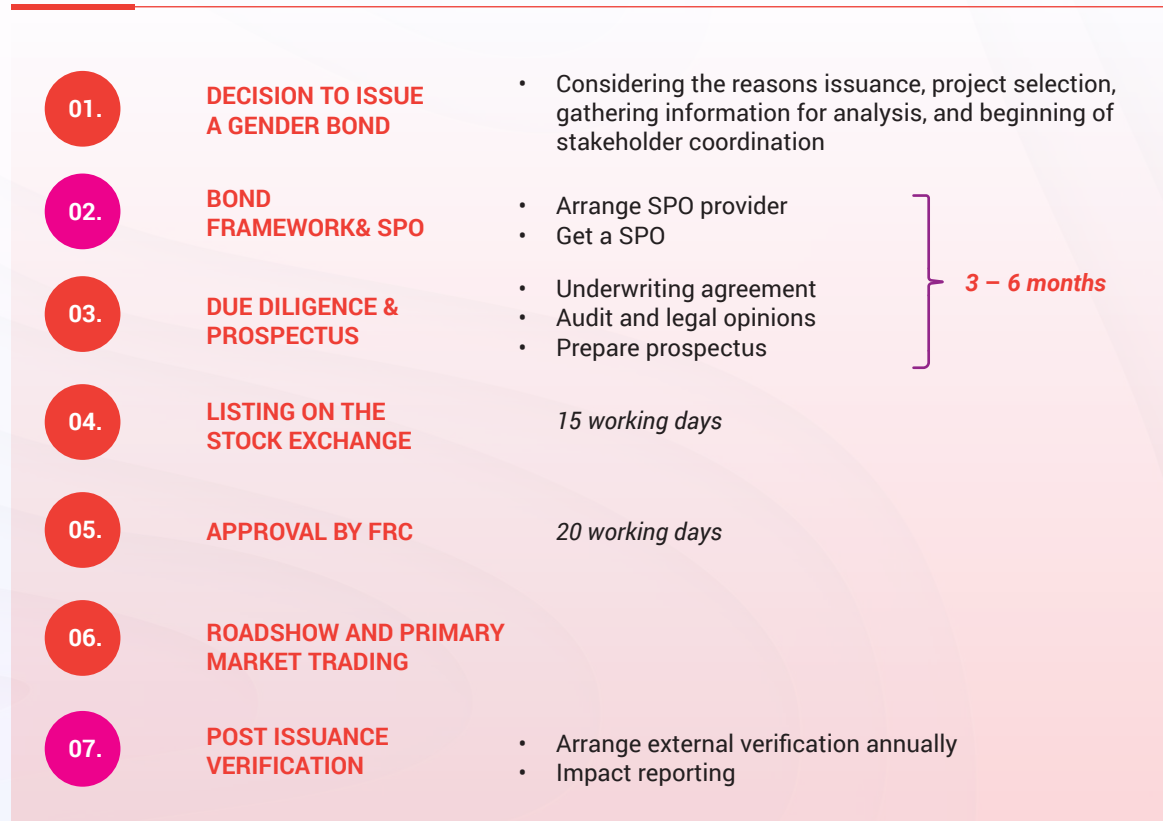
General criteria	FRC's Regulation on registration of debt instruments	Mongolian Stock Exchange's Securities Listing Rules
Operating history & Collateral	<ol style="list-style-type: none"> 1. Must have a stable operating history of not less than 3 years 2. Must not have any overdue and outstanding debt with court decision enforcement authority and financial institutions, 3. If the Issuer is a listed company, the shareholder may issue a guarantee with his holding shares which shall not exceed 50 percent of the equity value of the Issuer. 4. If the issuer has a credit rating determined by an eligible foreign or domestic agency, collateral assets to guarantee full repayment of the principal and interest payments for the debt securities may not be required 	<ol style="list-style-type: none"> 1. Must have a stable operating history of not less than 3 years and 2. Must not have any overdue and outstanding debt with court decision enforcement authority and financial institutions, 3. Must hold sufficient collateral assets to guarantee full repayment of the principal and interest payments for the debt securities <div style="text-align: center;">Or</div> The issuer shall be fully guaranteed by the Government of Mongolia <div style="text-align: center;">Or</div> The issuer shall have a credit rating determined by an eligible foreign or domestic agency
Financial performance	-	Revenue of the most recent year shall be not less than 100 million <div style="text-align: center;">Or</div> Working capital shall be adequate for the 12-month from the listing date
Track record	Must not have any track record of default or delay of principal and interest payments for two or more times	





There are several key steps an issuer must go through in order to effectively issue a Gender Bond for legal entities.²⁴ These steps are described below.

FIGURE 7. Gender bond issuance process of the Exchange listed bond for legal entities



The FRC facilitates the bond registration process and reviews the application within 10 working days if the issuer satisfies any of the following:

- ✓ The issuer is listed in the stock exchange’s Tier 1 category;
- ✓ The issuer’s bond is fully guaranteed by the Government or any development financial institutions that admitted Mongolia as a member;
- ✓ The issuer has been included in the list of Top 100 companies determined by the Government and the Mongol Chamber for one or more times in the previous three years;
- ✓ The issuer is the Development Bank of Mongolia;
- ✓ If the Issuer has issued publicly offered bonds for more than twice, no more than 12 months shall have elapsed since the date of the full repayment of the bond.
- ✓ Governors of the province or the capital city.

²⁴ The issuance process is different for the governors of the province or the capital city and the Government.



Step 1:

The first step is to set the goals of the issuance and engage stakeholders to initiate the process of searching for a sufficient project pipeline with which funds could be allocated towards. The Projects would have to be eligible by aligning with the SDG 5 and aim to address the gender inequality issues of Mongolia.

Step 2:

Although not mandatory, SPOs are often used to verify the bond framework and the validity of the impact of the bond pre-issuance and post-issuance, for the purpose of reassuring investors before they invest their capital. Adherence to standards or principles which provide a degree of assurance and comparability will significantly impact the market's attractiveness to investors. The Social Bond Principles encourage the issuer to obtain a second-party opinion (from a credible specialist firm) to verify that their bond and the associated framework comply.

The emergence of an SPO as best practice for a Thematic Bond issuance, is that previous bond issuances evolved to be weakly written, left room for interpretation and even greenwashing, and ultimately not maximising the potential impact.

Step 3:

Another important part of the bond issuance is the need for appointing an underwriter licensed by the FRC to lead the entire securities issuance process. Also, it needs to engage third party professional institutions and have an audited financial report by a licensed auditing firm; legal opinion by a licensed legal firm; and asset valuation report by a licensed valuation firm/an underwriter. Even though an underwriter is expected to create and submit the prospectus and relevant application forms in practice, this preparatory work to publicly issue corporate debt securities requires significant time and resources from the issuer. The choice of which firm to select is down to key stakeholders, with the selection focusing on key information such as capacity, pricing, access to impact investors, marketing, and more.

Step 4-5:

The exchange shall review and issue a decision whether to accept or refuse the securities listing application within 15 working days. The FRC shall review and issue a decision within 20 working days of receipt of the required documents and the securities prospectus. The period for considering applications shall be calculated as commencing on the date of receipt of a complete application for both organizations. Based on the FRC's decision to register the securities, the securities listing becomes effective at the exchange.

Step 6:

After the commencement of the public offering is approved by the FRC, the issuer and the underwriter are allowed to start a public offer of the securities for sale. Only the information contained in the securities prospectus approved by the FRC is allowed to be marketed to the public. Since the date of the securities registration by the FRC, the issuer and its underwriter have 6 months to offer the securities to the public and start primary market issuance of the securities.

Step 7:

Depending on capacity, it may also be necessary to bring in an external verifier, post issuance. This is in order to monitor the allocation and subsequent impact of the proceeds of the bond. The use of an external verifier is dependent on the sovereign's capacity to carry out these checks. The external verification adds transparency to the issuance process and encourages investor confidence, however, comes at a cost.





Aside from a pre-issuance Framework, reports will also be made post-issuance. The report will be published yearly, with best practice dictating that the issuer would provide investors with both an Allocation report and an Impact report.

An Annual Allocation Report will be provided to investors until the total amount of budgetary resources expended on eligible expenditures equals the total amount of the net proceeds of the Gender Bond. The allocation report will include the following details:

- Net proceeds of outstanding Gender Bond.
- Aggregate amount of net proceeds allocated to Eligible Categories
- Examples of Social or Environmental Projects from each Eligible Categories (subject to confidentiality disclosures).
- The proportional allocation of proceeds between existing projects (refinancing) and new projects.
- The remaining balance of unallocated proceeds, if any.

Impact Reporting:

In addition, impact reporting on the expected impacts of the Eligible Expenditures will be provided and should be made available on at least an annual basis, subject to the availability of the relevant data.

Issuers should publish, and keep readily available and easily accessible:

- Up-to-date information on the performance of the selected KPI(s), including baselines where relevant
- A verification assurance report relative to the SPT outlining the performance against the SPTs and the related impact, and timing of such impact, on the bond's financial and/or structural characteristics, and
- Any information enabling investors to monitor the level of ambition of the SPTs (e.g., any update in the issuers sustainability strategy or on the related KPI/ESG governance, and more generally any information relevant to the analysis of the KPIs and SPTs)



2. BY PRIVATE PLACEMENT (REFERRED TO AS CLOSED SECURITIES): OTC TRADED

According to the OTC market regulation of 2021, private placements of bonds will be registered and traded on the OTC Market which was established in 2020 under the Mongolian Association of Securities Dealers (MASD). The MASD is responsible for organizing securities trading on the OTC market through electronic software, monitoring the proper conduct of securities trading, and delivering market information to the public. FRC licensed brokers, dealers, underwriters, custodians, securities trustees and investment funds can carry out activities on concluding direct sale and purchase agreement on financial instruments on the OTC market. Mongolian citizens and legal entities registered in Mongolia who wish to participate in the OTC trading are required to meet certain criteria. For example, a Mongolian citizen should have an average monthly income of MNT 10 million or more for the last year, or a net asset of MNT 500 million (liabilities deducted from the total amount of current and savings accounts and securities); and should have experience in securities trading in the domestic and foreign markets for the last 1 year. As for a legal entity registered in Mongolia, the amount of sales income for any of the last 3 years shall not be less than 2.5 billion MNT; and an equity requirement of at least MNT 1 billion²⁵.

²⁵ MDS Khanlex, (2021). *Adoption of regulation on operation of the over-the-counter market is an important step in capital market development*



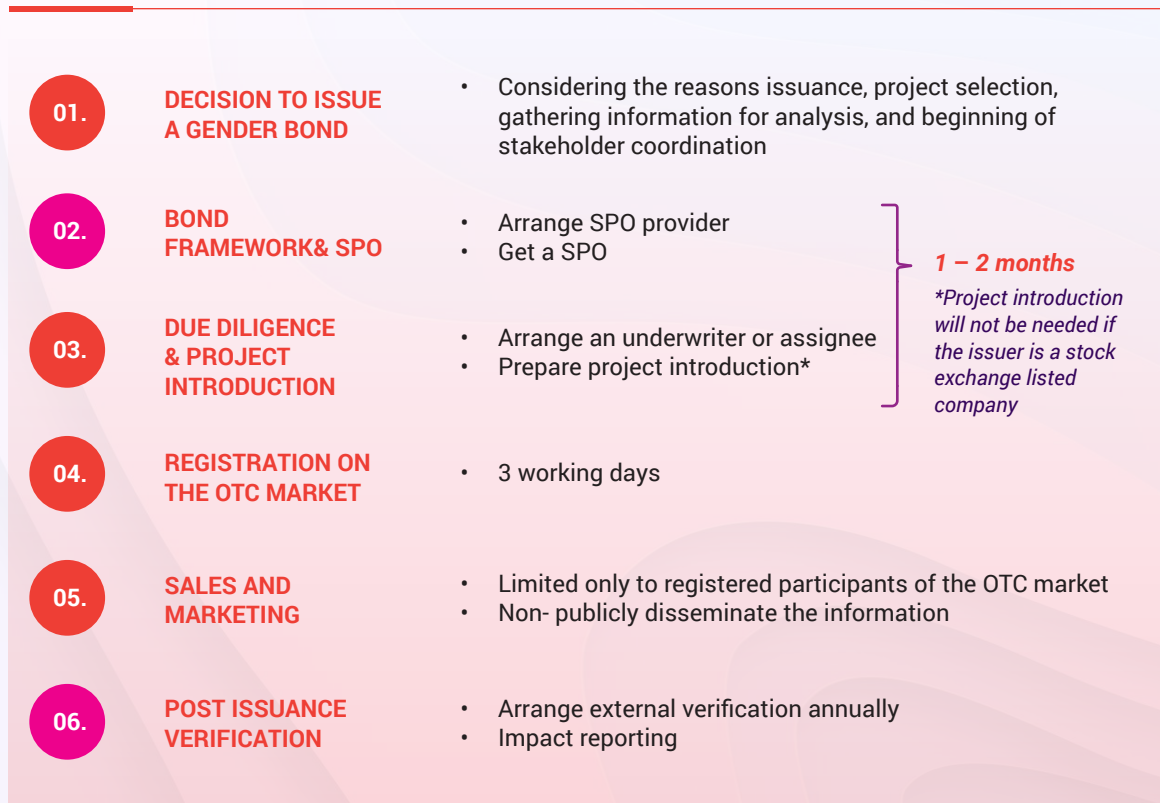
General criteria for the issuers:

- Must be a legal entity registered and operating in Mongolia according to the legislation;
- Must have a stable operating history of 1 year before the application;
- Must have a determined use of proceeds;
- Must have an audited financial statement for the previous financial year;
- Must hold sufficient collateral assets to guarantee full repayment of the principal and interest payments for the debt securities or have a credit rating determined by an eligible foreign or domestic agency;
- Must have a plan to fulfill the payment obligation;
- If the Issuer is a listed company, the shareholder may issue a guarantee with his holding shares which shall not exceed 50 percent of the equity value of the Issuer; and
- If the investor is not determined, the Issuer shall have an agreement with the Assignee.

The MASD was established in July 1995 under the mutual initiative of domestic securities firms. It is a nongovernmental organization with members consisting of market participants.

All types of securities, including stocks and bonds can be traded on the OTC market, however, the OTC market allows only private placement.

FIGURE 8. Gender bond issuance process of the OTC registered bond





Regulatory overview of thematic bond issuance

Since 2018, financial regulators and market organizations have been actively working towards promoting green and sustainable financing practices in the market. For example, MSE introduced some waivers, exemptions, and fee discounts for securities aligned with the SDG taxonomy and/or the Green taxonomy while the FRC's newly approved Bond Registration Regulation included an issuance of a green bond framework which aims to define the key requirements and processes for issuing a green bond, including use of proceeds, registration, reporting and verification aspects. Also, FRC allowed the fast tracking of the process of green bond registration.

In 2021, ESG reporting requirements have been introduced as part the MSE's Disclosure and Transparency Rules to the market by the joint project of the FRC, MSE, Mongolian Sustainable Finance Association, UNDP and IFC. Consequentially, the listed companies are now able to make ESG reporting based on the MSE approved standards on a voluntary basis.

In June 2023, the first green bond was issued by the Khan Bank in the local capital market. In June 2023, the first green bond was issued by the Khan Bank in the local capital market, and the trading on the MSE commenced in the fourth quarter of 2023.

Cost

As there are large number of stakeholders involved in the issuance process, careful considerations need to be given to the costs associated in an undertaking. Costs may be incurred during an external review, the MRV partner, technical assistance, and more; and will vary depending on the partners selected. It is therefore advised that the issuer conduct a cost-benefit analysis to gauge whether an issuance is economically viable, and if so, determine who the counterparties will be.



TABLE 7. Costs associated with the gender bond issuance²⁶

Administrative costs	Pre-Issuance	Year 1	Ongoing
Internal costs (e.g., treasury, corporate affairs and sustainable development)			
Gender bond framework	5,000-15,000	n.a.	n.a.
Selection process	n.a.	2,000-5,000	n.a.
Management of proceeds	n.a.	1,000-2,000	n.a.
Reporting	n.a.	2,000-10,000	2,000-10,000
External cost			
Underwriting	3-5% of the total proceeds ²⁷	n.a.	n.a.
Legal	2,000-5,000	n.a.	n.a.
External review	15,000-50,000	0-10,000	0-10,000
TOTAL	22,000-70,000 + underwriting fee	5,000-27,000	2,000-20,000

²⁶ UNDP Green Bonds Training, 2021

²⁷ Mongolian Stock Exchange (2021).



Gap analysis for issuance of Gender bond in the local market

There are no significant obstacles to gender bond issuance in the local market. However, it requires resources (capital and human) and time in order to identify and communicate with potential issuers and support them in issuing gender bonds. Considering that sustainable finance is relatively new to Mongolia’s market, it is associated with uncertainty and perceived risks because of the market’s low familiarity, lack of experience, existing debts. Thus, a demonstration of an issuance from highly-rated and established entities provide good examples for other potential issuers to follow by creating early momentum and building market confidence.

While there has been increased and significant focus on women entrepreneurs in Mongolia, this has developed outside the capital market. There are key factors in a successful issuance of a gender bond²⁸, including availability of pipeline, investor interest, enabling factors, issuer credibility as well as capacity.

TABLE 8. Gap analysis for gender bond issuance

№	Current status	Action required
1.	<p>Key factors:</p> <p>GOOD</p> <p>As of 2020, there are 63131 SMEs of which 68 percent is women led enterprises. Moreover, 70% of women owned businesses are underserved that represent 25% of the total credit gap in Mongolia.</p>	<p>Availability of credible investment strategy or project pipeline</p> <p>In order to develop gender bond market, initial gender bond demonstration issuance from well-known and trusted entities provide good examples for other potential issuers to follow by creating early momentum and building market confidence.</p> <p>Among the many market players, the most-suited organizations to issue a gender bond are commercial banks. Because they could easily identify the existing loans to female-owned businesses on their books, group these together and issue a gender bond off the back of this. Moreover, they have same credit rating with the Government, enough capacity to issue any thematic bonds, and have been increasingly active in the local capital market since 2022.</p> <p>Also, NBFIs have high potential and interest to issue gender bonds domestically as they are restricted from collecting deposits, and their activities are largely dependent on the funds they can mobilise in addition to their own capital. Several larger NBFIs have successfully issued IPOs and others are planning to issue bonds in the capital market.</p>



²⁸ UN Women, FSD Africa (2020). *Viability of Gender Bonds in SSA - A Landscape Analysis and Feasibility Assessment*.

TABLE 8

№ Current status	Action required
2. Key factors: Economic viability and investor appetite	
FAIR	
<ul style="list-style-type: none"> A market where a green or social bond has been successfully issued is more likely to have appetite for a gender bond²⁹. As of now, there is not any thematic financial instrument issued in the market, except for the Khan Bank's green that was first offered in 2023Q3. As of June 2023, the weighted average lending rate was 16.2 per annum for local currency denominated loan. In order to ensure the viability of the bond issuance, concessional financing would be required. Personal income tax rate on interest income earned from corporate bond is 5 percent which is lower than the tax on income earned from bank deposit (10%) 	<p>DFIs or development organizations that encourage gender equality through the capital markets can provide concessional financing to supplement the economic viability.</p> <p>As the thematic bond market is at its early stage, credit enhancements, such as guarantees, first loss provisions, and insurance, are crucial to providing comfort to investors, enhancing issuers' credit ratings, and spreading familiarity with gender bond concept amongst other potential market participants.</p>
3. Key factors: Enabling factors	
GOOD	
<ul style="list-style-type: none"> The rapid growth of the local capital market is an opportunity to channel new financial flows towards gender responsive projects. 	<p>The gender bond market needs to be supported by well-designed incentive mechanisms, including technical assistance programme for gender bond issuers with the support of international partners and reduction of fees associated with listing/ registration as well as clearing and settlement for gender bonds.</p>
<ul style="list-style-type: none"> The FRC's regulation on bond registration facilitates green bond issuance, however, does not include any provisions related to social bonds. 	<p>In addition, FRC's regulation should be amended to include provisions related to registration, regular reporting and external verification for social and sustainable issuances.</p>
<ul style="list-style-type: none"> The Mongolian Stock Exchange's Listing Rules offer some waivers and exemptions as well as fee discounts for SDG aligned issuances including green and sustainable securities that are aligned with the National Green Taxonomy and the SDG Taxonomy. 	<p>The Stock Exchange should establish a special platform that facilitates the fund raising for social enterprises and investing for investors/donors with inbuilt regulation for providing sanctity and accountability of finances.</p>



²⁹ UN Women, FSD Africa (2020). Viability of Gender Bonds in SSA - A Landscape Analysis and Feasibility Assessment



TABLE 8

№ Current status	Action required
<p data-bbox="272 367 644 398">4. Key factors: Issuer credibility</p> <p data-bbox="292 421 347 452">FAIR</p> <p data-bbox="292 468 842 689">According to the Company Law and the Securities Market Law, a bond issuer cannot issue a bond that exceeds its owner's equity which means unsecured bond is not allowed except for the bonds with credit ratings. Thus, publicly offered/ listed bonds are relatively safer and less risky than other corporate financial instruments.</p>	<p data-bbox="857 468 1410 656">In order to enhance credibility, support from DFIs can make meaningful contribution to the first pilot gender bonds. Facilities such as the World Bank's Women Entrepreneurs Finance Initiative or the IFC's Women Entrepreneurs Opportunity Facility could increase institutional investor confidence.</p>
<p data-bbox="272 763 927 795">5. Key factors: Data quality and regular reporting capacity</p> <p data-bbox="292 817 363 848">POOR</p> <p data-bbox="292 864 815 927">Sex disaggregated data dissemination needs to be improved at national level³⁰.</p>	<p data-bbox="857 864 1418 1227">In the case where the bond targets on-lending, access to data is a key issue which will determine the viability of a gender bond. In order to issue a credible gender bond, the issuer must define and justify the label, and how the underlying asset portfolio meets the required criteria. In order to identify the assets for the portfolio the issuer must have the relevant data available, whether that be the gender of board members or the nature of the business of a loan client. Without this data a portfolio cannot be credibly structured.</p>

³⁰ Women Entrepreneurs Finance Initiative, EBRD and EPCRC, 2021, Gender statistics assessment on entrepreneurship

Section 3.

Benchmark for Gender Responsive Bond frameworks for financial institutions



Section 3.

Based on the benchmark for gender responsive bond frameworks prepared in this project, the following table presents the potential business cases and eligible project and expenditure items as available in the Mongolian economy but also leaving the door open for innovation.

Use of proceeds category: ACCESS TO ESSENTIAL SERVICES	
Eligibility Criteria	Social and environmental benefits
Construction, renovation and extension of public and private childcare (daycare and after school care), elderly care and Disability Services centers and facilities	Investing in care services and infrastructure will increase employment and have strong multiplication effects throughout the economy. It will reduce care burdens within the household leaving more time for employment and leisure for women in particular.
Provision of technology & services that train/upskill domestic & care workers (e.g. technology that links employers to domestic/care workers),	Improved access to essential services for women
Provision of affordable time and labour saving technology and products (e.g. product that makes washing, cooking more efficient)	Improved access to water and sanitation services for women
Provision of technology, services & policies/practice that improve condition for domestic & care worker (e.g. apps that calculate decent remuneration),	Improved productivity of women and reduced unpaid care work
Provision of affordable services that provide care & domestic work (e.g. affordable daycare services in rural areas),	Increased and safety of women and reduced risk of facing gender-based violence with the consequent cost to them and wider society
Awareness raising on the care economy through marketing, information campaigns & programmes that raise awareness & increase motivation	
Construction, renovation and extension of community service centers with WASH (water, sanitation and hygiene) and computer facilities in ger districts ¹⁴ and rural regions	
Construction of new water treatment and transfer works, distribution/sewer network extensions, on site sanitation facilities and new connections	
Upgrade and maintenance of water treatment and transfer works as well as distribution networks, network management related measures	
Projects aiming at supporting, integrating and providing basic services to vulnerable women	

SDG Targets





Use of proceeds category: ACCESS TO HEALTH AND EDUCATIONAL SERVICES

Eligibility Criteria	Social and environmental benefits
The purchase of healthcare materials and equipment to improve access to affordable and/or quality women's health care services	Improved access to healthcare and specialized healthcare for women
Construction, renovation and extension of public and private primary, secondary and higher education ³¹ facilities to improve the provision and access to affordable and/or quality education	Improved access to quality education for women
Technical training for youth, and in particular unemployed women and girls	Improved access to healthcare and educational services, especially in rural areas will increase wellbeing and productivity of women and within the household and economic activities.
Scholarships to support women working in science, technology, engineering, and mathematics (STEM) roles, through scholarships, internships, and mentoring programs, and particularly target areas such as information technology (IT) where women are significantly underrepresented	Better care for men focusing on changing unhealthy habits
Providing men with improved healthcare services focusing on changing unhealthy lifestyle habits driving the large difference in life expectancy compared with women ³² .	

SDG Targets



Use of proceeds category: AFFORDABLE HOUSING

Eligibility Criteria	Social and environmental benefits
Housing targeting female headed households in the underserved areas of Ulaanbaatar city and other urban areas	Improved access to affordable housing for women
Affordable housing that meets the Affordable Housing Financing Guidelines, approved by the Cabinet Resolution No. 369, dated 5 December 2018, of not exceeding 80 sq.m for apartments and 120 sq.m for houses	Quality and environmentally conscious housing will reduce the need for burning highly polluting matter into the air thus reducing sickness in households and the related care burden for women that prevents them from educational and employment opportunities. Housing projects should include spaces for care of children, elderly and disabled persons, and also commercial spaces to avoid unnecessary trips to more congested areas thus reducing also pollution.
Low-rent housing for low-income women and female headed households	

SDG Targets



³¹ This can include dormitories with infrastructure suited for 6 years old children, facilities to support inclusion, kindergartens and elderly care centers in remote areas are welcomed.

³² This can include Mobile public health service for herders, sexual and reproductive health trainings, gender responsive psychological counselling services are needed.



Use of proceeds category: **SME FINANCING AND MICROFINANCE**

Eligibility Criteria	Social and environmental benefits
<p>Providing women with equal access to banking, financial services and other economic resources</p> <p>Financing or refinancing of loans and advisory services to women-owned SMEs and to female entrepreneurs</p> <p>Opening of bank credit lines to women's businesses</p> <p>Financing or refinancing of loans to Microfinance institutions with gender aligned products</p> <p>Increasing the number of women credit advisers in banking and finance institutions</p> <p>Provide relevant inputs or equipment to women entrepreneurs who have limited access</p> <p>Community investment projects that help women in the community generate income</p>	<p>Improved access to financing</p> <p>Financing women-owned micro and small enterprises (MSEs) can bring numerous benefits, including:</p> <ol style="list-style-type: none"> 1. Economic empowerment: By providing women with access to capital and financial services, financing can help women to grow their MSEs and increase their economic independence and empowerment. 2. Increased productivity and growth: Women-owned MSEs that receive financing tend to be more productive and grow faster than those that do not, contributing to overall economic growth and development. 3. Improved gender equality: Financing women-owned MSEs can help to address gender-based financial discrimination and promote greater gender equality in access to finance. 4. Reduced poverty: By providing women with the means to grow their businesses, financing can help to reduce poverty and improve the well-being of families and communities. 5. Improved social and economic outcomes: Women-owned MSEs are often major employers and contributors to their local economies, so financing these businesses can have positive spillover effects on communities and contribute to sustainable development. <p>Overall, financing women owned MSEs can bring numerous benefits, including increased economic empowerment, improved gender equality, reduced poverty, and improved social and economic outcomes.</p>
<p>SDG Targets</p>	






Use of proceeds category: **CLEAN TRANSPORT**

Eligibility Criteria	Social and environmental benefits
<p>Purchase of vehicles with zero direct emissions</p> <p>Passenger vehicles with a CO₂ emission of less than 100g/km until 2030, vehicles with CO₂ emission of less than 50g/km until 2040, and from 2041 only vehicles with zero direct emissions such as electric</p> <p>Training for the repair of clean transport vehicles</p> <p>Credit and loans for opening or refurbishing clean energy repair and parts shops</p>	<p>Reduction of air pollution</p> <p>Reduction of GHG emissions</p> <p>The reduction of emissions and air pollution will improve everyone's health thus reducing the added care burdens for women in particular.</p> <p>Access to both individual and public transport that is environmentally sustainable will benefit women and men. It needs to be ensured that that women have equal access to these modes of transport</p>
	<p>SDG Targets</p>



Use of proceeds category: SOCIOECONOMIC ADVANCEMENT AND EMPOWERMENT	
Eligibility Criteria	Social and environmental benefits
Scholarships for accessing employment training	Reduction of women's unemployment
Development and maintenance of employment training centers for women	Reduction of female poverty
Enterprise Human Resource family friendly policies understood as Human Resource assets ³³ to support employee (male and female) expenses of care of children, disabled or elderly.	In companies, this will also have increased productivity effects. Sharing of care burdens between men and women within the household will improve.
Design of care checks by private companies for workers to use in established care centers and introduction of longer maternal leaves, paternity leaves and parental leaves in companies trying to attract talent.	
	SDG Targets  Target 5.4 Value unpaid care and promote shared domestic responsibilities;  Decent Work and Economic Growth

SUSTAINABLE AGRICULTURE, LAND USE, FORESTRY & BIODIVERSITY CONSERVATION	
Eligibility Criteria	Social and environmental benefits
Expenditure related to gender responsive programs and projects for local agriculture production including sustainable agriculture management, agriculture products and food processing, organic agricultural product, agricultural production inputs and facilities (new or refurbished for sustainability).	Increased income of women farmers Reduction in poverty experienced by women.
These must have specific objectives for inclusion of women and address gender inequalities in all programmes and projects	Women play a key role in the management of these resources. Expenditure can include specific consultations with women about the intended objectives of these programmes and projects to ensure that their views and needs are included as well as to identify gender inequalities that must be addressed. This will increase the impact of these initiatives
Provision of farm infrastructure & agricultural inputs for rural female farmers	The initiatives should include opportunities for women and men in the different areas related to these activities ensuring all can contribute and benefit equally.
Small-scale irrigation & agriculture value chain	
	SDG Targets   



³³ These Human Resource management assets include: employer branding, recruitment, onboarding, retention, development, culture, career management, mobility, succession planning, talent management, performance management, employee administration and legal issues. Supporting employees with child-care expenses impacts positively on these assets, in particular for women employees but can also encourage men to share in the unpaid care burdens in the household.






Use of proceeds category: GREEN AND SOCIAL BUILDING

Eligibility Criteria	Social and environmental benefits
<p>Construction of new green buildings and renovation/ retrofitting of existing buildings (commercial, public, industrial, and residential) that receive green building certificates. These must have specific objectives for employment of women in the design, management, administration, and construction.</p> <p>Construction, renovation, adaptation to existing normative framework, and extension of public and private kindergartens, elderly care centers and medical centers/facilities for disabled people to reduce the unpaid care work of women</p>	<p>Reduction/avoidance of GHG emissions</p> <p>This is closely related to reduction of pollution that has a significant impact on health and increased care burdens for women.</p> <p>Inclusion of women at all stages will also increase the quality of final outcomes while it will reduce women's unemployment.</p> <p>SDG Targets</p> 



Use of proceeds category: RENEWABLE ENERGY

Eligibility Criteria	Social and environmental benefits
<p>Purchase and installation of renewable energy generation facilities, including wind (onshore) and Photo Voltaic and Concentrated Solar Powerfacilities, both on-grid and off-grid, and small-scale hydro power stations (small hydro power stations with reservoirs and pumped storage, fossil fuel only charged pumped storage will be excluded) not exceeding 25MW. These must have specific objectives for employment of or ownership by women in the design, management, administration, and construction.</p> <p>Training for installation and conservation/upkeep of renewable energy installation for young women.</p> <p>Promotion of women in renewable energy companies through internships, mentoring, career path opportunities (human resource asset development).</p>	<p>Reduction/avoidance of GHG emissions</p> <p>Women play a key role in the management of energy at household level. However, they are not represented in the generation and installation of energy production.</p> <p>This will also have a positive effect in reducing pollution and thus on better health outcomes and reduction of care burdens for women at household level.</p> <p>SDG Targets</p>   



Use of proceeds category: **ENERGY EFFICIENCY**

Eligibility Criteria

Energy efficient equipment and technology improvements, building retrofitting, insulation and energy efficient lighting, end-user products, and related services

Provision of energy efficient appliances for households

Training for installation and conservation/repair of energy efficient equipment and technology improvements, building retrofitting, insulation and energy-efficient lighting, end-user products and related services for young and older unemployed women.

SDG Targets



Social and environmental benefits

Reduction of energy usage; Reduction/avoidance of GHG emissions

Women play a key role in the management of energy at household level. They are underrepresented in occupations related to installation and repair of equipment, building retrofitting, insulation, energy efficient lighting and end-user products and related services.

In addition to increasing women's employment opportunities, the reduction of emissions and use of energy efficient end-user products will also have a positive effect in reducing pollution and thus on better health outcomes and reduction of care burdens for women at household level.

Conclusion and recommendations for next steps

UNDP has recently launched the SDG bond framework for financing public sector efforts in achieving all SDGs. In this case a specific gender bond framework was prepared acknowledging the fact that, as indicated in the Mongolia INFF, both public and private finance is needed to achieve the SDGs. Gender gaps in Mongolia affect both women and men negatively and investments in the private sector can address these inequalities through innovation and new infrastructure (in care, housing, energy, water), human capital investments (training and human resource policies and measures), transport, and green and agricultural activities.

Mongolia has the opportunity to become an innovator in the area of gender responsive bonds as most of these thus far have only concentrated on women entrepreneurs' financial needs. In addition to this, the gender responsive bond framework prepared also includes projects that address other inequalities and national priorities in Mongolia (such as unpaid care work, the life expectancy gap and air pollution) which are then presented as eligible projects. These also align to those included in the SDG bond framework and further reinforced by public finance as reflected in the current efforts to strengthen gender-responsive budgeting in the country. This means that, for investors, the privately funded projects through the bond are also of high priority in public policy so that regulation and measures also align with these investments reducing risk and ensuring that eligible projects will be presented and have a high degree of success.





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Appendix 1.

List of corporate bonds traded on the Mongolian stock exchange

No	Corporate bond name	Symbol	Trade date/ Secondary start date/	Maturity	Interest	PAR value	TOTAL VALUE	Number of Bonds	Frequency of interest payment
1	Lend Bond		2020.05.28	12 month	17% a year	100,000	5,000,000,000	50,000	At the end of the period
2	Invescore Bond /Tranche-1/	ICBN	2021.06.21	24 month	13% a year	100,000	8,000,000,000	80,000	semi-annually
3	Erdenes Tavan Tolgoi /Tranche-1 MNT/	ETTM	2021.03.26	24 month	10% a year	100,000	236,551,700,000	2,365,517	semi-annually
4	Erdenes Tavan Tolgoi /Tranche-1 USD/	ETTD	2021.03.26	24 month	6.8% a year	100	39,012,200	390,122	semi-annually
5	Lend Bond	LNDB	2021.07.02	24 month	14% a year	100,000	5,000,000,000	50,000	semi-annually
6	Invescore Bond /Tranche-2/	ICBN	2021.08.17	24 month	13% a year	100,000	6,000,000,000	60,000	semi-annually
7	Erdenes Tavan Tolgoi /Tranche-2 MNT/	ETTM	2021.08.25	36 month	13% a year	100,000	164,471,100,000	1,644,711	semi-annually
8	Erdenes Tavan Tolgoi /Tranche-2 USD/	ETTD	2021.08.25	24 month	5.8% a year	100	13,319,900	133,199	semi-annually
9	Invescore Bond /Tranche-3/	ICBN	2021.09.17	24 month	13% a year	100,000	6,000,000,000	60,000	semi-annually
10	Monpay Bond	MNPY	Primary trading was not conducted through MSE	12 month	14% a year	100,000	1,000,000,000	10,000	At the end of the period
11	Erdenes Tavan Tolgoi /Tranche-3 MNT/	ETTM	2021.11.11	36 month	10% a year	100,000	142,404,600,000	1,424,046	semi-annually
12	Lend Bond /Tranche-1/	LNDA	2021.11.30	24 month	14% a year	100,000	2,500,000,000	25,000	semi-annually
13	Mongolian's restaurant bond		-	month	14.1% a year		999,995,220	11,410	
14	Lend Bond /Tranche-2/	LNDB	4/5/2022	24 month	15% a year	100,000	3,100,000,000	31,000	semi-annually
15	Erdenes Tavan Tolgoi /Tranche-4 MNT/	ETTM	5/13/2022	36 month	Policy rate+4%	100,000	76,618,200,000	766,182	semi-annually
16	Invescore Bond-2.0	INVA	12/20/2022	12 month	18% a year	100,000	10,000,000,000	100,000	Quarterly
17	Invescore Bond-2.0 /Tranche-2/	INVA	12/22/2022	12 month	18% a year	100,000	10,000,000,000	100,000	Quarterly
18	Sendly Bond	BEND	1/30/2023	18 month	19.2% a year	100,000	8,500,000,000	85,000	Quarterly
19	Bid Bond	BID		18 month	18.5% a year	100,000	8,000,000,000	80,000	semi-annually
20	Invescore Bond-2.0 /Tranche-3/	INVA	4/11/2023	12 month	18% a year	100,000	10,000,000,000	100,000	Quarterly
21	Green Bond	KBMG		up to 3	year	13.8%-14.8% a year	100,000	up to 170000	semi-annually
				up to 3-5	year	6-month CME Term SOFR interest +(3.40%-3.85%)		up to 250000	
22	Simple 1 Bond	SMPL	6/29/2023	12 month	18% a year	100,000	20,000,000,000	200,000	Quarterly
23	Invescore Bond-2.0 /Tranche-4/	INVA	6/29/2023	12 month	18% a year	100,000	10,000,000,000	100,000	Quarterly
Total							734,197,927,320		



Appendix 2.

Training materials

The training materials that were prepared are in a separate PowerPoint file. The outline of the training presentation is as follows:

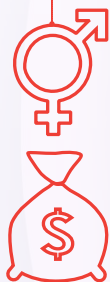
PART 1. Mongolian Gender Equality Situation

PART 2. International standards and examples for Gender bond

PART 3. Main steps for Issuance of Gender Bond

PART 4. Benchmark Gender Responsive Bond framework for Mongolia

The following Concept Note and Agenda were also prepared for the half day training session.





Appendix 3.

Summary of gender bonds

Country of the issuance	Issuer name	Date of issuance	Value	Interest rate	Tenor	Use of proceeds	Issuance type
Colombia	Mibanco	Jan 2022	US\$28.4 million	9.0%	3 years	Employment generation through women-owned SME financing and microfinance for women	
Tanzania	NMB Bank Plc	Feb 2022	US\$10 million	8.5%	3 years	Access to Essential Services, Employment Generation, Socioeconomic Empowerment, Affordable Basic Infrastructure, Food Security and Sustainable Food systems	
		March 2023	US\$ 32 million	8.5%	2 years	Employment generation through women-owned SME financing and microfinance for women	197% over-subscribed
Kazakhstan	ADB	Feb 2022	14 billion tenge (US\$32 million)	11.0%	9 years	Affordable residential mortgage loans to women borrowers in primarily rural areas of Kazakhstan	<ul style="list-style-type: none"> Listed on the Kazakhstan Stock Exchange, Domestic institutional investors
Ecuador	Banco Pichincha	March 2022	US\$100 million	6-month LIBOR+4.3% (~9.2%)	5 years	Employment generation through women-owned SME financing and microfinance for women	IFC, Inter-American Development Bank
Singapore	Impact Investment Exchange	Dec 2022	US\$ 50 million	6.5%	4 years	Create livelihood and empower ~300,000 women and girls in emerging markets across Asia and Africa, making it the first multi-continent bond in the Series.	Listed - investors include institutional investors with impact interests
Thailand	Bank of Ayudhya Public Company Limited (Krungsri)	2019	US\$ 220 million			Employment generation through women-owned SME financing and microfinance for women, and (ii) Socioeconomic advancement and empowerment through financing for low-income women and disadvantaged female groups	Private placement, IFC (68%), Deutsche Investitions- und Entwicklungsgesellschaft (32%)
Kyrgyzstan	Bank of Asia CJSC	Nov 2022	US\$ 1 million	12%	3 years	Access to finance Empowerment of women	Listed bond, Pension funds, insurance companies and private companies
Georgia	Crystal Microfinance Organization JSC	Feb 2023	USD 9.5 million	~11.2%	2 years	Employment generation through women-owned SME financing and microfinance for women	ADB (75%) and Bank of Georgia (25%)



FEASIBILITY STUDY FOR A GENDER BOND FOR MONGOLIA