



ALCB Fund - Benchmarking Report

African Corporate Bond Issuance



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Executive summary

This report presents a comparison of the corporate bond listing requirements on across various jurisdictions in Africa.

The following jurisdictions were compared in further detail within the report using different tiers ¹ :

Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
South Africa	Namibia	Uganda	Rwanda	Malawi
Egypt	Mauritius	Tanzania	Zimbabwe	Lesotho
Nigeria	Kenya	Zambia	CEMAC (excl. Cameroon) ^{3,4}	Swaziland
Morocco	Botswana	WAEMU ²	Mozambique	Cameroon

Research:
Reviewed listing requirements of selected jurisdictions



Validation:
Validation of information with relevant stakeholders



Benchmarking:
Preparation of benchmark report based on requirements of selected jurisdictions



Observations:
Highlights of key themes noted based on benchmarking performed



¹ The tiers defined above were stratified based on rankings obtained from the African Fundamental Bond Index (AFMI) 2015 annual country rankings report, with the rankings adjusted in certain instances by taking into account the size of the respective debt market.

² West African Economic and Monetary Union consisting of Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo.

³ Communauté Économique et Monétaire de l'Afrique Centrale, consisting of Central African Republic, Chad, Equatorial Guinea, Gabon, Republic of Congo and Cameroon.

⁴ On the 31st October 2017, the CEMAC heads of state made a decision to merge the DSX (Douala Stock Exchange) and BVMAC (Bourse des Valeurs Mobilières de l'Afrique Centrale), as well as their securities regulators, the COSUMAF (Commission de Surveillance du Marché Financier de l'Afrique Centrale) and CMF (Financial Market Commission), with an expected completion date of 30 June 2019. The impact of this decision is not reflected in this report.

Summary of key observations

Developing exchanges heading in the right direction with formalised regulatory requirements enhancing end-user understanding.

Existing formalised requirements

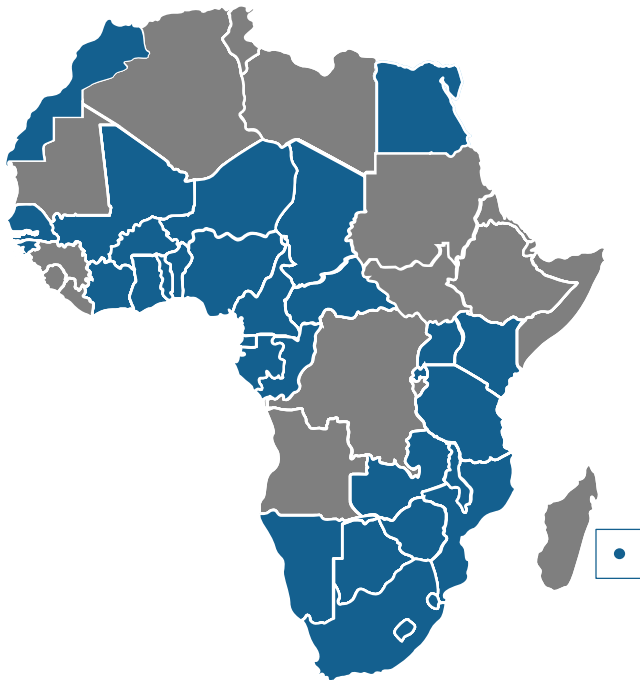
In a majority of the jurisdictions benchmarked, we noted that formalised requirements related to the issue and listing of corporate bonds were in place and approved by the relevant exchange authority, thereby indicating the existence of formalised structures to contribute towards a functioning and effective capital market. The requirements were clearly defined, enhancing the understanding of potential issuers.

Regulatory authorities

Exchanges benchmarked were found to have a regulatory authority in place either in the form of central banks or a relevant exchange authority. The presence of a body regulating the exchange is further indicative of a functioning capital market.

Assessing risks associated with potential issuers

A number of jurisdictions were found to have specified gearing requirements that potential debt issuers would need to meet as part of the listing process; this requirement was noted in Kenya, Lesotho, Tanzania and Uganda. Based on discussions held with stakeholders in various markets, our research found that while a specified gearing requirement may be part of an overall assessment of creditworthiness of a potential issuer, it could also be a hindrance to entities looking to access debt capital markets. As an optimal asset/liability mix will differ from sector to sector, a rigid requirement for all entities may result in otherwise eligible entities being excluded from debt capital markets.



■ Jurisdictions benchmarked

Summary of key observations

Accessibility of information and similarities in debt listing requirements an overarching theme.

Accessibility to information

For most exchanges we noted that listing particulars were easily accessible either on the exchange’s website or from the exchange directly. This demonstrates that potential issuers would be able to access the required information when considering access to African capital markets.



Requirement similarities

Countries within regional economic blocs such as the Southern African Development Community (SADC) were found to have a significant degree of alignment in listing requirements. This highlights an opportunity for various exchanges to effectively collaborate in developing standardised (or harmonised) documents for submission that can be shared between exchanges and tailored as necessary to cater for different markets.



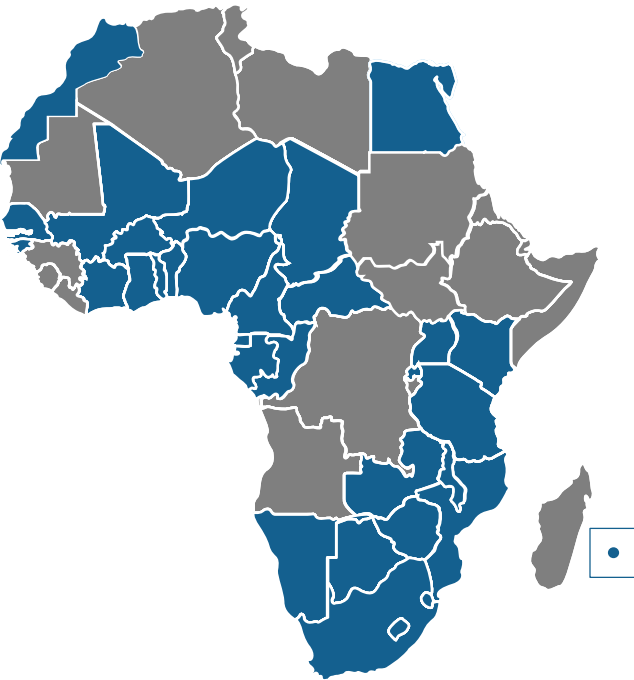
Lack of distinction between debt and equity listing requirements

Exchanges in smaller jurisdictions were found to not distinguish between equity listing requirements and corporate debt listing requirements in publicly-available information. This creates unnecessary ambiguity for issuers that may impact their process.



Fee requirements

When considering the listing of securities on an exchange, potential issuers would take into account the related cost of the listing process as well as annual fees that would be charged by the exchange. For the exchanges benchmarked, it was found that the information related to issuance fees was readily available and largely based on a sliding-scale calculation, to account for issues of various sizes.



■ Jurisdictions benchmarked

Tier 1

Overview of key corporate bond listing requirements

Criteria	Nigeria	South Africa	Egypt	Morocco
Exchange(s) available	<ul style="list-style-type: none"> ✓ Nigerian Stock Exchange (NSE) ✓ FMDQ 	<ul style="list-style-type: none"> ✓ Johannesburg Stock Exchange (JSE) – Debt Market ✓ JSE Repo Market 	<ul style="list-style-type: none"> ✓ Egyptian Stock Exchange (EGX) – floors in Cairo and Alexandria 	<ul style="list-style-type: none"> ✓ Casablanca Stock Exchange
Regulatory authority	<p>Nigerian Securities and Exchange Commission (Nigerian SEC) (for all issuers).</p> <p>No objection letter from relevant regulatory body: Central Bank of Nigeria (CBN) (for financial institutions) and the National Insurance Commission (NAICOM) (insurance companies).</p>	<p>The JSE currently acts as the frontline regulator.</p> <p>The Financial Sector Conduct Authority (FSCA) supervises the JSE in the commission of its regulatory duties.</p>	<p>Egyptian Financial Supervisory Authority (EFSA).</p>	<p>L'Autorité Marocaine du Marché des Capitaux (AMMC - Financial Market Authority).</p>
Appointment of sponsor	<p>Requirement to appoint <i>issuing house</i> approved by the Nigerian SEC and the CBN.</p>	<p>A <i>sponsor</i> is required in order to list securities.</p> <p>Only an approved sponsor that's specified on the JSE website may be appointed as a sponsor. New sponsors need to go through the application process.</p>	<p>A <i>sponsor</i> is required for the bond issuance process.</p>	<p>A <i>sponsor</i>, in the form of an investment bank, is required for the bond issuance process.</p>
Financial reporting framework	<p><i>IFRS</i> only</p>	<p><i>IFRS</i> <u>or</u> any other acceptable accounting framework as determined in consultation with the JSE registrar (IFRS most common).</p>	<p>Egyptian Accounting Standards (EAS) <u>or</u> <i>IFRS</i></p>	<p><i>IFRS</i> <u>or</u> <i>Moroccan GAAP</i> for companies other than banks and other financial institutions. Banks and other financial institutions are required to report in accordance with IFRS.</p>

Overview of key corporate bond listing requirements

Criteria	Nigeria	South Africa	Egypt	Morocco
Applicable rules	<ul style="list-style-type: none"> Investment and Securities Act 2007 SEC Rules and Regulations (Rule 307(A)) Companies and Allied Matters Act 2004 	<ul style="list-style-type: none"> Financial Markets Act, 2012 JSE Rules and Directives Financial Intelligence Centre Act, 2001 	<ul style="list-style-type: none"> Capital Market Law No 95/1992 and its executive regulations Directives of the EFSA Directives of the EGX 	<ul style="list-style-type: none"> Capital Market code 2012 The Law No. 17-95 on Companies Limited (Articles 292 to 315) The Dahir carrying law No. 1-93-212 of September 1993
Incorporation	<p>Required to be a public limited company (plc) for a bond offering.</p> <p>Private placement to 50 or fewer qualified investors for a non-plc.</p>	<p>Applicant must be duly incorporated or validly established under the law of the country of incorporation.</p>	<p>Joint stock companies may issue bonds whilst limited liability companies may not.</p>	<p>Required to be a public limited company (plc) for a public bond offering.</p>
Registrar*	<p>Registrar is required to handle the administration of the bond issue. The registry function must be carried out by a third party 'unrelated' to the issuer.</p>	<p>The bond clearing, registry and settlement functions is performed by South Africa's Central Securities Depository, known as the STRATE.</p>	<p>Clearing depository and registry are done by the Ministry of Finance.</p>	<p>An agent is appointed to carry out all registrar duties through the central depository, MAROCLEAR.</p>
Audited track record period	<p>Five years' of audited IFRS financial statements. Unaudited interim periods are to be included if the last audited accounts are more than nine months old.</p>	<p>Three years' unqualified audited accounts, no more than 18 months old. If nine months have passed since year end, interim financial statements are also required.</p>	<p>Three years' audited financial statements prepared under either IFRS or Egyptian accounting standards (EAS).</p>	<p>Certified summary financial statements of the two years preceding the application of admission.</p>
Working capital statements	<p>Sponsor's declaration on documentation and due diligence.</p>	<p>Sponsor's declaration in relation to the working capital statement, which should include a working capital pack covering a 12 month forecast period.</p>	<p>N/A</p>	<p><i>Information unavailable</i></p>

* The Registrar performs an administrative function including the maintenance of records and the settlement and clearing of trades.

Overview of key corporate bond listing requirements

Criteria	Nigeria	South Africa	Egypt	Morocco
Legal opinions	A legal opinion is required to validate the enforceability of transaction documents submitted for the bond issuance.	<p>Details of any legal restrictions under which the debt securities will be offered, sold, transferred or delivered need to be disclosed.</p> <p>Any legal or arbitration proceedings, including pending or threatened proceedings, of which the applicant issuer is aware, that may have, or have had a material effect on the ability of the applicant issuer to meet its obligations in respect of the financial position of the debt securities, needs to be disclosed.</p>	<p>The company is required to issue a statement to EFSA on its outstanding litigation and disclose these in the prospectus.</p> <p>Counsel typically issue a legal opinion to banks as a private due diligence report.</p>	Legal opinion is required on compliance with all key regulatory requirements.
Required issuer board/shareholder approval	Board and shareholder approval required for establishment of programme and any subsequent offer and issuance of prospectus.	Resolution by the board of directors required for authorising the establishment of the programme memorandum and/or issue of debt securities.	Board and shareholder approval is required for the issuance.	Resolution by the decision-making bodies (board of directors) required for authorising the establishment of the programme memorandum and/or issue of debt securities.

Overview of key corporate bond listing requirements

Criteria	Nigeria	South Africa	Egypt	Morocco
Reporting accountant	<p>Required on the audited track record period presented in the prospectus by an accountant registered with Institute of Chartered Accountants of Nigeria.</p> <p>Reporting accountant cannot be the auditor of the Issuer.</p>	<p>A reporting accountants' report is required.</p> <p>The reporting accountant signing off on the reporting accountants' report must be accredited by the JSE.</p>	<p>N/A. Auditors provide private due diligence to banks in the form of comfort letters.</p>	<p>Required on the audited track record period presented in the prospectus.</p>
Credit ratings report	<p>Ratings report from ratings agency registered with the Nigerian SEC or by an internationally-recognised ratings agency approved by the Nigerian SEC; bonds issued through a public offering by pension fund administrators (not private placements) need to be rated locally as investment grade.</p> <p>The Nigerian pension funds regulator, PenCom, requires two credit ratings report (and a domestic investment grade rating) in order for a pension fund administrator to subscribe.</p>	<p>It is not mandatory for an applicant issuer to use the services of a rating agency.</p> <p>If an applicant issuer elects to use the services of a rating agency, the rating must be included in the programme memorandum/pricing supplement.</p>	<p>Required to obtain a local credit rating of BBB- or above from an EFSA-approved ratings agency.</p> <p>Guarantees are allowed to enhance credit ratings but must be approved by the central bank.</p> <p>Note that private placements to professional investors do not require a credit rating.</p>	<p>Credit rating report is only required for banks and other financial institutions.</p>

Overview of key corporate bond listing requirements

Criteria	Nigeria	South Africa	Egypt	Morocco
Sinking fund	Not required. However, market practice may require some reserve based on investor feedback and request. Recent deals indicate a reserve account raised equivalent to six months' interest payment.	Not required	Not required	Not required
Security	No explicit requirement. Most bonds are unsecured.	No explicit requirement. Most bonds are unsecured.	No explicit requirement. Most bonds are secured.	Not required
Gearing ratio	Not required	Not required	Not required	Not required
Issuer profit forecast	Optional	Optional	Not required	Required
Continuing obligations	Audited financial statements shall be submitted annually.	An applicant issuer granted a listing of debt securities shall within six months of the end of every financial year submit its audited annual financial statements . Where interim financial statements are prepared, they must be submitted to the JSE within three months of the end of the period to which they relate.	Financial statements shall be submitted on a quarterly basis Annual renewal of credit rating required to be submitted to EGX within 90 days of end of financial year.	Financial statements shall be submitted half-yearly and annually.
Minimum number of bondholders	Not required	Not required	<i>Information not available</i>	Not required

Overview of key corporate bond listing requirements

Criteria	Nigeria	South Africa	Egypt	Morocco
Issuance fees*	<p>The Nigerian SEC issued new rules capping the fees associated with the issuance of bonds for items driven by SEC requirements in November 2017. Issuers may hire other advisors, such as a financial advisor, not necessarily required in issuing a bond.</p> <p>The below table does not reflect fees associated with such services.[^]</p> <p><u>Initial listing-fees:</u> Some fees are fixed, while others are as a percentage of the offer size.</p> <p>SEC: 0.1425% - 0.15% (range applied based on value of issue)</p> <p>NSE: 0.0375% (no fee charged for companies listed on the NSE)</p> <p>FMDQ: 0.002% - 0.09%</p> <p><u>Annual fee:</u> NSE: 0.0375% (no fee charged for listed companies)</p> <p>FMDQ: fee ranges applied based on value of issue with a minimum of NGN 888,300 (USD2,913) and a maximum of NGN 4,200,000 (USD13,771).</p>	<p><u>Initial listing fees:</u> All debt listings are required to pay an initial listing fee of ZAR6,866 ex VAT (USD570).</p> <p>This excludes a further documentation fee of ZAR76,515 (USD6,351)</p> <p><u>Annual fee:</u> An annual maintenance fee of ZAR12,500 ex VAT (USD1,038) is required.</p>	<p><i>Information not available</i></p>	<p><u>Initial listing fees:</u> The transaction costs borne by the issuer are estimated at approximately 0.40% of the amount of the issue size.</p> <p><u>Annual fee:</u> <i>Information not available</i></p>

* Note that USD values have been provided for comparison purposes only and are an approximation based on rates at 1 April 2018.

[^] The Nigerian SEC rules include fees to be paid to other parties such as stockbrokers, solicitors and receiving agents. This report only takes into account those fees to be paid to the SEC, NSE and/or FMDQ.

Overview of key corporate bond listing requirements

Issuance fees guidance*

Indicative fees (based on issue size)	Nigeria				South Africa		Egypt		Morocco	
	Initial fee		Annual fee		Initial fee	Annual fee	Initial fee	Annual fee	Initial fee	Annual fee
	FMDQ [^]	NSE [^]	FMDQ [^]	NSE [^]						
USD10 million	23,414	18,164	3,345	3,750	6,921	1,038	Information not available		40,000	Information not available
USD50 million	116,414	90,164	7,344	18,750	6,921	1,038	Information not available		200,000	Information not available
USD100 million	232,664	180,164	9,639	37,500	6,921	1,038	Information not available		400,000	Information not available

* Note that the guidance of issuance fees is illustrated in USD for comparison purposes.

[^]FMDQ and NSE denote FMDQ Securities Exchange and the Nigerian Stock Exchange, respectively. NSE fees have assumed an issuer that is not already listed on the NSE.

Tier 2

Overview of key corporate bond listing requirements

Criteria	Botswana	Namibia	Mauritius	Kenya
Exchange(s) available	✓ Botswana Stock Exchange (BSE)	✓ Namibian Stock Exchange (NSX)	✓ Stock Exchange of Mauritius (SEM)	✓ Nairobi Securities Exchange
Regulatory authority	Committee of the BSE	Namibia Financial Institutions Supervisory Authority (NAMFISA). Registrar of Stock Exchanges	The SEM, under the supervision of the Financial Services Commission	The Capital Markets Authority The Capital Markets Authority is the Government Regulator charged with licensing and regulating the capital markets in Kenya. It also approves public offers and listings of securities traded on the Nairobi Securities Exchange.
Appointment of sponsor	Sponsoring broker must be appointed when listing securities. <i>No specific qualifications for a sponsor are included in the requirements.</i>	Sponsor must be appointed when making application and should be a registered sponsor or member of the NSX. <i>If the sponsor is not registered with NSX, but registered with another exchange, it may be considered as sponsor on submission of appropriate documents.</i>	An issuer must have a sponsor appointed at all times while it is an applicant or is listed. <i>The sponsor must be entered on the SEMs register of sponsors, after having completed all the necessary application forms required by the SEM, having been approved by the Listing Executive Committee and having paid the necessary fee.</i>	An issuer must appoint a sponsor when making a listing of corporate bonds, and must continue to have a sponsor once bonds are listed. <i>No specific requirements included in the Nairobi Securities Exchange listing manual regarding the necessary qualifications of the sponsor.</i>
Financial reporting framework	IFRS	IFRS or Namibian GAAP	IFRS or any other applicable standards under the issuer's national laws.	The issuer is required to have audited financial statements complying with IFRS .

Overview of key corporate bond listing requirements

Criteria	Botswana	Namibia	Mauritius	Kenya
Incorporation	Issuer must be duly incorporated or otherwise validly established under the law of the country of incorporation or establishment, and must be operating in conformity with its memorandum and articles of association and all laws of its country of incorporation or establishment.	Issuer must be duly incorporated, comply with the law of place of incorporation and be duly authorised to issue and list debt securities in terms of memorandum and articles of association.	A new applicant must be duly incorporated or otherwise validly established according to the relevant laws of its place of incorporation or establishment, and be operating in conformity with its memorandum and articles of association or equivalent constitutive documents.	An entity looking to issue a bond must be a public company registered under the Companies Act (Cap 486) or any other body corporate established or incorporated in Kenya under the provision of any written law.
Registrar*	The BSE listing committee.	The Namibian Stock Exchange and the Central Bank of Namibia are currently working together to create a Central Securities Depository (CSD) for equities, bonds and bills traded. At present there is no single institution performing these functions.	The issuer must appoint a registrar to handle the administration of the bond issue. Where the registrar is located in a foreign jurisdiction, the SEM may require the issuer to appoint a local representative to perform some or all of the functions of the registrar in Mauritius.	The Central Depository and Settlement Corporation provides clearing, delivery and settlement services for securities traded on the Nairobi Securities Exchange.

* The Registrar performs an administrative function including the maintenance of records and the settlement and clearing of trades.

Overview of key corporate bond listing requirements

Criteria	Botswana	Namibia	Mauritius	Kenya
Audited track record period	<i>Three years'</i> audited accounts, no more than 18 months old.	<i>Three years'</i> audited accounts, latest financial statements, not more than 18 months old	<i>Three years'</i> unqualified audited accounts, no more than six months old.	<p>Audited financial statements are required for five years preceding the issuance, or for a shorter period if applicable.</p> <p>Audited financial statements no more than four months old prior to the proposed date of the offer. For issuers where another bond or share capital is already listed, the period is six months.</p> <p>If a period longer than the stipulated period has elapsed since the end of the financial year, interim audited financial statements covering the period preceding the six months must be included in the bond listing particulars.</p>
Working capital statements	<i>A statement by the directors</i> that in their opinion the working capital available to the applicant and its subsidiaries is sufficient for the groups requirements for the foreseeable future and, if not, how it is proposed to provide the additional working capital necessary.	No specific working capital requirements other than the risk factors section of the offering document, including matters concerning the business and financial condition of the issuer and such matters (when applicable) as to the absence of an operating history, the absence of profitable operations and future projections.	<i>A statement by the directors</i> of the issuer that in their opinion the working capital available to the group is sufficient for the group's present requirements, that is, for at least the next 12 months from the date of issue of the Listing Particulars is required.	<i>A statement by the directors</i> of the issuer that in their opinion the working capital available to the group is sufficient for the groups present requirements, or, if not, how it is proposed to provide the additional working capital thought by the directors of the issuer to be necessary.

Overview of key corporate bond listing requirements

Criteria	Botswana	Namibia	Mauritius	Kenya
Legal opinions	Details of material litigation that may have an effect on the issuer's financial position.	Details of legal restrictions that the securities are issued under.	Particulars of any litigation, or claims of material importance pending or threatened against the issuer or any member of the issuer's group, or an appropriate negative statement.	Information on any legal or arbitration proceedings (including pending or threatened proceedings of which the issuer is aware) that may have or have had in the recent past (covering at least the previous four months) a significant effect on the issuers financial position or an appropriate negative statement.
Required issuer board/ shareholder approval	Resolution by board of directors.	Resolution by the board of directors.	Resolution by the board of directors for undertaking the issuance of debt securities.	Board and shareholders' resolutions authorising the issue is required.
Reporting accountant	Accountants' report required for all issuers. Reporting accountant can be the auditor of the issuer.	Accountants' report required for all issuers. This can be the issuer's auditor. Issuer's auditor shall be registered in terms of the Public Accountants and Auditors Act, 1991.	A reporting accountant is responsible for the presentation of the accountants' report included in Listing Particulars. Furthermore, financial statements submitted per the audited track record period need to have been audited by an auditor who complies with guidelines on independence issued by their respective professional bodies.	A Reporting Accountant is responsible for the presentation of the accountants' report included in Listing Particulars. Financial statements submitted per the audited track record period must have been audited by an independent external auditor.

Overview of key corporate bond listing requirements

Criteria	Botswana	Namibia	Mauritius	Kenya
Credit ratings report	Not required but supported by the exchange. Should ratings not be submitted, issuer may be subject to other specific requirements.	Not required but supported by the exchange.	No specified requirement in respect of credit ratings.	No specified requirement in respect of credit ratings.
Sinking fund	Not required	Not required	Not required	Not required
Gearing ratio	Not required	Not required	Not required	Gearing ratio of 4:1 or lower required post listing.
Issuer profit forecast	Profit forecast not explicitly required. However, narrative profit forecasts (i.e. likely levels of profit for subsequent periods) are required.	Profit forecast not explicitly required. However, lack of profitability should be disclosed as part of the risk factors.	Optional	Optional

Overview of key corporate bond listing requirements

Criteria	Botswana	Namibia	Mauritius	Kenya
Security	<p>Not required.</p> <p>However, issuers disclose whether debt to be issued is guaranteed, secured or unsecured.</p>	<p>Not required.</p> <p>However, issuers disclose whether debt to be issued is guaranteed, secured or unsecured.</p>	<p>Not required.</p> <p>However, issuers must disclose whether debt to be issued is guaranteed, secured or unsecured.</p>	<p>Where the issuer does not satisfy the net asset value (NAV)[†] and/or gearing ratio requirements, it may seek a credit enhancement to have the securities it seeks to issue guaranteed as a means of meeting the security requirements.</p>
Continuing obligations	<p>Audited financial statements shall be submitted annually within six months of year end.</p>	<p>Audited financial statements shall be submitted on an annual basis within six months of year end.</p> <p>Interim financial statements shall be submitted within three months of the end of the period (<i>if these are prepared</i>).</p>	<p>Abridged version of the audited financial statements must be filed with the SEM and published as soon as it is approved by or on behalf of the board and not later than 90 days after year end.</p> <p>An issuer must issue an Annual Report within 14 days of the date of the issuers annual general meeting.</p>	<p>Every issuer of securities to the public whether listed or not shall prepare an annual report containing audited annual financial statements within four months of the close of its financial year.</p>
Minimum number of bondholders	Not specified	Not specified	100 public bondholders	Not specified

[†]NAV of KES100 million (USD970,000)* required before listing.

* Note that USD values have been provided for comparison purposes only and are an approximation based on rates at 1 April 2018.;

Overview of key corporate bond listing requirements

Criteria	Botswana	Namibia	Mauritius	Kenya
Issuance fees*	<p><u>Initial listing fees:</u> 0.025% of monetary value of securities, with a floor of BWP50,000 (USD5,190) and cap of BWP 200,000 (USD19,300)</p> <p><u>Annual fees:</u> 0.025% of market value of securities, with a floor of BWP50,000 (USD5,190) and cap of BWP150,000 (USD14,738)</p>	<p><u>Initial listing fee:</u> NAD115,500 (USD9,560)</p> <p><u>Annual fee:</u> NAD11,100 (USD921)</p>	<p><u>Initial listing fees:</u> MUR400,000 (USD12,040)</p> <p>An initial documentation fee of MUR163,000 (USD4,906)</p> <p><u>Annual fees:</u> Annual listing fees are based on market values with the following lower and higher ends:</p> <p>*Minimum of MUR66,100 (USD1,989) where the market value of debt securities is MUR100m (USD3m) *Up to MUR183,600 (USD5,526) plus 0.0005% of the market value for debt securities above MRU2,000m (USD60m)</p>	<p><u>Initial listing fees:</u> 0.0125% of the value of fixed income securities to be listed, with a floor of KES100,000 (USD989) and cap of KES1,000,000 (USD9,895)</p> <p><u>Annual fee:</u> 0.0125% of the market value of the fixed income securities outstanding listed with a floor of KES100,000 (USD989) and cap of KES1,000,000 (USD9,895)</p>

* Note that USD values have been provided for comparison purposes only and are an approximation based on rates at 1 April 2018.

Overview of key corporate bond listing requirements

Issuance fees guidance*

Indicative fees (based on issue size)	Botswana		Namibia		Mauritius		Kenya	
	Initial fee	Annual fee	Initial fee	Annual fee	Initial fee	Annual fee	Initial fee	Annual fee
USD10 million	5,190	5,190	9,560	921	16,946	3,747	1,250	1,250
USD50 million	12,500	12,500	9,650	921	16,946	5,508	6,250	6,250
USD100 million	19,300	14,738	9,560	921	16,946	5,708	9,895	9,895

* Note that the guidance of issuance fees are illustrated in USD for comparison purposes.

Tier 3

Overview of key corporate bond listing requirements

Criteria	Tanzania	Zambia	WAEMU	Uganda
Exchange(s) available	✓ Dar es Salaam Stock Exchange (DSE) – Corporate Bond Market	✓ Lusaka Stock Exchange (LuSE)	✓ Bourse Régionale des Valeurs Mobilières (BRVM)	✓ Uganda Securities Exchange (USE)
Regulatory authority	Capital Markets and Securities Authority (CMSA)	<ul style="list-style-type: none"> The board of the LuSE The Zambian Securities Exchange Commission 	Conseil Régional de l'Épargne Publique et des Marchés Financiers	<ul style="list-style-type: none"> Uganda Securities Exchange Listing and Membership Committee Capital Markets Authority of Uganda
Appointment of sponsor	A Licensed Dealing Member of the exchange is required to sponsor a corporate bond listing application.	A sponsor is required for the bond issuance process.	Issuer is required to appoint a bank to arrange and sell the issue.	A sponsoring broker is required for the bond issuance process.
Financial reporting framework	IFRS or any other acceptable accounting framework as determined in consultation with the National Board of Accountants and Auditors (NBAA).	IFRS only	The listing rules of the BRVM do not specify an accounting standards framework in terms of which the required financial statements must be prepared. However, companies use Organisation pour l'harmonisation en Afrique du droit des affaires (OHADA) standards in the WAEMU region.	IFRS only
Applicable rules	<ul style="list-style-type: none"> Capital Markets and Securities Act, 1994 Companies Act, 2002 Regulations and Rules made by CMSA and DSE 	<ul style="list-style-type: none"> Zambian Securities Act 	<ul style="list-style-type: none"> CREPMF INSTRUCTION No. 36/2009 INSTRUCTION No. 33/2006 	<ul style="list-style-type: none"> Listing rules of the Uganda Stock Exchange Capital Markets Authority Statute, 1996 Ugandan Companies Act, Cap 85

Overview of key corporate bond listing requirements

Criteria	Tanzania	Zambia	WAEMU	Uganda
Incorporation	Issuers must be incorporated in Tanzania as public companies or elsewhere for cross-listings where the companies' law is in conformity with the law of Tanzania.	An applicant issuer must be duly incorporated or otherwise validly established under the law of its country of incorporation or establishment.	Required to be a public limited company (plc) for a public bond offering.	Applicant issuer must be duly incorporated/validly established under the law of its country of incorporation or establishment.
Registrar*	The Bond Registrar (the holder of the register for a bond who shall also be the Transfer Agent) is required to handle the administration of the bond issue.	The LuSE Central Securities Depository provides centralised depository, clearing and settlement services to the securities market in Zambia.	Central Securities Depository of the Exchange.	The Central Securities Depository (CSD) was established to operate as a subsidiary company of the Uganda Securities Exchange. Its core mandate is to provide centralised depository, clearing and settlement services for the Ugandan equity and debt markets.
Audited track record period	Three years' unqualified audited financial statements drawn up in accordance with the Companies Act and that complies with IFRS or other standards as may be prescribed by the National Board of Accountants and Auditors (NBAA).	Two years' audited financial statements prepared in accordance with IFRS.	The audited financial statements for at least three financial years certified by the statutory auditor.	Three years' audited financial statements complying with IFRS for an accounting period ending on a date not more than six months prior to the proposed date of offer. If a period longer than the stipulated period has elapsed since the end of the financial year, interim audited financial statements covering the period preceding the six months must be included in the bond listing particulars.

* The Registrar performs an administrative function, including the maintenance of records and the settlement and clearing of trades.

Overview of key corporate bond listing requirements

Criteria	Tanzania	Zambia	WAEMU	Uganda
Working capital statements	<i>Sponsor's declaration</i> in relation to the working capital, confirming the directors view of the sufficiency of the applicant's working capital, taking into account the stress testing of the business plan for at least the next 12 months.	No requirement for a working capital statement when listing debt securities.	None required.	No requirement for a working capital statement when listing debt securities.
Legal opinions	<p>Issuer must notify the exchange of any litigation or threat of litigation that may have a material impact upon the price of the issuers securities.</p> <p>For <i>foreign companies</i>, <i>legal opinion</i> by a <i>lawyer practising in Tanzania</i>, that a cross-border listing will not infringe any legal provisions in either jurisdiction and that there is no legal reason why the issuer should not be admitted.</p>	Particulars of any litigation or claims of material importance pending or threatened against the issuer or any member of a group to which the issuer belongs, or an appropriate negative statement needs to be disclosed.	Legal opinion required to ensure compliance with bond listing requirements.	Information on any legal or arbitration proceedings that may have a significant impact on the group's financial position needs to be disclosed.
Required issuer board/ shareholder approval	Resolution/consent or order by the board of directors required for authorising the establishment of the programme memorandum and/or issue of debt securities.	The resolution(s) of the board of directors authorising the issue of debt securities, the making of the application for registration, and approving and authorising the issue of the prospectus is required.	Board and shareholder approval is required.	<p>Board and shareholder approval required for offer and issuance of prospectus.</p> <p>A statement of the resolutions, authorisations and approvals by virtue of which the debt securities will be or have been created needs to be furnished.</p>

Overview of key corporate bond listing requirements

Criteria	Tanzania	Zambia	WAEMU	Uganda
Reporting accountant	The applicant issuer needs to appoint a suitably-qualified independent reporting accountant . The reporting accountant should be separate to the auditor and is required to report on items such as the profit forecast.	A reporting accountant is responsible for the preparation of the accountants' report required to be included in the prospectus. A statement of whether or not the accountants' report is qualified by the reporting accountant needs to be disclosed.	Auditor required to report on financial statements included in the prospectus.	A reporting accountant is required and is responsible for the preparation of the accountants' report required to be included in the prospectus. Reporting accountant cannot be the auditor of the issuer.
Credit ratings report	Not required	No specified requirement in respect of credit ratings.	Rating required from two rating agencies specified by the BRVM. If the rating is not local investment grade, then issuer should provide a guarantee. If issuer does not get a rating, a guarantee is required covering capital and interest.	No specified requirement in relation to a credit ratings report.
Sinking fund	Not required	Not required	Not required	Not required
Gearing ratio	The gearing ratio of total debt-capital to shareholders funds less intangible assets should not exceed 100%.	Not required	Not required	Total indebtedness of the issuer, including the new issue of the corporate bond cannot exceed 400% of the issuer's net worth (or a gearing ratio of 4:1) as at the date of the latest balance sheet.

Overview of key corporate bond listing requirements

Criteria	Tanzania	Zambia	WAEMU	Uganda
Security	Security may be required. If security is required then details of any assets which are used as security for the debt listing should be disclosed.	Not explicitly required. Bonds may be secured or unsecured.	Bond issues must be guaranteed by an approved financial institution, a development financial institution, a guarantee fund or the parent company.	No explicit requirement. Bonds may be secured or unsecured. Where secured an issuer shall make a public announcement and notify the exchange thereof.
Issuer profit forecast	Optional; published profit forecast made by applicant in respect of period for which audited annual accounts have not yet been published must have had its accounting policies and calculations examined and reported upon by the reporting accountants.	Optional. Where a profit forecast is included in the prospectus, the reporting accountants, in the case of a new applicant, must report in addition that they have satisfied themselves that the forecast has been stated by the directors after due and careful inquiry.	The issuer must provide forecast information for five years with key assumptions.	Optional. Where a forecast appears, the principal assumption upon which the forecast is based must be stated. The forecast should also be examined and reported on by the reporting accountant.
Continuing obligations	Audited financial statements shall be submitted on an annual basis within six months of year end.	Audited financial statements to be submitted to the Commission within four months after the end of the financial year to which the annual financial statements relate.	Audited financial statements to be submitted annually.	Audited financial statements to be submitted annually within four months of year end.
Minimum number of bondholders	Not specified	Not specified	None	No requirement in respect of public placements.

Overview of key corporate bond listing requirements

Criteria	Tanzania	Zambia	WAEMU	Uganda (#)
Issuance fees*	<p><u>Initial listing fees:</u> All debt listings are required to pay an initial listing fee of 0.05% of the total value of listed debt.</p> <p>Additional listing fees of 0.025% of the total value of additional debt listed is required for all additional listings, subsequent to the initial listing.</p> <p><u>Annual fee:</u> A maintenance fee of 0.0125% of the total value of listed debt is required to be paid each year.</p>	<p><u>Initial listing fees:</u> 0.125% of market value of debt security to be listed subject to: A minimum of ZMW100,000 (USD10,645) and a maximum of ZMW300,000 (USD31,935)</p> <p>An additional documentation processing fee of ZMW22,500 (USD2,395)</p> <p><u>Annual fees:</u> 0.0625% of market value of debt security to be listed subject to: A minimum of ZMW50,000 (USD5,323) and a maximum of ZMW150,000 (USD15,968)</p>	<i>Information not available</i>	<p><u>Initial listing fees:</u> 0.1% of the issue value of securities to be listed subject to a minimum to 250 currency points and a maximum of 2,000 currency points.</p> <p><u>Annual fees:</u> 0.025% of the market capitalisation of outstanding listed securities subject to a minimum of 150 currency points and a maximum of 1,500 currency points.</p>

* Note that USD values have been provided for comparison purposes only and are an approximation based on rates at 1 April 2018.

One currency point is equivalent to 20,000 Uganda shillings, or approximately USD5.50 based on approximate rates as of 1 April 2018.

Overview of key corporate bond listing requirements

Issuance fees guidance*

<i>Indicative fees (based on issue size)</i>	Tanzania		Zambia		WAEMU		Uganda	
	Initial fee	Annual fee	Initial fee	Annual fee	Initial fee	Annual fee	Initial fee	Annual fee
USD10 million	5,000	1,250	14,895	6,250	<i>Information not available</i>		10,000	2,500
USD50 million	25,000	6,250	34,330	15,968	<i>Information not available</i>		11,000	8,250
USD100 million	50,000	12,500	34,330	15,968	<i>Information not available</i>		11,000	8,250

* Note that the guidance of issuance fees is illustrated in USD for comparison purposes.

Tier 4

Overview of key corporate bond listing requirements

Criteria	Rwanda	Mozambique	Zimbabwe	CEMAC (excl. Cameroon)
Exchange(s) available	✓ Rwanda Stock Exchange (RSE)	✓ Bolsa de Valores de Moçambique (BVM)	✓ Zimbabwe Stock Exchange (ZSE)	✓ Bourse des Valeurs Mobilières de l’Afrique Centrale (BVMAC)
Regulatory authority	<ul style="list-style-type: none"> Rwanda Stock Exchange Secretariat Rwanda Capital Markets Authority 	<ul style="list-style-type: none"> Bank of Mozambique Ministry of Finance 	The Securities Exchange Commission of Zimbabwe (SECZ)	Commission de Surveillance du Marché Financier de l’Afrique Centrale (COSUMAF)
Appointment of sponsor	<p>A sponsor is required for the bond issuance process.</p> <p>Sponsors shall only be those who have applied and admitted to act as such by the RSE. Specified requirements on qualification of sponsor including qualifications, experience and net worth.</p>	A sponsor is required in order to list securities on the BVM	An issuer must appoint a sponsoring broker and all correspondence with the ZSE must be directed through the sponsoring broker.	A placement agent or arranger is required for the bond issuance process.
Financial reporting framework	IFRS or, for foreign entities, internationally acceptable accounting standards.	IFRS only	Generally Accepted Accounting Practices/IFRS	Companies file based on the OHADA accounting framework
Applicable rules	<ul style="list-style-type: none"> Companies Act of Rwanda 	<ul style="list-style-type: none"> Securities Market Code, approved by Decree no. 4/2004, of 24 July; Regulation no. 1 / GPCABVM / 2010, of May 27 	<ul style="list-style-type: none"> Securities and Exchange Act Companies Act 	<ul style="list-style-type: none"> Instruction No. 01-10 Du 28 Avril 2010 (private placements) Instruction No. 2006 -01 Du 3 Mars 2006 (public bond issue)
Incorporation	Entity shall be incorporated or registered in Rwanda under the Companies Act.	Issuer must be duly incorporated under the laws of Mozambique or any other recognised law.	Applicant must be duly incorporated or otherwise validly established under the law of the country where it is incorporated or established.	An applicant issuer must be duly incorporated or otherwise validly established under the law of its country of incorporation or establishment.

Overview of key corporate bond listing requirements

Criteria	Rwanda	Mozambique	Zimbabwe	CEMAC (excl. Cameroon)
Registrar*	The Central Securities Depository of Rwanda	Banco de Moçambique	Reserve Bank of Zimbabwe	Typically managed by the placement agent or arranger.
Audited track record period	Three years' audited accounts, no more than 18 months old.	Management reports, accounts and opinions of the entity's supervisory body issuer for the last two financial years or only for the subsequent financial years, if it was established less than two years ago.	At least the last three years of financial statements independently-audited by a firm approved by ZSE or registered in terms of Public Accountants and Auditors Board Charter. A shorter period may be permitted.	Three years' audited accounts
Working capital statements	Statement by directors as to sufficiency of working capital.	Not explicitly required	Not explicitly required	Not required
Legal opinions	Material litigation that may have an effect on the issuer's financial position.	Indication of any judicial or arbitral proceedings which may have a significant impact on the financial situation.	Letter from the external legal practitioner that all relevant agreements have been signed.	Legal opinion on material and ongoing litigations.

* The Registrar performs an administrative function including the maintenance of records and the settlement and clearing of trades.

Overview of key corporate bond listing requirements

Criteria	Rwanda	Mozambique	Zimbabwe	CEMAC (excl. Cameroon)
Required issuer board/shareholder approval	Resolution by board of directors.	Resolution by the entity's corporate bodies approving the issue.	Directors resolution	Authorisation of the decision-making body of the issuer.
Reporting accountant	Accountants' report required for all issuers.	N/A – Financial statements submitted per the audited track record period need to have been audited by an independent auditor authorised by the Ministry of Planning and Finance.	N/A - only audit report of the independent auditor is required to be submitted to the ZSE.	N/A – audited accounts for past three years are required.
Credit ratings report	Not required , but supported by the exchange. Should ratings not be submitted, issuer may be subject to other specific requirements.	Not required	Not required but if credit rating has been obtained, this must be disclosed and should be available for inspection.	Not required
Sinking fund	Not required	Not required	Not required	Not required
Gearing ratio	Not required	Not required	Not required	Not required
Security	Not explicitly required	Not required	Not required	Not required

Overview of key corporate bond listing requirements

Criteria	Rwanda	Mozambique	Zimbabwe	CEMAC (excl. Cameroon)
Issuer profit forecast	Not explicitly required. However, narrative profit forecasts provided, including likely levels of profit for subsequent periods.	Not explicitly required	Not explicitly required	Required to provide five year projections.
Continuing obligations	Audited financial statements to be submitted within six months of year end on an annual basis.	Annual report accompanied by the opinion of the Supervisory Board and certification by independent auditors authorised by the Ministry of Finance, within 30 days after its approval by the General Assembly on an annual basis.	Audited financial statements submitted to the ZSE annually within six months after the financial year end of the issuer.	Bond issuers are required to submit audited financial statements to the BVMAC annually and half-yearly. Entities are required to make public, by press release, any event that may have a significant impact on the market prices of debt securities or an impact on the security holders' holdings.
Minimum number of bondholders	Not specified	Not required	Not specified	Not specified

Overview of key corporate bond listing requirements

Criteria	Rwanda	Mozambique	Zimbabwe	CEMAC (excl. Cameroon)
Issuance fees*	<p><u>Initial listing fees:</u> <u>Application fee:</u> RWF275,000 (USD318) <u>Initial fee:</u> RWF320,000 (USD370)</p> <p><u>Annual fee:</u> RWF160,000 (USD185)</p>	<p><u>Initial listing fees:</u> MZN0.25 per thousand MZN</p> <p><u>Annual fees:</u> MZN0.05 per thousand MZN to a nominal value up to MZN25,000 (USD410)</p>	<p><u>Initial listing fees:</u> Sliding scale based on value of listed instruments with fees between USD1,000 and USD10,000</p> <p><u>Document fees:</u> Placing document, Offering Circular and Programme Memorandum: USD3,000 Pricing Supplement: USD1,500</p> <p><u>Annual fees:</u> 0.0125% of the amount issued subject to the following: Min – USD1,000, Max- USD20,000</p> <p>If issuer has equity securities listed on the main board, it will pay 50% of the annual listing fee.</p>	<p><u>Initial listing fees:</u></p> <ul style="list-style-type: none"> • COSUMAF visa: 0.30% • Introductory fee: 0.04% <p><u>Annual fees:</u></p> <ul style="list-style-type: none"> • Capitalisation commission: 0.04% • Membership fee: 0.05% • Commission on corporate action: 0.10% <p>Other advisor fees such as legal, banking and accountant fees are also charged to the issuer.</p>

* Note that USD values have been provided for comparison purposes only and is an approximation based on rates at 1 April 2018.

Overview of key corporate bond listing requirements

Issuance fees guidance*

Indicative fees (based on issue size)	Rwanda		Mozambique		Zimbabwe		CEMAC (excl. Cameroon)	
	Initial fee	Annual fee	Initial fee	Annual fee	Initial fee	Annual fee	Initial fee	Annual fee
USD10 million	688	185	2,500	410	5,500	1,250	34,000	19,000
USD50 million	688	185	12,500	410	8,500	6,250	170,000	95,000
USD100 million	688	185	25,000	410	9,500	12,500	340,000	190,000

* Note that the guidance of issuance fees are illustrated in USD for comparison purposes.

Tier 5

Overview of key corporate bond listing requirements

Criteria	Malawi	Lesotho	Cameroon	Swaziland
Exchange(s) available	✓ Malawi Stock Exchange (MSE)	✓ Maseru Securities Market (MSM)	✓ Douala Stock Exchange (DSX)	✓ Swaziland Stock Exchange (SSX)
Regulatory authority	Malawi Stock Exchange	Central Bank of Lesotho (CBL)	Commission des Marchés Financiers (CMF) (Financial Markets Commission)	<ul style="list-style-type: none"> Financial Services Regulatory Authority SSX Listings Committee
Appointment of sponsor	Issuers must appoint a <i>sponsoring member</i> when making an application for listing. Sponsoring members must be a member of the MSE.	<p>Sponsor must be appointed for the duration of issuer's listing process.</p> <p>Appointed sponsor must be MSM-approved and CBL-licenced.</p> <p>Sponsors can apply to be admitted as qualifying sponsors with the MSM.</p>	A lead manager or underwriter is required for the issuance. This is usually the investment services provider (ISP).	An issuer shall appoint a sponsoring broker when the issuer makes an application for listing, which requires the production of listing particulars.
Financial reporting framework	Internationally acceptable accounting standards.	IFRS	Companies file based on the OHADA accounting framework. However, from 2019, companies are expected to convert to IFRS.	IFRS or applicable International Accounting Standards.
Applicable rules	<ul style="list-style-type: none"> Securities Act, 2010 Companies Act, 2013 	<ul style="list-style-type: none"> Central Banks Act, 2000 Capital Markets Regulations, 2014 Companies Act, 2001 	Reglement General de la Commission des Marchés Financiers - Decision No 02/002 Du 3 December 2002 Portant.	<ul style="list-style-type: none"> Companies Act No.8 of 2009 Securities Act No.9 of 2010
Incorporation	Issuer must be duly incorporated under the laws of Malawi or any other recognised law.	Required to be a public limited company (plc) under the Companies Act, 2011.	Required to be a public limited company (plc) for a public bond offering.	The applicant shall be duly incorporated or otherwise validly established under the law of the country of incorporation or establishment.

Overview of key corporate bond listing requirements

Criteria	Malawi	Lesotho	Cameroon	Swaziland
Registrar*	Reserve Bank of Malawi.	CBL, in terms of Central Banks Act.	ISPs play the role of registrar, custodian, and broker.	Registrar of Companies.
Audited track record period	<i>Five years'</i> audited accounts, no more than six months old on date of listing. However, a shorter period <i>may be</i> accepted.	<i>Three years'</i> audited accounts	<i>Three years'</i> audited financial statements	<i>Three years'</i> audited accounts, no more than 18 months old. The issuers auditor(s) duly registered by the Swaziland Institute of Accountants in terms of the Accountants Act, 1985 is required to provide opinion on the issuers financial statements.
Working capital statements	Statement of capital and indebtedness showing the company's capitalisation on an actual basis and if applicable as adjusted to reflect the sale of new financial instruments being issued.	Not explicitly required	Not required. However, the regulator checks profitability and the strength of cash flows for bond issuance.	Not explicitly required
Legal opinions	No requirement related to pending litigation. However, legal opinion required as proof of compliance with the laws of country of incorporation such as the Companies Act of Malawi.	In the case of material litigation, all required consents and agreements related to the issue shall be furnished.	Issuers lawyer is required to attest that information contained in the prospectus is in line with applicable regulations.	Information about any legal or arbitration proceedings which may have a material effect on the groups financial position or an appropriate negative statement.

* The Registrar performs an administrative function, including the maintenance of records and the settlement and clearing of trades.

Overview of key corporate bond listing requirements

Criteria	Malawi	Lesotho	Cameroon	Swaziland
Required issuer board/shareholder approval	Resolution by the board of directors signed by chairman and company secretary.	Approval for the issue of debt shall be in terms of the articles of incorporation.	Board approval is required, stating the amount for bond issuance .	Authorisation to issue in terms of the Articles of Association and obtained necessary consent in terms of article and Memorandum of Association.
Reporting accountant	Reporting accountant not required. Auditor required to report on solvency of issuer and guarantee listing.	Lesotho Institute of Accountants certified accountants’ report covering at least three years’ audited financial statements.	Issuer required to have report from an accountant validating the financial statements provided in the prospectus. Reporting accountant can also be the issuers auditor.	Not required
Credit ratings report	Not required , but the use of an independent rating agency as measure of default risk related to a listing is supported.	Not required	The DSX reserves the right to demand an independent rating and evaluation of the issue delivered by an authorised body or agency.	The use of ratings is not required by the SSX in terms of the listing requirements, but is supported by the exchange.
Sinking fund	Not required	Registrar may require issuer to establish a sinking fund.	All issuances must give information regarding a sinking fund, highlighting how funds will be reimbursed.	Not required
Gearing ratio	Not required	Gearing of 2:1 including the issue of the new bonds.	Not required	Not required
Security	Not required. However, issuer must disclose whether debt to be issued is guaranteed, secured or unsecured.	Minimum security of LSL5 million (USD432,395)*	All debt issuances required to have some form of security. Guarantee or credit rating report will suffice as security.	Not required

* Note that USD values have been provided for comparison purposes only and are an approximation based on rates at 1 April 2018.

Overview of key corporate bond listing requirements

Criteria	Malawi	Lesotho	Cameroon	Swaziland
Issuer profit forecast	Not explicitly required	Profit forecast is required. The entity should have reasonable profitability in the past two years or have strong potential to be profitable.	The issuer is expected to provide a profit forecast. Even though the time frame for such projection is not specified, five years is typically sufficient in practice.	Not explicitly required.
Continuing obligations	Annual <i>audited financial statements</i> to be submitted within six months of year end.	Issuer shall publish audited annual accounts and half yearly report.	Publish semi-annual and annual financial statements.	Audited financials to be submitted within six months of year end annually. Where interim financial statements are prepared, they need to be submitted within three months.
Minimum number of bondholders	Minimum of 10 bondholders	Not required	Minimum number of bondholders is 100.	Not required

Overview of key corporate bond listing requirements

Criteria	Malawi	Lesotho	Cameroon	Swaziland
Issuance fees*	<p><u>Initial listing fees:</u></p> <p><u>Application fee:</u> MWK1,200,000 (USD1,680)</p> <p><u>Listing fee:</u> Total nominal value of instruments*0.05% , subject to: *a minimum of MWK1,200,000 (USD1,664) *and a maximum of MWK10,000,000 (USD14,000)</p> <p><u>Annual fees:</u> Total nominal value of instruments*0.05%, subject to: *a minimum of MWK1,200,000 (USD1,664) *and a maximum of MWK10,000,000 (USD14,000)</p>	<p><u>Initial listing fees:</u> 0.1% of value of securities to be listed subject to minimum USD750</p> <p><u>Additional listing fees:</u> 0.05% of value of securities to be listed subject to minimum USD750</p> <p><u>Annual fees:</u> 0.01% of value of securities to be listed subject to minimum USD750</p>	<p><u>Initial listing fees:</u></p> <ul style="list-style-type: none"> • Authorisation fee 0.15% • Introductory fee 0.09% <p><u>Annual fees:</u></p> <ul style="list-style-type: none"> • Listing fees 0.09% • Membership fee 0.02% • Refund commission capital 0.01% • Interest payment commission 0.10% <p>Other advisor fees such as legal, banking and accountant fees are also charged to the issuer.</p>	<p><u>Initial listing fees:</u> Listing application fee of SZL1,000 (USD86) plus:</p> <p>0.03% of the market value of the securities (Main Board), or 0.01% of the market value of the securities (Alternate Board), subject to the ranges noted below:</p> <p><i>Minimum:</i> Main Board: SZL10,000 (USD865) Alternate Board: SZL500 (USD43)</p> <p><i>Maximum:</i> Main Board: SZL100,000 (USD8,647) Alternate Board: SZL10,000 (USD865)</p> <p><u>Annual fees:</u> 0.025% of the market value of the securities under the Main Board or 0.01% under the Alternate Board, subject to the ranges noted below:</p> <p><i>Minimum:</i> Main Board: SZL10,000 (USD865) Alternate Board: SZL500 (USD43)</p> <p><i>Maximum:</i> Main Board: SZL100,000 (USD8,647) Alternate Board: SZL10,000 (USD865)</p>

* Note that USD values have been provided for comparison purposes only and are an approximation based on rates at 1 April 2018.

Overview of key corporate bond listing requirements

Issuance fees guidance*

Criteria	Malawi		Lesotho		Cameroon		Swaziland			
	Initial fee	Annual fee	Initial fee	Annual fee	Initial fee	Annual fee	Initial fee		Annual fee	
							Main^	Alt^	Main^	Alt^
USD10 million	6,680	5,000	10,000	1,000	24,000	22,000	3,086	1,086	2,500	865
USD50 million	15,680	14,000	50,000	5,000	120,000	110,000	8,733	951	8,647	865
USD100 million	15,680	14,000	100,000	10,000	240,000	220,000	8,733	951	8,647	865

* Note that the guidance of issuance fees is illustrated in USD for comparison purposes.

^Main and Alt denote the Main Board and the Alternative Board respectively.

Glossary

Term	Definition/Meaning
BRVM	Bourse Régionale des Valeurs Mobilières
BSE	Botswana Stock Exchange
BVM	Bolsa de Valores de Moçambique
BVMAC	Bourse des Valeurs Mobilières de l’Afrique Centrale
CBL	Central Bank of Lesotho
CBN	Central Bank of Nigeria
CEMAC	Communauté Économique et Monétaire de l’Afrique Centrale
CMF	Commission des Marchés Financiers/Financial Market Commission
CMSA	Capital Markets Authority of Tanzania
COSUMAF	Commission de Surveillance du Marché Financier de l’Afrique Centrale
DSX	Douala Stock Exchange
EAS	Egyptian Accounting Standards
EGX	Egyptian Exchange
EFSA	Egyptian Financial Supervisory Authority
FMDQ	Over-the-counter securities exchange in Nigeria
FSCA	Financial Sector Conduct Authority of South Africa

Glossary

Term	Definition/Meaning
GAAP	Generally accepted accounting principles
Gearing ratio	Ratio of an entity's level of long-term debt compared to its equity capital employed, subject to varying definitions
HY	High-yield
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
JSE	Johannesburg Stock Exchange
LuSE	Lusaka Stock Exchange
MSE	Malawi Stock Exchange
MSM	Maseru Securities Market
NAICOM	National Insurance Commission of Nigeria
NAMFISA	Namibia Financial Institutions Supervisory Authority
NAV	Net asset value
NBBA	National Board of Accountants and Auditors of Tanzania
NSE	Nigerian Stock Exchange
NSX	Namibia Stock Exchange
OHADA	Organisation pour l'harmonisation en Afrique du droit des affaires
Plc	Public limited company
RSE	Rwanda Stock Exchange

Glossary

Term	Definition/Meaning
SADC	Southern African Development Community
SECZ	Securities Exchange Commission of Zimbabwe
SEC	Nigerian Securities and Exchange Commission
SEM	Stock Exchange of Mauritius
Sinking fund	A fund set up in terms of which the issuer sets aside money over time to retire its indebtedness
SSX	Swaziland Stock Exchange
USE	Uganda Securities Exchange
VAT	Value-Added Tax
WAEMU/ UEMOA	West African Economic and Monetary Union/Union Economique et Monétaire Ouest Africaine
ZSE	Zimbabwe Stock Exchange

Glossary

Currencies referenced

Code	Currency
BWP	Botswana pula
KES	Kenyan shilling
LSL	Lesotho loti
MWK	Malawian kwacha
MUR	Mauritian rupee
MZN	Mozambican metical
NGN	Nigerian naira
NAD	Namibian dollar
RWF	Rwandan franc
SZL	Swazi lilangeni
USD	United States dollar
ZAR	South African rand
ZMW	Zambian kwacha

THE FUND

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