



CENTRAL BANK OF EGYPT  
Egyptian Banking Institute

# ESG



## Advanced ESG & Climate Finance Loans Structuring for Practitioners

## Advanced ESG & Climate Finance Loans Structuring for Practitioners Parts 1 & 2:

Develop advanced due diligence and loan product structuring knowledge in this advanced online course

### Technical Course Content

#### Part 1

#### Green & Social Financing Frameworks

Two case studies demonstrate the structure and rationales of green and social financing frameworks. Best market practice and trainer insights will enable delegates to evaluate these key documents for loan projects,

#### Green Loans

##### Case Study 1: Green Finance

Assess the coherence and sufficiency of a significant existing corporate green financing framework.

- Mapping a corporate strategy to the UN SDGs.
- Assessing the framework's adherence to best market practice.
- Green loan principles within a framework:
- Use of Proceeds
- Project Evaluation
- Project selection
- Deployment
- Classification of risks and exclusions.
- Using Second Party Opinion/Verification reports to gather due diligence information

#### Social loans

##### Case Study 2: Social Finance

- Assess a financial institution's social finance programme and framework.
- Mapping the bank's strategy to the UN SDGs
- Assessing the framework's adherence to best market practice.
- Challenges of social project classification.

- Social loan principles within a framework
- Use of Proceeds
- Project Evaluation
- Project selection
- Deployment
- Classification of risks and exclusions.
- Using Second Party Opinion/Verification reports to gather due diligence information.

#### Green and Social Impact measurement

Achieving environmental and social impact and making a contribution to the achievement of the SDGs is key for many lenders and investors. This section examines impact for use of proceeds instruments and demonstrates an approach to how it can be measured and reported.

#### Impact reporting

- Impact reporting for green and social projects - using the ICMA Framework
  - Recommended sector-specific guidance
  - Recommended core Indicators
  - Mapping to SDGs – one approach
- Impact metrics
  - Green/Social loan outputs
  - Green/Social loan outcomes
  - Green/Social loan Impact
  - Examining how to compile and report on green and social project impact

#### Part 2

The second day utilises the learning from Day 1. Sustainable and Sustainability-Linked loans will be the focus.

#### Sustainable loans

- Understanding the importance of a 'Just Transition'

- Combining Green and Social Loan Due Diligence
- Assessing the interplay between the two components

### Sustainability-linked loans

- SLLs as Transition Instruments
- Evaluating Sustainability-linked loans
- Key Performance Indicator selection and current trends
- Establishment of meaningful Sustainability Performance Targets
- Market evolution: borrower/issuer missed targets and the ramifications for lenders/ investors

### Case Study 3: Analysing a Sustainability-linked corporate framework + Second Party Opinion

- How to assess the coherence of a sustainability-linked finance framework.
  - Mapping corporate strategy and SDGs commitment
  - Adherence to best market practice
  - Mapping to LMA Sustainability-Linked Loan Principles
- Determining the borrower's ambition
- Understanding the mechanics and choices of KPIs and SPTs
- Common primary and secondary KPIs
- Materiality
- Strategic significance
- Measurability
- Benchmarking
- SPT disclosure

### Wrap up / Q and A

### Background of the Trainer

The trainer is an experienced international and emerging market capital markets consultant. He actively consults on Sustainable Finance to

International Financial Institutions utilising his technical and leadership knowledge and skills. He has first-hand experience in over 38 emerging and frontier markets as an investor in a range of ESG/Climate and non-ESG debt, equity and loan investment products. As a former senior banker in the European Bank for Reconstruction and Development he led an advisory and structuring team which worked closely with multi-industry-sector bankers and risk officers to create loan, bond and equity investments in over 25 local currencies. He also has considerable expertise in debt and equity capital market governance and strategy.

### Training Objectives

This advanced course is designed for investors and lenders in ESG loans and focuses on developing advanced due diligence and loan product structuring knowledge. The emphasis is on practical and implementable skills which will enable each delegate to confidently engage in this rapidly growing asset class. Participants should already be familiar with the concepts and features of ESG loans.

- Examine as an investor/lender/advisor the mechanics of assessing and structuring green, social, sustainable and sustainability-linked loans using best market practice and current case studies in the loan and capital markets.
- Conduct due diligence on a corporate Green Financing Framework.
- Understand + apply best practice for Green loan monitoring and Impact reporting.
- Analyse + conduct due diligence on a Social financing framework.
- Understand + apply best practice for Social loan monitoring and Impact reporting.
- Examine Sustainable loans: combining environmental and social projects in financings.

- Assess Sustainability-linked loans: best market practice in KPI and SPT selection; mechanics and performance scenarios over time.
- Examine loan monitoring + impact reporting best practice for green and social loan case studies.

### What Makes this Course Different?

- This is a unique course in the marketplace.
- Emphasises practical ESG loan structuring skills.
- Focuses on transferring diagnostic due diligence expertise.
- Deep dive focus on monitoring and impact reporting.
- Trainer is an active ESG market practitioner.

### Do You Need to Attend this Course?

Our advanced ESG and climate finance loans structuring course is a must for investors and lenders in ESG loans, and it focuses on developing advanced due diligence and loan product structuring knowledge. The emphasis is on practical and implementable skills that will enable each delegate to confidently engage in this rapidly growing asset class.

This course is suitable for:

- Asset/fund managers
- Banking and Corporate Credit
- Banking lawyer
- Corporate bankers
- Corporate/Commercial lawyer

- Corporate finance advisor
- Credit Risk
- Finance Director
- In-house legal counsel
- Investment Banking
- Banking Operations Department
- Private Equity
- Project and Renewables Finance
- Project and Renewables Finance Lawyer
- Risk management
- Sustainable Finance Departments
- Corporate Treasury
- Investment department

### Training Course Summary

ESG loans have seen exponential growth since 2018. This advanced ESG loan course focuses on enabling participants to build their loan due diligence and structuring skills. By learning to do so, investors, lenders and their advisors can better understand what to expect from borrowers and why. The absence of certified public market data in the loan market creates a practical challenge. This course will enable you to seek and utilise data from different sources to give your investment committee more information. This course is a deep dive into green, social, sustainable and sustainability-linked loans and uses current case studies as the basis of learning. Participants are encouraged to bring their own relevant ESG challenges to the programme to deepen their learning and application.

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#### Headquarters – Nasr City

22 A, Dr. Anwar El Mofty St., Tiba 2000  
P.O.Box 8164 Nasr City, Cairo, Egypt  
Tel.: (+2) 02 24054472  
Fax: (+2) 02 24054471

**Working hours:** 9:00 am - 5:00 pm  
**www.ebi.gov.eg**



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