

CASE STUDY SERIES: Innovative Financing for Gender Equality via Bonds



Spain: SUSTAINABILITY BOND ISSUED BY A REGIONAL GOVERNMENT

Junta de Andalucía

Euro (EUR)





Issuer	<p>Junta de Andalucía is the government of the Autonomous Community of Andalusia. It consists of the Parliament, the President of the Regional Government and the Government Council.</p> <p>Since 2003, Junta de Andalucía has a legal framework for the promotion of gender budgeting.¹ Public budgeting is recognized as an appropriate instrument for achieving progress within the mandate of public authorities in matters of equality between men and women, due to its cross-cutting nature in terms of public policy and its capacity for restructuring priorities and reallocating resources.</p>			
Issuance tranche ²	1 st issuance: ES0000090847	2 nd issuance: ES0000090888	3 rd issuance: ES0000090896	4 th issuance: ES0000090904
Amount issued	EUR 1 billion (about US\$1.18 billion)	EUR 500 million (about US\$534 million)	EUR 500 million (about US\$534 million)	EUR 600 million (about US\$641 million)
Date of issuance	16 April 2021	16 July 2021	10 June 2022	16 March 2023
Date of maturity	30 April 2031	30 July 2033	30 April 2032	30 April 2033
Number of issuances	Single issuances	Single issuances	Single issuances	Single issuances
Coupon rate	50 basis points (bps)	70 bps	240 bps	395 bps
Listing (domestic or international)	Domestic			
Stock exchanges where listed	AIAF (fixed income market)			
Future issuances	Not applicable (N/A)			



Use of proceeds (Socioeconomic advancement and empowerment)

Proceeds of the sustainability bonds will be allocated to projects which aim to improve the well-being and social inclusion of vulnerable segments of the population, including victims of gender violence.

Gender considerations in the use of proceeds

Gender considerations in the use of proceeds:³

1. Expenses for comprehensive assistance for victims of gender violence
2. Legal assistance to victims of gender violence
3. Guarantee of immediate designation of attorneys to victims of gender violence







Example of project financed:⁴

The Andalusian Remote Assistance Service (ARAS) is a service of the Junta de Andalucía, providing continuous and personalized social care, oriented to people who require some kind of help or monitoring 24 hours a day, every day of the year, supported by information and communication technology (ICT), whose purpose is to improve the quality of life of Andalusia's citizens, especially the most dependent.

The ARAS adapts to communities with special needs and is prepared to act in cases of gender violence, with a special protocol designed to detect these situations. In addition, the use of ICT is improving the services provided. Of the people who have been helped by the service staff, **79 per cent were women** and 61 per cent lived alone.

Of the EUR 1.5 billion mobilized in 2021 through the sustainability bonds by Junta de Andalucía, EUR 868.1 million, or 57.88 per cent, was used to finance programmes related to the eligible category "socioeconomic advancement",⁵ which includes expenses for comprehensive assistance for victims of gender violence, legal assistance to victims of gender violence and the guarantee of immediate designation of attorneys to victims of gender violence.



<p>Alignment with the Sustainable Development Goals (SDGs)</p>	 
<p>SDG targets that the bond addresses</p>	<p> Target 5.1 End all forms of discrimination against all women and girls everywhere.</p> <p> Target 5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.</p> <p> 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> <p> Target 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.</p>
<p>Target population</p>	<p>Victims of gender violence among the Andalusian population</p>



Indicators related to gender equality	<p>Example of indicators:⁶</p> <ul style="list-style-type: none"> • Number of gender violence victims that obtained legal assistance • Number of beneficiaries of social inclusion programmes
International standards alignment	<p>Social Bond Principles (SBP) 2020</p>
Link to framework	<p>Junta de Andalucía. 2021. Sustainable Finance Framework. March. https://www.juntadeandalucia.es/export/drupaljda/Andalucia_Sustainability_Framework_March_2021.pdf</p>
Link to Second Party Opinion	<p>Sustainalytics. 2021. Junta de Andalucía Sustainable Finance Framework. Second-Party Opinion. 23 March. https://www.juntadeandalucia.es/export/drupaljda/Junta_de_Andalucia_Sustainable_Finance_Framework_Second_Party_Opinion_0.pdf</p>
Second Party Opinion provider	<p>Sustainalytics</p>
Credit enhancement <i>(yes or no)</i>	<p>No</p>



<p>Was the bond oversubscribed and were there any special considerations?</p>	<p>There has been oversubscription in all bonds. Oversubscription ratio:</p>			
<p>Partners</p>	<p>1st issuance:</p>	<p>2nd issuance:</p>	<p>3rd issuance:</p>	<p>4th issuance:</p>
<p>Other features</p>	<p>2.6%</p>	<p>2%</p>	<p>1.7%</p>	<p>1.6%</p>
	<p>BBVA, CaixaBank, CACIB, HSBC, Santander</p>	<p>CaixaBank, CACIB, Deutsche Bank, HSBC, Santander</p>	<p>BBVA, Banco Sabadell, CaixaBank, CACIB, HSBC, Santander</p>	<p>BBVA, CaixaBank, CACIB, HSBC, ING, Santander</p>
	<p>Eligible categories and projects are directly linked to the General Budget and corresponding budgetary programmes of the Junta de Andalucía, including gender budgeting since 2003.</p> <p>All budgetary programmes are rated on a scale that determines their importance in the strategy. For instance, the G and G+ programmes accounted for 89.6 per cent of the Andalusian budget⁷ in 2021. The G+ scale is a method of classifying budget programmes which identifies the budget programmes and actions with the greatest potential to reduce imbalances between men and women. The programmes are first classified according to their gender relevance. The relevant ones are then grouped according to four objective criteria: transformative power; powers to act in relation to gender equality; impact capacity; and functional relevance, that is, whether the field in which the programme operates is recognized as a lever for change in gender equality. Programmes are therefore classified from greater to lesser gender impact: G+, G, G1 and G0. Budgetary programmes rated as G or G+ must mandatorily define objectives, actions and indicators aimed at reducing the observed gender gaps.</p> <p>The budget is accompanied by a Gender Impact Assessment Report where the reference statistical indicators, the situation of the staff of the Junta de Andalucía and the budgetary resources available each year are analysed. The Autonomous Community has annual audit plans to determine to what extent the programmes adequately include the gender perspective in budget execution.⁸</p>			



Lessons learned

Gender violence is a dramatic manifestation of gender inequality. In October 2020, the Government of Andalusia indicated having delivered EUR 9.8 million, that is, 76.7 per cent of the Budget for Andalusia of the State Agreement against Gender Violence. For the 2021 Budget, an increase by 29 per cent is planned for actions of protection against gender violence, with an allocation of almost EUR 21 million.⁹ By explicitly covering the theme of gender violence within its Sustainable Finance Framework, the Government of Andalusia is signalling that it takes this issue seriously and is willing to invest resources in addressing it.

Endnotes

1. Junta de Andalucía. 2023. Investor Presentation. February. https://www.juntadeandalucia.es/sites/default/files/inline-files/2023/03/PRESENTACIÓN%20INVERSORES_marzo%202023.pdf
2. Junta de Andalucía. 2023. Investor Presentation. February, pp. 35–37. https://www.juntadeandalucia.es/sites/default/files/inline-files/2023/03/PRESENTACIÓN%20INVERSORES_marzo%202023.pdf
3. Junta de Andalucía. 2021. Sustainable Finance Framework. March, p. 5. https://www.juntadeandalucia.es/export/drupaljda/Andalusia_Sustainability_Framework_March_2021.pdf
4. Junta de Andalucía. 2023. 2021 Sustainability Bonds: Allocation and Impact Report. February, p. 26. https://www.juntadeandalucia.es/sites/default/files/inline-files/2023/02/Informe%20seguimiento%20bonos%20sostenibles_EN%20-%202027.02.2023.docx.pdf
5. Ibid., p. 17.
6. Junta de Andalucía. 2021. Sustainable Finance Framework. March, p. 11. https://www.juntadeandalucia.es/export/drupaljda/Andalusia_Sustainability_Framework_March_2021.pdf
7. Junta de Andalucía. Gender Impact Report of the 2021 Budget of the Autonomous Region of Andalusia: Executive Summary. Approved by the Gender Impact Commission of the Budget on 3 November 2020, p. 19. https://www.juntadeandalucia.es/export/drupaljda/Executive_Summary_IEIG2021_EN.pdf
8. Junta de Andalucía. 2021. Investor Presentation. March, p. 31. https://www.juntadeandalucia.es/export/drupaljda/Investor_Presentation_march_2021_4.pdf
9. Junta de Andalucía. Gender Impact Report of the 2021 Budget of the Autonomous Region of Andalusia: Executive Summary. Approved by the Gender Impact Commission of the Budget on 3 November 2020, p. 21. https://www.juntadeandalucia.es/export/drupaljda/Executive_Summary_IEIG2021_EN.pdf

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