

**JOINT DECLARATION BY THE  
MULTILATERAL AND BILATERAL DEVELOPMENT INSTITUTIONS  
FOR THE GLOBAL ENHANCEMENT OF ACCOUNTABILITY AND  
TRANSPARENCY IN THE GREEN AND SUSTAINABLE BOND  
MARKET**

This Joint Declaration puts forth the shared vision of the endorsing Multilateral and Bilateral Development Institutions for the global enhancement of accountability and transparency in the developing and emerging green and sustainable bond market.

The initiative is led by the Inter-American Development Bank (IDB), together with Multilateral and Bilateral Development Institutions. Through their cooperation, they aim to increase transparency, improve data quality and the application of best practice standards in the green and sustainable bond market, and work collaboratively on the globalization of the Green Bond Transparency Platform (GBTP), a platform developed to facilitate transparent and harmonized reporting for issuers and external reviewers, and well-informed investment decisions by investors.

The Multilateral and Bilateral Development Institutions endorsing this Joint Declaration

1. **RECOGNIZE** that capital markets are central in providing financing for the transition to green and sustainable economies and that Green and Sustainable Bonds emerge as a key financing instrument providing substantial and dedicated funding to climate change mitigation and adaptation;
2. **RECOGNIZE** that while in 2022, the green bond market reached an issuance of US\$ 2 trillion globally, its potential is estimated to be between US\$ 4.7 trillion and US\$ 5.6 trillion by 2035; and that the global thematic bond market represents 5% of the total global volume of fixed-income instruments,<sup>1</sup> and more financing is required to achieve country's Nationally Determined Contributions (NDCs) and organizational commitments;
3. **RECOGNIZE** the paramount importance of transparency in the green and sustainable bond market, especially given its rapid growth, the diversity of issuers across various sectors, and the heterogeneity in post-issuance reporting on use of proceeds and impacts;

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<sup>1</sup> [2022 Market Snapshot: And 5 big directions for sustainable finance in 2023 | Climate Bonds Initiative](#)

4. **RECOGNIZE** the importance of ensuring clear, accurate, and timely disclosure of information regarding the utilization of proceeds and the tangible impacts of green and sustainable bonds which holds immense value for investors and significantly aids their decision-making process;
5. **RECOGNIZE** the existing gap between the investment opportunities on green and sustainable projects and the supply of capital aimed to address it<sup>2</sup>;
6. **RECOGNIZE** that the IDB, as the leading development finance institution in Latin America and the Caribbean (LAC), developed, launched, maintains, and upgrades the GBTP as a solution for secure green, sustainable and sustainability-linked bonds reporting;
7. **RECOGNIZE** that the GBTP concept development, launch, and initial two-year operation was co-financed by the International Climate Initiative of the German Federal Ministry for Economic Affairs and Climate Action (BMWK) and by the Government of Switzerland represented by the Swiss State Secretariat for Economic Affairs (SECO) as well as by the IDB's NDC Pipeline Accelerator Multi-Donor Trust Fund.
8. **RECOGNIZE** that the IDB and KfW with the support of the Federal Republic of Germany, represented by the Federal Ministry of Economic Cooperation and Development (BMZ) intends to provide financial support for the Green Bond Partnership, including the GBTP pursuant to the Letter of Intent concerning The Launching of the Green Bond Partnership dated September 4, 2023, announced at the [Finance in Common Summit 2023](#) in Cartagena, Colombia.
9. **RECOGNIZE** that the GBTP is an IDB public good project that seeks to support secure, consistent, transparent, and credible reporting of impacts generated by all green and sustainable bonds in LAC, by allowing to track the use of proceeds and impact metrics at project-level, in line with existing and evolving standards and methodologies and build a track record on the bonds reporting practices and generate confidence in the green, sustainable and sustainability-linked bond market, thus promoting harmonization and standardization of first-hand data reporting;
10. **RECOGNIZE** that since its launch in April 2021, the GBTP covers about 80% of the market volume in LAC, with more than 100 issuers reporting more than 200 bonds from 13 jurisdictions in LAC, with more than 400 market actors receiving training, and that the GBTP has received an external international award by investors, and interest to expand its coverage as the key global reporting tool for [green](#), [sustainable](#), and [sustainability-linked](#) bonds;
11. **RECOGNIZE** that Multilateral and Bilateral Development Institutions are the engine that drives development, innovation, knowledge sharing, and growth in each regional

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<sup>2</sup> A Climate Bonds Initiative (CBI) survey in 2019 highlighted the heterogeneity in practices globally and served the IDB to hold discussions with more than 30 key market players to understand reporting demands and needs, and the usefulness of an innovative platform that allows issuers directly to report standardized information.

economy and have a mandate in supporting the greening of the financial system and capital markets while enhancing best practices in emerging and developing economies and providing the tools to promote sustainable investments;

12. **DECLARE** their support to the continued growth of their cooperation with a view to upholding transparency in the green and sustainable bond market, promoting accountability and openness while also striving toward the internationalization of the GBTP; and
13. **DECLARE** that, notwithstanding anything in this Joint Declaration to the contrary, (i) this Joint Declaration is an expression of intent and does not constitute a legally binding document, (ii) nothing herein shall be construed as creating nor as aiming to create a legally binding commitment, financial or otherwise, (iii) nothing herein shall be construed as creating a joint venture, partnership or any similar arrangement between the parties, and neither party shall be an agent, representative or joint partner of the other party; (iv) all of the parties' activities envisaged hereunder are subject to the availability of funding; (v) any funds received by the parties shall be used, and all party activities further to this Joint Declaration will be carried out, in accordance with the documents agreed between the respective party, and the applicable party regulations, rules, policies and procedures; and (vi) each party shall be responsible for its acts and omissions and those of its employees, contractor and subcontractors, in connection with this Joint Declaration and its implementation.

In no event will the parties have any liability to each other for any loss or damage arising out of or in connection with this Joint Declaration, including without limitation consequential loss or damage, and each party hereto releases the other party and its affiliates from such liability.

Specifically, neither party shall be liable to the other parties for any of the following categories of damages, costs, losses or expenses:

- loss of profit, loss of revenue, loss of goodwill, loss of use, loss of opportunity, down time costs and the costs of obtaining or maintaining financing (in all cases, whether direct or indirect or consequential); or
- indirect or consequential damage, costs, losses or expenses of whatever nature.

To the extent that the parties wish to create legal or financial obligations with respect to or resulting from any activity contemplated in this Joint Declaration, a separate agreement related thereto will be concluded between the parties prior to such activity being undertaken.

In the event of inconsistency between any provision of this Article 13 and a provision of another section of the Joint Declaration, this Article 13 shall prevail.

14. **ACKNOWLEDGE** that this Joint Declaration may be amended only by written consent of the parties, recognizing, however, the right of members, upon prior notification, to cease unilaterally the participation in the partnership under the terms of this Joint Declaration.

The incorporation of new members to the partnership shall receive written consent of all parties, which may occur by email. The new member will adhere to the terms of this Declaration by signing a unilateral instrument.

15. Lastly, **ACKNOWLEDGE** the public content of this Joint Declaration, which may be disclosed by the parties in accordance with the parties' policies and procedures with respect to the disclosure of information.

## ENDORISING INSTITUTIONS

