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Ethiopian Securities
Exchange



CALL FOR APPLICATIONS

Corporate Bond Demonstration Transaction Support Program



Deadline: Jan 23,2026

Submit to: info@esx.et

Corporate Bond Demonstration Transaction Support Program

1. Background

The Ethiopian Securities Exchange (ESX), in partnership with Financial Sector Deepening Ethiopia (FSD Ethiopia), is implementing a Corporate Bond Demonstration Transaction Support Program to unlock opportunities in Ethiopia's emerging fixed income market.

As companies seek growth beyond traditional bank financing, the debt market offers an alternative source of short-, medium-, and long-term funding better aligned with investment needs. Corporate bonds enable issuers to diversify funding sources, access longer tenors, and strengthen capital and balance sheet management.

The demonstration transaction program is designed to lower the barriers for first-time issuers by providing hands-on support and creating a practical reference for future transactions. By showcasing how corporate bonds can be structured, issued, and listed on ESX, the program aims to build confidence among issuers and investors alike, while opening a viable pathway for companies to tap Ethiopia's emerging capital markets.

2. Why Apply

Selected participants will benefit from being among the first issuers to access Ethiopia's public corporate bond market.

Diversified Financing	Access funding beyond traditional bank lending.
Longer-Tenor Funding	Secure financing aligned with business investment cycles.
Cost-Sharing Support	Reduce upfront issuance and preparation costs.
Technical Assistance	Receive hands-on guidance from experienced transaction advisors.
Visibility & Credibility	Gain recognition as a pioneer in Ethiopia's capital markets.
First-Mover Advantage	Help shape market practices, pricing benchmarks, and investor appetite.
Capacity Building	Develop institutional knowledge for future capital market activities.

3. Who Can Apply

Target Entities	Core Requirements
<p>Share Companies and State-Owned Enterprises (SOEs) operating in Ethiopia with the intent to issue and list corporate bonds on the ESX through a public offering.</p>	<ul style="list-style-type: none"> Financial Capacity: Demonstration of adequate financial strength to issue and service public debt. Regulatory Compliance: Ability and willingness to meet ECMA-approved public offering, disclosure, and listing requirements. Institutional Commitment: Dedicated focus to completing a high-quality, precedent-setting issuance within the program timeframe.

4. Indicative Bond Features

The demonstration transaction is intended to be among the first corporate bonds listed on the ESX. While the final transaction structure will be determined through transaction advisory support and regulatory review, the issuance is expected to broadly align with the following parameters:

- A fixed-term corporate debt security issued by the selected institution and listed on ESX in accordance with applicable listing and regulatory requirements.
- The target tenor is two (2) to three (3) years, reflecting short- to medium-term market financing needs.
- Issuance conducted through a public offer approved by the Ethiopian Capital Market Authority (ECMA)
- Listing on ESX to enable secondary market trading, supporting transparency, price discovery, and investor liquidity.
- The issuance will serve as a demonstration transaction to establish a live market reference for pricing, trading, and subscription behavior.
- Issuers are encouraged to align with thematic bond frameworks (such as Social, Gender, or Green Bonds) where feasible, though this is not mandatory. Alignment with these themes will be viewed favorably, particularly where proceeds support financial inclusion, climate resilience, social impact, or gender-focused economic participation.
- Final bond structure, issue size, pricing, security features (if any), and other commercial terms will be determined through the transaction advisory, due diligence, and regulatory approval processes following issuer selection.
- A maximum funding cap and other conditions may apply to the cost-sharing contributions of ESX and FSD Ethiopia, in line with program parameters.

5. What Support Is Available

Selected applicants will receive tailored support to prepare, issue, and list their bond. Support may include:

- Cost-sharing technical assistance to engage transaction advisory or investment banking services.
- Cost-sharing support for credit rating services, where applicable.
- Where applicable, support for thematic or sustainable bond preparation, such as framework development, second-party opinions, or verification services (for example, green, social, or gender bonds).
- Guidance on listing and regulatory processes, including coordination with relevant authorities.
- Investor outreach and communications support, including market engagement activities.
- Documentation of transaction learnings to support broader market development.

The program operates under a shared contribution (cost-sharing) model between ESX, FSD Ethiopia, and the selected institution, applicable to eligible transaction preparation costs.

6. Roles of Program Partners

Institution	Role & Key Responsibilities
Selected Institutions (Issuers)	<ul style="list-style-type: none"> • Design & Structure: Work with advisors to prepare the bond issuance. • Compliance: Fulfill all ECMA and ESX regulatory and disclosure requirements. • Due Diligence: Provide financial, legal, and operational data for transaction readiness. • Financial: Co-finance agreed costs under the cost-sharing framework. • Market Lead: Spearhead investor engagement, roadshows, and outreach. • Knowledge Sharing: Support post-transaction learning and institutional capacity building.
Ethiopian Securities Exchange (ESX)	<ul style="list-style-type: none"> • Oversight: Strategic coordination of the demonstration program. • Listing Support: Provide guidance on admission and regulatory processes. • Incentives: Provide listing fee reductions or waivers where applicable. • Eco-system Building: Coordinate with ECMA and capture market learnings.
Financial Sector Deepening Ethiopia (FSD Ethiopia)	<ul style="list-style-type: none"> • Financial Support: Fund eligible preparation activities via the cost-sharing model. • Expertise: Support the engagement of transaction advisors and technical experts. • Market Development: Design knowledge-capture outputs and documentation. • Monitoring: Collaborate with ESX to monitor program implementation and outcomes.

7. Eligibility Criteria

Applicants must meet the requirements under the Public Offering and Trading of Securities no. 1030/2024 and satisfy one of the following institutional criteria:

- Be a legally registered share company (including financial institutions or entities in other sectors) operating in Ethiopia, which has been in existence for at least one (1) year, has fully paid-up capital, and has not breached any loan repayment covenants; or
- Be a state-owned enterprise operating in Ethiopia that has not breached any loan repayment covenants.

In addition, applicants must:

- Have clear legal authority under their constitutive documents or establishing legislation to issue debt securities.
- Not be under liquidation, insolvency, or regulatory suspension.
- Have audited financial statements compliant with International Financial Reporting Standards (IFRS) for the past three (3) years.
- Demonstrate sound governance, risk management, and compliance frameworks appropriate for a public securities issuance;
- Be able to assign a dedicated internal transaction team to work with advisors and program partners;
- Demonstrate willingness to co-finance eligible transaction preparation costs;
- Be willing and able to obtain all required regulatory approvals, including:
 - Approval from the Ethiopian Capital Market Authority (ECMA) for the public offer and prospectus prior to any marketing or sale; and
 - Relevant sectoral approvals (e.g., National Bank of Ethiopia), where applicable.
- Commit to comply with ongoing disclosure and reporting obligations following issuance and listing; and
- Demonstrate institutional commitment throughout issuance, listing, and post-transaction knowledge-sharing activities.

8. How to Apply

Interested and eligible applicants should submit a complete application package including:

- A signed Expression of Interest letter from an authorized representative, confirming commitment to participate and adhere to the cost-sharing framework
- A brief company profile, including governance and organizational structure
- Audited financial statements for the past three (3) years
- Proof of valid licensing and regulatory compliance
- Nomination of an internal focal point and transaction team
- An indicative issuance proposal, including proposed volume, objectives, and expected timeline

Submission Details

Application Deadline	January 23, 2026
Submission Email	Info@esx.et
Email Subject	Please ensure the subject line of your submission reads: <i>“Application: Corporate Bond Demonstration Program”</i> .
Inquiries	All questions and requests for clarification must be submitted in writing to Info@esx.et by January 16, 2026.

***Selection Process and Timeline**

Applications will be reviewed jointly by ESX and FSD Ethiopia based on eligibility, issuance readiness, and alignment with program objectives. Shortlisted applicants may be invited for further clarification. Final selection will prioritize execution readiness and demonstration value.