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**Executive Committee of the Principles with ICMA confirm that existing guidance for Social and Sustainability Bonds is applicable for raising capital for social projects to support fragile and conflict states.**

The [Executive Committee](#) of the Principles, supported by the International Capital Market Association (ICMA), underline that existing guidance for Social and Sustainability Bonds is appropriate for use in the support of fragile and conflict states.

Social Bonds finance projects that directly aim to address or mitigate a specific social issue and/or seek to achieve positive social outcomes directed towards a specified target population. Sustainability Bonds are raised by public and private organizations to finance both green and social projects. Social and Sustainability Bonds are neither grants nor concessional finance and are to be repaid by the borrower. Borrowers also need to have processes to identify mitigants to known material risks of negative social and/or environmental impacts from their projects.

Illustrative examples of eligible social projects within the context of fragile and conflict states support include direct emergency relief such as food, shelter and healthcare, as well as specific projects designed to alleviate unemployment generated by the circumstances. These can especially target refugees and displaced persons fleeing the conflict, although they may also seek to support a wider population affected by the economic crisis. Additional information in the form of a targeted [Q&A](#) are also being made available.

Denise Odaro, Chair of the Executive Committee of the GBP SBP, Head of Investor Relations at IFC, stated: *“The very essence of the Principles is to support issuers in financing projects that achieve positive social outcomes and the well-being of society. As such, the Principles very naturally apply to the support of the most vulnerable and marginalized communities escaping conflict or being affected by it.”*

Nicholas Pfaff, Deputy CEO and Head of Sustainable Finance of ICMA, stated: *“Social and Sustainability Bonds can and are being used by borrowers such as governments, supranationals and official agencies to raise capital for emergency relief and social projects in support of fragile and conflict states “.*

**[Q&A for Social and Sustainability Bonds used to raise capital for social projects to support fragile and conflict states](#)**

[View the 2021 Social Bond Principles](#)

[View the Sustainability Bond Guidelines](#)

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