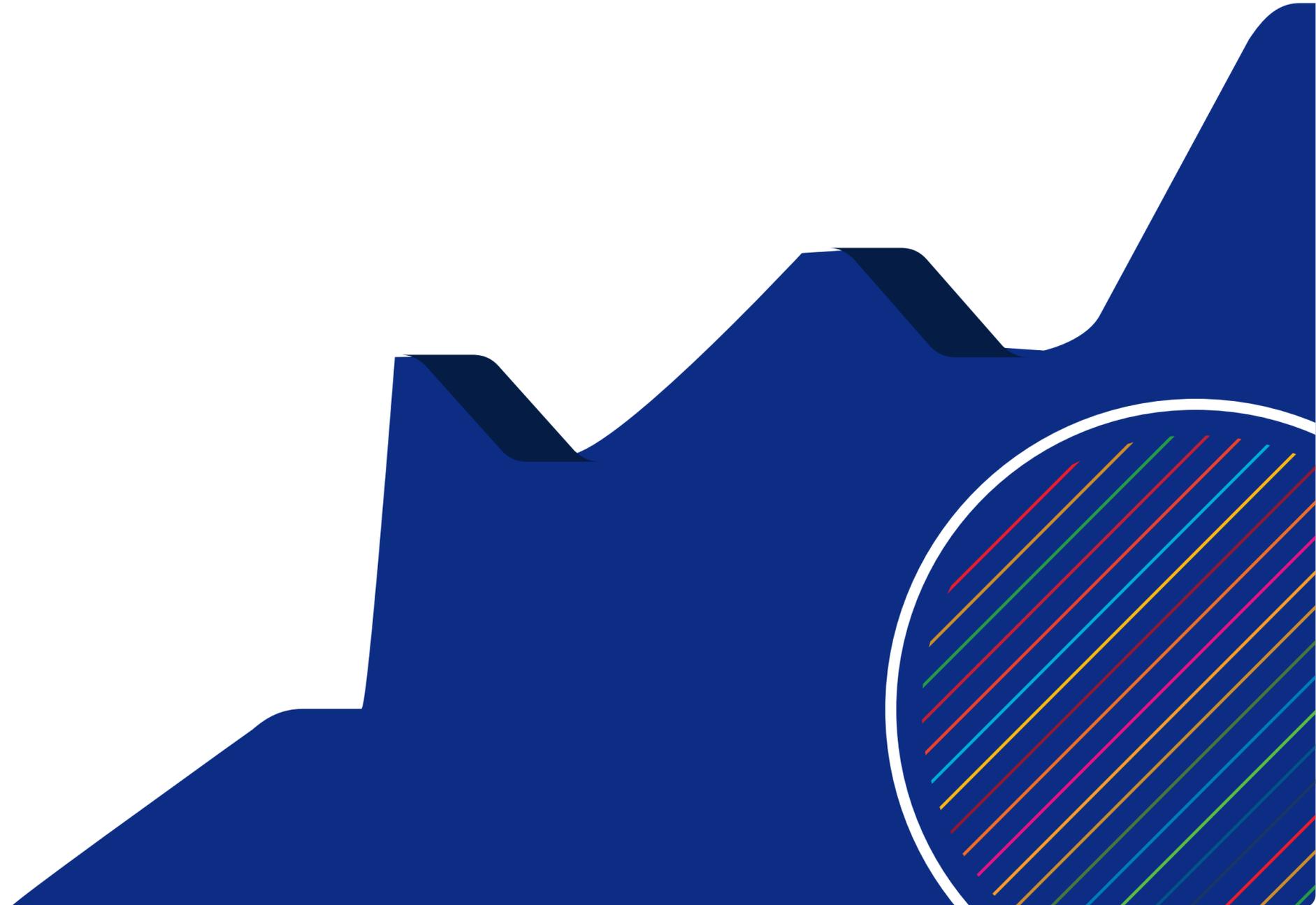


# Forum on Sustainable Investment in ASEAN

4 - 5 November 2021

Nikki Kemp, ASEAN Hub Director,  
Sustainable Development Investment Partnership



# Introducing the Sustainable Development Investment Partnership



**Launched in 2015, SDIP is a global platform of 43 public, private, and philanthropic institutions with the shared ambition to scale finance for sustainable development in emerging and developing countries.**

As a joint initiative of the World Economic Forum and the Organisation for Economic Co-operation and Development (OECD), SDIP's mission is to address the systemic challenges to sustainable development financing and investment and create the conditions to mobilise and scale capital for the SDGs in emerging and developing countries.

Our membership encompasses governments, multi-lateral development banks, development finance institutions, foundations, asset managers, investment funds, and pension funds that have interests in these countries.



## **43 Member Platform**

Governments, multi-lateral development banks, development finance institutions, foundations, asset managers, investment funds, pension funds

in

## **Strategic Collaboration with:**

Private Infrastructure Development Group (PIDG)  
Convergence Blended Finance  
P4G

## Global and Regional Steering Groups



**Thierry Déau**  
Founder, Chairman  
and CEO, Meridiam



**Patrick Dlamini**  
CEO, Development Bank  
of Southern Africa  
(DBSA)



**Koen Doens**  
Director-General, Directorate-  
General  
for International Partnerships  
(INTPA),  
European Commission



**Karin Finkelston**  
VP for Partnerships,  
Communication and  
Outreach, International  
Finance Corporation (IFC)



**Daniel Hanna**  
Global Head Sustainable  
Finance, Standard Chartered  
Bank



**Donald Kanak**  
Chairman, Prudential  
Insurance Growth Markets,  
Prudential plc



**Susanna Moorehead**  
Chair Development  
Assistance Committee,  
OECD

### SDIP Africa Hub

**Citi**

Peter Sullivan, Head of Public Sector Group, Africa

**Development Bank of Southern Africa**

Mohan Vivekanandan, Group Executive  
Origination and Client Coverage

**GuarantCo**

Janice Kotut, Managing Director

**Meridiam**

Mathieu Peller, Chief Operating Officer, Africa

**Mitsubishi UFG Financial Group (MUFG)**

Christopher Marks, Managing Director, Head of  
Emerging Markets

**Private Infrastructure Development Group (PIDG)**

Tim Streeter, Head, Investor Relations

**Standard Chartered**

Chris Kirigua, Executive Director, Regional  
Head of Sustainable Finance, Africa

**Standard Bank**

George Kotsovos, Executive, Energy &  
Infrastructure, Corporate and Investment  
Banking

### SDIP ASEAN Hub

**Asian Development Bank (ADB)**

Ramesh Subramaniam, Director General  
South East Asia Department, [Co-Chair](#)

**Citi**

[Replacement TBC](#)

**InfraCo Asia (PIDG Group)**

Allard Nooy, CEO

**International Finance Corporation (IFC)**

Isabel Chatterton, Director & Regional Industry  
Head Infrastructure and Natural Resources, APAC

**Mitsubishi UFG Financial Group (MUFG)**

Colin Chen, Head of ESG Finance, APAC

**Prudential plc**

Donald P. Kanak, Chairman, Prudential  
Insurance Growth Markets, [Co-Chair](#)

**Sumitomo Mitsui Banking Corporation**

Rajeev Kannan, Managing Executive Officer  
and Deputy Head of The Asia Pacific  
Division and General Manager, Corporate  
Banking Dept., Asia Pacific Division

**Standard Chartered**

Jason Ving, Regional Head of Public Sector  
and Development Organisations, ASEAN  
and South Asia, Corporate, Commercial &  
Institutional Banking

# SDIP Membership and Partners



Our membership and partners encompasses actors across the financing value chain, including governments, multi-lateral development banks, development finance institutions, foundations, asset managers, investment funds, & pension funds.



# An unprecedented global context



## SDG financing has never been more urgent and important

- Two years into the decade of delivery, the COVID-19 crisis has **widened the SDG financing gap**, exacerbating the challenges preventing the flow of capital at scale and speed needed to achieve the SDGs.
- Country's **debt levels** are at an all time high, paired with even lower access to official development assistance (ODA).
- Though there is an increase in private sector liquidity and increasing pressure to invest in SDGs, the global pandemic has **increased aversity to risk**.
- Practical **tools (and how-to), leadership, and coordinated support** are needed in order to enable developing countries to act quickly and effectively.
- The **social development component** of SDG financing and investment are more important than ever, creating an urgent need to accelerate **impact at scale** for sustainable and inclusive post-COVID transition for developing countries.

**12.4%**

increase in debt-to-GDP in Emerging Markets  
- Saint Lucia has hit 85% debt/GDP

**16%**

decrease in foreign direct investment for developing countries

**32 million**

of the world's poorest people have been pulled back into extreme poverty

There is currently

**\$379 trillion**

available in the financial market, yet only **10%** goes to sustainability

# Generating Sustainable Transition Pathways



## Addressing systemic enablers in developing and emerging economies

### Sustainable Financing Roadmaps

Increases collective level of ambition:

- Country context and leadership at the center
- Emphasis on private sector inputs

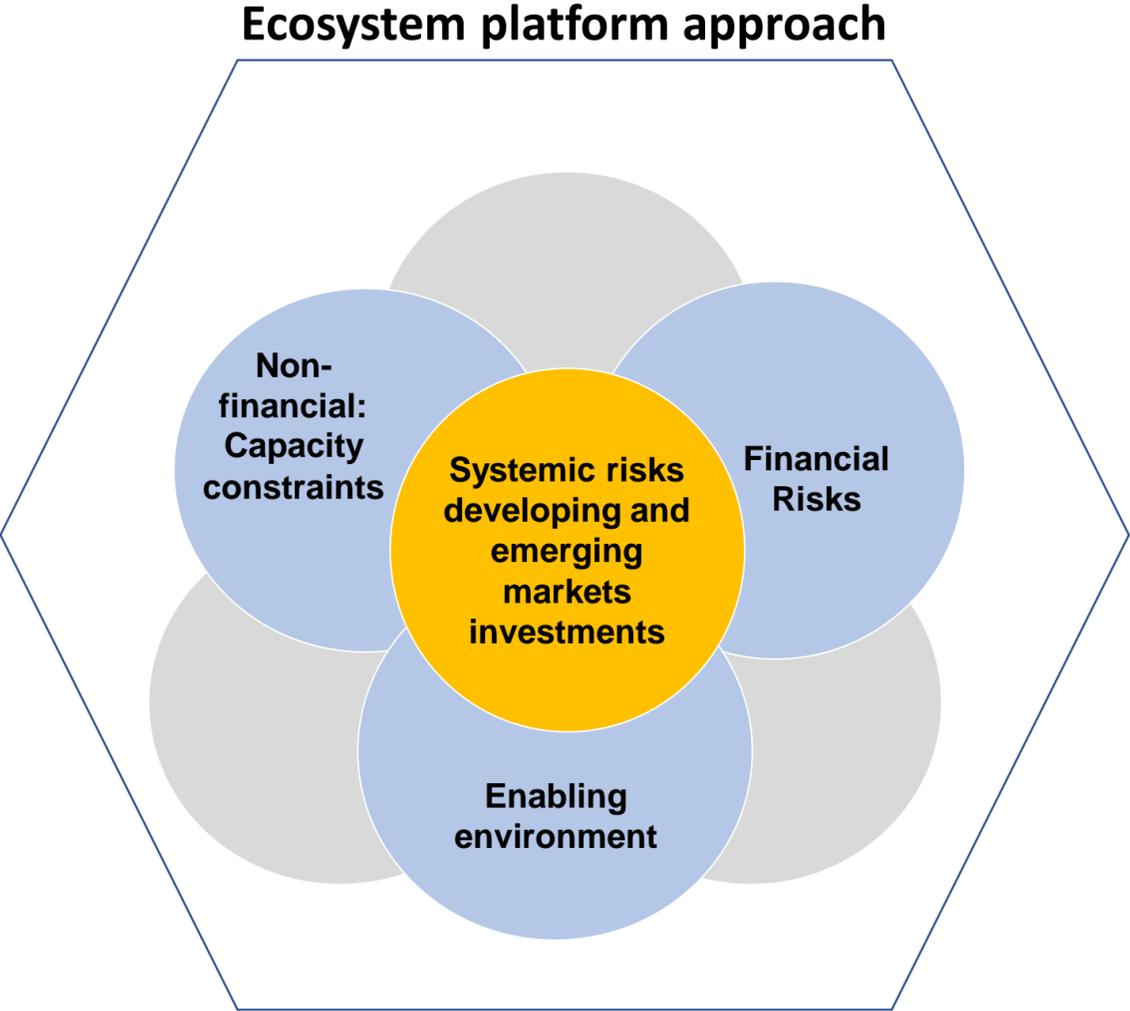
Raises awareness on what's needed to unlock greater sustainable finance

Defines concrete action to increase the sources of capital for SDGs

Delivers country focused financing; supporting ecosystems

Leverages existing diagnostic outputs

Leads to targeted Sustainable Financing sprints



### Sustainable Financing Sprints

Targeted and agile deep dives (3 to 6 months) into transformational financing mechanisms and systemic enablers;

With the private, public and civil society sectors;

To unlock sizable financing and investment opportunities in key sectors;

Contributing to sustainable and just transition in developing countries and emerging markets.

### A localized approach with global impact

This action will need to be tailored to the local and regional contexts while leveraging the global collective intelligence

Target interventions in countries can potentially “lead the pack” and activate tipping points that can trigger a bigger changes towards achieving the sustainable transition.

# Key outcomes and impact



## ***Country Financing Roadmaps (CFRs)***

- Country-led, multi-stakeholder coordination for mobilizing capital to achieve the SDGs – successful pilots in Saint Lucia and Ghana
- 10 game-changers identified for Saint Lucia, with possibility for replication across other SIDS
- An effective catalyst for a broader agenda and financing at scale

## ***SDIP Regional Hubs***

- Provide global visibility and amplify regional financing innovations, best practices, and thought leadership
- Mobilize a growing executive network of mainstream investors, leading experts, thought leaders & influencers, innovators and country leadership to accelerate the delivery of impact and scale within the sustainable finance agenda within the Africa and ASEAN regions

## ***Global Future Council on SDG Investment***

- 25 preeminent leaders working at the intersection of finance and technology to scale private capital flows for the SDGs.
- Thought leadership on de-risking and risk management of the SDGs, innovation and digitalization, accelerating energy transition, SDGs as an asset class, and impact measurement

## ***OECD Tri Hita Karana Roadmap***

- Co-Lead for the THK Inclusive Markets Working group and report, contributed to “Role of Blended Finance Post COVID-19” report

## ***Key Co-operations***

- EASI Alliance – Platform for Trade and Investment Facilitation
- Principles for Financing a Just and Urgent Energy Transition – Platforms for Energy and for Civil Society
- Building a Natural Capital Market in APAC – Platform for Nature Based Solutions

# SDIP Regional Hubs – Africa and ASEAN

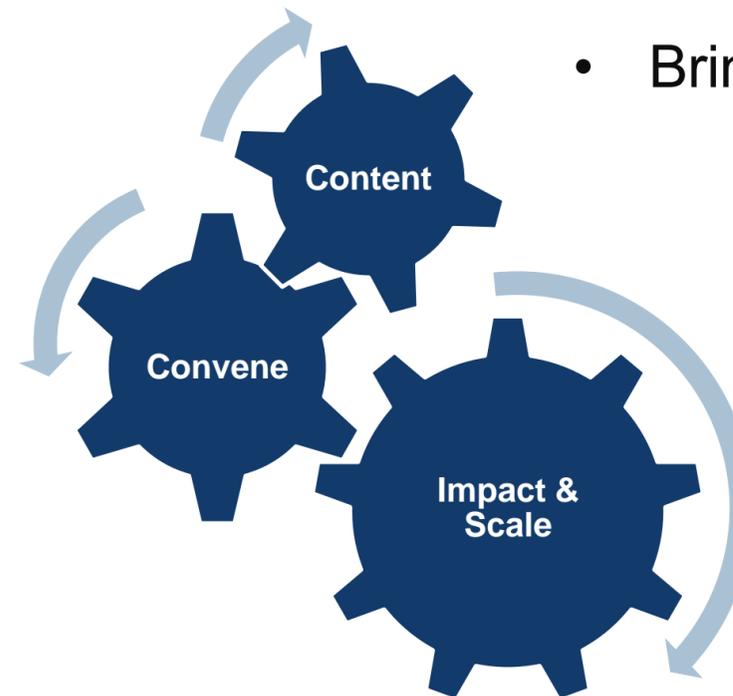
## A local focus, with regional and global networks

### *Regional hubs have a unique ability to:*

**Convene** a cross-sector community of global, regional, and local mainstream investors, key experts, thought leaders, influencers, innovators, and country leadership around meaningful **content** to identify common challenges to SDG financing and accelerate the delivery of **impact and scale** within the sustainable finance agenda through public-private collaboration.

### *This is achieved by:*

- Relationship-building
- Public-Private sector engagement
- Elevating innovation
- Global visibility
- Bringing the Forum's network and expertise



## Supporting a sustainable economic recovery driven by innovation

### 2020-2021

#### Created dialogues around innovation as a lever for sustainable economic recovery

1. **Launched monthly Sustainable Investment Innovation Roundtables**, most experienced financial minds to review financing mechanisms for SDGs, get them to market at scale
2. **Spotlighted and supported scalable, high impact innovation:**
  - [Energy Transition Mechanism](#), authored by Don Kanak;
  - [SDG Bond Book](#), published by the Asian Development Bank.
3. **Broadcast regional voices on SDG financing:**
  - Sustainable Development Impact Summit: [“Bridging the Gap for Emerging Economies”](#)  
Davos Agenda: [“Finance is the Tipping point for ASEAN Achieving the SDGs”](#) with H.E. Chea Serey, National Bank of Cambodia, and Rino Donosepoetro, Standard Chartered Bank Indonesia



### 2021-2022

#### Innovation and cooperation to unlock capital for net zero and SDG investment

1. **Country Financing Roadmap** is in discussion with Cambodia to support sustainable development priorities and potentially create a blueprint for other countries in Greater Mekong and ASEAN
2. **Leverage Sustainable Investment Innovation Roundtables for greater impact:** pipeline themes include nature-based solutions, energy transition, access and security, de-risking, innovative policies, digital enablers and platforms
3. **Cross-cutting thematic projects:** focused dialogues with key stakeholders to prove concepts and align resources for action in target countries. Relevant sectors:
  - Energy transition
  - Nature-based solutions
  - Carbon markets
  - Digitalisation

# Sustainable Financing Roadmaps (SFRs)



## Designed for countries to attract investment in sustainable development

-  Country-led, impartial platform raising awareness on the conditions needed for ground-level investments
-  Launch pad for scaling up regional and thematic financing agendas for greater impact
-  Creates alignment for a diverse and supportive ecosystem to mobilize national development priorities
-  Catalyzes concrete action and merges unusual voices to unlock sources of capital, reduce inefficiencies, and break down silos
-  Facilitates private sector, domestic and foreign participation at the forefront of key discussions
-  Identifies synergies within a multi-sector network, creating a multiplier effect across existing initiatives under a common agenda
-  Possibility for replication across other countries, regions
-  Flexible and adaptable to prioritize country needs and leadership

The **SFR (also known as a Country Financing Roadmap)** is a **country-led platform** designed to build consensus through a multi-stakeholder approach on the key actions and innovations needed to unlock greater private sector participation and investment in national sustainable development priorities.

It **leverages a strong network across the investment value chain** – including development banks, foundations, pension funds, asset managers and technical groups at the World Economic Forum – to **deliver and mobilize an action plan for finance and investment.**

Its value-add is actualized through its power to facilitate cooperation between mainstream investors, domestic decision makers, innovators, donors and country leadership to **unlock financing opportunities** at scale, generate and **accelerate regional opportunities** for sustainable investments, and serve as a **blueprint** to replicate and scale across regions.

<b>Narrative from Saint Lucia and Ghana</b>	 <i>CFR in Saint Lucia: <a href="#">Why Development Finance Matters to Saint Lucia, Unlocking financing for growth in Saint Lucia and beyond</a>, by The Honourable Allen M. Chastanet , Prime Minister of Saint Lucia</i>
	 <i>CFR in Ghana: <a href="#">Ghana is charting a future away from international aid</a></i>

# Thematic Projects

## Energy Transition

**8 principles** to guide investment and financing decisions and facilitate collaboration among stakeholders across the energy transition ecosystem, including governments, businesses, financial institutions, philanthropies, civil society, labour and the environment

**3 calls to action** to the Parties at COP 26 seeking support for critical actions and decisions needed from governments to enable and help fund the energy transition



The world faces simultaneous imperatives of economic and social development and environmental sustainability. To achieve the United Nations Sustainable Development Goals (SDGs) and to keep the Paris Agreement 1.5°C target within reach, developing countries must be able to finance the transition of their electricity generation systems away from fossil fuels while providing their citizens access to affordable and reliable energy.

### Urgent

The sixth report of the Intergovernmental Panel on Climate Change (IPCC) calls for “immediate, rapid and large-scale reductions in emissions”. According to the IPCC, further cumulative carbon emissions must not exceed 300 gigatons worldwide if the world is to limit global temperature rise to 1.5°C with high probability (83%). Yet currently, global emissions are about 35 gigatons annually, meaning dramatic reductions are required this decade.

Coal-fired power plants generated 9 billion tons of carbon emissions in 2020. This represents 26% of total global carbon emissions, and nearly three-quarters of emissions from the electricity sector.

The United Nations Secretary-General has described phasing out coal from the electricity sector as the single most important step to get in line with the 1.5-degree goal of the Paris Agreement, while the IPCC has called for coal-fired electricity to decline from 32% of total electricity generation in 2020 to 9% by 2030 and below 1% by 2050. However, the world is not on track to achieve this energy transition despite almost daily reminders of the severity and destructive power of the growing climate crisis, including floods, wildfires, heatwaves, droughts and other disasters that have claimed lives, destroyed livelihoods and displaced tens of millions of people.

### Just

The majority of existing and planned coal-fired electricity capacity can be found in developing countries, and so achieving global energy transition targets hinges on their ability to phase out and replace coal power. Yet the energy transition is an especially daunting challenge for these countries: lack of fiscal capacity along with the need to invest in fundamental development priorities (e.g. basic infrastructure, healthcare and education) constrain their ability to fund energy transition plans. Adequate, clean and affordable energy infrastructure is essential for further development and climate-target aligned development financing is therefore needed. It is no surprise that, from 2011-2020, low-income and lower-middle income countries, combined, accounted for only 5% of the global investment in energy transition, even as they represented about half of global population.<sup>1</sup>

These countries have relatively low emissions per capita, yet those levels are projected to increase with continued economic development. In coming decades, developing countries are likely to generate the bulk of the growth in global emissions unless there is immediate, large-scale investment to equip them to transform their energy systems. In light of fiscal constraints, which have been exacerbated by the costs of the COVID-19 pandemic, developing countries need assistance from the international community in the form of funding, technology transfer and capacity building to help enable:

- rapid, wide-scale development and deployment of renewable energy infrastructure
- lower financing costs through de-risking and clear, reliable pricing of emissions reduction
- a just transition for affected workers and communities, including the creation of “green” jobs that position them to build a productive and sustainable future that leaves no one behind

### What’s next:

All stakeholders across the coal to renewables ecosystem are invited to [endorse the JUET Principles](#)

A new form of collaboration where stakeholders have a voice

Reference guide for “just” and “urgent” on programs and deals in the energy transition

Workshops to embed understanding and cooperation

The logo features a white circular arc that is open at the top, partially overlapping the text.

# WORLD ECONOMIC FORUM

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COMMITTED TO  
IMPROVING THE STATE  
OF THE WORLD