Building Green Cities Through Regional Cooperation on Foreign Direct Investment: Launch of the UK Green Transition Fund ESCAP-ASEAN Green Investment Catalyst

Side Event at the ESCAP 81st Commission Session

April 21, 2025

13:15-14:15

Venue: CR-4, UNCC, Bangkok

Context

ASEAN stands at a critical juncture in accelerating its green transition, with foreign direct investment (FDI) emerging as the largest source of climate finance in the region. Between 2016-2023, Asia-Pacific received US$329 billion in climate-related FDI, significantly outpacing traditional development assistance. To capitalize on this opportunity, ASEAN has adopted its first Regional Investment Promotion Action Plan, and thereby agreed to coordinated investment promotion in strategic green transition sectors like biofuels, carbon capture and storage, and solar PV production.

To transform this mandate into action, ASEAN and ESCAP have partnered together to develop the ASEAN Green Investment Catalyst (AGIC) project, which is being the UK Government's ASEAN-UK Green Transition Fund. This AGIC project will develop up to 10 investment-ready projects across green transition priority sectors in ASEAN member States, promote these projects by connecting ASEAN investment promotion agencies with high-potential investors in these sectors at the annual ASEAN Investment Forums during the ASEAN Business and Investment Summit in 2025 and 2026, and build ASEAN's capacity for coordinated investment promotion. By implementing the Action Plan through these concrete interventions, AGIC demonstrates how regional cooperation can accelerate green investment flows and offers valuable lessons for other subregions within ESCAP's broader membership seeking to accelerate their green transition.

ESCAP's 81st Commission Session's focus on "Regional cooperation for resilient and sustainable urban development in Asia and the Pacific" provides a strategic platform for launching AGIC. While the project focuses on attracting investment into specific green transition sectors, its innovative approach to regional investment promotion and cooperation offers valuable insights into other areas requiring coordinated action, including sustainable urban development. AGIC demonstrates how member States can work together effectively to attract quality investment while addressing shared development challenges.

Expected Outcomes

The launch event aims to deliver several key outcomes. First, it will enhance ESCAP member States' understanding of regional approaches to attracting investment in green transition sectors.

This includes deepening awareness of coordinated investment promotion strategies and showcasing ASEAN's innovative approach through the ASEAN Regional Investment Promotion Action Plan and its implementation via AGIC.

The event will also serve as a platform to strengthen dialogue between key stakeholders in the investment promotion landscape. By bringing together investment promotion agencies, potential investors, and international development partners, the event creates opportunities to explore how regional approaches to investment promotion can support broader development objectives, including sustainable urban transformation.

Furthermore, the launch will identify concrete opportunities for regional cooperation in investment promotion. These include potential cross-border collaborations in developing investment-ready projects in priority sectors like biofuels, carbon capture and storage, and solar PV production. These practical outcomes will help ensure the event translates into tangible actions supporting ASEAN's green transition goals while demonstrating how regional cooperation frameworks can be applied to other development challenges, from investment promotion to urban sustainability, across ESCAP's broader membership.

Target Audience

- ESCAP member State representatives participating in the 81rst Commission Session
- Investment promotion agencies
- Urban development authorities
- International development partners
- Private sector stakeholders
- Civil society organizations

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Tentative Programme

13:15-13:18	**Opening Remarks** H.E. Catherine West, Parliamentary Under-Secretary of State at the Foreign, Commonwealth and Development Office
13:18-13:23	**Welcome Remarks** H.E. Satvinder Singh, Deputy Secretary-General of ASEAN
13:23-13:28	**Opening Remarks**

	H.E. Armida Salsiah Alisjahbana, Under-Secretary-General of the United Nations and Executive Secretary of ESCAP
13:33-14:05	**Interactive Panel Discussion:** "Regional Investment Promotion Cooperation for Sustainable Development" Panelists: 1. H.E. Tirta Mursitama, Deputy Minister for Investment Cooperation, BKPM Indonesia; 2. Marjorie Ramos-Samaniego, Governor, Board of Investments, Philippines 3. Masni Muhammad, Executive Director, Malaysia Investment Development 4. Yuanita Ruchyat, Senior Officer for Investment, ASEAN Secretariat Moderator: Jonathan Wong; Chief, Innovation, Enterprise and Investment; Trade Investment and Innovation Division; ESCAP Key themes of panel: - Implementing the ASEAN Regional Investment Promotion Action Plan - Regional approaches to attracting green investment - Developing investment-ready projects that support green transition
14:00514:10	**Q&A round**
14:12-14:15	**Closing remarks** H.E. Milicent Cruz Paredes, Philippines Ambassador to the Kingdom of Thailand