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General debate
Catalysing climate financing and investment

Summary of the theme study on accelerating climate action in Asia and the Pacific for sustainable development

Note by the secretariat

Summary

Nowhere is the urgent need for enhanced climate ambition and action more apparent than in the Asia-Pacific region, where climate change and climate-induced disasters are increasingly and continuously threatening development, often undermining hard-won development gains and exacerbating underlying drivers of poverty and societal inequalities by disproportionately burdening the poor and other vulnerable groups. In 2022, Asia-Pacific countries experienced unprecedented climate-induced disasters, including heatwaves, droughts, typhoons and floods. While the economic losses in Australia, China, India and the Republic of Korea, for example, were considerable, the most devastating impacts were experienced in Pakistan, where 33 million people were displaced by floods. Furthermore, the region accounted for more than half of global greenhouse gas emissions, a share that is still increasing owing to the fossil fuel-intensive development pathways that many countries in the region are following.

The present document sets out the transformations that are needed for Asia and the Pacific to transition to a net-zero-carbon future in support of sustainable development. It provides an outline of the regional context of climate change and identifies policies and actions that could be taken in various sectors of the economy to support the global climate agenda while also making broad economic, social and environmental gains. To close the emissions gap in key sectors, efforts must be made to transition away from fossil fuels to renewable sources of energy. Some countries in the region are making such efforts, but viable pathways are still needed. Low-carbon mobility and logistical solutions are crucial for accelerating innovation, developing technologies and tapping into greener fuels. The move towards low-carbon transport options requires an integrated approach to land use and urban planning, as Asia and the Pacific is rapidly motorizing. Furthermore, Governments need to boost their climate-smart trade and investment sectors so that they can decarbonize industries that are currently notable for exporting carbon-intensive goods. Trade and investment should be utilized as force multipliers to combat climate change but are still missing from the existing regional climate landscape. The present document also contains information on climate-related financing needs

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in the region and addresses data gaps for better monitoring. Given that enhanced regional cooperation is needed for faster, bolder climate action for sustainable development in the region, policy options in this regard are presented.

The Economic and Social Commission for Asia and the Pacific may wish to take note of the present document, endorse the recommendations contained herein and provide guidance on the future work of the secretariat.

I. Responding to a climate emergency

1. Asia and the Pacific joins the race to net zero in challenging circumstances. The coronavirus disease (COVID-19) pandemic and the ensuing economic crisis have upended lives across the region and pushed 85 million people into extreme poverty. The crisis in Ukraine has disrupted global supply chains, driven up inflation and created unwelcome uncertainty. It has led to food and commodity price volatility, depreciating currencies and a constrained financial environment. Policymakers are focused on economic recovery, supporting growth and creating jobs. Yet the magnitude of the climate emergency is such that climate action cannot be postponed. Measures to set economies on a low-carbon pathway and to make them resilient to climate change and more inclusive must be front and centre of the region's post-pandemic response.

2. While the climate emergency is global, nowhere is the need for greater ambition to respond to climate change more urgent than in Asia and the Pacific. Over the past 60 years, temperatures in the region have increased faster than the global mean. Extreme, unpredictable weather events and natural hazards have become more frequent and intense. Tropical cyclones, heatwaves, floods and droughts have brought tragic loss of life, displaced communities, damaged people's health and pushed millions into poverty. Of the 10 countries most affected by these disasters, 6 are in the region, where food systems are being disrupted, economies damaged and societies undermined. Left unchecked, climate change will exacerbate the strains of ongoing overlapping crises and imperil sustainable development.

3. In the absence of decisive action, climate change will remain a central driver of poverty and inequality across the region. Most countries in Asia and the Pacific are insufficiently prepared. They lack the financial means to support adaptation and mitigation efforts and the data necessary to inform climate action. Existing infrastructure and services are insufficiently climate resilient. Across the region, the average annual economic losses caused by natural and biological hazards are estimated at $780 billion.[1] This is forecast to rise to $1.1 trillion in a moderate climate-change scenario and $1.4 trillion in a worst-case scenario. In terms of the share of gross domestic product, Pacific small island developing States, which already shoulder the heaviest burden of natural and biological hazards, are set to face the largest economic losses.

4. Asia and the Pacific accounted for more than half of global greenhouse gas emissions in 2020. The region's share continues to increase as populations grow and economies continue to be powered by fossil fuels. Emissions have more than doubled since 1990, driven by the electricity generation, manufacturing and transport sectors. According to the Intergovernmental Panel on Climate Change in its Sixth Assessment Report and the Emissions Database for Global Atmospheric Research,[2] the region accounted for 57 per cent of

[1] Asia-Pacific Risk and Resilience Portal. Available at https://rrp.unescap.org/.

[2] See https://edgar.jrc.ec.europa.eu/.

global emissions from fuel combustion in 2020, three fifths of which were generated from coal. The share of manufacturing and construction in regional greenhouse gas emissions is twice as high as in the rest of the world. Transport-related emissions in the region have led regional greenhouse gas emissions to increase by 40 per cent over the past decade, as demand for passenger and freight transport has expanded.

5. Global greenhouse gas emissions must be reduced by 45 per cent by 2030 compared to 2010 levels to keep the world within a temperature rise of 1.5℃ above pre-industrial levels and abide by the Paris Agreement. Achieving this objective depends on the greenhouse gas emission trajectory of Asia and the Pacific. Yet the sum of countries' actions in nationally determined contributions to cut emissions and adapt to climate change falls short of the required ambition. In fact, a 16 per cent increase in greenhouse gas emissions from 2010 levels is forecast, a world away from the reductions needed.

6. Adaptation plans and early warning systems reduce vulnerability to the impacts of climate change and deliver a huge return on investment. Investment in early warning systems to mitigate climate hazards, avoid humanitarian crises and protect development gains is an immediate necessity. Such systems have helped to reduce the death toll more than 100-fold over the past four decades in Bangladesh and have mitigated the damage these inflict by helping communities to move their properties and assets to safer areas. Yet existing early warning systems are simply insufficient, meaning that too many people are left exposed, particularly in small island developing States. Ensuring that early warning systems cover all communities in Asia and the Pacific must be a priority. The cost of increasing the coverage of multi-hazard early warning systems is far outweighed by the cost of inaction.

II. Closing emission gaps in key sectors

A. Accelerating the energy transition

7. Eighty-five per cent of the region's primary energy supply came from fossil fuels in 2020, according to the International Energy Agency.[3] Coal accounted for over 40 per cent of the total energy supply but was responsible for over 60 per cent of the region's energy-related carbon dioxide emissions. One third of the region's emissions came from natural gas and oil. To limit temperature rises to 1.5℃, oil and gas need to be radically phased down by 2050 and coal completely phased out.

8. The rapid uptake of renewable energy requires the restructuring of national energy systems, new technical capacities and significant investment in supply and infrastructure. At present, investment is insufficient and more ambitious commitments to phase out fossil fuels, scale up renewable energy and improve energy efficiency are needed, requiring the allocation of greater financial resources. In existing nationally determined contributions, there is a large gap between countries' unconditional commitments and their conditional commitments that would make the 1.5℃ objective achievable. In least developed countries, international technical and financial support remains critical to bridge this gap, but it has yet to materialize at the necessary scale.

[3] World Energy Statistics and Balances database. Available at www.iea.org/data-and-statistics/data-product/world-energy-statistics-balances (accessed on 5 December 2022).

9. Cross-border electricity grids can increase the share of renewable energy. A higher share of renewable energy also requires more flexible, responsive grid systems. Increased cross-border connectivity and multilateral energy trading would enable the increased use of wind and solar power. They would expand the area in which electricity supply and demand are balanced, thereby making renewable energy more affordable and accessible. Such cross-border electricity markets require enabling frameworks, including intergovernmental agreements on energy cooperation and interconnection, and the coordination and harmonization of institutional policies and regulatory regimes. The secretariat therefore proposes developing a regional green power corridor framework to determine scenarios for the increased deployment of renewable energy through cross-border power systems. The framework would include principles to align power system connectivity with national sustainable development agendas. Strengthened multilateral institutions are also needed to develop and regulate market mechanisms and coordinate power system operations.

10. The heavy reliance on fossil fuels in the industrial sector is a major hurdle, particularly in steel and cement production. Electrification is critical, including the use of electric furnaces to process recycled steel or a shift to hydrogen-based production methods. Across industrial sectors, Governments should incentivize research and development and the uptake of low-carbon technologies.

11. Improved energy efficiency can reduce greenhouse gas emissions while meeting growing energy demands. In 2020, the region's carbon intensity was higher than all other regions and 27 per cent more than the global average, according to data from the International Energy Agency and the World Bank.[4] Improved energy efficiency is a cost-effective way to reduce greenhouse gas emissions, meet growing energy demand, lower exposure to energy price fluctuations and support energy security. Broader application and more ambitious minimum energy performance standards could significantly improve the energy efficiency of lighting, appliances and equipment and remove inefficient technologies from the market. To be effective, minimum energy performance standards must be complemented by policies to incentivize the uptake of efficient products. Minimum energy performance standards for air conditioners, lighting motors, refrigerators and boilers could achieve the bulk of appliance-related energy savings. The harmonization of minimum energy performance standards and standardized labelling are being pursued by the Association of Southeast Asian Nations (ASEAN); they are initiatives on which the rest of the region could build.

12. To reduce carbon emissions in the building sector, it is essential that energy efficiency codes be moved towards net-zero emissions for new constructions by 2030 and that existing building stock be upgraded. National and local building regulators should support this drive by developing and implementing mandatory codes based on local climate conditions to ensure accelerated progress. Currently, most countries in the region lack codes for building performance. The building sector requires energy performance standards, renewable energy requirements and a life-cycle carbon assessment of construction materials and operations.

[4] See https://asiapacificenergy.org/apef/index.html#main/lang/en/graph/10/type/0/sort/0/time/[min,max]/indicator/[2872:5886]/geo/[ASPA,WORLD,AFRICA,EURO,LAAC,NOAM,OTCA]/legend/1/inspect/0.

13. Climate risk analysis and planning are needed to build greater climate resilience within existing and future energy systems. Power plants and electrical grids across the region are exposed to multi-hazard risks, and climate change is shifting environmental conditions, which have longer-term implications for regional energy systems. Hydropower, which holds the largest share of the region's installed renewable energy capacity, is becoming increasingly unreliable. Climate risk analysis and planning is therefore necessary for all economies. Using it to modernize existing infrastructure can help to climate-proof energy systems, increase generation efficiency and capacity, and offer greater grid flexibility.

B. Towards low-carbon mobility and logistics

14. Putting the transport sector on a low-carbon pathway remains challenging. The sector is fragmented and powered primarily by oil. To reach net-zero carbon by 2050, carbon dioxide emissions from transport need to decrease by at least 3 per cent annually. In Asia and the Pacific, transport emissions have increased by 200 per cent over the past three decades due to the rapidly growing demand for passenger and freight transport. Transport carbon dioxide emissions constitute 27 per cent of the region's total emissions and are above the global average. According to estimates by the International Transport Forum, demand for transport is forecast to increase by 150 per cent between 2015 and 2050, leading to a rapid increase in transport-related carbon dioxide emissions in the absence of a rapid transition to low-carbon transport solutions.[5]

15. Nonetheless, it is possible to put the transport sector on a low-carbon pathway in Asia and the Pacific by reducing transport distance through integrated land use and transport planning and changes in route choice, shifting to sustainable transport modes with low-carbon or net-zero-carbon emissions and improving vehicle and fuel efficiency. Policies must focus on five broad areas: (a) improved design, operations and planning of transport systems; (b) electrification; (c) low-carbon fuels and energy; (d) changing transport modes; and (e) innovation and upscaling. Ultimately, policies must change travel behaviour for passenger transport and logistics operations for freight transport, while improving vehicle, fuel and system efficiencies.

16. Immediate action is needed to develop and integrate a broad set of transport-related climate action policies into nationally determined contributions and to guide the transition of the sector to net-zero carbon. Integrated land use and transport planning needs to take into account public transport options that shorten distances travelled and change behaviour if reductions in passenger transport-related carbon dioxide emissions are to be achieved. Doing so would entail linking public transport services to improved walking and cycling infrastructure and making advanced vehicle technologies powered by renewable fuels available for public and private use. This integration would encourage public transport use and improve the efficiency of transport networks.

[5] *ITF Transport Outlook 2021* (Paris, Organisation for Economic Co-operation and Development Publishing, 2021).

17. Improved fuel efficiency of motor vehicles is crucial to reducing carbon dioxide emissions. Tighter fuel economy standards are needed as a transitional step prior to electrification. With this in mind, the *ASEAN Fuel Economy Roadmap for the Transport Sector 2018–2025 with Focus on Light-Duty Vehicles*[6] is aimed at transforming the light-duty vehicle market in the ASEAN region into one of the world's most fuel efficient. The goal is to reduce the average fuel consumption of new light-duty vehicles sold in the ASEAN region by 26 per cent between 2015 and 2025. The electrification of two- and three-wheelers in Asia and the Pacific is already well under way, led by China and India. Policy interventions and technological advancements have reduced the cost of owning an electric vehicle, extended vehicle range and enabled faster battery charging. The electric bus market is also growing. According to the International Energy Agency, China has almost 600,000 electric buses, and electric bus sales in India, Japan and the Republic of Korea have increased exponentially.[7]

18. The freight transport sector, especially long-haul freight, is harder to put on a low-carbon pathway than the passenger transport sector. While some countries in the region have begun implementing climate action in this area, freight transport needs to be given greater priority. The right incentives for the private sector are essential to reduce freight emissions. Road freight is the main type of freight transport in most countries and is the second-largest contributor of global transport carbon dioxide emissions after passenger road transport. Reducing road freight transport emissions requires improved energy and vehicle efficiency and performance standards. A shift from road to rail transport for freight is another effective means of lowering the carbon cost of transport, as rail consumes only one third of the fuel used by road freight.

19. Innovative transport technologies should complement measures to increase energy efficiency and electrification. These include passenger information systems, automatic toll payment, congestion charging, digitally enabled real-time route planners, and contactless and paperless border crossing. Investment in digital infrastructure will enhance the flexibility and responsiveness of transport systems but should also be coupled with measures that will improve accessibility and enhance information technology literacy. Intelligently implemented, innovative transport systems will reduce energy consumption and carbon dioxide emissions, along with road congestion and air pollution.

20. Measures to decarbonize the transport sector should improve the resilience of transport infrastructure and provide inclusive transport services, including for women transport users. As the impact of climate change and extreme weather events increases, so should relevant training for the transport community and workforce. Cross-sectoral climate change partnerships involving all governance levels and the private sector are needed to grow institutional capacity. Climate risk-assessment analysis needs to be integrated into transport planning and infrastructure design processes. Policies supporting gender equality among transport users must respond to the differences in travel behaviour of men and women. Changes in public transport operations are required to adjust schedules, implement safety regulations and conduct gender analyses for transport policies.

[6] Association of Southeast Asian Nations (Jakarta, 2019).

[7] *Global EV Outlook 2022: Securing Supplies for an Electric Future* (2022).

21. Regional cooperation through the exchange of best practices and relevant data and information will support countries in aligning low-carbon transport policies to achieve climate goals faster. With this goal in mind, the Economic and Social Commission for Asia and the Pacific launched two initiatives in 2022: (a) the regional cooperation mechanism on low-carbon transport, which is aimed at promoting low-carbon mobility and contributing to transport emission reductions by helping countries to develop policies for low-carbon mobility, clean energy technologies and logistics, and (b) the Asia-Pacific initiative on electric mobility, which supports developing countries in the region by providing expertise, technological know-how and the financial means to transition to net-zero-carbon transport. In addition, the Transport Research and Education Network was launched to bridge the gap between the scientific community and national Governments.

C. Building low-carbon industries

22. The industrial sector, especially manufacturing and construction, is the largest greenhouse gas emitter in the region if emissions are attributed based on where energy is consumed. The region accounts for nearly three quarters of global emissions in manufacturing and construction, reflecting its central role in global value chains. Climate-smart trade and investment can accelerate the transition of energy-intensive industries and energy-intensive processes in manufacturing and construction to a low-carbon future. Within a global rules-based framework, international trade and investment can support this transition, including through the dissemination of technologies to make production less carbon intensive.

23. In recent years, the gap between consumption- and production-related emissions has widened internationally. Carbon leakage – production displaced from countries with stringent environmental policies to countries with more lenient requirements – is occurring from the rest of the world to Asia and the Pacific. This is leading some major trading partners, such as the European Union, to introduce carbon border adjustment taxes, which is expected to influence future production practices and trade flows.

24. Eliminating fossil fuel subsidies and establishing carbon pricing mechanisms internalize the environmental costs of greenhouse gas emissions and disincentivize carbon leakage. This must be complemented by introducing lesser-emitting production technologies and removing barriers to trade in environmental goods, including vital climate action technologies, such as solar panels and wind turbines. Many countries have set mandatory emission standards for imported vehicles, require energy ratings labels and certification for sourcing legal and sustainable timber, and have banned trade in chlorofluorocarbons – the gaseous compounds most to blame for stratospheric ozone depletion. Such non-tariff measures should be built on, supplemented by eco-labelling.

25. It is crucial to integrate climate considerations into regional trade agreements. These considerations can incorporate precise, replicable and enforceable environment- and climate-related provisions to ensure that trade is climate smart. Eighty-five per cent of the regional trade agreements signed since 2005 to which at least one Asia-Pacific economy is party contain climate-related provisions. These measures have promoted trade in environmental goods, services and technologies and have not been detrimental to developing country exports. Expanding regional trade agreements to include a maximum amount of goods with climate benefits could unlock further benefits. Binding commitments to guard against fossil fuel subsidies must be included.

26. Although climate-smart foreign direct investment (FDI) can help to combat climate change, such investment in climate mitigation and adaptation has been unevenly distributed across the region. Developed countries and large developing countries in the region have been the principal destinations of FDI. Least developed countries and small island developing States have received no climate-related FDI since 2011. Investment promotion agencies of least developed countries and small island developing States need support in attracting and facilitating climate-related FDI. Tailored indicators are needed to assess, evaluate and measure the climate-relevant characteristics of investments.

27. Setting industries on a low-carbon pathway cannot be achieved without the active involvement of the private sector or without embedding sustainability into business operations. The number of companies issuing sustainability reports and accounting for greenhouse gas emissions has dramatically increased in recent years. Some have introduced an internal carbon price as a tool to reduce dependency on fossil fuels. An increase in internal carbon pricing has occurred in companies over the past few years, with 796 Asian companies using or planning to use an internal carbon price, according to CDP Worldwide.[8] Opportunities for the private sector include increasing resource productivity, retaining budgets to invest in low-carbon technologies and incorporating carbon costs into procurement and investment decisions.

III. Financing climate action and measuring progress

A. Financing the transition to net zero

28. Finance is the enabling factor that allows policymakers to implement climate action. A bold financing programme could increase the resilience of developing countries in Asia and the Pacific to climate-related disasters and repair the damage done to the natural environment and biodiversity. To this end, the considerable scaling up of financing and the reprioritization of scarce capital are needed in the context of depleted fiscal space, rising debt vulnerabilities, high inflationary pressure and tighter financial conditions.

29. The climate action financing needs in Asia and the Pacific are sizeable. A rudimentary estimate suggests that the annual average financial needs to meet the nationally determined contributions in selected developing countries in Asia and the Pacific are about $362 billion per year, consisting of $258 billion for mitigation and $104 billion for adaptation.[9] Current financial flows fall well short of this amount. The success of new sustainable financial instruments, such as green and sustainability-linked bonds, which channel capital to support climate action, is encouraging, as are the green norms increasingly adopted by banks and investors in response to climate-related regulations. A whole-of-government approach at the national level and concerted regional action are needed to deliver adequate financing for climate action.

[8] *Putting a Price on Carbon: the State of Internal Carbon Pricing by Corporates Globally* (2021).

[9] Calculation based on data from the Nationally Determined Contributions database of the Institute for Global Environmental Strategies, version 7.7. Available at www.iges.or.jp/en/pub/iges-indc-ndc-database/en (accessed on 21 October 2022).

30. Coherent national financing policies are required across different sectors of the economy to develop environmental standards, incentivize the energy transition and encourage the adoption of green technologies. A greater level of convergence is needed between countries' private- and financial-sector applications of climate standards, while opportunities for regional harmonization and the cross-listing of both debt and equity instruments should be explored. Domestic collaboration between private financial institutions and project developers must be encouraged in the pre-investment phase to jointly develop investment-ready projects supporting the energy transition.

31. The banking sector, capital markets and their regulators need to integrate climate science, carbon disclosure, and environmental, social and governance standards into lending and investing practices. For most least developed countries and small island developing States, the commercial banking sector is likely to remain the main tool for financial intermediation. Reducing the cost of capital for banks embracing sustainable finance should therefore be considered by regulators. Multilateral development banks and bilateral development finance institutions also have a critical role in mobilizing finance in countries with underdeveloped capital markets. The concessional credit they can provide to national private or public finance institutions should be linked to sustainable finance.

32. National public and private financial institutions need to be incentivized to support research and development in new green technologies and make the uptake of such technologies less risky. Regional cooperation in developing coherent standards, reporting frameworks and policy environments to scale up climate finance and to use innovative financing instruments is urgently needed in order to redirect capital towards climate action. This would help Governments to assess climate risks adequately and to ensure that financing and projects are priced appropriately and comply with international capital regulations and sustainability principles.

33. The creation of a regional fund that defrays the costs of member States to prepare low-carbon-transition or energy-transition projects for private financing is necessary, particularly for smaller projects. This is important given the challenges faced by many member States in gaining access to global climate funds. Smaller projects need to be proven and then scaled up to attract more financing. This must be recognized as a major hurdle to attracting climate financing at the necessary scale.

B. Measuring challenges and progress

34. The identification of climate challenges and the undertaking of effective climate actions by national, regional and global stakeholders must be underpinned with internationally comparable climate-related information and data. This includes data on the drivers of climate change, on its impacts and on the vulnerabilities it creates, as well as data on mitigation and adaptation efforts and the implementation of commitments. Effective multilateral climate action requires evidence that is internationally consistent to support informed negotiations, investments and interventions. Only reliable, comparable data can shape effective action to reverse the climate crisis and enable progress to be tracked.

35. Relevant data, statistics and indicators are collected and held by various government agencies and scientific and research institutions, which often use different approaches to data production. This fragmentation makes it challenging to provide coherent evidence as the basis for national climate decisions or internationally comparable information to inform multilateral

climate negotiations and action. The production and policy use of climate change-related information will greatly benefit from internationally agreed concepts and frameworks. To date, the flexibility in international reporting requirements under the Paris Agreement has posed a challenge to global data comparability and aggregation, which is necessary to track progress in climate action.

36. A unified reporting system for developed and developing countries will be put in place from 2024 to support greater consistency in data and statistics. New biennial transparency reports will be required under the enhanced transparency framework for action and support – established for reporting and review under the Paris Agreement – to ensure the transparency of mitigation and adaptation actions and related support. The Global Set of Climate Change Statistics and Indicators was adopted by the Statistical Commission in March 2022 to assist countries in preparing national sets of climate change statistics and indicators according to their individual concerns, priorities and resources. Compliance with the enhanced transparency framework and the Global Set of Climate Change Statistics and Indicators is critical, as is the greater involvement of national statistical offices in the data submissions required by international frameworks.

37. As data inform progress towards national and international climate commitments, data investment decisions should be made with consideration for the cross-cutting and interlinked nature of climate change-related data within entire national data ecosystems. A system-wide inter-institutional approach to improving the capacity of national statistical systems, with national statistical offices playing a driving role, should be considered. This is important in the context of the midterm review of the Sustainable Development Goals in 2023. In Asia and the Pacific, there are insufficient data on one quarter of the indicators to monitor progress on climate change-related Goals and targets. Such data gaps undermine successful interventions in the areas of climate change impacts and adaptation.

38. Fundamentally, there is an urgent need to invest in and strengthen statistical capacity. National statistical offices and policy communities should join forces to agree on data priorities and implement plans informed by climate-related commitments. They should set the course to improve climate-change data ecosystems, multi-stakeholder engagement and climate data governance. Existing data and knowledge can be maximized to inform climate action by using new data technologies in line with internationally recognized statistical frameworks and guidelines.

IV. Enhancing regional cooperation for faster, more effective action

39. Low-carbon and resilient development requires cooperation between countries to support policy frameworks for economy-wide emission reductions. To set major sectors on a low-carbon pathway, boost climate financing to the required scale and improve monitoring, the secretariat recommends strengthening regional cooperation by:

(a) Promoting regional cross-border electricity grids to scale up the share of renewable energy. Efforts should be focused at the subregional level through a regional green power corridor framework where a set of scenarios could be developed for the increased deployment of renewable energy through a cross-border power system and a set of principles to align power system connectivity with national sustainable development and climate action goals;

(b) Promoting the transition to low-carbon mobility and logistics through the exchange of best practices and information facilitated by the regional cooperation mechanism on low-carbon transport and the Asia-Pacific initiative on electric mobility;

(c) Supporting the transition of manufacturing industries to a low-carbon future by promoting climate-smart trade policies, such as including climate-related provisions in regional trade agreements, and advancing non-tariff measures and national capacities to implement climate-smart investment;

(d) Promoting regional cooperation to develop coherent standards and disclosure requirements to scale up climate finance. This is needed to support the energy transition, redirect capital to climate action and disseminate best practices on how to best mobilize private finance;

(e) Promoting cooperation for strengthening national capacity to monitor climate change impacts, adaptation and mitigation actions, following the operationalization of the enhanced transparency framework under the Paris Agreement and the adoption of the Global Set of Climate Change Statistics and Indicators;

(f) Developing a regional platform and partnership on the low-carbon and climate-resilient transition to support national processes on long-term low-emissions development strategies and nationally determined contributions, as well as sectoral policies. This platform would be open to governments and other stakeholders, including the private sector. It would facilitate policy dialogue, technical cooperation, and technology and knowledge transfer, with a particular focus on multisectoral initiatives on energy, transport and industry.

40. The race to achieve net-zero emissions is on. A resilient and sustainable future depends on regional resolve. Now is the time to step up regional collaboration in Asia and the Pacific and join forces to accelerate climate action to keep global warming within 1.5°C.

41. The Commission may wish to review the issues and recommendations from the full study summarized in the present document and provide the secretariat with guidance on its future work in that regard.