South East Asia Policy Dialogue on Sustainable Finance: Innovating Finance for the 2030 Agenda

ASEAN Secretariat
22 June 2021
COVID-19 highlighted the need for ASEAN to rebuild smarter

- A green and inclusive recovery
  - to meet the urgent needs
  - to build resilience

- Rebuilding smarter requires resource mobilization

Asia Pacific region’s annual investment requirements, 2016-2030, by broad SDG sectoral groupings

- $ 1.5 trillion annual investment
  - (4% regional GDP)

$ billions, 2016 prices

<table>
<thead>
<tr>
<th>Category</th>
<th>Investment (billions)</th>
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<tbody>
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<td>Clean energy and climate action</td>
<td>434</td>
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<tr>
<td>End poverty and hunger</td>
<td>373</td>
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<tr>
<td>Health and education</td>
<td>296</td>
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<tr>
<td>Transport, ICT and WSS infrastructure</td>
<td>196</td>
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<td>Biodiversity</td>
<td>156</td>
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ICT = information, communications and technology, SDG = sustainable development goals, WSS = water, sanitation, and safe water. Source: UNESCAP (2019).
ASEAN Finance Sector’s Initiatives

Driving green and sustainable finance in ASEAN

- Roadmap for ASEAN Sustainable Capital Markets

- ASEAN sustainability-linked bond standards to facilitate bond issuance for sustainability-related goals

- ASEAN Sustainable Finance Agenda – ASEAN Taxonomy

- Alignment of Infrastructure finance efforts with sustainability
Objectives
- Robust
- Holistic
- Inclusive
- Gender responsive
- Science-based

Response through the different stages of recovery, by focusing on key sectors and segments of society that are most affected by the pandemic.
# ACRF – Implementation Plan for WC-CMD & ACMF

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<th>Key Priorities</th>
<th>Initiatives and Programmes</th>
<th>Outputs and Deliverables</th>
<th>Target for 2021</th>
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<tr>
<td>Broad Strategy 5: Advancing toward a more sustainable and resilient future</td>
<td>1. Promotion of Sustainable Finance</td>
<td>Report on Promoting Sustainable Finance</td>
<td>The joint ACMF/WC-CMD have agreed to pursue the development of ASEAN Taxonomy on sustainable finance.</td>
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<td>2. Roadmap on ASEAN Sustainable Capital Markets</td>
<td>Actionable Recommendations included in the Roadmap</td>
<td>This includes announcement of ASEAN Sustainable Finance Initiative at the 26th United Nations Climate Change Conference of the Parties (COP26) in November 2021.</td>
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<td>3. Promotion of ASEAN Green, Social and Sustainability Bond Standards</td>
<td>Engagement programs/roadshow to promote investment and issuance of ASEAN Green, Social and Sustainability Bond.</td>
<td>To build on the existing suite of ASEAN standards on sustainable financing, the ACMF will further explore the development of ASEAN sustainability-linked bond standards.</td>
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</table>

5g. Promoting sustainable financing

[These are the efforts undertaken by the WC-CMD and ACMF via the capital markets. These are the outcomes of engagements with the private sectors via round table discussions, and comprise of actionable recommendations that focus on the private sector, and broad recommendations that are to be implemented by AMS individually based on their respective timelines, and others by ASEAN as a region]
Thank you

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