Fifth South-East Asia Multi-Stakeholder Forum

“Building Back Better from COVID-19 while Advancing the full Implementation of the 2030 Agenda for Sustainable Development”

Session #5
Sustainable Finance Recovery: Innovating Finance for the 2030 Agenda

Thursday, 30 September 2021; 14:00 – 17:00 hrs (Bangkok Time: UTC +7)
Virtual meeting, MS Teams

Overview

The issuance of green, social, and sustainability bonds has gained significant momentum in South-East Asia, with a record US$12.1 billion issued in 2020\(^1\). As a regional financial hub, Singapore accounted for more than half of the green issuance, while Indonesia and Thailand’s issuances also achieved substantial growth\(^2\). However, across the region, gaps in national capacities and strategies to issue green and SDG-linked bonds have limited the growing potential of the bond market.

The UN’s four-year strategy for financing the 2030 Agenda for Sustainable Development identified the need to address all barriers that may impede the flow of finance to sustainable development. Following the South-East Asia Policy Dialogue on Sustainable Finance for the 2030 Agenda, held in June 2021, the need for a roadmap for ASEAN sustainable capital markets was highlighted. Identifying pathways would support the promotion of green and sustainable financing in ASEAN and facilitate bond issuance for sustainable development purposes by aligning financing efforts with sustainability.

The South-East Asia Multi-Stakeholder Forum on Implementing the Sustainable Development Goals provides a unique opportunity to continue shaping the sub-regional perspectives and priorities and explore closer multi-stakeholder collaboration for achieving the 2030 Agenda for Sustainable Development.

The session will also contribute to the development of multi-stakeholder initiatives for South-East Asia’s recovery and feed into intergovernmental meetings, such as the 3\(^{rd}\) session of the Committee on Macroeconomic Policy, Poverty Reduction and Financing for Development, to be organized later in 2021. ESCAP and its development partners remain committed to working with these countries to build their capacity through technical cooperation and training programs to develop the necessary policies and institutional capacity.

Objectives

The overall objective of this session is to promote the use of green and SDG-linked bonds as an instrument to address post-COVID-19 financing needs and achieve the 2030 Agenda for Sustainable Development in South-East Asia. The discussion will also take heed of lessons learned from the

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\(^1\) [https://www.climatebonds.net/resources/reports/asean-sustainable-finance-state-market-2020](https://www.climatebonds.net/resources/reports/asean-sustainable-finance-state-market-2020)

practical experience of issuing green bonds in both Asia and Europe. Policy makers, practitioners, academics, and other stakeholders will provide the necessary information and valuable insights to help South-East Asia develop strategies and policy options for financing inclusive, resilient, and sustainable socio-economic development post COVID-19.

The overall objective of this session is to discuss mobilizing different types of climate finance for sustainable development. Issues to be addressed include:

- Improving the capacity of member states and stakeholders to build financial means for the transition to sustainable and inclusive economies, including through climate finance and capital market development.

- Strengthening regional cooperation to assist countries, especially LDCs, in meeting their financing needs through bond issuance and present potential sub-regional cooperation initiatives to finance projects and programs that contribute to the achievement of the SDGs and explore new types of thematic bonds with a broader investor base.

- Providing an opportunity to identify additional needs, tools, and guidance frameworks to enable enhanced and accelerated implementation of the 2030 Agenda.

**Target Audience**

Participants include official representatives from each of the ESCAP member States in South-East Asia, related ASEAN working groups, United Nations organizations, EU representatives, civil society representatives, non-governmental organizations, academic institutions, the private sector representatives, financial institutions, and regional and international organizations.

**Further Information and Registration**

This session will take place in a virtual modality on **30 September 2021**. It will be conducted in English. All questions regarding this session and the SDG Forum can be sent to escap-sro-sea@un.org.
### Tentative Programme

### Session outline

#### Keynote address

1. H.E Mr. Aun Pornmonirot, Minister of Economy and Finance, Kingdom of Cambodia
2. H.E Mr. Pierre Gramegna, Minister of Finance, Luxembourg

#### Green/SDG-linked Bonds in South-East Asia: Identifying pathways toward sustainable development

This session will explore the potential of green/SDG-linked bonds in Southeast Asia economies, particularly from the perspective of EU investors and institutions. It will focus on identifying strategies and policy options to support member States in achieving sustainable development in the context of the COVID-19 South-East Asia recovery.

#### Moderator

Mr. Patrick Martin, International Expert on Climate Finance, ESCAP

#### Presentation

1. Mr. Paul Chahine, Sustainability Research Manager, Luxembourg Green Exchange (LGX), Luxembourg Stock Exchange
2. Mr. Aldo M. Romani, Head of Sustainability Funding, Finance Directorate, Capital Markets Department, European Investment Bank (EIB)

#### Panellists

1. Ms. Reiko Hayashi, Deputy President and Director of the Board, BofA Securities Japan Co., Ltd.
2. Mrs. Patricia Mongkhonvanit, Director General, Public Debt Management Office, Thailand

#### Discussion points

1. How can subregional cooperation facilitate the issuance of green and SDG-linked bonds, and how can ASEAN and its partners work towards its formulation and implementation while supporting COVID-19 recovery efforts in South-East Asia?
2. What are the potential challenges of preventing issuers from entering the market? What is the appetite of international investors for green bonds?
3. How does the European green bond standard relate to other green bond standards (e.g., ICMA's Green Bond Principles, Climate Bonds Initiative's climate bond standard)?
4. In this time of heightened uncertainty, how can we prioritize the most urgently needed policies and can be implemented to better the economies of South-East Asia?

#### Q & A Session

Wrap-up and Summary by Moderator

Closed Session