



UN Climate Change High-Level Champions

**79th Session of the Economic and Social Commission for Asia and the Pacific
and
The Second Edition of Asia Pacific Regional Forum on “Climate Initiatives to
Finance Climate Action and the SDGs”**

Special Session on Catalyzing Climate Finance and Investment

*organized by ESCAP, the COP27 and COP 28 Presidencies and the UN Climate Change High Level
Champions*

17 May 2023 (hybrid, Bangkok and online)

**1. Global Context: The ESCAP Commission and The Second Edition of Regional Forums
on “Climate Initiatives to Finance Climate Action and the SDGs”**

Ahead of COP28 and through a partnership between the UN Regional Commissions, the COP27 and COP28 Presidencies and the UN Climate Change High Level Champions, the second edition of regional forums on “**Towards COP28: Regional Forums on Financing Opportunities to Accelerate Climate Action and Advance the SDGs**” shall be held building on the successful outcomes of the first edition of the forums that was held in 2022 ahead of COP27. The Asia Pacific Forum will be held as a Special Session of the 79th United Nations Economic and Social Commission for Asia and the Pacific. This special session seeks to complement the theme of this year’s ESCAP Commission on “Accelerating climate action in Asia and the Pacific for sustainable development”.

The 79th Session of the Commission, with a theme of ‘Accelerating climate action in Asia and the Pacific for sustainable development’, represents an opportunity to focus on solutions to the climate crisis, especially considering the region’s large contribution to global emissions and the critical role the region can play in achieving climate targets as set by the Paris Agreement. Member States across the Asia-Pacific region urgently need to accelerate plans to meet emission reduction goals, including finding financing for such plans.

The first edition of the regional forums witnessed the presentation of a number of investment-ready projects in the areas of mitigation, adaptation, and resilience. A number of these projects are embodied in the “Compendium of Climate Related Initiatives: Opportunities for Climate Finance and Investments on the SDGs”¹. Furthermore, the first edition resulted in: [Climate Champions’ Expanded](#)

¹ [Compendium of Climate Related Initiatives | Regional Commissions New York Office \(un.org\)](#)

[Compendium](#) of 128 projects² (which includes the 50 projects in the Compendium); a Climate Champions [Assets to Flows Report](#)³ with key takeaways from the forums including on what is needed to mobilise and scale private finance; and a Financing Factsheet tool for project proponents.⁴ The second edition of the forums shall bring together key stakeholders from public and private sectors, to catalyze additional investment in climate mitigation and adaptation projects in line with the SDGs through scaling up investment and finance to translate these projects into reality on the ground in order to deliver on climate ambition and development goals. This would represent an important contribution to narrowing the current gap in Paris-aligned financial flows.

The second edition of regional forums aim to facilitate financial close i.e. secure requisite financing for as many of the financing opportunities collated as part of the first edition of the forums through:

1. Regional events including dialogue on a) how to overcome hurdles in building the project pipeline in developing countries – involving all key stakeholders and b) tangible financing opportunities – involving project owners and financiers.
2. Promoting a subset of financing opportunities that are most ‘financier-ready’ with prospective financiers; commercial or philanthropic, debt or equity investments. This will be through sessions at regional events and other outreach.
3. Building partnerships for technical assistance for project proponents to enable them to develop their projects to a stage where they can confidently engage with prospective financiers.

In parallel, the second edition will continue to build a project pipeline that supports climate mitigation, adaptation and resilience, and nature. This effort will take a holistic approach towards climate and development. The financing opportunities and this effort will be rooted in regional priorities, spanning climate and the SDGs, mitigation, adaptation and nature.

2. Regional context: Challenges to catalysing climate finance and investment

Transitioning at sufficient scale and pace to achieve net zero targets, especially moving energy sources away from fossil fuels and particularly coal, is critical to achieving the region’s Nationally Determined Contributions (NDCs). Successful clean energy transitions require a massive scale-up and reallocation of capital away from fossil fuel-based energy towards renewables, energy efficiency, electrification of end-uses and solutions for decarbonization of emissions-intensive sectors, such as carbon capture and storage, and green hydrogen in steel, transport, and other industries. This low carbon transition requires a clear vision and active planning, supported by sufficient financing.

² [PowerPoint Presentation \(unfccc.int\)](#)

³ [R20-Assets-to-flows-compressed.pdf \(unfccc.int\)](#)

⁴ [Climate-Project-Fact-Sheet.xlsx \(live.com\)](#)

In this vein, some member States of ESCAP have success stories to share, such as the Indonesian phasing out of coal power with the Just Energy Transition Partnership (JETP) and the Vietnamese JETP. This Special Session and the second edition of Regional Forum on Climate Initiatives to Finance Climate Action and the SDGs seeks to draw upon the lessons learnt from progress made in financing the net zero transition and will discuss opportunities to attract more finance for climate mitigation, adaptation, and transition. It offers an opportunity to member States to share innovative practices used in financing their NDCs.

While investors have committed in large volumes to country platforms such as the JETPs in the Asia-Pacific region, a critical constraint to generating more investments for the low carbon transition is insufficient volumes of investment-ready projects. A major challenge is to develop a sufficient number of investment-ready projects that can be presented well to investors and get the necessary financing. Many member States have insufficient time, resources and expertise in these early stages of project preparation.

At early development stages, climate action projects can face significant risks. Much of the time, resources used in the early stages of project preparation are insufficient to carry out necessary activities – such as preparation of pre-feasibility and feasibility studies, contract negotiations, land acquisition, permitting, resource assessments and energy audits – to reach final investment decision. Inadequate regulatory frameworks in these areas can cause delays and cost overruns. In some cases, the resources required to prepare investment-ready projects exceed the grant facilities for preparation activities. In countries with the greatest investment needs, there is a persistent lack of risk capital available to fund early-stage development for projects and businesses, which means that even potentially lucrative investments with high potential may not advance past the drawing board.

There are two important levers to support early-stage development of clean energy projects. One effort is to address the regulatory enabling environment for development, including through creation of government “one-stop shops”, which provide integrated administrative and planning services and make it easier to speed projects along to the financing and implementation stages.

Another approach to bridge early-stage financing gaps is through project preparation facilities, which can channel international capital and enable access to climate finance along with valuable technical assistance. For example, newly announced project preparation facilities by the Climate Finance Leadership Initiative (CFLI) and Bloomberg, and the Glasgow Financial Alliance for Net Zero (GFANZ) can provide lessons to the Asia-Pacific region on how to address the costs of project preparation and develop stronger investment ready pipelines in the region.

3. Format and Objectives

Format:

The session will be conducted in three parts.

- **Part 1**, as part of the official deliberations of the Commission, will explore different approaches to help economies in the Asia-Pacific region to transition towards net zero emitters across various sectors, with a focus on financing these transitions.
- **Part 2** will discuss how to prepare better investment-ready pipelines in the region, in order to increase the likelihood of accessing funds by member States for climate action projects.
- **Part 3** will be a private online session for project owners with financiers on specific projects.

Objectives:

The main objectives of Part 1 of the Special Session are to discuss:

- Best practices and successes from across the ESCAP region in improving the policy and regulatory environment to support greater inflows of finance, particularly in mobilizing private finance and the use of sustainable financial instruments, towards climate mitigation, adaptation and transition;
- Actions ministers can take in building a positive and stable regulatory environment for finance to be directed towards climate action, including sustainable bond frameworks and monitoring mechanisms;
- Challenges that member States face in accessing and raising finance to combat climate change (with a focus on policy and regulation), particularly for LDCs, LLDCs and SIDS;
- The role of private finance and the financial services sector in the deployment of capital, the mobilizing of finance and public perception advocacy;
- Calibrating risk perceptions and leveraging guarantee mechanisms to ensure that viable climate action projects, especially in developing and smaller-sized economies, are financed; and
- Potential solutions, which also draw support for a draft resolution by member States, to engage with all sources of finance including domestic finance, ensure proper disclosure, and take proactive action towards meeting climate goals.

The main objectives of Part 2 of the Special Session are to discuss:

- Innovations and experiences from across Asia and the Pacific in developing investment-ready project pipelines in sectors related to the low carbon transition;
- Issues and challenges, particularly in the scope of project preparation in preparing domestic energy sector stakeholders and projects to access climate finance; and
- Potential solutions and the “way forward” to ensure that all ESCAP member States can collectively work towards meeting NDCs and achieving SDG 7: Affordable and Clean Energy.

The main objectives of Part 3 of the Special Session are to:

- **Facilitate** connections and exchange among project proponents and financiers, focused on new financing opportunities in the Asia Pacific region; and
- Enable **Project owners** to present financing opportunities with information packs. Project owners will receive feedback and questions from financiers.

Overall, the three parts of the Special Session provides a unique opportunity to highlight the challenges and action needed in the Asia-Pacific region to meet the region’s NDCs and address the various climate vulnerabilities faced by the region’s member States. The session seeks to reinforce the importance of a proactive, strategic view in transitioning to more sustainable economies that attract more sustainable finance across the region. The event provides an opportunity to share perspectives and learn from across the ESCAP region on approaches to finance the energy transition, to enhance the understanding of challenges faced by ESCAP member States on accessing climate finance and discuss potential solutions to address these challenges.

4. Tentative Programme for Wednesday 17th May 2023

Part 1: Catalysing Climate Finance and Investment ESCAP Hall, United Nations Conference Centre	
Time 10.00-10.15	<p>Part 1 Opening</p> <ul style="list-style-type: none"> • Opening remarks by Armida Salsiah Alisjahbana, Executive Secretary of ESCAP • Opening remarks by H.E. Mr. Wael Aboulmagd, Special Representative of COP27 President, Egypt • Keynote speech by Dr. Mahmoud Mohieldin, Special Envoy on Financing the 2030 Agenda for Sustainable Development and UN Climate Change High Level Champion (Egypt) <p>Chaired by Commission Session Chair, Republic of Korea</p>
10.15-11.25	<p>Panel Discussion</p> <p>Moderator: Hamza Ali Malik, Director, Macroeconomic Policy and Financing for Development Division, ESCAP</p> <ul style="list-style-type: none"> • Roadmap for Sustainable Finance by Ms. Suba Sivakumaran, Chief, Financing for Development Section, ESCAP • Context Setting Remarks by Mr. Pekka Morén, Special Representative of Finance Minister, Finland & Founding Country of the Coalition of Finance Ministers for Climate Action <p>The panel discussion seeks to draw from insights from executives of financial institution leading in drawing flows of finance to climate action and emphasize the challenges faced in deploying capital throughout the ESCAP region. The speakers from various member States will highlight the progress made and best practices in attracting climate finance from both public and private sources of finance. The discussion will draw from implementation experiences from a broad set of innovative climate financing mechanisms, including through capital markets and more targeted projects such as those listed in the Compendium of Climate-Related Initiatives.</p> <ul style="list-style-type: none"> • H.E. Mr. Namgay Tshering, Minister of Finance, Bhutan • H.E. Mr. Naseer Ahamed, Minister of Environment, Sri Lanka

	<ul style="list-style-type: none"> • H.E. Mr. Seve Paeniu, Minister of Finance, Tuvalu • H.E. Ms. Chea Serey, Deputy Governor, National Bank of Cambodia • Ms. Chavinda Hanratanakool, Chairman, Association of Investment Management Companies (Thailand) • Mr. Alexey Miroshnichenko, First Deputy Chairman, State Development Corporation VEB.RF • Mr. Koichiro Oshima, Managing Executive Officer, MUFG Bank
11.25-11.55	Country Statements Moderated by Commission Session Chair, Republic of Korea
11.55-12.00	Part 1 Closing Remarks Chaired by Commission Session Chair, Republic of Korea
12.00-13.30	LUNCH BREAK
Part 2: Challenges in Building a Project Pipeline – the Role of Project Preparation Meeting Room A, United Nations Conference Centre	
13.30-13.35	Part 2 Opening <ul style="list-style-type: none"> • Welcome remarks by Mr. Hongpeng Liu, Director, Energy Division, ESCAP
13.35-14.25	Challenges in Building a Project Pipeline - the Role of Project Preparation Funds This session will feature perspectives from multilateral donors and international organizations, who have had experience in supporting Member States in accessing finance for the energy transition. It will focus on the challenges in building a pipeline, the utility of project preparation funds, the lack of insufficient project preparation funds, and the need for more such funds. Moderator: Ms. Suba Sivakumaran , Chief, Financing for Development Section, ESCAP <ul style="list-style-type: none"> • Context Setting Remarks from H.E. Mr. Arifin Tasrif, Ir., Minister of Energy and Mineral Resources, Indonesia • Context Setting Remarks from Ms. Peseta Noumea Simi, CEO of Ministry of Foreign Affairs and Trade, Samoa • Context Setting Remarks from H.E. Dr. Phan Chi Thanh, Ambassador Extraordinary and Plenipotentiary to Thailand, Viet Nam • Ms. Jennifer Eldridge, Senior Climate/Environment Officer, Department of State, U.S.A. • Mr. Tero Tapio Raassina, Climate Finance Expert, Global Green Growth Institute • Mr. Marty Sinthavanarong, Head of International Business, Gulf Energy Development PCL • Mr. Sakorn Suriyabhivadh, Senior Vice President – Head of Fund Raising and Head of Innovation and Investment, B.Grimm Power PCL • Ms. Sagarika Chatterjee, Department Director, Climate Finance, Climate Champions and Glasgow Financial Alliance for Net Zero Secretariat

14.25-14.30	<p>Part 2 Closing Remarks</p> <ul style="list-style-type: none"> • Hamza Ali Malik, Director, Macroeconomic Policy and Financing for Development Division, ESCAP
<p>Part 3 : Private session for project owners and financiers (on-line and by invitation only)</p>	
16.00-16.15	<p>Part 3 Opening</p> <ul style="list-style-type: none"> • Introductory remarks by the Climate Champions • Overview of projects by Implementation Partner BCG
16.15-18.00	<p>Presentation of projects and discussion</p> <p>This section will involve presentation of five projects. 3-5 project proponents will each present their projects. Typically, each 10-minute presentation by a project proponent will be followed by 10 minutes of Q&A and discussion with financiers.</p> <p>Moderator: Climate Champions and BCG</p>
18.00-18.15	Wrap-up and conclusion