

PERSPECTIVES OF INVESTORS AND UNDERWRITERS ON ASEAN SUSTAINABLE FINANCE

THE PUBLIC DEBT AND SUSTAINABLE FINANCING IN ASIA AND THE PACIFIC

SESSION 7: HOW CAN INNOVATIVE INSTRUMENTS EXPAND THE FLOW OF SUSTAINABLE
FINANCE THROUGH CAPITAL MARKETS?

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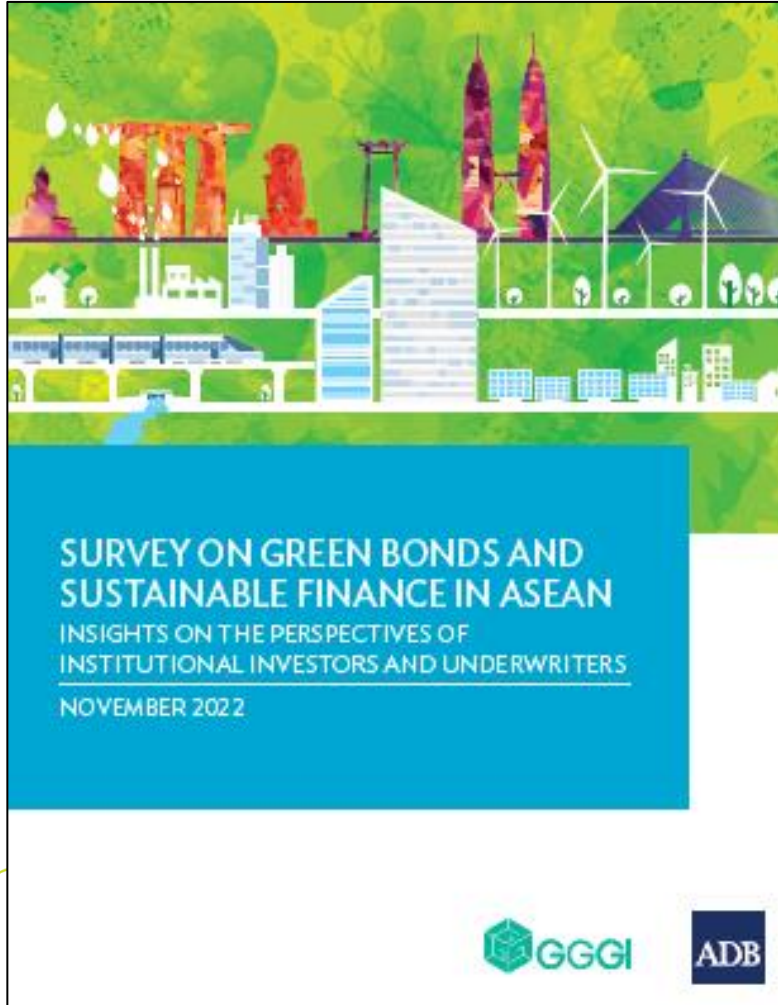
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[AsianBondsOnline
Green Bond](https://AsianBondsOnline.org/GreenBond)



BACKGROUND & OBJECTIVES



OBJECTIVES :

- To identify market drivers, impediments, and development priorities for ASEAN's sustainable finance market
- To assist development partners in identifying potential areas of support to accelerate the green bond market's development in the region
- **Survey duration:** from November 2021 to June 2022
- **Respondents:** across several ASEAN members
 - 314 responses from institutional investors
 - 96 responses from underwriters, advisors, and securities issuers ASEAN
- The survey report has been **jointly developed by ADB and GGGI** - <https://www.adb.org/publications/survey-green-bonds-sustainable-finance-asean>

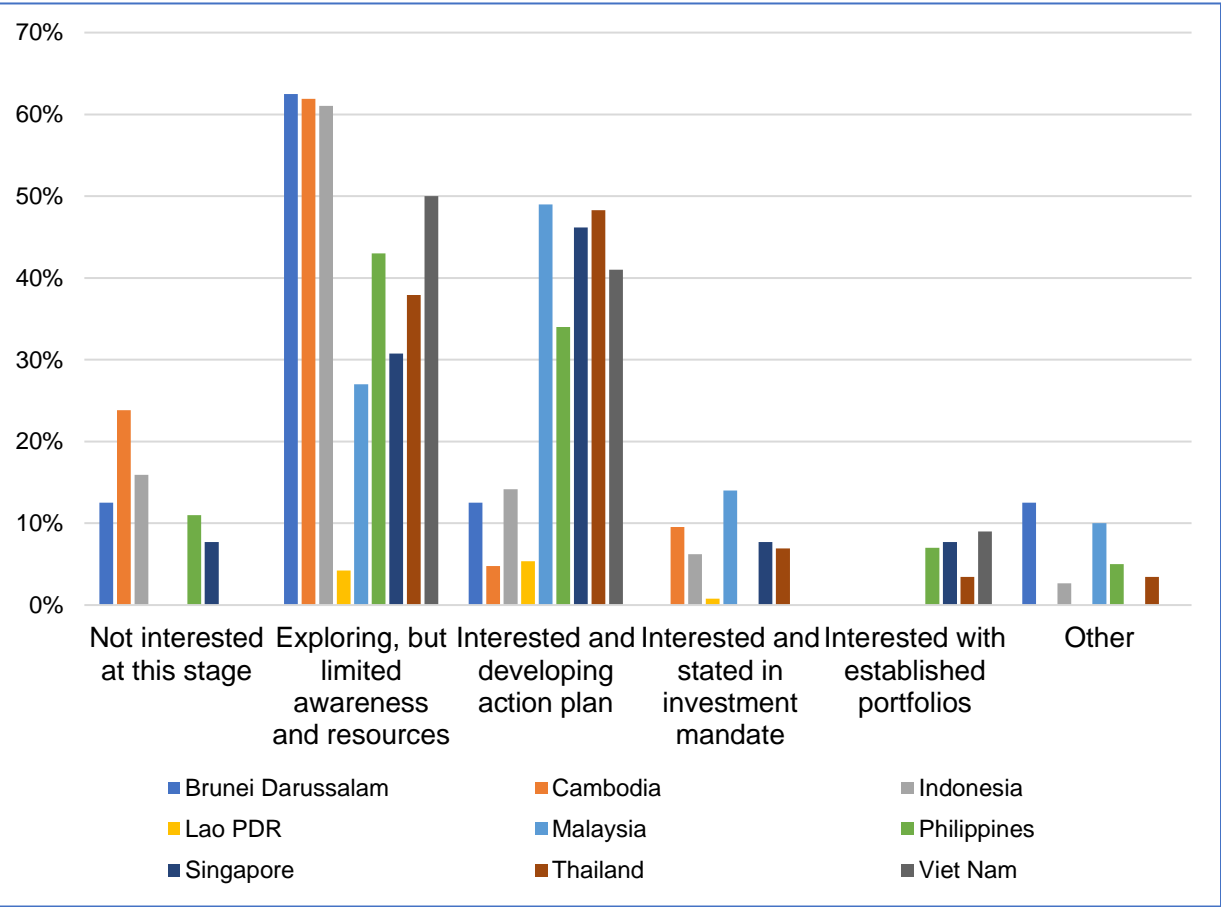
Survey Highlights



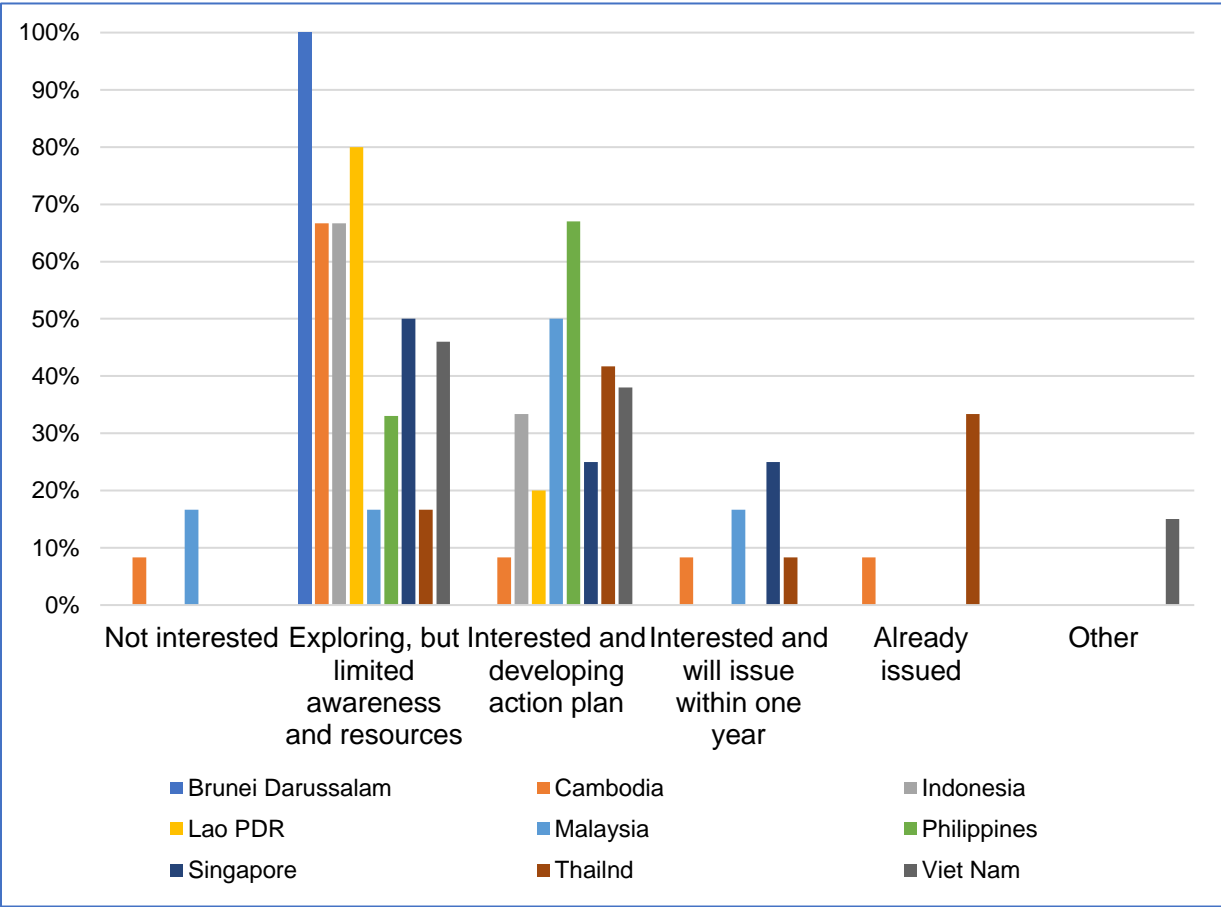
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INTEREST IN INVESTING IN GREEN BOND



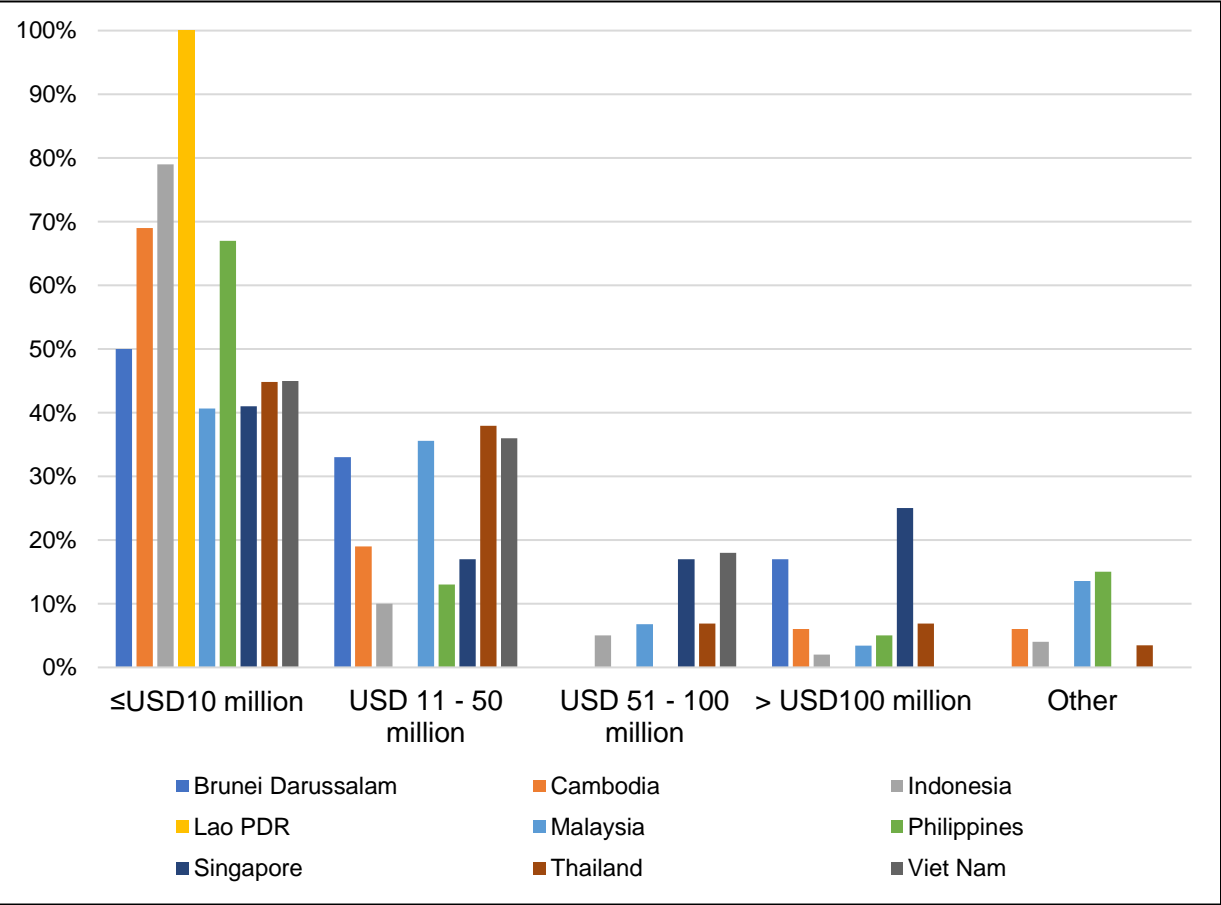
INTEREST IN ISSUING GREEN BOND



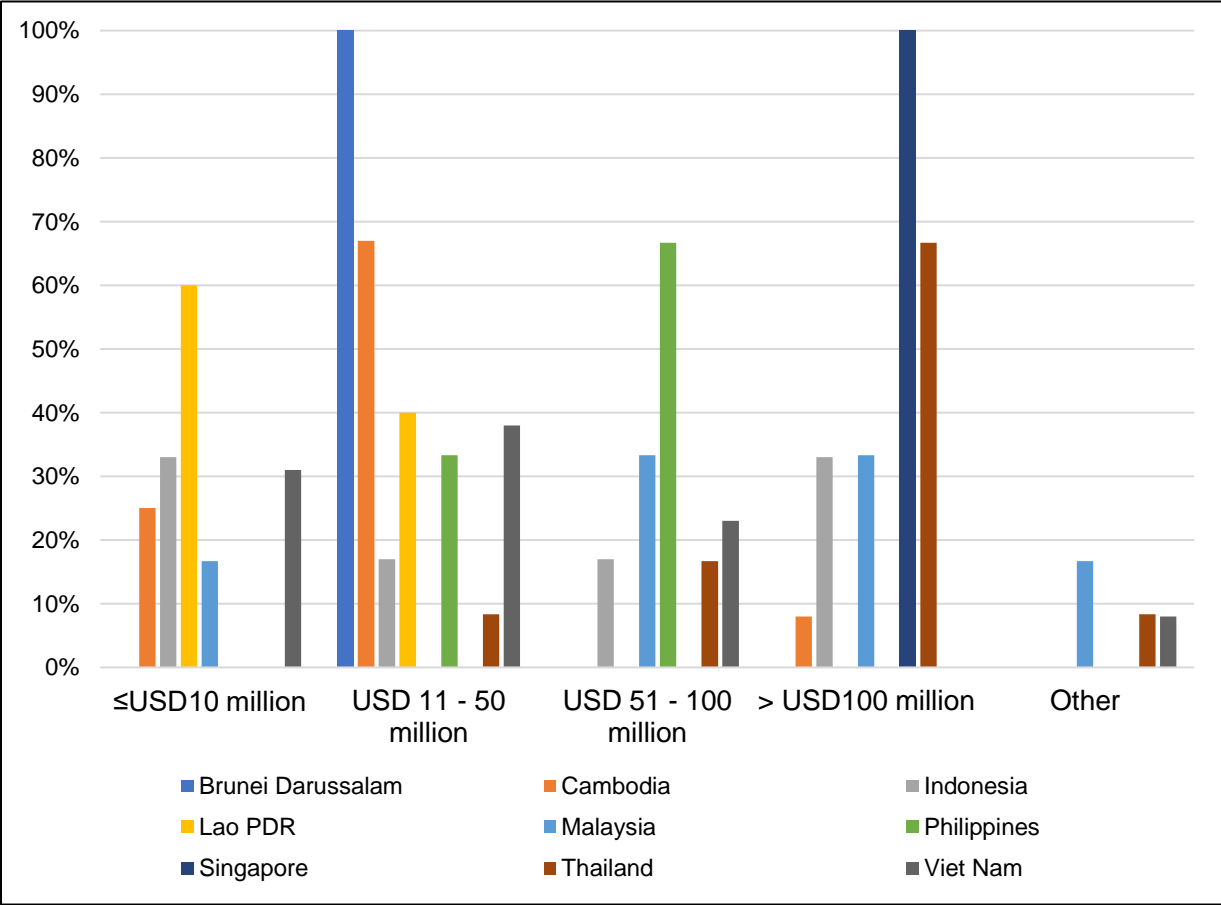
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OPTIMAL INVESTMENT SIZE



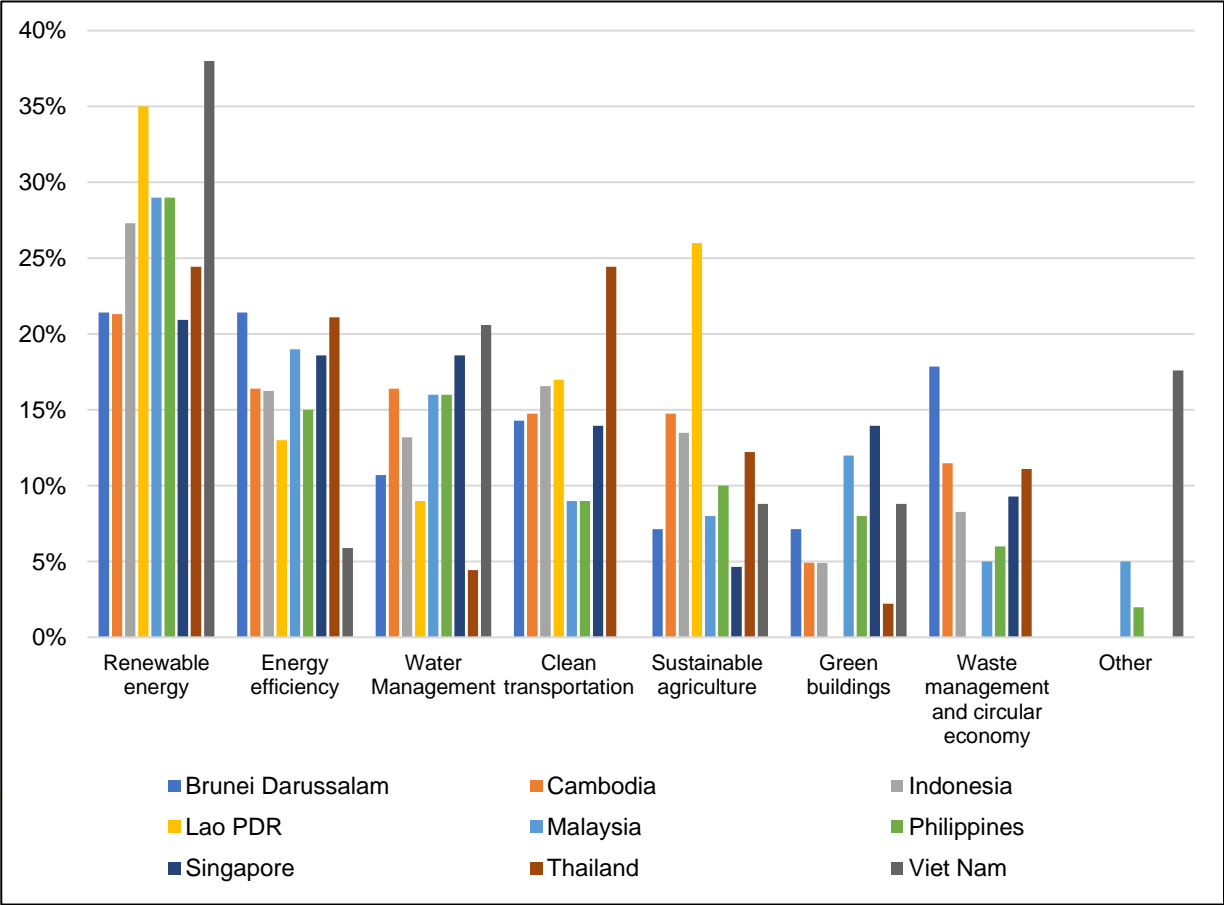
OPTIMAL ISSUANCE SIZE



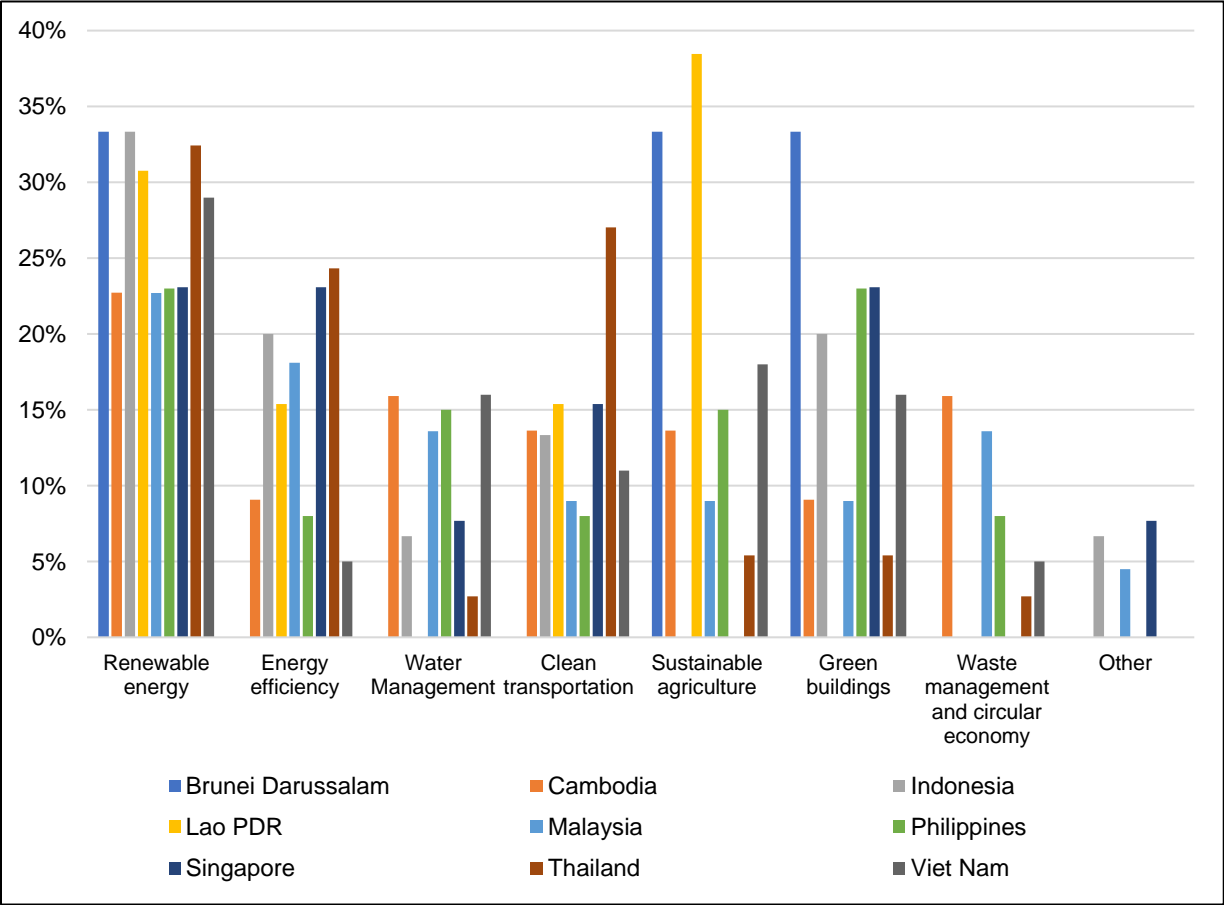
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MOST PROMISING SECTORS FOR GREEN BOND INVESTMENT



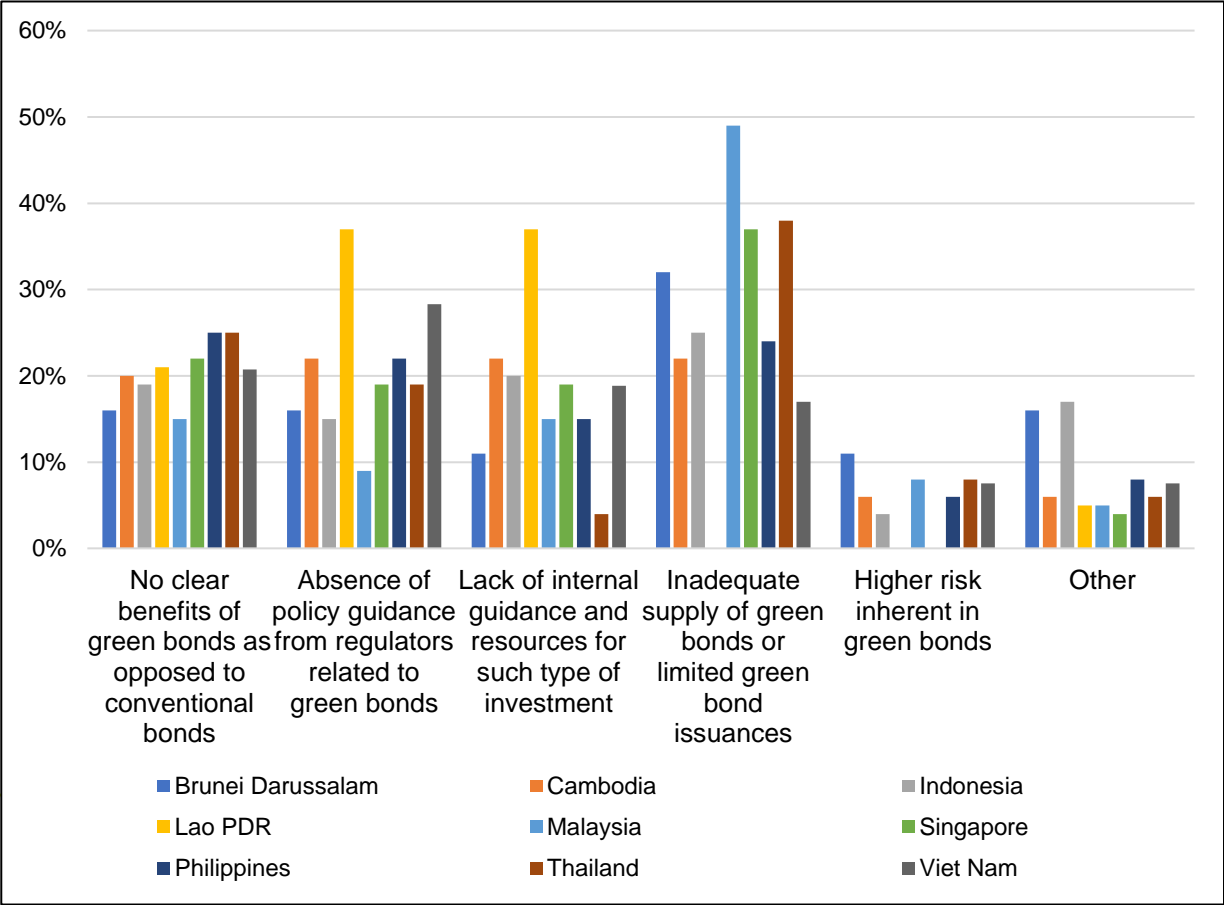
MOST PROMISING SECTORS FOR GREEN BOND ISSUANCE



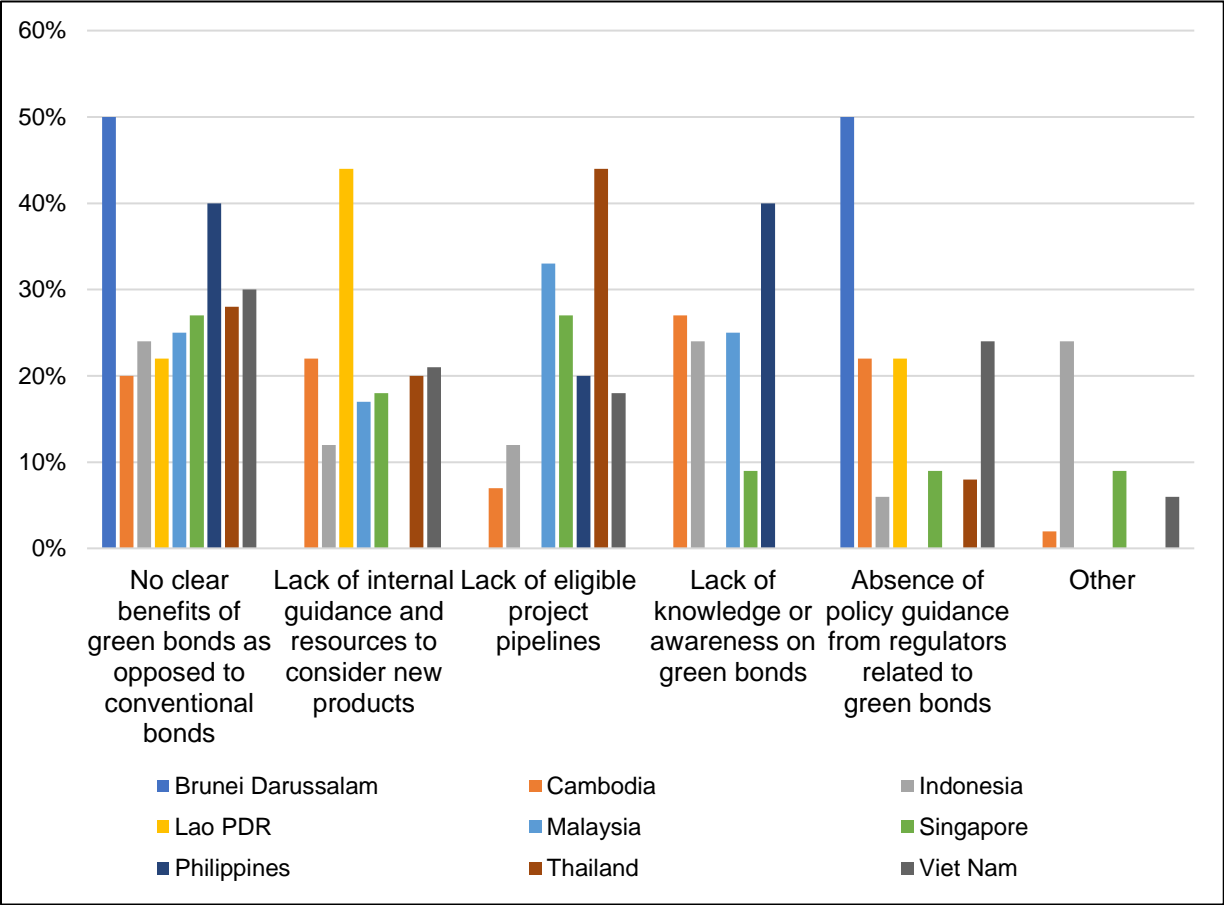
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KEY OBSTACLES FOR INVESTING IN GREEN BOND



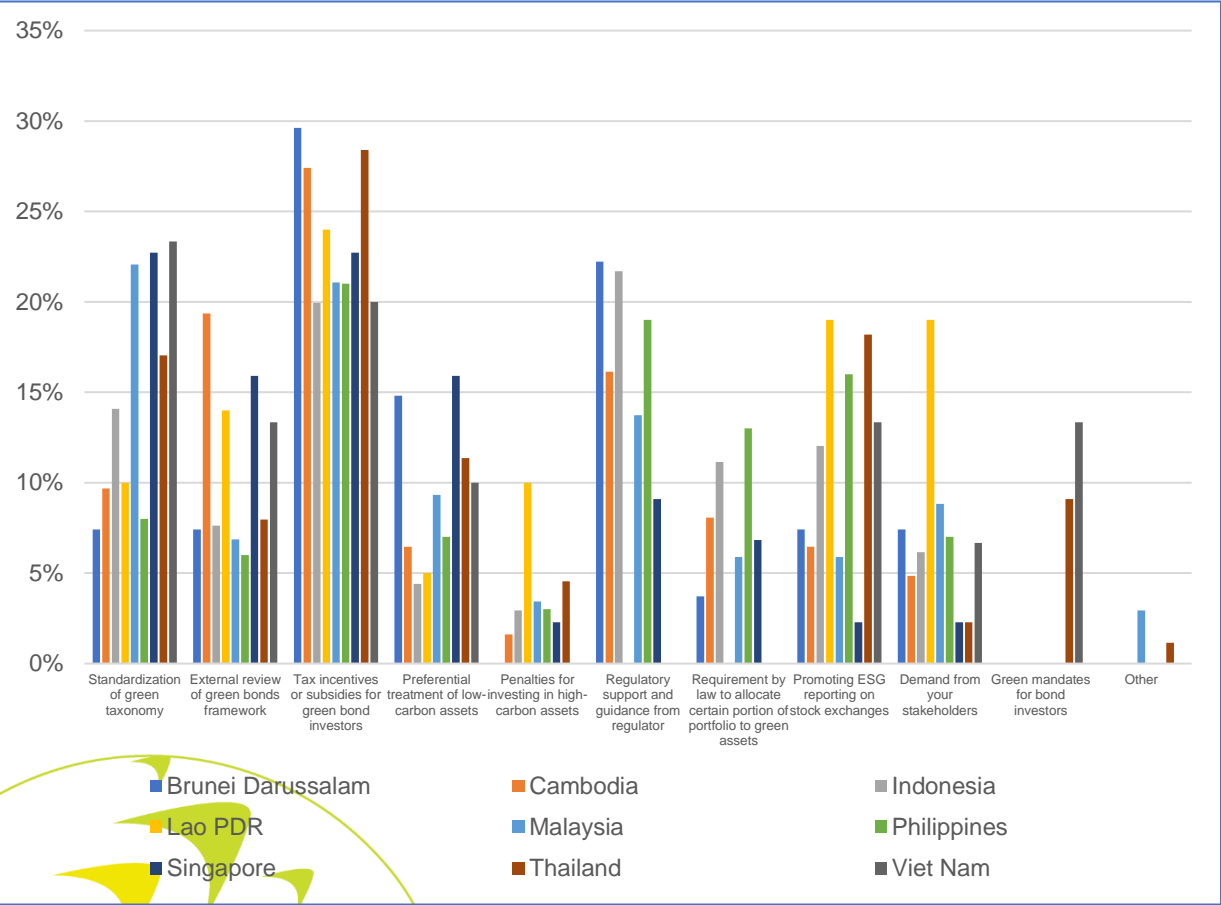
KEY OBSTACLES FOR ISSUING GREEN BOND



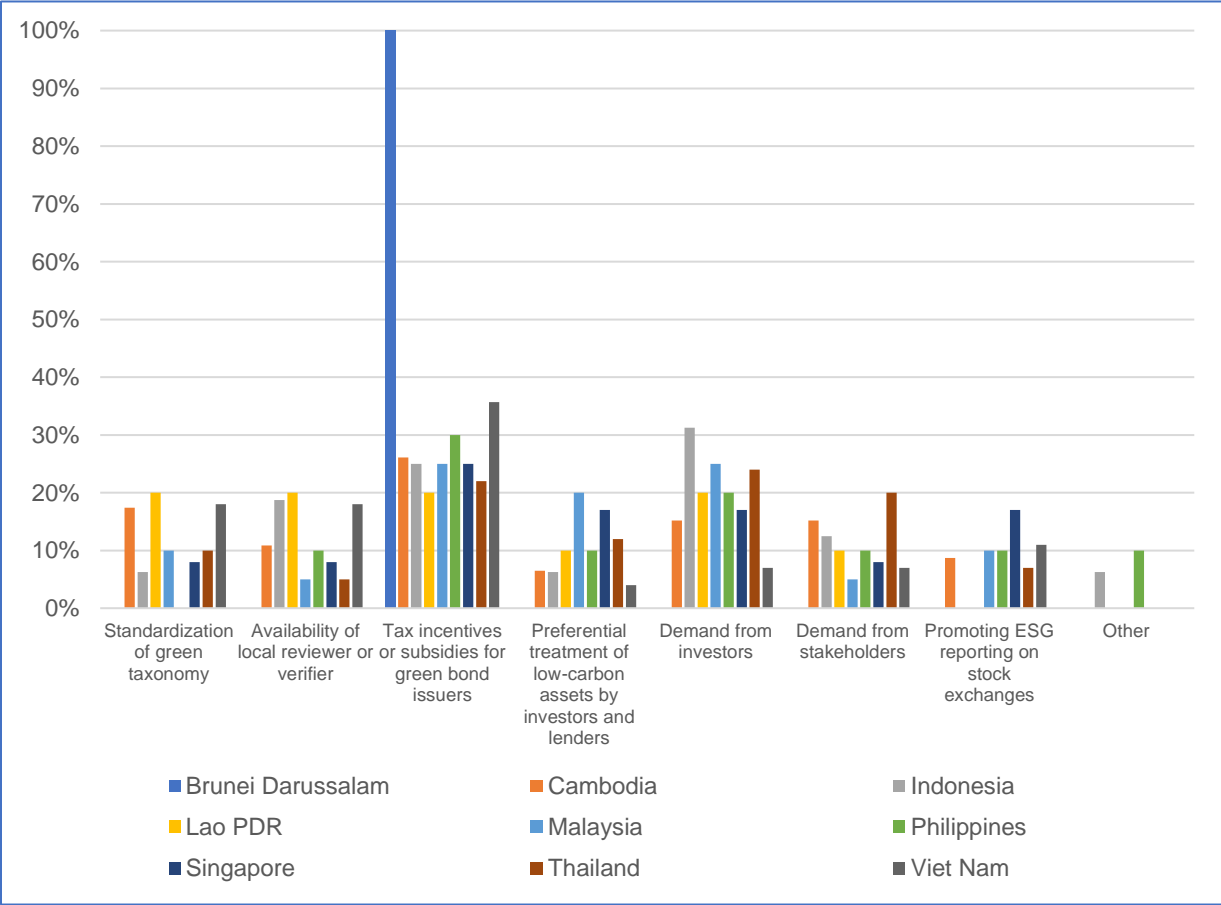
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KEY DRIVERS FOR GREEN BOND INVESTMENT



KEY DRIVERS FOR GREEN BOND ISSUANCE



Recommendations



RECOMMENDATIONS

ROLE OF INSTITUTIONAL INVESTORS IN VITALIZING SUSTAINABLE FINANCE MARKET

- Public investors can lead by example
- International insurers and asset managers can actively contribute to the development of the sustainable bonds in emerging markets
- DFIs can act as anchor investors for GSS bond transactions

ESTABLISHING POLICY GUIDANCE, DEFINITIONS, AND GUIDELINES FOR SUSTAINABILITY DISCLOSURE

- Commitments by governments through regular issuances of sustainable bonds
- Set good example by regulators
- Develop clear set of green definitions

STRENGTHENING THE SUPPLY OF GREEN BONDS VIA MARKET-BASED MECHANISMS

- Concessional finance can be mobilized to reduce risk associated with sustainable infrastructure projects e.g., through de-risking facility, credit enhancements
- Financial institutions can be major issuers of sustainable bonds

STREAMLINE THE ISSUANCE PROCESS VIA CAPACITY BUILDING AND OTHER TECHNICAL ASSISTANCE

- Technical, hand-on support from development partners
- Local green bond verifiers
- Standardized bond documentations for multijurisdictional bond offerings
- Knowledge partner, capacity building activities

THANK YOU

