Inspiring Action to Mobilise a Greener Future - A Global Symposium on Financing a Green Economy

On the occasion of the 1st Session of the United Nations Environment Assembly (UNEA)
Wednesday, 25 June 2014, Nairobi, Kenya

Preliminary Agenda
(Version of 18 June 2014)

Venue: Conference Room 1

Expected Participants:
Approx. 250 participants including ministers, public officials and business executives together with experts will share their views on experience and policy innovations that have catalysed financial markets, alongside public expenditure, to serve the needs of the long-term health of the real economy.

Purpose of the Symposium:
Policy debate and practice on financing the green economy/financing for sustainable development has now shifted such that the critical role of private finance is widely acknowledged in driving the future shape and profile of our economies, allowing for the practical challenges of mobilizing such finance to be addressed.

The core aim of the Symposium is to inspire, raise awareness and provide guidance to UNEA participants on mobilizing private finance for the green economy. In particular, it will discuss the rules, policies, regulations and standards, driving and shaping the financial system and the allocation of capital needed to enable a shift to a greener and more inclusive economy.

Further, the Symposium hopes to bring the financial dimensions and underpinnings of sustainability into the wider discussions at UNEA, as well as highlighting the importance of country leadership in forming and creating financial markets that underpin their economic transitions to green and more sustainable infrastructure and economies.

Format:
6 panel sessions (including an ‘Opening’ and a ‘Closing and Next Steps’ Session), each with invited speakers honing in on the most critical aspects of mobilising private financing towards green economies. The Symposium will tell a story, beginning with exploring the need for financing a green economy. We then look to what particular countries are doing on this topic followed by how capital markets can be mobilised. We then look at how inspiration can lead to action, and close the discussion with next necessary steps. Some Sessions will be presentations, others will be interactive discussions.

1 The Symposium is organized by UNEP Finance Initiative, UNEP PAGE (Partnership for Action on Green Economy) and the UNEP Inquiry into the Design of a Sustainable Financial System.

2 Some speakers and statements are subject to change.
10.00 – 10.30: Registration and Coffee

Participants are invited to register at the door – which will be necessary to gain admission for the free lunch co-hosted by the Side Event V - Green and Decent Jobs (13h15 – 14h45).

10.30 – 11.00: Opening Session

This session will contribute by developing the framework for the day including outlining: the objectives of the Symposium; the Green Economy within the changing global context; innovations currently being implemented; and a path for taking forward the different agendas necessary to mobilise financing for the green economy.

Expected Outcomes

To clarify for the audience the purpose and timeliness of the Symposium. To place the Green Economy in the context of the changing global situation, including in relation to issues such as unemployment and population growth, as well as developments within the financial sector. To introduce current efforts and innovations to mobilise finance for the green economy. Finally, to introduce a path /the need to move forward the agendas of practitioners, the regulatory and financial economy, as well as the real economy to accelerate the financing of the green economy.

Welcoming remarks

Mr. Achim Steiner, Executive Director, UNEP

HE. Ms. Sanjaasürengiin Oyuun, Environment Minister, Mongolia.

Janez Potočnik, EU Commissioner for Environment

Moderator:

Simon Zadek, Co-Director, UNEP Inquiry into the Design of a Sustainable Financial System.

11.00 – 12.00: Financing – the Need

This session will contribute by scoping out the scale of the financing challenge, and identifying both the policy options and amendments to the “rules of the game” required to mobilise the necessary capital.

Expected Outcomes

To expand on the discussions in the first session by focusing on the scale of the financing challenge and of financing the Green Economy, as well as the opportunities that exist and the potential.

Mukhisa Kituyi, Secretary-General, United Nations Conference on Trade and Development
• The launch of UNCTAD’s 2014 World Investment Report and its focus on financing Sustainable Development Goals.
• What is the scale of the green economy funding gaps that can be derived globally, regionally and sectorally from the report?

**Madeleine Ronquest**, Head of Environmental and Social Risk, Climate Change at FirstRand Limited, South Africa Co-Chair, UNEP Finance Initiative

• **How has funding for the green economy scaled up in South Africa in recent years?** What has incentivized banks like FirstRand to increase its funding?
• **How is the financial system adapting to its short-termism and traditional underestimation of the environmental and social risks facing lending and investment?**

**Nick Robins**, Co-Director, UNEP Inquiry into the Design of a Sustainable Financial System.

• **What barriers are preventing the scaling up of capital deployment, and what innovations could remove them?**
• **What changes in financial regulations and practices could provide the incentives for long term green finance**

**Moderator:**  
**Elliott Harris**, Director, New York Office, UNEP

**12.00 –12:45: Country Sessions in Green Finance**

This session aims to share good practice, particularly focusing on approaches that blend public finance and policies and private capital and capabilities at the national level.

It will demonstrate that the following factors are key in unlocking private finance towards a green economy with the speaker highlights the role of one or more of these factors.

• macro-economic policy committed to a green economy,
• an enabling financial regulatory environment and
• financial institutions that are aware and able to respond to the challenges of a green economy (both policy/regulatory and environmentally/social).

While each factor can shift significant financing flows, the alignment of all three factors is needed to catalyze the financing volume at the speed needed to keep to a 2 degrees warming world.

**Expected Outcomes**

Participants are expected to take away the message that there are multiple entry points to financing a green economy. While a macro-economic policy committed to a green economy is arguably the most fundamental and underlying condition, its effectiveness towards the finance sector (both in terms of speed of reaction from the market and the increased volume in financing flows) depends largely on the level of awareness and capacity of financial institutions. In addition to changes in price signals
from macro-economic policy, financial institutions are also greatly incentivized by a financial regulatory environment that is conducive to a green economy.

**Jingdong Wang, Vice President, Industrial and Commercial Bank of China**
- How the world’s largest bank is responding to financial regulation that promotes a green economy? What are the challenges as an implementer?

**Joshua Oigara, CEO, Kenya Commercial Bank.**
- Increasing the capacity of the Kenyan financial sector to respond to the country’s GE financing needs through collective voluntary action, Kenyan Sustainable Finance Initiative

**Moderator:**
**Charles Anderson, Director, UNEP Finance Initiative**

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<th>12.45 – 15.00:</th>
<th>Lunch break for participants</th>
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We invite all participants to attend a locally sourced, local themed lunch in the main tent, just adjacent to Conference Room no.1. Lunch will be provided for free courtesy of the UNEP Symposium and “Green and Decent Jobs – An Important Part of SDGs” side event.

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<th>13.15 – 14.45:</th>
<th>Lunchtime Side Event – “Green and Decent Jobs – An Important Part of SDGs”</th>
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Participants attending the lunch are invited to participate in the Green Jobs side event in Conference Room 1.

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<th>15.00 – 16.00:</th>
<th>Mobilising Capital Markets</th>
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This session profiles current action to use capital market instruments to scale up finance for the green economy – including green bonds and infrastructure financing, responsible investment strategies to measure and act upon environmental risks and opportunities, and the role of Stock Exchanges in financing green economies.

**Objectives**
Following on from the previous session which examined the combination of macro-economic policy committed to a green economy, an enabling financial regulatory environment and financial markets that is aware and able to respond to the challenges of a green economy (both policy/regulatory and environmental/societal) to unlock private financing for a green economy, this session narrows its focus by specifically discussing the role of the capital markets to finance a green economy.

**Expected outcomes**
Expected outcomes to include:
- Consensus on the importance of developing long-term investment.
• Need for more ESG information from businesses coupled with the capacity of investors to use and integrate the info into their investment decision making processes

_Evelyn Hartwick_, Head, Socially Responsible Bond Programme, the IFC and
_Anthony Ruschpler_, Senior Treasury Officer, African Development Bank

Discussion on green bonds

• Could it meet all the financing needs of a green economy?
• What are its weaknesses and limitations?

_Sonia Aparecida Consiglio Favaretto_, Managing Director, Press and Sustainability, BM&FBOVESPA Stock Exchange, Brazil

• What is a sustainable stock exchange?
• How to ensure more ESG info leads to more financing towards a green economy

Lack of long-term investment is identified as a barrier for both public green bonds and sustainable stock exchanges. Long-term investor base for banks could also facilitate long term lending. Discussion amongst the panelists on promoting long-term financing and investment.

_Moderator:_

_David Pitt-Watson_, Senior Strategic Advisor, Inflection Point Capital Management

**16.00 – 17.00: From Inspiration to Action**

This session examines the lessons learned and diverse experiences gained around different policy approaches, from correcting mis-priced externalities in the real economy, to blending in public finance and fiscal measures to reduce risks and increase private financial returns, in an effort to engage both development banks and investors of private capital to finance the assets and infrastructure needed for a more equitable and sustainable future.

This session contributes to that goal by focusing on the deep inter-relationships between the architects of public policy and public and private financing agents – and how to make the relationship more productive and catalytic, resulting in enhanced investment flows to a greener and more inclusive economy.

**Design Approach**

The session will develop a dialogue with panelists and participants around options to spur and catalyze capital flows into the green economy at country level. It will explore the different contributions that each actor can make in the investment value chain – from public policy, to public finance, to private capital – and address the question of what is needed from each to break free from
a current low-level equilibrium that sees money flowing into short term and economically unproductive infrastructure and activities.

**Expected Outcomes**

Participants will gain insights into the deeply connected realm of national policy design, idea leveraging and capital market responses. They should leave the room with a sense of what is needed to create success – defined as increased capital flows and financing into infrastructure and assets that produce value without compromising a country’s underlying wealth.

Alice Kaudia, Environment Secretary, State Department of Environment and Natural Resources, Kenya
Kenyan experience with developing national level green economy strategy and action plan – and what are the financing needs emerging from this

Mark Burrows, Managing Director and Vice Chairman, Global Investment Banking, Credit Suisse
Given the range of plans, actors and supporting institutions, what is needed to unlock private capital flows into the green economy and support countries embarking on this growth pathway

Yvo de Boer, Director General, Global Green Growth Institute
Facilitating Change – Connecting the Dots between Policy Ambitions and Market makers.

**Moderator:**
Steven Stone, Chief, Economics and Trade Branch, UNEP
Moderated discussion with Plenary and Panelists. Questions may focus on:

i. How to generate clear and stable policy frame?
ii. Who bears the risks of green investment?
iii. How to involve the vast informal sector?

**17.00–17.30: Closing and Next Steps**

This session will contribute by bringing together the threads of the day’s previous discussions and by focusing on the opportunities to take financing forward in a more effective way.

**Expected Outcomes**

To conclude the discussions by focusing the audience’s attention on the importance of enabling financing, the interesting innovations that already exist and the opportunities to advance this through the various agendas. Further to make the audience aware of the support that exists to advance this work.

Bruno Oberle, Secretary of State and Head of the Swiss Federal Office for the Environment

James Fletcher, Minister for Sustainable Development, Energy, Science and Technology, Saint Lucia

**Moderator:**
Simon Zadek, Co-Director, The Inquiry into the Design of a Sustainable Financial System, UNEP