

Greening Financial Systems and the Role of MDBs and IFIs

ADB Headquarters, 17-18 May 2023

Concept Note

Objectives of the Conference

The hybrid conference aimed to:

- Provide an understanding of Green Investment Banks, their benefits, and challenges, and identify the key success and sustainability factors of green banks from green bank cases
- Present international experience in assessing, monitoring, and addressing climate-related risks in the finance sector
- Discuss the way forward for financial supervisors and regulators in Asia, and how they can support green financial markets
- Discuss the role of multilateral development banks in the transition to more resilient and greener financial systems, and to catalyze private sector finance and establish GIBs.

Day 0: 16 May 2023, Discovery Suites Ortigas Center, Pasig City

19:00-21:00	Welcome Dinner 22/F Clermont Function Room
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Day 1: 17 May 2023, Auditorium zones 3 and 4, ADB Headquarters

10:00-11:30 (90 mins)	Registration Networking Lunch
11:30-13:30 (120 mins)	<i>Special Seminar on Green Investment Banking Scheme</i> <i>Moderated by: Bruno Carrasco, Director General, Sustainable Development and Climate Change Department, Asian Development Bank</i> <ul style="list-style-type: none">▪ <i>Presentation 1: Green Investment Banks: Unleashing the Potential of National Development Banks to Finance a Green and Just Transition</i><ul style="list-style-type: none">– <i>Ulrich Volz, Professor in Economics at SOAS University of London</i>– <i>Junkyu Lee, Chief of Finance Sector Group, Asian Development Bank</i>– <i>Discussant (10 mins): Pavit Ramachandran, Country Director of ADB Mongolia Resident Mission</i>– <i>Q&A (10 mins)</i>▪ <i>Presentation 2: Connecticut Green Bank</i><ul style="list-style-type: none">– <i>Bert Hunter, EVP & Chief Investment Officer, Connecticut Green Bank (virtual)</i>– <i>Discussants: (10 mins)</i><ul style="list-style-type: none">○ <i>Chowdhury Liakat Ali, Director for Sustainable Finance Department, Bangladesh Bank</i>

	<ul style="list-style-type: none"> ○ <i>Anjum Israr, Senior Public Management Specialist at Central and West Asia Department, Asian Development Bank</i> <ul style="list-style-type: none"> ▪ Presentation 3: UK Green Investment Bank <ul style="list-style-type: none"> – <i>Adrian Barnes, Head of Green Analytics, Green Investment Group, Macquarie Asset Management (virtual)</i> – <i>Discussants:</i> <ul style="list-style-type: none"> ○ <i>Dr. Adi Budiarmo, Director for Center for Financial Sector, Ministry of Finance, Indonesia</i> ○ <i>Christine Engstrom, Senior Director, Asian Development Bank</i>
13:30-14:30 (60 mins)	Break
14:30-14:40 (10 mins)	Opening event <ul style="list-style-type: none"> ▪ Welcome remarks <i>Woochong Um</i> <i>Managing Director General</i> <i>Asian Development Bank</i>
14:40-15:00 (20 mins)	Group Photo Session Break
15:00-17:00 (120 mins)	<p>Session 1: Assessing, monitoring, and addressing climate-related risks in the finance sector: International experiences and options</p> <p><i>Climate change exposes economies to physical and transition risks to the soundness of their financial institutions and the stability of their overall financial systems. To forestall these risks—threatening economic resilience and competitiveness—governments, financial markets, and financial institutions need financial resources, instruments, and skills. This session will focus on these topics:</i></p> <ul style="list-style-type: none"> ▪ <i>Assessing climate financial risk in the finance sector</i> ▪ <i>Setting supervisory expectations for climate risk management in the finance sector</i> ▪ <i>Micro- and macroprudential options for supervisors and regulators</i> <p><u>Scene-Setting Presentation and Moderator:</u></p> <p><i>Bruno Carrasco</i> <i>Director General, Sustainable Development and Climate Change Department</i> <i>Asian Development Bank</i></p> <p><u>Panelists:</u></p> <p><i>Fernando Restoy (virtual)</i> <i>Chair</i> <i>Financial Stability Institute</i></p> <p><i>Chris Faint (virtual)</i></p>

	<p><i>Head, Climate Hub Division Bank of England</i></p> <p><i>Livio Stracca (virtual) Deputy Director General, Macprudential Policy and Financial Stability European Central Bank</i></p> <p><i>Lyn Javier Assistant Governor Policy and Specialized Supervision Sub-sector Bangko Sentral ng Pilipinas</i></p> <p><i>Md. Khurshid Alam Executive Director Bangladesh Bank</i></p>
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17:00-20:00	Cocktail Reception
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Day 2: 18 May 2023, Auditorium zones 3 and 4, ADB Headquarters

12:00-14:00 (120 mins)	Registration Networking Lunch
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14:00-14:05 (5 mins)	<p>Opening event</p> <ul style="list-style-type: none"> ▪ Welcome and recap <i>Junkyu Lee Chief of Finance Sector Group Asian Development Bank</i>
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14:05-15:05 (60 mins)	<p>Session 2: How supervisors and regulators in Asia are supporting green financial markets</p> <p><i>Some Asian countries have extensive experience in managing climate risks for the financial sector and supporting its transition to green finance, while others are only at the beginning of this journey. What crucial lessons, recommendations, and requests do the former have for other financial supervisors and regulators, and the ADB?</i></p> <p><u>Moderator:</u> <i>Ahmed Saeed Vice President for Operations Asian Development Bank</i></p> <p><u>Panelists:</u> <i>Satoshi Ikeda Chief Sustainable Finance Officer Japan Financial Services Agency</i></p> <p><i>H.E. Pen Thirong</i></p>
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	<p><i>Under Secretary Cambodia Ministry of Economy and Finance</i></p> <p><i>Inarno Djajadi Chief Executive of Capital Markets, Financial Derivatives, and Carbon Exchange Supervision concurrently Member of the Board of Commissioners of the Financial Services Authority</i></p> <p><i>Kwang Il Kim Director of Fair Market Division Korea Financial Services Commission</i></p> <p><i>Anar Sadykova Head of the Prudential Regulation Methodology Division of the Department of Methodology and Prudential Regulation of Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market</i></p> <p><i>Bushra Shafiq (virtual) Senior Joint Director SME, Housing & Sustainable Finance Department State Bank of Pakistan</i></p>
<p>15:05-15:30 (25 mins)</p>	<p>Break</p>
<p>15:30-16:30 (60 mins)</p>	<p>Session 3: Role of multilateral development banks and international financial institutions in the transition to more resilient and greener financial systems</p> <p><i>Multilateral development banks (MDBs) and international financial institutions (IFIs) are committed to aligning their operations with the 2015 Paris Agreement, which will affect all facets of their activities. MDBs and IFIs can also play a catalyzing role in the transition to more resilient and greener financial systems. This session will showcase the challenges MDBs and IFIs face and the approaches they have developed to meet the goals of the Paris agreement and to enhance the role of the financial system to manage risks and mobilize capital for low-carbon and climate-resilient investments.</i></p> <p><u>Moderator:</u> <i>Roberta Casali Vice President, Finance and Risk Management Asian Development Bank</i></p> <p><u>Panelists:</u> <i>Dana Kupova Head of Green Economy Transition Financial Institutions</i></p>

	<p><i>European Bank for Reconstruction & Development</i></p> <p><i>Junkyu Lee</i> <i>Chief of Finance Sector Group</i> <i>Asian Development Bank</i></p> <p><i>Tao Zhang</i> <i>Chief Representative, Asia and the Pacific</i> <i>Bank for International Settlements</i></p> <p><i>Tatiana Didier</i> <i>Senior Financial Sector Specialist</i> <i>World Bank</i></p> <p><i>Syed Hussein Quadri (virtual)</i> <i>Director of Resilience & Climate Action Department</i> <i>Islamic Development Bank</i></p>
<p>16:30-17:30 (60 mins)</p>	<p>Roundtable: How private sector can leverage multilateral development banks to support the transition to net zero</p> <p><i>The multilateral development banks can assist financial supervisors and regulators as they seek to ensure that financial institutions manage climate risks. They can support them in implementing mitigating measures. And they can support the transition—the scenario that minimizes climate risks—by scaling up green finance to mobilize the funds needed for the transition.</i></p> <p><u><i>Moderator:</i></u> <i>Cathy Marsh</i> <i>Deputy Director General, Private Sector Department</i> <i>Asian Development Bank</i></p> <p><u><i>Panelists:</i></u> <i>Ernst Rauch</i> <i>Chief Climate Scientist, Climate Change Solutions Development</i> <i>Munich Re</i></p> <p><i>Max Thomas</i> <i>ESG Solutions</i> <i>HSBC</i></p> <p><i>Kelvin Wong</i> <i>Managing Director, Deputy Global Head of Energy, Renewables & Infrastructure</i> <i>DBS Bank</i></p>

	<p><i>Conor Donaldson</i> <i>Chief Executive Officer</i> <i>Global Asia Insurance Partnership</i></p> <p><i>Asif Cheema (virtual)</i> <i>Director, Private Sector Department</i> <i>Asian Development Bank</i></p>
<p>17:30-17:40 (10 mins)</p>	<p>Closing Event</p> <ul style="list-style-type: none"> ▪ Closing Remarks <i>Christine Engstrom</i> <i>Senior Director-Designate, Finance</i> <i>Asian Development Bank</i>