







Workshop on SCALING UP GREEN FINANCE IN INDONESIA

30 November 2022 9:00 AM-16:00 PM (Jakarta time) | <u>voom</u>



REGISTRATION https://adb-org.zoom.us/meeting/register/tJwkcOCtpjMiEtFcbNkPTzze_ZepjN5-xsW9

The Financial Services Authority (OJK), in collaboration with the Indonesia Stock Exchange (IDX), Asian Development Bank (ADB) and United Nations Development Programme (UNDP) are inviting you to participate in a workshop on "Scaling Up Green Finance in Indonesia" on 30 November 2022, from 9:00 AM-16:00 PM Jakarta time.

BACKGROUND

According to ADB estimates, Southeast Asia needs \$210 billion per year from 2016 to 2030 in climate-resilient infrastructure investments. With the region having been severely affected by the COVID-19 pandemic, public budgets are constrained, and public entities need to urgently leverage financing instruments to attract private capital to meet climate and development goals.

Southeast Asia is seeing an increase in the issuance of green, social, sustainable, and other labeled (GSS+) bonds, yet the region still comprises a small fraction of the global total. The first half of 2022 saw \$8 billion of GSS+ issuances in Association of Southeast Asian Nations (ASEAN) markets, which accounted for only 2% of global issuance for the same period. Global and domestic investors are increasingly considering environmental and sustainability factors in their investment decisions, and they are seeking greater diversity in their portfolios over short-term profit optimization.

Indonesia's sustainable bond market has been supported by the government's strong commitment through regular issuances of sovereign green sukuk (Islamic bonds); well-developed green and Sustainable Development Goal (SDG) bond frameworks; and the active role of the Financial Services Authority (OJK); however, Indonesia's domestic green bond market is still small. Consequently, it is crucial that the capital market play a larger role in mobilizing private capital to support sustainable investments and assist Indonesia in its transition to a low-carbon economy.

OBJECTIVES

This workshop aims to: i) raise awareness of green and other thematic bonds among potential bond issuers, (ii) explain the process of issuing bonds and how they can be incorporated into a company's financing strategy, (iii) share key success factors from existing green and other thematic bond issuers' perspectives, (iv) discuss approaches for developing climate-friendly investment portfolios and the role of institutional investors in promoting green bond market, and (v) discuss how development partners can assist the issuance of green and other thematic bonds in Indonesia.

AGENDA

Time	Activity
8:30 - 9:00	ARRIVAL OF PARTICIPANTS
9:00 - 9:15	WELCOME REMARKS
	Ibu Sujala Pant, Deputy Resident Representative, UNDP Indonesia [TBC]
	OPENING REMARKS
	Mr. Khoirul Muttaqien, Department Head of Capital Market Supervision, OJK
9:15 – 10:15	STATE OF THE MARKET AND THE NEED FOR FINANCE
	This session will discuss the current state of the green and other thematic bond on a global scale. It will emphasize the urgency of responding to the existential threat that climate change poses to our nation, the region, and the world, as well as the need to mobilize funds for climate-resilient investments urgently and at scale. The session will also describe the available resources from development partners to assist green and other thematic bond issuers and their underwriters in Indonesia.
	State of Green and Other Thematic Bonds Market Development Karthik Iyer, Director of Programmes, Climate Bonds Initiative, and Senior Capital Market Expert, ACGF
	ASEAN GSS+ Bonds Initiative - Scaling Up Green, Social, Sustainable, and Other Labeled (GSS+) Bonds in Southeast Asia Anouj Mehta, Country Director, Thailand Resident Mission, ADB
	Strengthening Ecosystem for Sustainable Finance Development in ASEAN+3 Kosintr Puongsophol, Financial Sector Specialist, ADB
	Accelerating SDGs Investment in Indonesia through Thematic Bonds Nila Murti, National Project Manager for UN ASSIST Joint Programme, UNDP
10:15 – 10:30	DEMYSTIFYING GREEN AND OTHER THEMATIC BONDS
	This session will clarify or demystify issues relating to green and other thematic bonds and emphasize the importance of sustainable financing for promoting Indonesia's sustainable development. Speakers will discuss the Indonesian Green Taxonomy, which was released earlier this year, the key steps to issuing green and other thematic bonds, and the survey's findings on the level of interest and awareness among local stakeholders.
	What are Indonesia's Approaches to Sustainable Finance Development?
	Agus Saptarina, Director of Accounting Standards and Governance Directorate, OJK
10:30 - 10:45	Q&A

Agenda continued

Time	Activity
10:45 - 11:00	COFFEE BREAK
11:00 - 11:30	DEMYSTIFYING GREEN AND OTHER THEMATIC BONDS (cont) Indonesian Green Taxonomy: How is it relevant to sustainable bond issuers? Dedy Sugiono, Division Head of Surveillance Department and Integrated Financial Services Sector Policy, OJK How to issue green and other thematic Bonds? What is the appetite of Indonesian investors and underwriters? Kosintr Puongsophol, Financial Sector Specialist, ADB
11:30-12:30	 MARKET PERSPECTIVES This session will discuss the perspectives of local and international market participants, including underwriters and investors. Speakers will discuss emerging trends in sustainable finance instruments, investor's expectations, sustainability disclosures, and practical approaches to promoting the sustainable finance market in emerging markets, particularly Indonesia. 1. Adam Cotter, Senior Executive Banking, DZ BANK AG, Singapore 2. Djumala Sutedja, Director & Head of Fixed Income & Balance, PT. BNP Paribas Asset Management 3. Ecaterina Bigos, Chief Investment Officer, Fixed Income APAC, AXA Investment Managers [Virtual] 4. Johanna Richter, Portfolio Manager, KfW Development Bank 5. Karthik Iyer, Director of Programmes, Climate Bonds Initiative, and Senior Capital Market Expert, ACGF Moderator: Pin Hsuan Wu, Financial Sector Specialist, ADB
12:30 - 12:45	Q&A
12:45-14:00	LUNCH
14:00 - 14:30	FINANCIAL CONDITIONS AND BOND MARKET DEVELOP IN ASEAN+3 This session will review recent development in financial conditions and bond market development, which set the general investment environment for sustainable bond market. In-depth discussion on development issues in ASEAN+3 sustainable bond markets will be illustrated, shedding insights on policies and development priorities to future development in sustainable bond markets. Asia Bond Monitor 2022 November and development Issues in ASEAN+3 sustainable bond markets Shu Tian, Senior Economist, ADB

Agenda continued

Time	Activity
14:00 - 14:30	Sovereign issuance of sustainable bonds: facts and future trends Bhaveer Shah, Vice President, Climate & ESG Research, MSCI
14:30 - 15:30	CASE STUDIES: GREEN AND OTHER THEMATIC BOND ISSUANCES AND POLICY INTERVENTIONS The speakers will discuss their experience with the issuance of sustainable bonds on both domestic and international markets, as well as approaches for promoting sustainable finance policies. Entities interested in issuing sustainable bonds will find these real-world, practical experiences extremely valuable and relevant. Indonesia Blue Financing Case Study: Alternative Financing to Marine Gelwynn Daniel Hamzah Yusuf, Chief of Planner, Deputy for Maritime and Natural Resources, Ministry of National Development Planning/BAPPENAS National Mortgage Corporation of Malaysia (CAGAMAS) Datuk Chung Chee Leong, CEO, Cagamas Berhad Experience sharing by Indonesian Entities Itang Rusdinar, Division Head, Treasuy Business, PT Bank Rakyat Indonesia, Tbk Sustainable bond transactions supported by ADB Kosintr Puongsophol, Financial Sector Specialist, ADB
15:30 - 15:45	Q&A
15:45 – 16:00	CLOSING REMARK Jiro Tominaga, Country Director, Indonesia Resident Mission, ADB



