



2nd OECD GREEN INVESTMENT FINANCING FORUM (GIFF)

19-20 May 2015

OECD Headquarters, Paris, France
Conference Centre Room 1

AGENDA

This forum organised by the OECD¹ aims to promote dialogue and enhance understanding between a wide range of countries and institutions interested in mobilising private investment financing for low carbon and climate-resilient infrastructure.

In this defining year for climate change policy and low-carbon investment, OECD Secretary-General Angel Gurría will welcome senior government officials and key actors in financing green investment for a targeted discussion under the Chatham House Rule. The Forum's themes are drawn from the OECD report: *"Mapping Channels to Mobilise Institutional Investment in Sustainable Energy: An OECD Report for G20 Finance Ministers and Central Bank Governors"* as well as forthcoming analysis on green investment banks (GIBs) and green bonds in 2015.

The forum will build on themes examined in the inaugural GIFF held in June 2014 which took stock of GIBs, and examined what they do, the reasons for their establishment, what they have in common, and how they vary. The forum also examined how GIBs are working to mobilise capital specifically from institutional investors.

The forum is part of [Climate Week Paris](#). Taking place 200 days before the COP21 climate talks in Paris, from May 18-24, Climate Week Paris will showcase through a series of events how climate action makes good business sense – and a strong global deal means a smart economy.



OECD Secretariat Contacts:

Christopher Kaminker christopher.kaminker@oecd.org

Robert Youngman robert.youngman@oecd.org

¹ The Secretariat would like to thank the Japanese Ministry of Finance for their generous financial support for the activities of the Environment Directorate on "Public Policies for Facilitating Green Long-Term Infrastructure Investment".

19 May 2015

8:30-8:55 **Registration** (*N.B. start time and schedule of first day tentative*)

9:00-9:40 **Session 1: Opening**

Moderator:

- Mr. Ángel Gurría, OECD Secretary-General

Keynote remarks:

- The Hon. Al Gore, Former U.S. Vice President

9:40-10:40 **Session 2: Public action to catalyse private investment for green growth**

Moderator:

- Mr. Simon Upton, Director, OECD Environment Directorate

Panellists:

- H.E. Juan José Guerra Abud, Minister of Environment and Natural Resources, Mexico
- H.E. Per Bolund, Minister for Financial Markets & Consumer Affairs, Deputy Minister for Finance, Sweden

2015 is a year which may hold major inflection points on the international policy agenda for climate change and financing for green growth and sustainable development. The outcomes of these processes will have implications for global investment trends, policy-driven financial markets and the USD 93 trillion in assets managed by institutions. Major initiatives and announcements have been made in the run up to COP 21: how can these actions catalyse international momentum and activate the private sector's latent interest in financing green growth?

10:40-11:00 **Coffee break**

11:00-12:30 **Session 3: Investment needs and risk-return profiles of sustainable energy: Market evolution**

Moderator:

- Mr. Simon Upton, Director, OECD Environment Directorate

Special address:

- Dr. Fatih Birol, Chief Economist & Director, Global Energy Economics, IEA

Panellists:

- Ms. Kyung-Ah Park, Managing Director, Environmental Markets Group, Goldman Sachs
- Mr. Reed Hundt, Chair, Coalition for Green Capital
- Mr. Vishnu Amble, Principal, Strategic Co-Investments & Innovation Scouting, E-ON
- Mr. Peter Sweatman, G20 IPEEC Energy Efficiency Financing Task Group

This session will review developments in the risk-return profile of sustainable energy investments since the inaugural Green Investment Financing Forum. In the past year we have seen changes in factors that influence the risks and returns of sustainable energy investments vis-à-vis fossil-fuel-intensive infrastructure investments. Policy targets and carbon pricing as well as tools such as auctions are increasingly popular and the levelised costs of sustainable energy continue to fall. Changes have occurred in macroeconomic factors (interest rates) energy markets (oil price decline), environmental change (climate impacts), information transparency (climate risk disclosure) and social movements (e.g. divestment). New actors are emerging in the green investment landscape, both in the public sector (new infrastructure institutions and green banks) and in the private sector (entities created under new utility business models and YieldCos created through financial innovation).

12:30-14:00 **Lunch** [*Marshall Room, Château de la Muette*]

14:00-15:15 **Session 4: Facilitating domestic green investment: policy frameworks and public financial institutions**

Moderator:

- Ms. Ana Novik, Head, Investment Division, OECD Directorate for Financial and Enterprise Affairs

Special remarks:

- Professor Daniel Esty, Hillhouse Professor of Environmental Law and Policy, Yale University

Panellists:

- Mr. Oliver Griffiths, Head of Government Affairs and Policy, UK Green Investment Bank
- Mr. Takejiro Sueyoshi, CEO, Green Finance Organisation, Japan
- Mr. Ahmad Hadri Haris, CEO, Malaysian Green Technology Corporation
- Dr. Barbara Weber, CEO, B-Capital Partners

Domestic policy frameworks will play a key role to facilitate low-carbon and climate-resilient infrastructure investment and to shift and scale-up such investment. However, investment in low-carbon and climate-resilient infrastructure remains seriously constrained by specific barriers, including market and government failures. Green banks are being set up to address some of these barriers. Policy makers play a vital role in building the institutional framework to promote green infrastructure investments, as well as creating the enabling conditions necessary for mobilising private climate finance and investment. This session will explore how improved domestic policy conditions can enable green banks and other public and private financial institutions to scale up investments in green infrastructure.

15:15-16:45 Session 5: The role of public financial institutions to enhance the flow of private green investments from developed countries to emerging economies and developing countries

Moderator:

- Mr. Jon Lomøy, Director, OECD Development Co-operation Directorate

Panellists:

- Dr. Naoko Ishii, CEO, Global Environment Facility (GEF)
- Mr. Christian Grossmann, Director for Climate Change, World Bank Group
- Mr. Christopher Knowles, Head of the Climate Change & Environment Division, European Investment Bank
- Mr. Samy Ben-Jaafar, Director, Private Sector Facility, Green Climate Fund
- Mr. Abyd Karmali, Managing Director, Bank of America Merrill Lynch

Special remarks: The Danish Climate Investment Fund (after the panellist interventions)

- Mr. Torben Møger Pedersen, CEO, PensionDanmark

To date, private capital for low-carbon and climate-resilient infrastructure investment has yet to start flowing in significant amounts from developed countries to emerging economies and developing countries. Some investment is happening in emerging economies and developing countries, including from domestic investors. Indeed, domestic investors may be better suited than some foreign investors to take on local risks, such as currency risks. This session surveys the latest successful innovations in how public financial institutions and others can deploy de-risking tools and other mechanisms to catalyse private and institutional investment in emerging economies and developing countries

16:45-17:00 Coffee break

17:00-18:15 Session 6: Green bonds – mobilising the debt capital markets for sustainable energy

Moderator:

- Dr. Juan Yermo, Deputy Chief of Staff of the OECD Secretary-General

Panellists:

- Mr. Christopher Flensburg, Head of Sustainable Products and Product Development, Skandinaviska Enskilda Banken (SEB)
- Dr. Jean Yves Caneill, Head of Climate Policy, Électricité de France
- Mr. Peter Damgaard Jensen, CEO, Pensionskassernes Administration (PKA)
- Ms. Luisa Florez, Senior Analyst, Responsible Investment Department, AXA Investment Managers
- Mr. Erik Jan Stork, Senior Sustainability Specialist, APG Asset Management
- Mr. Mike Wilkins, Managing Director, Infrastructure Finance Ratings, Standard & Poor's

Green bonds have been the subject of increasing investor, government and media interest and expectation due in part to the explosive growth in the market during 2014. This session comprising principal actors in the space discusses the potential, barriers and solutions for scaling up green bonds across their various different forms (including agency, supranational, municipal, corporate, asset-backed, covered, project) and mobilising debt capital for sustainable energy. The OECD is currently undertaking a policy report with quantitative analysis on green bonds to be released in Q4 2015.

18:15-18:25 Session 7: Closing remarks and special comment:

- Mr. Rintaro Tamaki, OECD Deputy Secretary-General (confirmed)

18:25 Reception [Marshall Room, Château de la Muette]

End of Day 1 – continues next page

20 May 2015

9:00-9:30 Session 8: Opening and Armchair Conversation

- Mr. Simon Upton, Director, OECD Environment Directorate

Keynote remarks:

- Mr. Tom Steyer, Investor, Philanthropist and Advanced Energy Advocate

9:30- 11:00 Session 9: Institutional investor roundtable on sustainable energy financing

Moderator:

- Mr. André Laboul, Deputy Director, OECD Directorate for Financial and Enterprise Affairs

Panellists:

Sub-session I) Project Investment

- Mr. Torben Möger Pedersen, CEO, PensionDanmark
- Mr. Ian Woods, Head of ESG Research, AMP Capital Investors
- Dr. Oliver Heiland, Senior Legal Counsel, Allianz Global Investors

Sub-session II) Corporate Investment

- Mr. Philippe Desfossés, CEO, ERAFP
- Dr. Ulf Erlandsson, Senior Portfolio Manager Credit, Fourth Swedish National Pension Fund
- Mr. Bill Hartnett, Head of Sustainability, Local Government Super Australia
- Dr. Steve Waygood, Chief Responsible Investment Officer, Aviva Investors

In this special roundtable session, institutional investors attending the Forum will provide short interventions on their perspectives and expectations on sustainable energy investment across different channels (in projects and in companies) and using different strategies (e.g. listed company equity, direct project investment, infrastructure funds and venture capital, YieldCos and green bonds). Then, the floor will be open for further discussion and comment. As context, the recently published OECD Report for G20 Finance Ministers and Central Bank Governors: Mapping Channels to Mobilise Institutional Investment in Sustainable Energy explores the potential, barriers and policy recommendations for activating different channels for mobilising institutional investment in sustainable energy.

11:00-11:30 Coffee break

11:30-13:00 Session 10: The financial system and markets: Aligned with the low-carbon transition?

Moderator:

- Dr. Adrian Blundell-Wignall, OECD Director for Financial and Enterprise Affairs

Panellists:

- Dr. Steve Waygood, Chief Responsible Investment Officer, Aviva Investors
- Ms. Olivia Gray, Chief Operating Officer, Capital, Science & Policy Practice, Willis Group
- Mr. Nick Robins, Co-Chair, UNEP Inquiry into the Design of a Sustainable Financial System
- Dr. Oliver Heiland, Senior Legal Counsel, Allianz Global Investors
- Mr. Andrew Pidden, Managing Director, Head of Sustainable Investments, Deutsche Bank
- Mr. Rupert Thorne, Deputy to the Secretary General, Financial Stability Board

Questions and concerns have been raised as to the alignment with green investment, and sustainable development of financial markets, regulation, and reforms. Executives, investors and policy makers are raising questions and seeking answers to issues such as the “scourge” of short-termism in financial markets (e.g. Focusing Capital on the Long Term), the “tyranny of the discount rate” (e.g. J. Grantham) and the “tragedy of horizons” (e.g. M. Carney). Efforts are underway to better align capital markets, and asset owners with the long term (e.g. OECD Project on Long Term Investment, Generation IM’s sustainable capitalism). What is the role for government and private sector to address these issues and better align the financial system with sustainability? UNEP is running an “Inquiry into the Design of a Sustainable Financial System” and the [OECD](#), [IEA](#), [ITF](#) and [NEA](#) will release a report on “Aligning Policies for the Transition to a Low-Carbon Economy”, at the [June 2015 OECD Ministerial Council Meeting](#).

13:00-13:15 Session 11: Closing conversation

- Mr. Simon Upton, Director, OECD Environment Directorate
- Mr. Janos Pasztor, Assistant Secretary-General for Climate Change, United Nations

--- end of GIFF ---

--- start of OECD Green Investment Bank Workshop ---closed workshop--- 13:30 - 18:00