

Asia Pacific Science-Policy-Business Forum 2023, Colombo, Sri Lanka

Summary Report to the Ministerial Outcome Session

Under the theme **“Putting sustainability into gear in the Asia-Pacific region: Future Proofing Economies, People and the Planet,”** the first in-person, and second overall, AP-SPBF 2023 session was held in Colombo, Sri Lanka, in parallel to the fifth Forum of Ministers and Environment Authorities of Asia Pacific.

Over 8 hours of intense deliberations and consultations took place between over 150 Private Sector Leaders, representing top industries and financial institutions globally and in the region – and government representatives – with participation from scientists and civil society representatives.

Participants voiced their great appreciation to the Government of Sri Lanka – H.E. Minister Naseer Ahmad, UNEP Regional Office and the Secretariat of UNSPBF for hosting the event and for creating an important and much needed platform for multi-sectoral communication and engagement on critical

topics.

Focused on the need for policy cohesion in building opportunities for sustainable growth and on harnessing the power of sustainable infrastructure for an equitable and resilient future, participants engaged in lively discussions on issues including regulatory frameworks, how to finance equitable green growth in a changing environment; the economic and social impact of climate risk for enterprises; the future of energy transitions; digital infrastructure and transformation; and building strong foundations for circular economy infrastructure.

➤ *Session One: Putting sustainability into gear in the Asia-Pacific region*

Focus on Regulatory frameworks, policies and incentives

- Recommendations centered on the need for wide consultations processes through the SPBF platform between industry-finance-government and society at large on topics related to green structural transformation, underscoring that a whole society approach is required and much

needed. At the same time, the private sector expressed readiness to support decision making processes by providing information, data and technical advice to aid sound and integrated decision making.

- **Recommendations also centred around the need for greater policy cohesion on policies related to green structural transformation and green transitions and accountability: Across sectors at the national level. And policy coherence region-wide, through better coordination and design of integrated approaches to trade, taxation, movement of goods and services and regulatory frameworks.**

Experts emphasized the need for both incentives and compliance measures, and called for:

- **comprehensive whole-of-government, whole-of-society approaches;**
- **long-term thinking accompanied by short-term implementation plans;**
- **Welcomed well-designed and regulated Reporting frameworks; inspired by the EU's new ESG**

processes

- **Region-wide coordination and harmonization of policies across countries; and**
 - **Effective policy tools such as carbon pricing accompanied by just transition measures that compensate low-income groups.**
- **From the government perspective, representatives noted proactive measures taken by their governments, including on setting decarbonization goals, industry certifications, dialogue with industries, and initiatives for sustainable practices.**

Energy Transitions

The topic of renewable energy took centre stage, with the following recommendations:

- **A sustainable energy value chain firmly in place, otherwise we risk this EV boom being powered by fossil-produced electricity.**
- **Massive scaling of renewables region-wide and investment in renewable energy infrastructure,**

including charging technologies and grids. For example, in Europe alone 50,000 charging stations are needed to cover the basic needs of transportation.

- Policies to accelerate and power renewable energy transitions and prevent bottlenecks, such as standardisation of product specifications across the region, and policies related to subsidies.**
- The elimination of fossil fuel subsidies.**
- Incentives and a strengthening of carbon pricing to make low carbon technologies a more attractive solution for our customers.**
- A combination of incentives and regulations. But it's also important that the different policies are coherent with each other to gain full effect**
- To remove barriers and set legislation and standardization.**
- To improve communication with the industry sector and to benefit from the expertise in policy-development.**

Financing equitable green growth and understanding climate risk

Focused on pathways to overcome challenges and build opportunity through financing:

Experts recommended:

- **The need to ensure that financing for green growth doesn't exacerbate existing socio-economic inequalities.**
- **Participants noted gaps in granular level data that organizations, as well as Small Island Developing States and the Least Developed Countries, can use.**
- **The discussion also highlighted the need for: public sector investment on capacity building; public-private partnerships to address the cost of financing and risk; and sharing of better practices and success stories amongst the private sector.**
- **Discussants concluded on the huge potential for green investment in the region, particularly on renewables, mobility, circular economy, and all aspects of the energy transition. Underscoring that**

cohesive policies, partnerships and incentives need to be developed to support the process at scale, bearing in mind inequalities and the need for concerted efforts to bridge them.

Harnessing the Power of Sustainable Infrastructure and Public-Private Partnerships for an Equitable and Resilient Future

Lead by Erik Berglof, Chief Economist, Asian Infrastructure Investment Bank (AIIB), and H.E. Dr. R.H. Samartunga, Presidential Economic Advisor, Sri Lanka, the SPBF's deliberations around Sustainable Infrastructure highlighted:

- **Creative financing solutions for green infrastructure, such as Climate-performance linked debt and**

financing in local currencies among

- **Called for state-owned enterprises to lead by example in decarbonization and switching to renewable energy.**
- **The importance of legal and risk management frameworks for public private partnerships to be successful.**
- **A customized approach to the circular economy in each country, with caution to avoid downcycling;**
- **The need to harness the power of artificial intelligence and big data to increase efficiency of decision-making and the functioning of economic enterprises;**
- **Better communicating and reviewing the role of development cooperation in mobilizing financing**

Major Groups and Stakeholders

Civil society and Major Groups as well as Youth representatives, who emphasized people-centered policies and action and called for ensuring inclusivity and meaningful engagement.

