



IMPROVING ACCESS TO TRANSITION FINANCE TO ACCELERATE GREEN BUILDING TAKE UP

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OBJECTIVES:

1. Establish the crucial role of CEFIA in helping accelerate financing and investments in green building
2. Present the outputs and outcomes of CEFIA's work in collaboration with ADFIAP
3. Strategic plan for pursuing green building/net zero building and Energy efficient buildings through the Transition Laboratory for FIs



TOPICS

1. CEFIA and Partnership with ADFIAP
2. FIs and Green Building Financing Challenges
3. Program Solutions: Outputs and Outcomes
4. Transition Finance Lab

Cleaner Energy Future Initiative for ASEAN was proposed by Japan and welcomed by the AMEM at the 16th ASEAN+3 in Bangkok, Thailand in September 2019.



CEFIA serves as a platform to facilitate collaboration between public and private sectors in deployment of cleaner energy and decarbonization technologies in the ASEAN region.

REGIONAL MECHANISM

1. **Collaborative partnerships** among the public/private business/financial/non-financial sectors
2. **Advisory/technical & capacity building support** on human resource development, technology deployment & promotion, deep dive workshops on low carbon financing, risk assessment of projects, guidance tools & measurement of GHG emission in projects etc.
3. **Knowledge sharing/facilitation of information exchange** on global best practices, case studies, breakthrough scientific studies, technology advancement & innovations.
4. **Mobilization of finance towards solutions to challenges** by leveraging capacity of partners within the network to design, finance & create new financial or complementary instruments to drive low carbon financing.

Financing decarbonization of the building sector

OBJECTIVES

- Achieve Asean-wide collaboration on cleaner energy finance
- Identify and address challenges in financing green building and low-carbon technology
- Engage with public and private sectors to help transform the green building market

91 MEMBERS
40 COUNTRIES

FOUNDED 1976
6th ADB Conference for DFIs

**FOUNDING
MEMBER**



NGO



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**Associations Make
a Better World
Award 2008**

CSR Works



**Asia's Best
Sustainability
Report 2015**

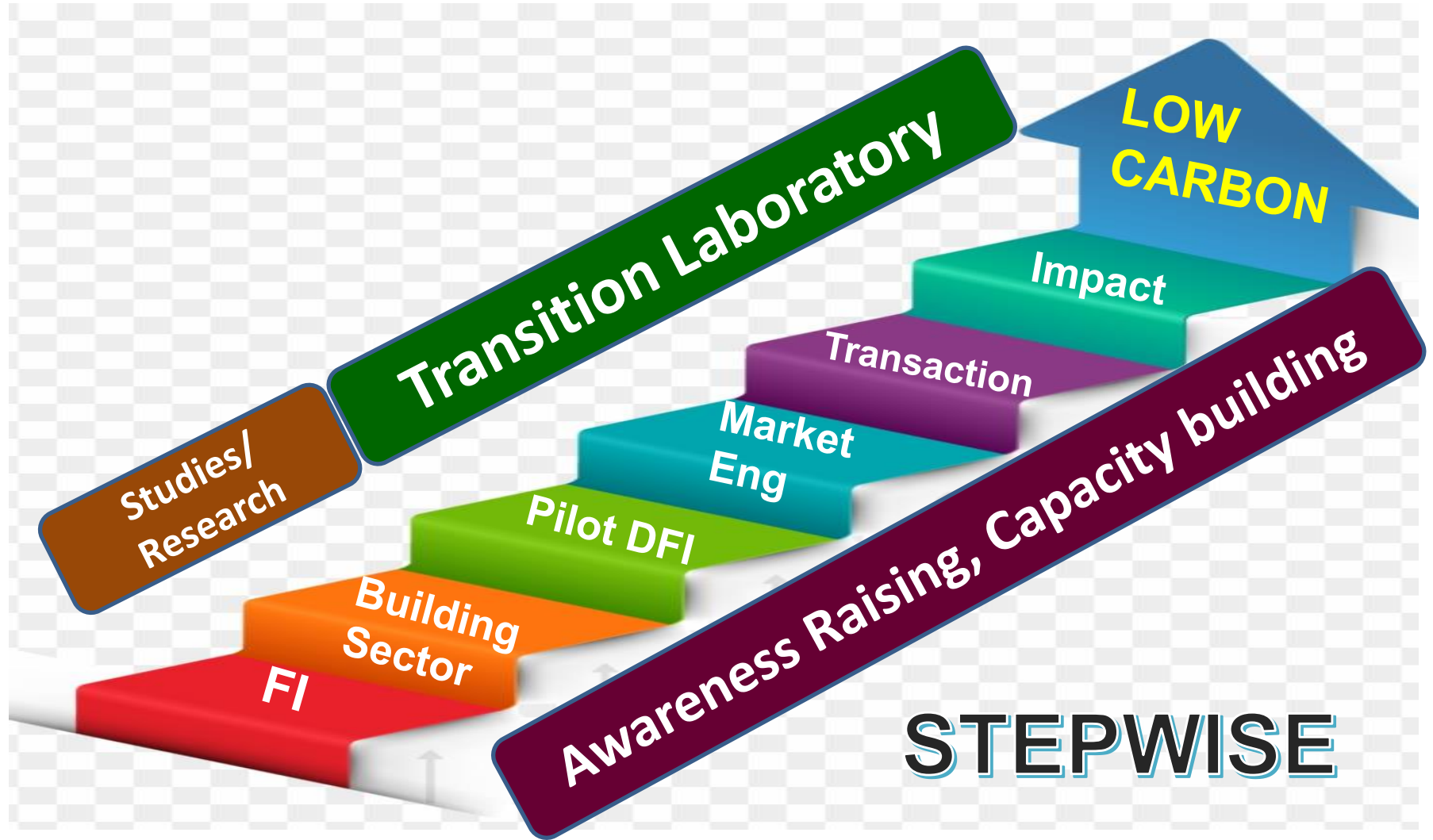


To advance sustainable development by incorporating EESG principles in financing projects and programs

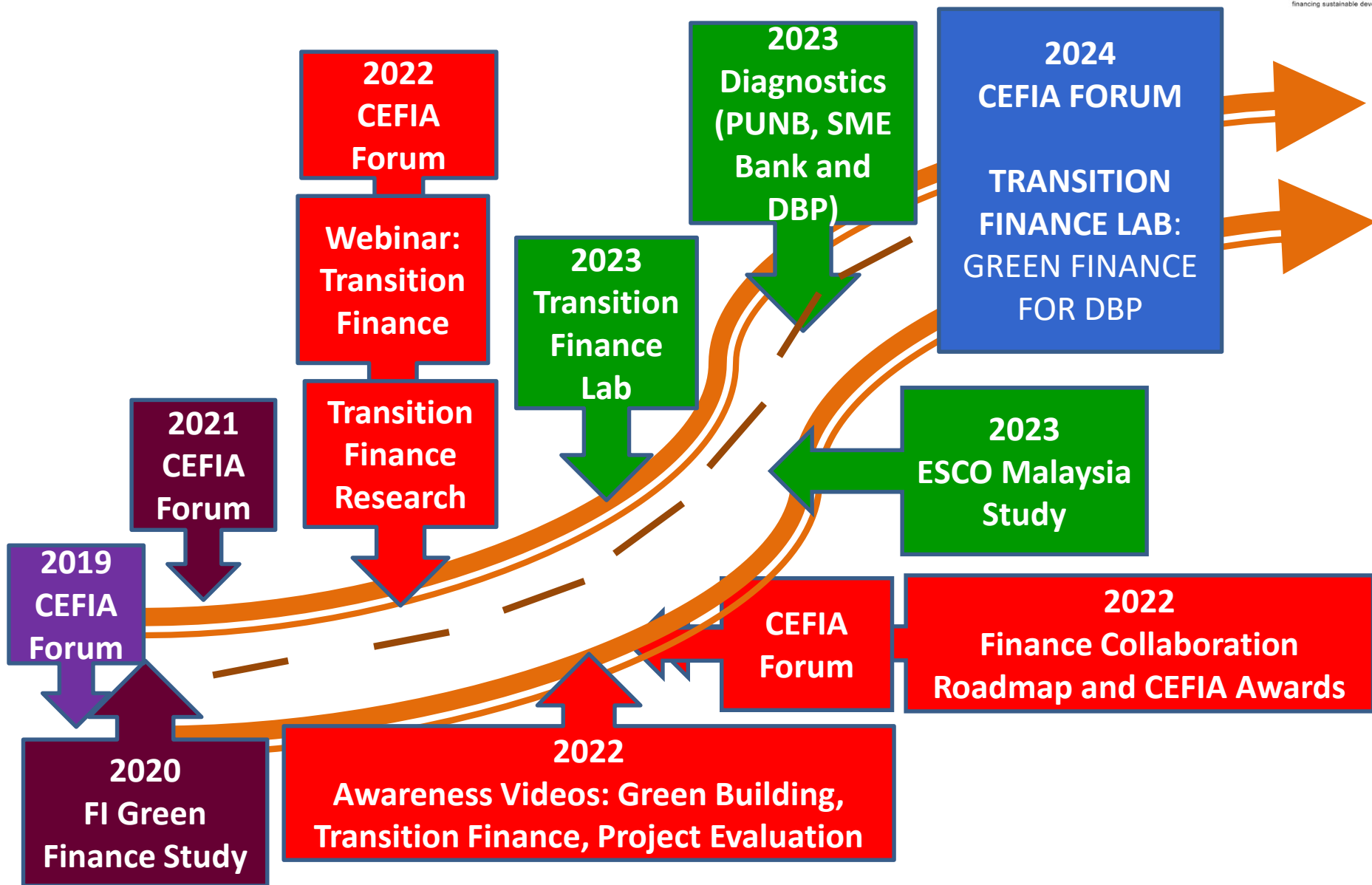
- influence development trajectory and shape the economy;
- enable countries to meet ambitious climate change targets by providing financing solutions through their core expertise (lending, guarantees, equity participation and accessing capital markets); and
- Help businesses and industries adopt decarbonization initiatives to transition to sustainable operations while achieving their goals and targets.

**THE ONE WHO HOLDS
THE PURSE STRINGS
CONTROLS THE WAY
THE MONEY IS SPENT
OR INVESTED.**





COLLABORATION ROAD MAP

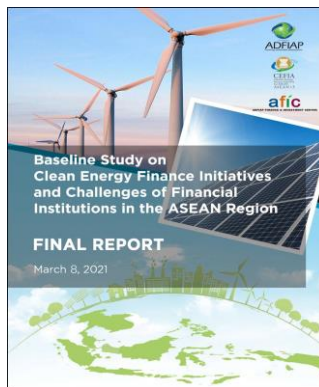


GOVERNANCE

1. Inadequate management policy and institutional mandate to integrate ESG and climate risks in FI's lending decisions
2. Conflicting priorities with pandemic financing and recovery (short term)

RESOURCE CAPACITY

1. Limited resources to finance big-ticket and impactful decarbonization projects



TECHNICAL CAPACITY

1. Limited bank staff capacity and technical expertise to evaluate business models of decarbonization projects particularly on the economic, environment and social benefits
2. Availability of climate change data and information to support lending and investment decisions
3. Lack of access to best practices and MRV tools and standards

ANNUAL CEFIA GOVERNMENT-PRIVATE FORUM

GREEN FINANCE

- **1st Manila: DOE-Phils. (2019)**
- **2nd MOE-Thailand (2021);**
- **3rd Energy Commission –Malaysia (2022);**
- **4th: DOE-Phils. (2023);**
- **5th Bali (2023)**

Engaged the public, private and financial sector in a discussion on CEFIA's future action policies and projects

1. Knowledge sharing
2. Community building:
3. Identify issues and solutions
4. Generate advocates

... informed solutions

- **Clean Energy Finance Initiatives and Challenges of FIs in the ASEAN Region**
- **Transition Finance: Accelerating the Shift to Low Carbon Economy Study of ESCOs in Malaysia**
- **Diagnostics Report: DBP (Philippines), PUNB and SME (Malaysia) (2023)**

• Identify issues and challenges that served as barriers to financing clean energy and energy efficiency initiatives; lead to development of new projects to provide solutions.

• Transition Finance study looked into various legal, policy and institutional landscape as well as financing mechanisms.

• Diagnostics focused on the assessment of the readiness of the identified banks in developing green building financing program.

- **Webinar on Climate Finance (2022)**
- **Training Workshop on Transition Finance (2022)**
- **Awareness and training materials on**
 - **a) Green Building and Zero Energy Building;**
 - **Transition Finance;**
 - **Project Evaluation: Financial, Technical and Climate-related financial risks**

stakeholders

- **Enhanced awareness and capacities**
- **generated interest**
- **involvement**

- **Other Support Work**

- Development of the CEFIA Finance Collaboration Framework (2022)
- Concept Note for the CEFIA Finance Awards (2022) and Transition Laboratory (2022)
- Site Visit to Net Zero Building: Cebu Exchange Tower by Arthaland (2023)



What is Transition Finance

Financing and investments in initiatives that support the transition to a low-carbon economy

What activities can be financed

solar, wind, hydro, geothermal, and other RE technology, EE technology, carbon capture/reduction technology and green infrastructure

Green Infrastructure: ZEB/EE/GB and related activities that reduce resource use and carbon emission

Concept of TFAL

a virtual capacity building laboratory to provide resources and lend technical expertise necessary to help FIs adopt programs to finance Zero Energy Buildings (ZEB)/green building

Objective

To build capacity of FIs to develop and implement financing programs to accelerate GB/ZEB take up

Approach

To identify pilot DFIs to demonstrate the processes of developing and implementation of transition financing program.

STEPS

**Baseline
Assessment
and
Diagnostics**

**Program
Development**

**Strategic
Marketing
and Client
Engagement**

**Monitoring
and
Verification**

**Reporting
Impact and
Learnings**

Baseline
Assessment and
Diagnostics

Program
Development



Expected Outcomes

- Development and implementation of a GB Financing Program
- Generate interests of owners and developers leading to financing transactions for GB/ZEB

- **Increased allocation for green financing**
- **Increased portfolio for GB/ZEB/EEB**
- **Total green financing**
- **Other metrics:**
 - No. of buildings constructed or retrofit financed
 - GFA/TFA of GB
 - Cost savings
 - Energy savings
 - GHG emission avoided

Thank You!