

GFANZ 2024 Progress Report

November 2024

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2024 – The year of transition finance

As climate change continues to impact supply chains, energy security, and millions of lives, the private sector can support a more sustainable economy and better long-term value creation for their stakeholders by actively planning for and investing in the transition to a low-carbon economy.

In this year's 2024 report we outline the progress we've made and how the private sector can sustain momentum. Membership in alliance organizations has grown to over 700, with more than two-thirds of members outlining their transition plans. GFANZ's work continues to provide financial institutions with tools, frameworks, and voluntary guidance to support the net-zero transition to bolster economic growth and manages the financial risks of climate change.

To support financial institutions in 2024, GFANZ has focused on enhancing voluntary transition planning guidance; strengthening the voluntary carbon markets; integrating nature into transition planning; supporting transition-aligned index investing; continuing to mainstream the key concepts of transition finance and related forward-looking metrics across the financial sector and with policymakers; and working with key stakeholders to facilitate the mobilisation of capital to emerging and developing economies and key climate technologies across the energy, industry and transport sectors.

GFANZ has played a key role supporting initiatives committed to capacity building, including participating in the beta launch of the Global Capacity Building Coalition's Digital Platform -- designed to be a go-to global resource for financial institutions developing climate action strategies, particularly in emerging markets and developing economies. GFANZ has also broadened availability of climate transition-related data through expanded collaboration with the Net-Zero Data Public Utility. Further, GFANZ regional work continues to expand with new local chapters in Brazil and Hong Kong.

Over the coming year, GFANZ's work will continue to evolve to reflect the needs of financial institutions and support opportunities to accelerate the transition to a sustainable and prosperous global economy.

We invite you to read the full Progress Report for a detailed accounting of GFANZ work and outcomes in 2024.

Foreword from the GFANZ Principals Group

membership overleaf

GFANZ Leadership Team



Michael R. Bloomberg | Co-Chair, GFANZ

To accelerate the net-zero transition, we need to remove barriers to clean energy investments, especially in the Global South. GFANZ is helping turn pledges from governments, companies, and financial institutions into action plans that will help us stop the worst effects of climate change, grow the global economy, and improve public health.



Mark Carney | Co-Chair, GFANZ

To get to net zero we must close an investment gap measured in the trillions of dollars. Through GFANZ the financial sector is playing a critical, catalytic role. With the right information, tools, and markets, sustainable finance can amplify and reinforce the effectiveness of climate policies while funding the energy and innovation of our entrepreneurs.



Mary Schapiro | Vice-Chair, GFANZ

Thanks to practitioner-developed disclosure frameworks, we increasingly have the tools and data that capital allocators need to successfully manage the risks and opportunities of the climate transition. While much more work is needed, we have established a strong foundation on which to continue to make much-needed progress in the months and years ahead.

GFANZ is led by a Principals Group of CEOs, a Steering Group of financial practitioners, an Advisory Panel providing technical & strategic climate advice, and unites net-zero financial sector initiatives

GFANZ Leadership

Michael Bloomberg (Co-Chair, GFANZ), **Mark Carney** (Co-Chair, GFANZ), **Mary Schapiro** (Vice-Chair, GFANZ)

GFANZ Principals Group

Amanda Blanc (Aviva), Thomas Buberl (AXA), Ana Botín (Banco Santander), Juan Carlos Mora Uribe (Bancolombia), Brian Moynihan (Bank of America), Larry Fink (BlackRock), Charles Emond (CDPQ), Jane Fraser (Citi), Seiji Inagaki (Dai-ichi Life Insurance), Christian Sewing (Deutsche bank), David Blood (Generation Investment Management), Nili Gilbert (GFANZ Advisory Panel Chair), Mahmoud Mohieldin (GFANZ Africa Network Advisory Board), Ravi Menon (GFANZ APAC Network Advisory Board), Patricia Espinosa Cantellano (GFANZ Latin America & Caribbean Network Advisory Board), Noel Quinn (HSBC), David Schwimmer (LSEG), Michelle Scrimgeour (Legal & General Investment Management), Shemara Wikramanayake (Macquarie), Henry Fernandez (MSCI), Paul Thwaite (NatWest), Hendrik du Toit (Ninety One), Jon Johnsen (PKA), Loh Boon Chye (Singapore Exchange), Bill Winters (Standard Chartered Bank), Ron O'Hanley (State Street), Sergio Ermotti (UBS), Inger Andersen (United Nations Environment Programme).

GFANZ Steering Group

Aviva, AXA, Banco Santander, Bancolombia, Bank of America, BlackRock, CDPQ, Ceres, Citi, Dai-ichi Life Insurance, Deutsche Bank, Generation Investment Management, HSBC, Institutional Investors Group on Climate Change (IIGCC), LSEG, Legal & General Investment Management, Macquarie, MSCI, NatWest, Ninety One, PKA, Singapore Exchange, Standard Chartered Bank, State Street, UBS, United Nations Environment Programme Finance Initiative (UNEP FI), United Nations-supported Principles for Responsible Investment (UN PRI).

GFANZ Advisory Panel

Cambridge Institute for Sustainability Leadership (CISL), Carbon Tracker, Climate Policy Initiative (CPI), Climate Safe Lending Network (CSLN), E3G, Energy Transitions Commission (ETC), Global Optimism, Instituto Clima e Sociedade (iCS), International Institute of Green Finance (IIGF), Partnership for Carbon Accounting Financials (PCAF), RMI, Science Based Targets initiative (SBTi), SOAS Centre for Sustainable Finance, Theia Finance Labs, Transition Pathway Initiative (TPI), World Wide Fund for Nature (WWF).



Nili Gilbert | Chair, GFANZ Advisory Panel

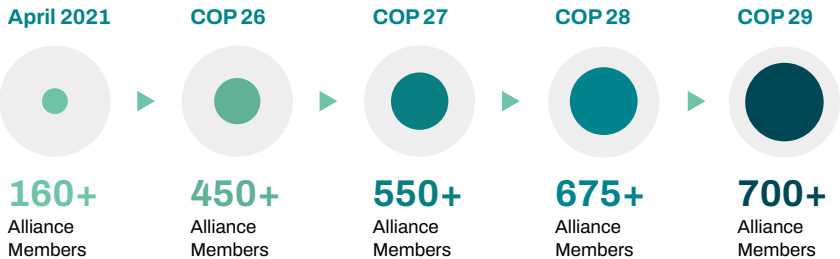
In collaboration with leading organizations, GFANZ is establishing best practices for private sector climate finance. Moving forward, we will continue supporting stepped-up efforts to transition to net zero, scaling green investment initiatives that are in motion, and driving momentum in areas that are harder to finance. This year, for example, we've supported expansion of the Global Capacity Building Coalition, integrated nature into our transition planning framework, advanced the Industrial Transition Accelerator, assisted with the launch of the Brazil Country Platform (BIP), and supported high-integrity carbon markets, all while centering the needs of emerging and developing economies. As we strive to achieve more ambitious goals, the collaboration and expertise embodied by the GFANZ Advisory Panel of technical experts will be vital to scaling impact.

The financial sector's progress towards net zero continues to strengthen

Since the launch of GFANZ in April 2021, membership across the financial sector-specific Alliances that comprise **the coalition has more than quadrupled to over 700 firms, including 80% of the Global Systemically Important Banks.** These firms have independently and voluntarily moved from commitments to action, with **more than two-thirds having set out their plans for net-zero transition.**²

This in turn is spurring a similar proportion of companies throughout the economy to back up their commitments with net-zero transition plans.

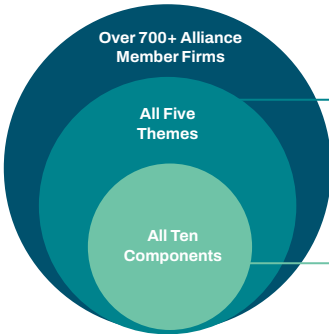
GFANZ Alliance membership¹



Global Systemically Important Banks (G-SIBs)



Net-Zero Transition Planning

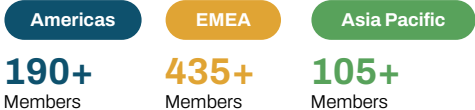


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Two-thirds of these firms have set out their plans for transition that cover all five themes of the GFANZ NZTP framework

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One-third of these firms have set out plans for transition that include not only all five themes but also detail on all ten components of the GFANZ Net-Zero Transition Plan framework



¹ Represents members & signatories from: Net Zero Asset Managers initiative (NZAM) as of Jan 2024, Net-Zero Asset Owners Alliance (NZAOA) as of Aug 2024, Net-Zero Banking Alliance (NZBA) as of Oct 2024; Net-Zero Export Credit Alliance (NZECA) as of Sept 2024; Net Zero Financial Service Providers Alliance (NZFSPA) as of Sept 2024; Net Zero Investment Consultants Initiative (NZICI) as of Sept 2024, Paris Aligned Asset Owners (PAAO) as of May 2024; Venture Climate Alliance (VCA) as of Sept 2024
² [BloombergNEF](#) (The review of financial institutions was a subset of total alliance member FI's) | ³ [BloombergNEF](#)

Integrating climate in financial decision-making

GFANZ is focused on efforts to create the “**plumbing and pipes**” to support **markets to account for and address the impacts of climate change**. This helps accelerate investment in the transition of the global economy.

Our efforts aim to close **three gaps** to help drive global action in the climate fight.



Data Gap

Businesses and investors need data to identify climate-related risks and opportunities and target emissions reductions.



Action Gap

Once they've gathered key data, companies, financial institutions, investors, and governments who have committed to net-zero emissions need credible, science-based plans to get there.



Investment Gap

Efforts are still needed to address investment barriers in areas critical to the global transition, including emerging markets and developing countries, high-emitting industrial sectors, and the preservation and restoration of nature.

GFANZ 2024-2025 Priorities

To address the three gaps of Data, Action and Investment, GFANZ's Principals Group has set out five strategic objectives



Promote a common approach to transition plans through the integration of the GFANZ Net-Zero Transition Plan (NZTP) framework into efforts of global standard setters (ISSB, FSB, IOSCO). Support the integration of Expected Emissions Reduction (EER) methodology into the global financial framework.



Develop innovative transition finance solutions through leadership on MDB reform and support for the World Bank Private Sector Investment Lab (WBPSIL), the Industrial Transition Accelerator (ITA), Just Energy Transition Partnerships (JETPs), and the Brazil Climate & Ecological Transformation Investment Platform (BIP) to encourage finance to move at the scale and speed needed to decarbonise the whole economy in line with net zero.



Unlock high-integrity voluntary carbon markets by supporting the development and implementation of high-integrity supply-side and demand-side standards and market infrastructure.



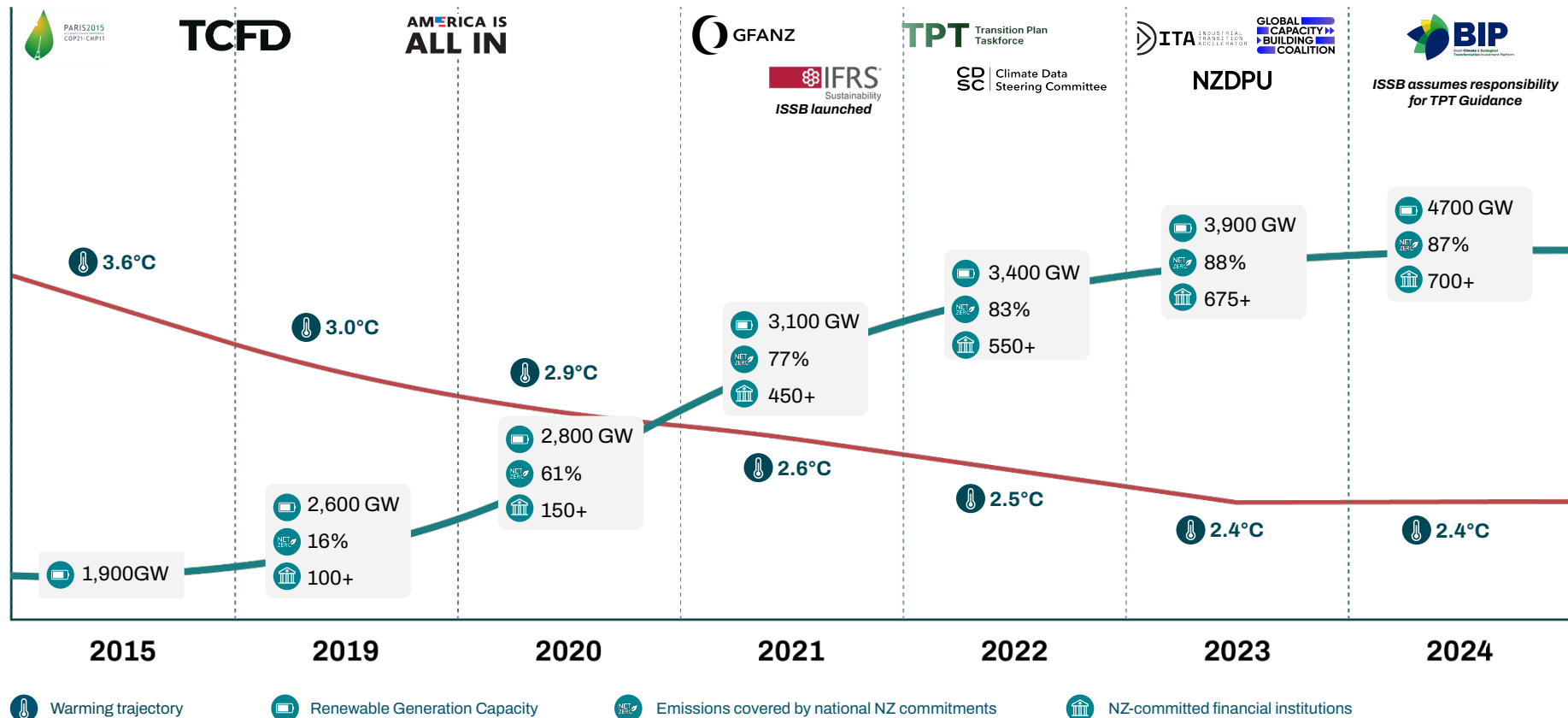
Expand the global reach of GFANZ and drive climate finance in emerging markets and developing economies by strengthening GFANZ's regional networks, supporting the Global Capacity Building Coalition, and building an inclusive model for financial institutions domiciled in jurisdictions without a 2050 target.



Enhance transparency on net-zero transition through continued support of the Net-Zero Data Public Utility (NZDPU) to grow company coverage.

Global Progress Since Paris

Looking back: climate finance progress since Paris

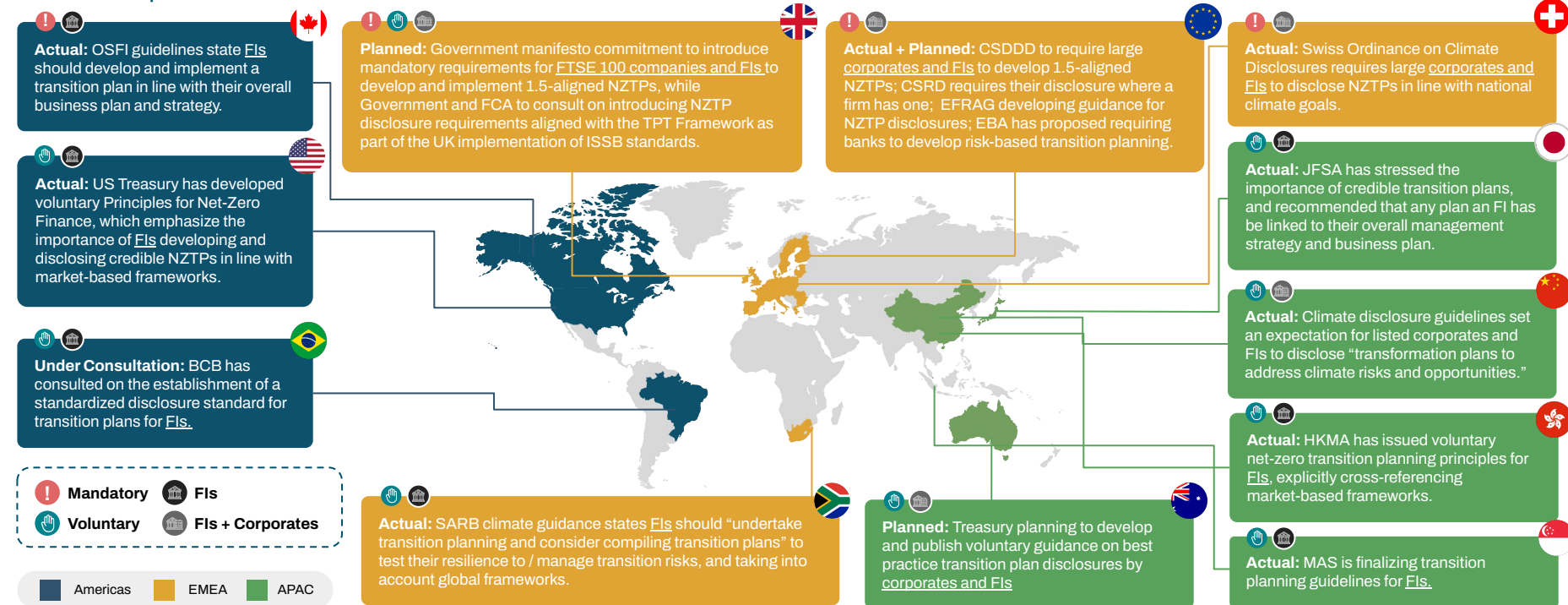


Jurisdictions around the world are putting in place transition plan standards



Over 30 jurisdictions, representing ~55% of global GDP, have announced steps to implement or align with ISSB standards, including the IFRS S2 requirement on NZTPs. This includes the EU, UK, Japan, China, Singapore, Australia, Canada, Brazil, Costa Rica, Bolivia, Hong Kong, South Korea, Malaysia, Kenya and Nigeria. Many jurisdictions have additional specific requirements on transition planning for large corporates and/or financial sector firms some of which are illustrated below.¹

Transition Plan Requirements and Guidelines in Select Jurisdictions



Global bodies are driving the push for transition plans and data accessibility

High quality, consistent, and comparable climate disclosures by companies are critical to unlocking transition finance

Overseen by the Climate Data Steering Committee (CDSC), the **Net-Zero Data Public Utility (NZDPU)** is undertaking work that is essential for closing the private sector data gap. Financial institutions are increasingly looking to assess and price exposure to climate-related risks, allocate capital, develop and implement transition plans, and respond to investor needs.

The NZDPU is building technical infrastructure to accommodate various jurisdictional standards in order to bring global private-sector climate data into a single repository, making it openly available for all users.

The NZDPU recently announced its expanded partnership with CDP to integrate a core set of climate transition-related data on 10,000+ companies covering over half of global market cap.

National transition planning can support the financeability of national climate ambitions

This year, GFANZ has explored how countries can make national transition ambitions financeable, setting out overarching principles to enhance financeability of national planning, and a checklist of key elements aligned with the five building blocks. This work contributes to the growing debate - within the G20, United Nations, and elsewhere - on how to ensure that the next round of nationally determined commitments are able to attract the finance needed to implement them.

Official sector momentum on transition planning and transition finance is welcome but efforts are needed to reduce the risk of unnecessary fragmentation and accelerate adoption

A growing number of global bodies are exploring the role of transition plans can play, drawing on the work of GFANZ:



In June 2024, the International Sustainability Standards Board (ISSB) agreed to (i) assume responsibility for the disclosure specific materials developed by the UK's Transition Plan Taskforce, which draws on the components of the GFANZ NZTP framework and to (ii) develop educational materials for firms building on existing market practice, including the GFANZ and TPT frameworks. Moving to formal application guidance within the ISSB standards would be welcome.



GFANZ is a member of the G20 Task Force for the Global Mobilisation Against Climate Change and is a knowledge partner for the Sustainable Finance Working Group. These groups recognise the importance of national, financial sector, and corporate transition planning. SFWG has issued high-level principles for corporate transition planning which are broadly aligned with the GFANZ framework.



The G7 Finance Ministers and Central Bank Governors issued a communiqué underscoring the importance of consistent and transparent net-zero transition plans across the global financial sector and real economy, and emphasizing the need for forward-looking metrics that can provide information on credible transition pathways for the public and private sectors.



GFANZ reports to the Financial Stability Board (FSB), and updates annually on progress. The FSB's Transition Plan Working Group is considering the relevance of transition plans to financial stability, including specific information within transition plans that could support financial stability monitoring.



BCBS



Sectoral standard setters such as the Basel Committee for Banking Supervision (BCBS) and International Organization of Securities Commissions (IOSCO) are undertaking work on transition planning from their respective supervisory perspectives.



The NGFS has set out guidance on credible transition plans from a microprudential perspective, the interaction of financial sector and real economy plans, and considerations for EMDEs - in each case building on the GFANZ framework.

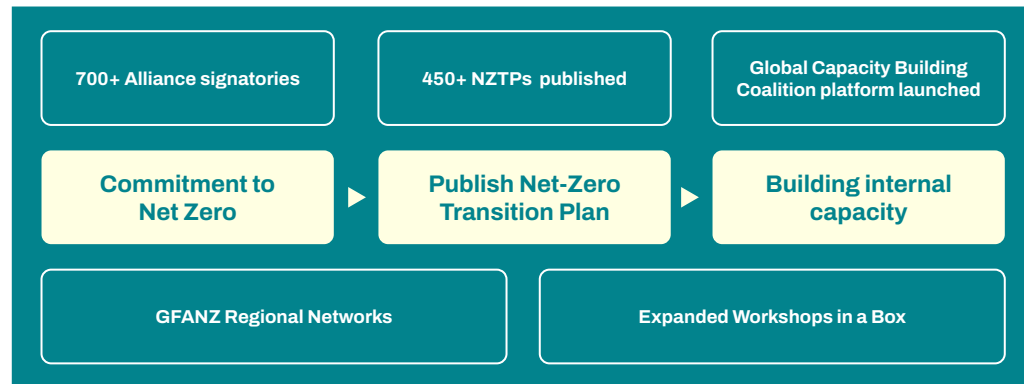
GFANZ Deliverables in 2024

GFANZ is helping drive progress and voluntary transition plans

Climate action depends on governments, business, and finance charting ambitious plans to transition to net zero. A net-zero focused financial sector can fund the investment needed for the transition, going where the emissions are to drive them down.

Continued momentum in voluntary action in support of the net-zero transition

In 2024, there continued to be **strong momentum in the commitment to net zero** in the financial sector and a step change in the use of transition planning. Over 700 financial institutions are now members of the sector specific net-zero alliances. Critically, two-thirds of these commitments are now backed up with voluntary transition planning in line with the GFANZ framework.



Momentum has been supported by **GFANZ regional networks** in Asia-Pacific, Africa, and Latin America & the Caribbean. This year local Chapters were launched in Brazil and Hong Kong, complementing the existing Chapter in Japan.

Critical to the success of transition plans is the development of financial institutions' internal capacity

Workshops in a Box

This year GFANZ has expanded its **Workshops in a Box** programme capturing work on Transition Finance and Decarbonization Contribution Methodologies.

Global Capacity Building Coalition (GCBC)

GCBC launched at COP28 with the support of the multilateral development banks, UN agencies, global networks such as ISSB, NGFS, Finance in Common and GFANZ, as well as the support of the G20 Sustainable Finance Working Group and G20 Blended Finance Alliance. The Coalition brings together some of the world's leading climate finance organizations to:

- Respond to growing requests for climate finance capacity building support from financial institutions in emerging markets and developing economies
- Enhance collaboration among capacity building designers, providers, and funders, and reduce fragmentation of technical assistance offerings
- Significantly increase the availability, accessibility, and effectiveness of climate finance capacity building across climate finance topics - including transition plans

This year, GCBC has grown to over 50 organisations and launched a beta version of the GCBC online platform for consultation. The platform brings together a knowledge hub of best practice learning materials, case studies on project financing, pipeline development and transition finance, and events and learning opportunities. It is available in eight languages and enables user feedback and requests for specific support so that capacity-building can be tailored to the needs of financial institutions.



GFANZ has continued to develop guidance to support transition planning

Following publication in 2022 of the GFANZ net-zero transition planning framework, GFANZ continues to enhance its voluntary guidance to support transition planning and enable the scaling of transition finance.

Transition Finance and Decarbonization Contribution Methodologies

Following the *GFANZ Technical Review Note on Scaling Transition Finance and Real-economy Decarbonization (2023)*, GFANZ published a set of case studies to provide context and examples of how financial institutions are independently scaling finance and engagement across the GFANZ four key transition financing strategies.

The publication also includes cases studies that illustrate how forward-looking methods may be used by financial institutions to assess and quantify the decarbonization contribution potential of clients and portfolio companies.

These case studies provide perspectives of specific financial institutions, the learnings from which may benefit other financial institutions independently implementing Transition Finance and decarbonization contribution methodologies.

Case Studies on Transition Finance and Decarbonization Contribution Methodologies

SEPTEMBER 2024



Index Investing

In October, the GFANZ Index Investing workstream published a consultation paper on the next generation of 'transition' indices, known collectively as "transition-informed" indices. This paper aims to provide voluntary, principles-based guidance for index providers and investors on the development, adoption, and use of fit-for-purpose benchmarks to support real-economy companies' transition to net zero.

These new index categories underscore the importance of integrating climate data - in particular forward-looking data like Expected Emissions Reductions (EER) and net zero transition plans - as well as engaging in proactive engagement and employing innovative index design to drive real-economy decarbonisation.

The consultation period will conclude in January, with a final paper to be released in the first quarter of 2025.

Index Guidance to Support Real-Economy Decarbonization

OCTOBER 2024



Nature

There is no net zero without nature. At the Biodiversity COP16, GFANZ published a consultation paper of voluntary guidance on how nature levers can be used as part of a strategic, credible, net-zero transition plan. It is supplemental to the 2022 Net-zero Transition Planning framework. This work builds on and aligns with that of key initiatives including the Taskforce on Nature-related Disclosures (TNFD) and the International Sustainability Standards Board (IFRS) to avoid unnecessary fragmentation of nature-related methodologies. The proposed guidance addresses focal topics, including the role of Indigenous Peoples, local communities, local knowledge, and nature-related metrics.

The consultation period will conclude in January, with a final paper anticipated to be released in the first quarter of 2025.

Supplemental Guidance Nature in Net-zero Transition Plans

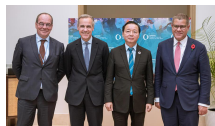
OCTOBER 2024



GFANZ is the finance partner to key initiatives to drive climate-related investment

Country Platforms

GFANZ is playing the role of convening and leading the working groups on private finance for the G7 supported Just Energy Transition Partnerships (JETPs) in Indonesia and Vietnam.



The **Vietnam JETP** aims to mobilise US\$7.75 billion in public finance and US\$7.75 billion in private finance to accelerate the energy transition. In Vietnam, the government has established the working groups under the lead ministries, which are finalising roadmaps for developing projects to finance readiness.



The **Indonesia JETP** aims to mobilise US\$10 billion in public finance and US\$10 billion in private finance. In Indonesia, the JETP secretariat is now tracking projects under development through to completion, and the public and private finance being unlocked, while work is also underway to address a series of energy transition priorities, including accelerated coal retirement, captive power, and financing solutions for transmission.



GFANZ has supported the development of the **Brazil Climate & Ecological Transformation Investment Platform (BIP)**, Brazil's country platform which was launched in October 2024. BIP is a cross-sector platform focused on bringing together public and private sources of finance to support projects in priority sectors in line with Brazil's NDC and climate transition plans, with GFANZ playing the role of private finance convenor. BIP will work with sector-specific initiatives active in the country, such as the Industrial Transition Accelerator (ITA) Brazil programme, focused on deep decarbonisation projects in heavy industrial sectors, and the Nature Investment Lab, focused on natural climate solutions and sustainable agriculture.

Industrial Transition Accelerator

The **Industrial Transition Accelerator (ITA)**, launched at COP28 in Dubai, brings together industry leaders, existing decarbonisation initiatives, policymakers, and financial institutions to overcome challenges of decarbonisation in six key high-emitting industry and transport sectors: **aluminum, cement, chemicals, steel, aviation, and shipping.**



The ITA is co-chaired by Minister for Industry and Advanced Technology of the UAE and COP28 President Dr. Sultan Al Jaber, UN Climate Change Executive Secretary Simon Stiell, Michael R. Bloomberg, and Mark Carney.



The ITA is focused on building green demand, optimising and orchestrating value chains, and driving green industrial and demand-side policies to attract transition finance on the huge scale required. The ITA has published resources, including a Demand Stimulating Policy Playbook and a Mapping of Low Emissions Product Standards. The ITA's first country support programme, in Brazil, was launched in July 2024 to identify targeted solutions to support a pipeline of deep decarbonisation projects to reach final investment decision.

GFANZ is represented on the ITA's Leadership Council and is supporting its work by bringing private finance perspectives on the solutions needed to de-risk and unlock investment in industrial decarbonisation projects.

GFANZ is working to develop finance solutions to unlock private climate investment in Emerging Market and Developing Economies (EMDEs)

World Bank Private Sector Investment Lab:

Strengthening engagement with Multilateral Development Banks

GFANZ works to support better engagement between the private financial sector, multilateral development banks (MDBs), and development finance institutions (DFIs) to enable more effective mobilisation of private investment for climate transition.

Most notably, GFANZ has supported the work of the World Bank Private Sector Investment Lab, co-chaired by GFANZ Co-Chair Mark Carney and Prudential plc Chair Shriti Vadera, on behalf of World Bank President Ajay Banga, since its launch in 2023.

The Lab supports the World Bank Group (WBG) in its work identifying - and rapidly scaling - practical, replicable solutions to the barriers for private capital mobilisation for climate and development in EMDEs.

GFANZ supports the Lab Secretariat and has worked closely to co-develop potential solutions and recommendations on topics including:

Guarantees

Scaling provision of all types of guarantees and risk insurance products, simplifying access for the private sector, providing greater clarity on products and terms, and innovating to better meet the needs of private finance. This resulted in the World Bank Group's [new Guarantee Platform](#) and a commitment to triple guarantee issuances to \$20bn p/a by 2030.

Securitisation & Originate-to-Distribute

Exploring how to mobilise a greater scale of institutional investment into emerging markets and more effectively recycle MDB capital by improving and developing new securitisation, syndication, and refinancing models.

Foreign Exchange

Exploring how to scale local currency financing by the World Bank Group and helping co-develop new long-term, cost-effective FX risk management solutions, which will be tested in the market in coming months.

Equity & Junior Capital

Identifying the critical need for MDBs and DFIs to provide or help mobilise catalytic equity investment, and how to scale equity investment by the IFC, the World Bank Group's private sector arm.

In addition to work via the Lab, GFANZ continues to engage MDBs and DFIs, shareholder governments, and multilateral fora on the tools, KPIs, and reforms needed to better mobilise private investment in EMDEs, including supporting the work of the G20 International Financial Architecture Working Group.

Nature Investment Lab:

Strengthening Nature-based Solutions investment ecosystems

GFANZ, with Bloomberg Philanthropies and partners in Brazil, established and launched in September 2024 a private sector-led **Nature Investment Lab** (NIL) in Brazil. NIL will work to address investment barriers for Nature-based Solutions (NbS) and to strengthen the ecosystem for NbS investment in Brazil, including by supporting harmonisation and scalability of business models and financing instruments, identifying and developing solutions to regulatory and policy challenges, and supporting pilot transactions.

Data and transparency to support investment and policy

One long-standing barrier to private sector lending and investment in EMDEs is the lack of robust data on loan and investment performance and risks in many EMDEs. GFANZ has supported the Global Emerging Markets Risk Database (GEMs) Consortium in publishing more detailed, granular, decision-useful data on MDBs/DFIs' loan performance over the course of 2023 and 2024. GFANZ has worked with the GEMs Consortium to engage private-sector risk and transaction teams on how to increase the quality of, access to, and use of emerging market credit risk data.

To support greater transparency on financial flows in and to EMDEs, the GFANZ Workstream on Mobilising Capital to EMDEs has commissioned a third annual report from BloombergNEF. This aims to provide a factbook on flows of energy transition investment in EMDEs, granular comparisons with the levels required for a net-zero pathway, and summary of key trends in EMDE energy transition investment.

To enable better understanding of blended finance, the GFANZ Workstream on Mobilising Capital to EMDEs has also partnered with the SMI Blended Finance Task Force and Investor Leadership Network on a report providing case studies of blended finance vehicles and lessons learned to scale blended finance globally.

GFANZ is catalysing approaches for coal phase out and nature-based solutions



Managed Phaseout of Coal Power

GFANZ has worked to develop and mainstream frameworks for financing the managed phaseout of coal power, especially in EMDEs, as a critical part of the energy transition.



Coal Transition Commission

This year, GFANZ has supported the Coal Transition Commission (CTC) launched by French President Macron at COP28 and co-chaired by Indonesia and France.

The CTC is seeking to develop a shared policy view of the policy levers, technical challenges, and financing solutions to enable accelerated coal phaseouts in emerging markets and developing economies.

At COP29, the CTC published an initial report setting out recommendations for policymakers, international bodies, and public and private financing partners with a view to enhancing policy frameworks, developing coal transition tools, and mobilising public, private, and market-based finance for coal transitions. This includes exploring the role that high-integrity coal-to-clean carbon credits can play.

GFANZ continues to support financing solutions for coal through the JETPs.



Coal Phaseout in Asia-Pacific

The GFANZ APAC Network is developing recommendations for the application of voluntary guidance on managed phaseout of coal power in Japan for H1 2025 and is supported by the Japan Chapter.

Supporting the development of high-integrity carbon markets

Carbon markets have the potential to provide critical catalytic climate finance for nature-based solutions, coal-to-clean energy transition, and carbon removal technologies by helping address the investment gap in emerging market and developing economies (EMDEs) countries. But these markets are not currently fulfilling their potential, including because we lack the common policy frameworks, data, and market infrastructure needed to underpin integrity.

This year, GFANZ has supported wider efforts to consider how to deliver an overarching policy framework for locally-anchored, globally-connected, high-integrity carbon markets that recognise the sovereignty of different jurisdictions to determine the carbon instruments they will deploy and that supports cross-border markets through greater confidence in supply, demand and financial integrity, with common data and market infrastructure.

GFANZ engages with a broad set of advanced and EMDEs developing their national approaches, and voluntary and global standard setting initiatives including IC-VCM and VCMI and IOSCO.

GFANZ Asia Pacific Network at a glance



87 engagements
across > **8** countries



9 newly published
and translated reports



98 Asian alliance
members as of August 2024



Ravi Menon
Chair, GFANZ APAC Advisory Board

"The fight against climate change will be won or lost in Asia. The continent accounts for about half of global greenhouse gas emissions while energy demand continues to grow rapidly. Mobilising private capital will be a key enabler for Asia's transition to net zero. The GFANZ APAC Network has been actively engaging financial institutions and policymakers in the region to drive transition since its launch in 2022. It has provided guidance on transition planning, including credible coal phase-out, and launched the Japan and Hong Kong chapters to advance more focused transition efforts"

GFANZ Asia Pacific Network Advisory Board Members

Febrio Nathan Kacaribu, Chairman, Fiscal Policy Agency, Indonesia Ministry of Finance

Masamichi Kono, Senior Advisor, MUFG Bank; Member of the Global Advisory Board, MUFG Group; Trustee, IFRS

Jin Liqun, President & Chair of Board of Directors, Asian Infrastructure Investment Bank

Loh Boon Chye, Chief Executive Officer, SGX Group

Hiro Mizuno, Founder & CEO, Good Steward Partners LLC; Special Advisor to MSCI CEO

Scott Morris, Vice President, East Asia, Southeast Asia, and Pacific, Asia Development Bank

Anna Skarbek, Chief Executive Officer, Climateworks Centre

Jong-Hee Yang, Chairman & Chief Executive Officer, KB Financial Group

Eddie Yue, Chief Executive, Hong Kong Monetary Authority

GFANZ Africa Network at a glance

Flagship Priorities

Project pipeline and de-risking

Help efforts to develop and strengthen transition-aligned project pipelines, as well as innovative de-risking mechanisms to lower the cost of capital

Capacity building for climate finance and engagement with policymakers

Support African FIs in their journey to net zero by extending GFANZ tools and insights, providing support leading up to net-zero target setting, and planning and incorporating the opportunity for green growth alongside transition

Support development of high-integrity African carbon markets

Use GFANZ Africa's convening power, insights, and participant engagement to make carbon markets work better for Africa and help Africa finance its climate objectives and so support further ambition

Progress to date

- Investor engagement sessions between project developers and financiers organized with partners at African Climate Summit, IMF/WBG Spring Meetings, NY Climate Week, and IMF/WBG Annual Meetings
- Stakeholder engagement has resulted in investment interests in 6 of the pipeline projects with about \$600 million investment being secured at different levels
- Co-hosted the high-level event "Financial Institutions, Financial Regulation and Financial Architecture for Africa's transformation" at the AfDB 2024 Annual Meeting in Nairobi, culminating in the signing of the Letter of Intent between the AfDB and IFRS supporting sustainable finance and governance frameworks within Africa
- Organized a pan-African Regulatory Roundtable on Sustainability Standards in Mauritius, in collaboration with ISSB and AFAC
- Executed a series of in-person and virtual capacity building webinars for financial institutions on target setting, transition planning, and the Climate Mitigation Journey in collaboration with institutions such as the UNEP FI, Chartered Institute for Securities & Investment (CISI) and the Global Capacity Building Coalition (GCBC)
- Supported a Ministerial Roundtable on Globally Integrated High-integrity Carbon Markets during NYCW 2024 to connect African policymakers and stakeholders with global progress on developing high-integrity carbon markets
- Worked with ACMI, VCMi, and IC-VCM for Africa-focussed events during the 'Delivering high integrity carbon markets' day during NYCW
- Organised a roundtable at the World Bank during the annual meetings to bring together African policymakers, regulators, with global standard setters and corporates to showcase and discuss progress on regulation on the continent to support carbon markets

1200

Key Stakeholders

45

FIs & Regulators Trained

22

Visibility Events



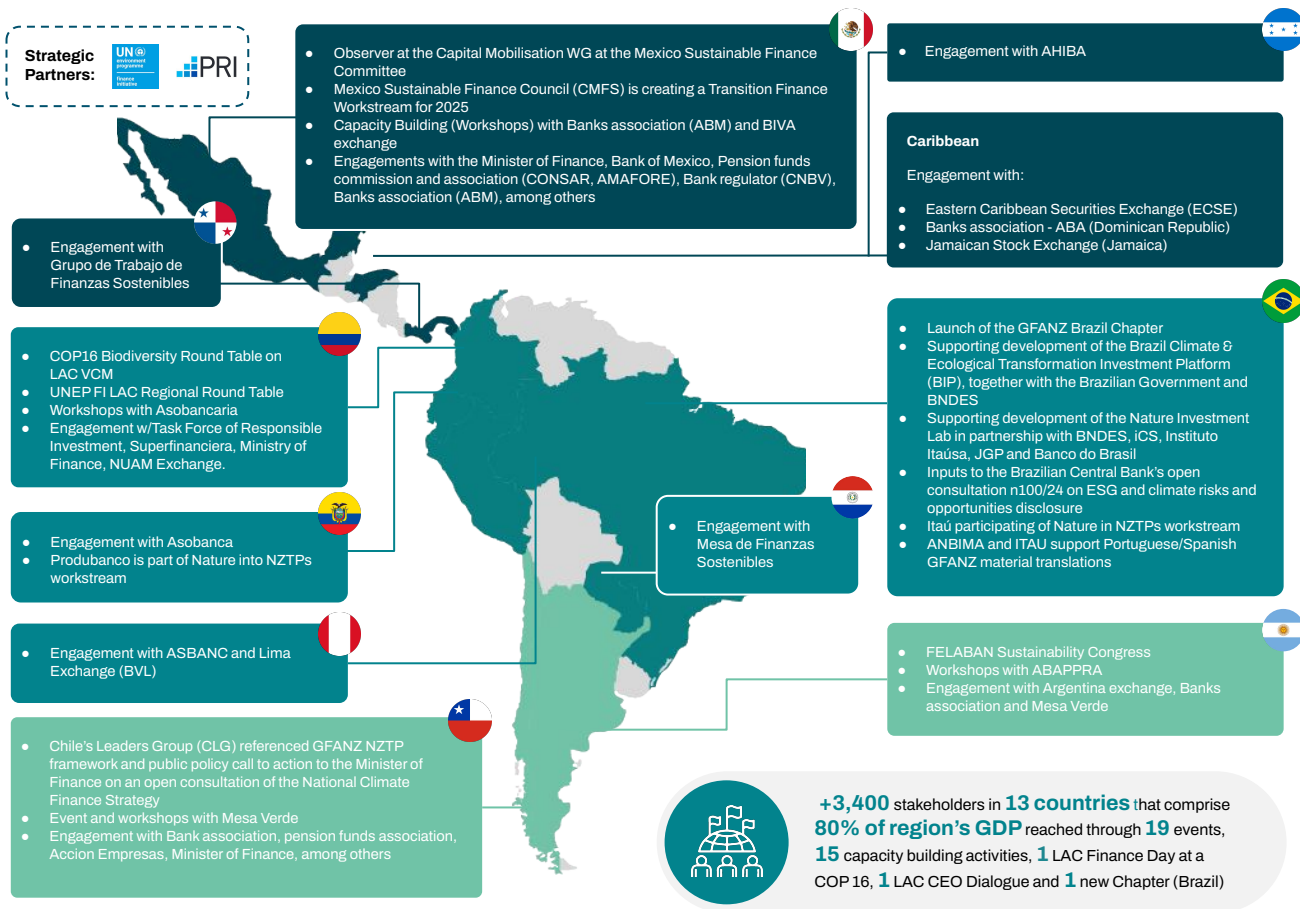
Dr. Mahmoud Mohieldin
Chair, GFANZ Africa Network Advisory Board

"The continent of Africa has high untapped renewable energy potential, abundant land, essential natural resources, and the world's youngest and fastest growing labour force. But to unlock this huge climate and economic potential for the benefit of the continent will require much more affordable and scalable private capital. The work of the GFANZ Africa Network seeks to address this by supporting efforts to mobilise capital and capacity of financial institutions for the benefit of the people and the planet."

GFANZ Africa Network Advisory Board Members

Mohamed Farid Saleh, (Vice Chair), Chairman, Financial Regulatory Authority
Vera Songwe, Chair of the Liquidity and Sustainability Facility
Mark Napier, CEO, FSD Africa
Jeremy Awori, CEO, Ecobank
Arunma Oteh, Chairperson, Royal African Society
James Irungu Mwangi, Founder, Climate Action Platform Africa
Hisham Ezz Al Arabm, CEO, CIB
Frannie Leautier, CEO, South Bridge Investment
Lesley Ndlovu, CEO, Africa Risk Capacity
Solomon Quaynor, Vice President, African Development Bank
Alain Ebobissé, CEO, Africa50
Samalia Zubairu, President & CEO, Africa Finance Corporation
Hendrik du Toit, CEO, Ninety-One
Nezha Hayat, Chair & CEO, Capital Markets Authority Morocco
Stéphane Mbadanga Ditengou, CEO, FGIS

GFANZ Latin America & the Caribbean Network at a glance



Ambassador Patricia Espinosa Cantellano
GFANZ LAC Network Advisory Board Chair

"It's truly inspiring to see how far we've come in supporting financial institutions across the region to align with the Paris Agreement's goals, but there's so much more to do. I'm especially excited about the momentum we're building around climate-nature finance and our efforts to close the investment gap in Latin America and the Caribbean."

GFANZ LAC Network Advisory Board Members

Joaquim Levy – Vice Chair, Director of Economic Strategy and Market Relations at Banco Safra and former Brazil Minister of Finance
Daniel Becker, President, Latin-American Banks Federation and CEO, MIFEL Bank
Gonzalo Muñoz, COP25 UN Climate Change High-Level Champion
Ilan Goldfajn, President, Inter-American Development Bank
Juan Carlos Mora Uribe, CEO, Bancolombia
Maria Eugenia Brizuela de Avila, Former Minister of Foreign Affairs, El Salvador and former President, Banco Salvadoreño
Olga Cantillo, Executive President, Bolsa Latinoamericana de Valores (Latinex) and former Chairwoman, Ibero-American Federation of Stock Exchanges (FIAB)
Racquel Moses, CEO, Caribbean Climate-Smart Accelerator and Global Ambassador for Race to Zero
Valentin Galardi, President, Argentine Mutual Funds Association and Chair, Ibero-American Federation of Investment Funds
Azucena Arbeleche - Observer, Minister of Economy and Finance, Uruguay

GFANZ voluntary guidance and tools

Publications



Workshops in a Box



Basic workshops

Net-Zero Transition
Plan themes

Real economy

Transition Finance and
Decarbonization
Methodologies

Key Partner Platforms

