



**G20 CHAIR'S SUMMARY
TRADE, INVESTMENT AND INDUSTRY MINISTERS MEETING
Bali, 22 – 23 September 2022**

1. We, the Trade and Investment Ministers of the G20, chaired by the Minister of Trade, Minister of Investment, and Minister of Industry of Indonesia, met on 22-23 September 2022 in Bali, Indonesia, under the G20 Indonesian Presidency. Noting the spirit of Recover Together, Recover Stronger, we recognise the importance of policy coherence between trade, investment and industry to support the implementation of the United Nations (UN) 2030 Agenda and the achievement of the Sustainable Development Goals (SDGs), as a strong foundation for a resilient, strong, sustainable and inclusive global economic recovery.
2. We underscore that more resilient, sustainable and inclusive growth can be achieved by ensuring that all people benefit from more sustainable trade and investment, including but not limited to industry, agriculture, services and other sectors. In this context, we support promoting a coordinated and inclusive global effort to contribute to addressing global challenges.

PART 1

Ministers have stated their continued support to the G20 Indonesia Presidency and its actions to achieve the deliverables. While consensus has been reached in substantive issues, varying views have been stated with regards to the geopolitical tensions, as follows

3. Members agreed that global economic recovery has slowed and is facing major setbacks as a result of the COVID-19 pandemic, supply-demand mismatches, supply chain disruptions, increased food and energy prices and other crises in many parts of the world especially in vulnerable and least developed countries, and as an adverse impact of the geopolitical security tension in Ukraine. Many members expressed condemnations of Russia's war against Ukraine. Meanwhile, a few members expressed that the Trade, Investment, and Industry Working Group (TIIWG) is not the proper forum to discuss geopolitical issues. Members called for immediate actions to end the war and restore peace and stability

PART 2

The Ministers agreed on the following points:

4. Recalling our commitment to realize a free, fair, inclusive, non-discriminatory, transparent, predictable and stable trade and investment environment, we support the following 6 (six) priority agendas to maintain and accelerate global economic recovery and to promote the achievement of SDGs.

WORLD TRADE ORGANISATION (WTO) REFORM

5. We reaffirm that the rules-based, non-discriminatory, fair, open, inclusive, equitable, sustainable and transparent multilateral trading system, with the WTO at its core, is indispensable to advancing our shared objectives of inclusive growth, innovation, job creation and sustainable development. We agree that reforming the WTO is key to strengthening trust in the multilateral trading system. We will continue to work to strengthen foundational principles of the WTO, to ensure a level playing field to foster an enabling business environment and to support the integrity and sustainability of the rules-based multilateral trading system, as affirmed in Sorrento, Riyadh and Tsukuba.
6. We commend the successful conclusion of the WTO MC12. Building on the outcome documents from MC12, as well as the G20 Leaders' declarations in Buenos Aires, Osaka, Riyadh, and Rome, we commit to seize and advance the positive momentum by engaging in active, constructive, pragmatic, and focused discussion on WTO reform with other WTO Members on the path leading to the 13th WTO Ministerial Conference.

THE ROLE OF MULTILATERAL TRADING SYSTEM TO STRENGTHEN THE ACHIEVEMENT OF SUSTAINABLE DEVELOPMENT GOALS (SDGs)

7. We recognise that reviving global trade and strengthening the Multilateral Trading System with the WTO at its core is crucial to ensuring a sustainable recovery from the COVID-19 pandemic, building a more resilient and inclusive global economy. We note the importance of the contribution of the multilateral trading system to promote the UN 2030 Agenda and its Sustainable Development Goals in its economic, social, and environmental dimensions, in so far as they relate to WTO mandates and in a manner consistent with the respective needs and concerns of Members at different levels of economic development. To this end, we welcome the adoption of outcomes at MC12 that contribute to the achievement of SDGs.
8. We are concerned about the erosion of hard-won gains due to the pandemic and other recent crises that threaten to roll-back progress in achieving SDGs particularly on poverty elimination, zero hunger, good health and wellbeing. Therefore, we welcome MC12 outcomes on food security as a contribution in ending hunger. We further welcome MC12 outcomes on WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics.
9. We believe that trade can and should contribute to the promotion of all dimensions and pillars of sustainable development, including in the environmental area, while respecting concerns of members at different levels of economic development. Trade and environment policies should be mutually supportive, consistent with WTO and multilateral environmental agreements, and should allow for the optimal use of the world's resources as a contribution to accelerating progress towards the achievement of SDGs, including on affordable and clean energy, on industry, innovation and infrastructure, on sustainable consumption and climate actions, life below water, and life on land.
10. We support the role of the WTO Trade and Environment Committee as the standing forum dedicated to dialogue between governments on the relationship between trade measures and environmental measures. G20 participants in the Trade and Environmental Sustainability Structured Discussions and in Informal Dialogue on Plastic Pollution and Environmentally Sustainable Plastic Trade encourage and support the active participation of all WTO members in these processes.

11. We welcome the MC12 Ministerial Decision on the Agreement on Fisheries Subsidies as well as recognition by Ministers at MC12 of global environmental challenges, including climate change and related natural disasters, loss of biodiversity and pollution. We reaffirm the importance of providing appropriate, effective, and relevant support to developing country Members, especially LDCs, to achieve sustainable development, including through technological innovations. We also note that trade can create opportunities for women's participation and economic development in a manner which acknowledges women's different context, challenges, and capabilities in countries at different levels of development, and we further note the importance of gender equality to achieve sustainable socio-economic development.
12. We note the Indonesia's presidency "Non-Binding Guiding Principles to Support Multilateral Trading System for Achieving Sustainable Development Goals (SDGs)."

TRADE AND INVESTMENT ON RELATED INDUSTRIES RESPONSE TO PANDEMIC AND GLOBAL HEALTH ARCHITECTURE

13. We recognise the importance of a strong and adaptable global health architecture and underscore the role of the multilateral trading system with the WTO at its core in supporting increased resilience for COVID-19 and future pandemics. We welcome the adoption at the WTO's 12th Ministerial Conference (MC12) of the Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics and Ministerial Decision on the TRIPS Agreement. As we agreed at MC12, no later than six months from the date of the Ministerial Decision on the TRIPS Agreement, WTO Members will decide on its extension to cover the production and supply of COVID-19 diagnostics and therapeutics.

DIGITAL TRADE AND GLOBAL VALUE CHAINS (GVCs)

14. We recognise that trade can be a source of economic resilience and diversification along supply chains. We also underscore the importance for countries to move up the value chain in GVCs, In this context, GVCs have been an important means of increasing the participation of developing and least developed countries, and MSMEs in global trade, playing a pivotal role in facilitating access to knowledge, capital and diffusion of technology beyond the domestic economy. GVCs also significantly contribute to addressing challenges in reducing poverty and offering new sources and opportunities for jobs and growth.
15. Recalling the "G20 Policy Guidelines on Boosting MSMEs' International Competitiveness" and the "G20 non-binding MSMEs Policy Toolkit", we reiterate the critical role of MSMEs in our economies and recognise their challenges in accessing global markets. We highlight the importance of assistance programs to strengthen the capacity of inter alia MSMEs, women and young entrepreneurs to participate in international trade, regional and global value chains. In addition, we further acknowledge the importance of full implementation of WTO Trade Facilitation Agreement to enable the continuity of trade flows during a global economic crisis.
16. We further recognise the opportunities offered by digital transformation for resilient, sustainable and inclusive economic growth and the importance of supportive and collaborative digital trade policies and digital technology for managing the risk and challenges associated with the digital advancement, sustaining economic activity and speeding up economic recovery. We encourage approaches to digital trade that are inclusive and ensure

no one is left behind. We note the many challenges to be addressed and welcome the discussions of G20 digital economy ministers. We also recall G20 Rome Leaders' Declaration last year.

17. We note the ministerial decision on the work programme on E-Commerce. G20 participants in JSI on E-Commerce encourage and support the active participation of all WTO members in the initiative and look forward to meaningful progress in the lead up to MC13. We note the concerns that have been expressed on rule-making by some G20 members that are not part of JSIs.

SPURRING SUSTAINABLE AND INCLUSIVE INVESTMENTS FOR GLOBAL ECONOMIC RECOVERY

18. We underscore that sustainable investment is critical for strong economic recovery and creation of decent jobs. We are encouraged by the overall growth of SI. We will continue to strengthen our cooperation in spurring sustainable and inclusive investment that promotes among other goals, industrialization, employment, living standard, and income growth throughout the world in a fair and just manner. We recognize the importance of sustainable investments flows, to developing countries, especially to least developed countries.
19. We note that domestic/national key drivers to spur sustainable investment include: (1) Ensuring policy is coordinated and strategic to foster investment in support of sustainable development, (2) Improving open, transparent, non-discriminatory, inclusive predictable environment that foster sustainable investment (3) Ensuring transparency and predictability of investment measures (4) Simplifying and streamlining investment-related administrative procedures.
20. We reaffirm that in addition to environmental imperatives, sustainable, balanced and inclusive investment should prioritize other social and economic imperatives, keeping in mind the local and regional context. To that end, we note the need to promote value added by sustainable and inclusive investment in highly productive sectors such as but not limited to certain sub-sectors of downstream manufacturing and digital services, support developing countries to integrate with regional and global value chains to address poverty and hunger, undertake vocational education policies, boost domestic capability and foster linkage between foreign investors and local enterprises, particularly for MSMEs.
21. We recognise that adequate, affordable and accessible financing is a significant lever for sustainable investments. The international community needs a more conducive policy environment and fair cooperative approaches to mobilize transparent sources of financing for sustainable development. In this regard, like the G20 environment and climate ministerial meeting, we acknowledge that the generation and lawful availability of accurate risk data is crucial in order to support the sustainable development of fair, transparent and bankable projects that can mobilize private financing into developing countries, especially in Least Developed Countries (LDCs). Equitable and just market approaches could also contribute to easing the financing bottleneck for sustainable and inclusive investments while not replacing the need for scaled up public climate finance. We also welcome efforts of some G20 members that have adopted sustainable policies which could scale up sustainable and inclusive investment by private sectors.

22. We commend the sharing of good practices and initiatives by G20 member countries on the promotion of sustainable investment and we welcome “G20 Compendium on Promoting Investment for Sustainable Development (Bali Compendium)”. The compendium can serve as a policy reference for devising and implementing strategies and programs for attracting sustainable investment, in accordance with respective international commitments and taking into account national sustainable development objectives and priorities. We appreciate the efforts of the Indonesia’s presidency, along with the support of all members and our partner UNCTAD in devising the compendium.

COHERENCE BETWEEN TRADE, INVESTMENT AND INDUSTRY

23. Recalling the G20 Rome leader’s declaration, we underscore the role of the Multilateral Trading System in restoring inter alia industrial productivity and agree on the importance of coherence between trade and investment with industrial policies to meet the current and future challenges. We also acknowledge the critical role of industrial policies and the private sector in general to ensure sustainable and inclusive economic recovery and development.
24. Recalling the G20 Trade and Investment Ministerial Statement 2018, we reaffirm that the adoption of digital technologies across all industries has wide ranging implications for the scope, scale, speed and pattern of production, trade and investment. We underscore that the adoption of technologies and innovation in production processes can play an important role in driving sustainable and digital transformations. In that sense, we recognise the importance of advancing cooperation on trade related industry aspects to support sustainable economic development in developing countries particularly in Least Developed Countries.
25. We agree to continue the discussion on the intersection between trade, investment and industry-related matters under the existing trade and investment working group. We note the initiative from the Indonesian Presidency to institutionalize discussion about industrial-related issues and deliberate on those issues in the future in the broader G20 process.

WAY FORWARD

26. With a view to promote the policy coherence of trade, investment and industry that could effectively contribute to a resilient, inclusive and sustainable global economic recovery, we jointly recommend our Leaders to consider these important priorities at the Bali Summit.
27. We thank WTO, UNESCAP, OECD, World Bank, UNCTAD, UNIDO, IMF, WHO, ITC, IsDB and ERIA for their valuable contributions in our discussions and welcome further analysis to support the G20's work on trade, investment, together with trade-related industry matters moving forward.
28. We extend our gratitude to the Indonesian G20 Presidency for its determined efforts and leadership and will continue our cooperation towards India’s G20 Presidency in 2023 and thereafter.



NON-BINDING GUIDING PRINCIPLES TO SUPPORT THE MULTILATERAL TRADING SYSTEM (MTS) FOR THE ACHIEVEMENT OF SUSTAINABLE DEVELOPMENT GOALS (SDGS)¹

GOAL 1: NO POVERTY

Trade has a significant role as an engine for economic growth, sustainable poverty reduction and development. Keeping markets open and resisting trade protectionism in all its forms is essential in this regard, as well as ensuring that trade's benefits are equitably spread among the population.

GOAL 2: ZERO HUNGER

Members should ensure that agri-food trade flows and that it is sustainable, inclusive, equitable and resilient as this is crucial for tackling hunger. We reaffirm the importance of not imposing export prohibitions or restrictions in a manner inconsistent with relevant WTO provisions. We resolve to ensure that any emergency measures introduced to address food security concerns shall minimize trade distortions as far as possible; be temporary, targeted, and transparent; and be notified and implemented in accordance with WTO rules. In accordance with the WTO "Ministerial Decision on World Food Programme Food Purchases Exemption from Export Prohibitions or Restrictions", Members should not impose export prohibitions or restrictions on foodstuffs purchased for noncommercial humanitarian purposes by the World Food Programme.

GOAL 3: GOOD HEALTH AND WELL-BEING

Members can promote the diversification of vaccines and medicines production across both developed and developing economies. Members recognize the important role of an enabling investment environment for FDI involved in the creation of vaccine production capacities abroad in ensuring efficient organization of the production globally. Members underscore that the international intellectual property (IP) system forms part of the broader infrastructure for innovation in health technology. Members also acknowledge the need for regulatory flexibilities. In that sense recalling the Doha Ministerial Declaration on the TRIPS Agreement and Public Health of 2001 and the 2022 Ministerial Declaration Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics, we reaffirm that the TRIPS Agreement may be interpreted and implemented in a manner supportive of WTO Members' right to protect public health and, in particular, to promote access to medicines for all.

¹ This Non-Binding Guiding Principle was prepared by the Indonesian Presidency of the G20, under the Presidency's own responsibility, drawing on various inputs from the member States of the G20. It is without prejudice to the positions of individual G20 members and the member States of the international organizations involved.

GOAL 5: GENDER EQUALITY

We encourage Members to design and implement gender-responsive trade policies that create opportunities for women to integrate in the workforce. Members may consider eliminating discriminatory legal barriers and enhancing trade finance access for women entrepreneurs to be able to participate in global trade and supply chains. To bridge the data gap, Member may initiate further sex disaggregated data collection and analysis to gauge women's participation in trade.

GOAL 8: DECENT WORK AND ECONOMIC GROWTH

Members are encouraged to expand non-trade distorting efforts to build trade-related infrastructure in developing countries, with a focus on export diversification and value addition. Members may emphasize voluntary technology diffusion on mutually agreed terms as a factor in long-term economic growth.

GOAL 10: REDUCED INEQUALITY

Members may continue to explore means of addressing global inequality through trade, including by reducing trade costs and fully implementing the WTO's Trade Facilitation Agreement. Members recognizes the importance of increasing access to trade finance, and investment in developing economies. It is also necessary to address the digital divides, including the gender digital divide with the aim of making e-commerce a force for inclusion.

GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

We encourage Members to design and implement proactive trade policies to scale up circular economy solutions globally. Open and transparent trade policies can also facilitate access at lowest cost to critically important circular economy solutions, from waste sorting machines and devices that break down hard-to-recycle materials to the critical inputs needed to produce biodegradable plastics. At the same time, appropriate action is needed to help ensure that trade in end-of-life products do not pose a threat to human health and the environment.

GOAL 13: CLIMATE ACTION

Trade may contribute to sustainability by improving access to environment-friendly goods, services and technology at lower costs and by allowing an efficient use of natural resources, such as land and water. Members could make efforts to ensure that measures adopted to achieve a sustainable, green economy are transparent, do not discriminate or restrict trade, and are in line with WTO rules. Trade like other economic activities can have direct environmental consequences, including pollution from international shipping and aviation. Efforts by the private sector to reduce such effects, such as decarbonization of the shipping industry may be encouraged by Governments. Members in the Trade and Environmental Sustainability Structured Discussions and in Informal Dialogue on Plastic Pollution and Environmentally Sustainable Plastic Trade encourage and support the active participation of all WTO members in these processes. International cooperation and initiatives such as Aid for Trade could also mobilize funding for green infrastructure and support the private sector in developing countries to adapt and mitigate to climate change.

GOAL 14: LIFE BELOW WATER

Members should expeditiously accept the Protocol amending the WTO Agreement and implement the WTO Agreement on Fisheries Subsidies prohibiting subsidies to a vessel or operator engaged in illegal, unreported, and unregulated (IUU) fishing or fishing related activities in support of such fishing, subsidies for fishing or fishing related activities regarding overfished stocks and subsidies for fishing on the unregulated high seas high-seas fishing. Members are encouraged to support the Fisheries Funding Mechanism to assist with implementation of the WTO Fisheries Subsidies Agreement. We underscore the need to support global efforts to reduce plastics pollution and initiate the transition to a more circular and environmentally sustainable global plastics economy.

GOAL 15: LIFE ON LAND

We recognize that trade has the potential to propel economic transformation toward environmental sustainability and safeguard efforts to protect and restore biodiversity. Therefore, Members are encouraged to design trade policies that can promote sustainable agricultural practices and circular economy models, green infrastructure projects, resource-smart food systems and land restoration, and more energy efficient technologies. We welcome the MC12 Declaration on Responding to Modern SPS Challenges and urge Members to support the work programme to explore how the implementation and application of the SPS Agreement can support life on land.

GOAL 16: PEACE, JUSTICE, AND STRONG INSTITUTIONS

Members may encourage the use of the multilateral trading system as a pathway to development and sustainable peace by establishing creative and interdisciplinary approaches that mainstream trade and economic integration into the peace, security, and humanitarian fields, including the Women, Peace, and Security agenda. Our mutual prosperity depends on stronger multilateral cooperation, respect for the rules-based order, and adherence to international law.



G20 COMPENDIUM ON PROMOTING INVESTMENT FOR SUSTAINABLE DEVELOPMENT

(BALI COMPENDIUM)

September 2022

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ABBREVIATIONS

AEC	ASEAN Economic Community
APEC	Asia-Pacific Economic Cooperation Forum
ASEAN	Association of Southeast Asian Nations
BIT	bilateral investment treaty
BOGA	Beyond Oil & Gas Alliance
BRICS	Brazil, Russian Federation, India, China, South Africa
CCUS	Carbon Capture, Utilization and Sequestration
COP	Conference of the Parties
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
COVID-19	coronavirus disease 2019
CSIRO	Commonwealth Science Industry Research Organization
CTCN	United Nations Climate Technology Centre & Network
EAEU	Eurasian Economic Union
ECA	export credit agency
ESG	environmental, social and governance
ETAF	Energy Transition Accelerator Financing
EV	electric vehicle
FDI	foreign direct investment
FTA	free trade agreement
GEA	green economy agreements
GGGI	Global Green Growth Institute
GHG	greenhouse gas
GIP	Green Investment Principles
GSS	green social and sustainability
GST	Goods and Services Tax
GWEC	Global Wind Energy Council
IBRD	International Bank for Reconstruction and Development
ICMA	International Capital Market Association
ICT	information and communication technology
IDB	Inter-American Development Bank
IEA	International Energy Agency
IFD	Investment Facilitation for Development
IFI	International Financial Institution
IIA	international investment agreement
ILO	International Labour Organization
IMF	International Monetary Fund
IoT	Internet of Things
IPA	investment promotion agency

IPSF	International Platform on Sustainable Finance
IRENA	International Renewable Energy Agency
JSI	Joint Statement Initiative
LDC	least developed country
LPG	liquefied petroleum gas
MoU	memorandum of understanding
MSME	micro, small and medium-sized enterprises
NDC	Nationally Determined Contributions
NGO	non-governmental organization
OECD	Organization for Economic Co-operation and Development
OFDI	outward foreign direct investment
OLADE	Latin-American Energy Organization
PAHO	Pan-American Health Organization
PV	photovoltaic
R&D	research & development
R&D&I	research & development & innovation
RBC	Responsible Business Conduct
RCEP	Regional Comprehensive Economic Partnership
SDG	Sustainable Development goal
SEZ	special economic zone
SME	small and medium-sized enterprise
TACB	technical assistance and capacity-building
TCFD	Task Force on Climate-related Financial Disclosures
TIIWG	Trade, Investment, and Industry Working Group
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organization
VAT	Value Added Tax
WAIPA	World Association of Investment Promotion Agencies
WHO	World Health Organization
WTO	World Trade Organization

OVERVIEW

Background

On the eve of the adoption of the 2030 Agenda for Sustainable Development, the UNCTAD *World Investment Report* estimated annual investment needs to achieve the Sustainable Development Goals (SDGs) globally to be in the order of \$5 trillion to \$7 trillion per year. Within this estimate, total investment needs in developing countries in key SDG sectors ranged from \$3.3 trillion to \$4.5 trillion per year. Current investment in these sectors is around \$1.4 trillion, implying an annual average investment gap of about \$2.5 trillion.²

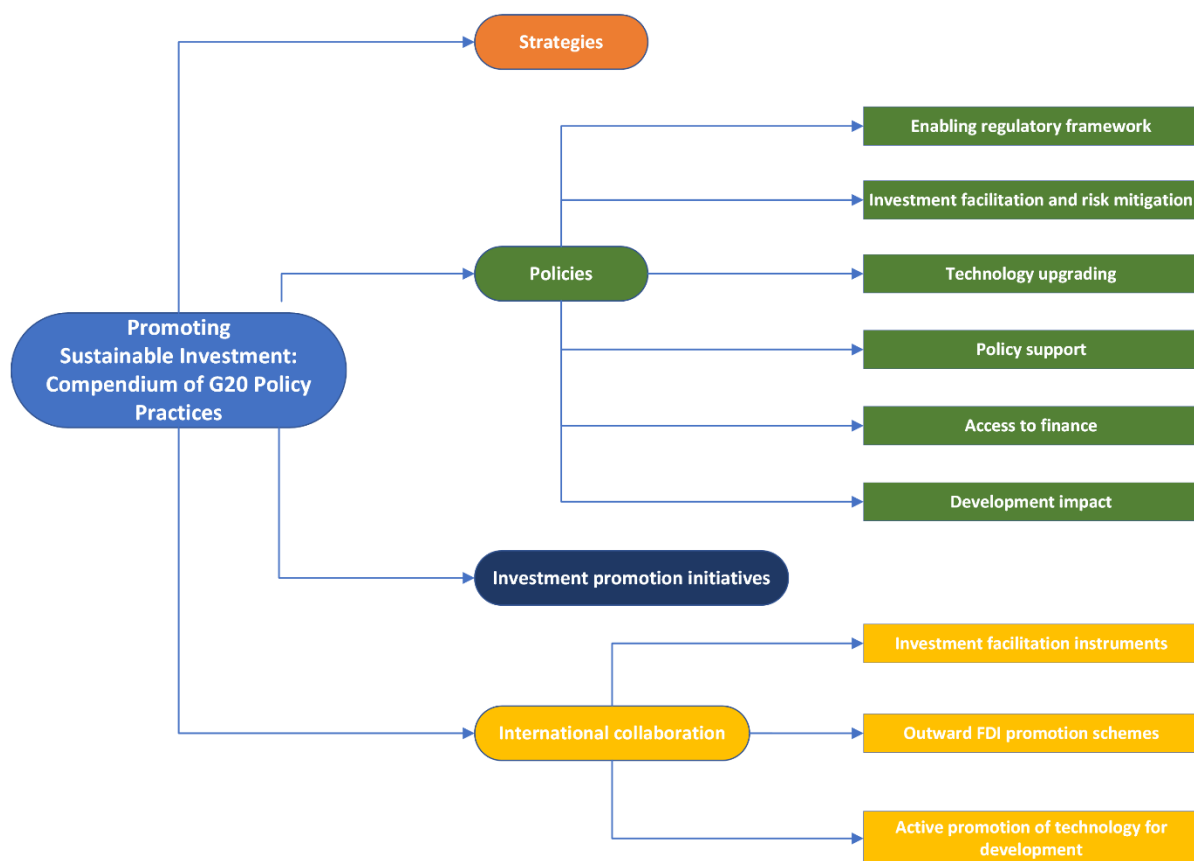
Countries around the world are redoubling their efforts to promote both public and private investment in support of sustainable development. It will be critical that investment promotion strategies focus on the attraction of sustainable investment that can contribute to economic development by enhancing productive capacities, adding value locally and establishing linkages with domestic firms. Investments should bring a truly equitable, resilient, and inclusive development for all.

In this context, the Indonesian Presidency of the G20 has invited G20 members and associated countries to share their policy practices in promoting investment for sustainable development. The ***G20 Compendium on Promoting Investment for Sustainable Development (Bali Compendium)*** compiles the policy measures and experiences of all G20 members and some associated countries in a structured manner. These are Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, the Republic of Korea, the Russian Federation, Saudi Arabia, Singapore, South Africa, Spain, Switzerland, Türkiye, the United Arab Emirates, the United Kingdom of Great Britain and Northern Ireland, the United States of America and the European Union.

Structure and end use

The compendium, prepared by UNCTAD under the guidance of the Indonesian Presidency of the G20, outlines key areas of investment policies in support of promoting investment for sustainable development (see figure below). These are derived from the issues paper “Promoting Sustainable Investment in Renewable Energy for Global Economic Recovery”, jointly prepared by the Indonesian Presidency and UNCTAD to facilitate the discussions at the Second G20 Trade, Investment and Industry Working Group Meeting, which took place in Solo, Central Java, on 5–7 July 2022. The key findings of the Compendium are highlighted in the next section, followed by the individual countries’ inputs. The Compendium was finalized in light of the comments during the Third G20 Trade, Investment and Industry Working Group Meeting, held in Bali on 19–23 September 2022.

² UNCTAD *World Investment Report 2014*, https://unctad.org/system/files/official-document/wir2014_en.pdf



The Compendium provides examples of a variety of policy measures and practices of G20 members and associated countries. Acknowledging that no one-size-fits-all solution exists, the Compendium presents a range of options for policymakers looking to promote sustainable investment. It is meant to facilitate the sharing of experiences and policy practices. It can serve as a toolkit for countries to pick and choose, adapt and adopt relevant measures and initiatives to formulate their own policy packages. Finally, it could serve as a key reference for international organizations in designing and delivering their technical assistance and capacity-building programmes.

Highlights

Comprehensive strategies and policy practices

Several G20 members and associated countries have adopted pluriannual, comprehensive national strategies and plans designed to provide a roadmap for sustainable development, which include a focus on the promotion of sustainable investment (France 2021, Indonesia 2017, Italy 2017, Japan 2021, the Russian Federation 2021, Singapore 2021, Spain 2020, the United Kingdom 2021, the European Union 2021). In other cases, the strategies themselves do not embed investment promotion components as such, but lay out the directions for the promotion of sustainable production, including carbon neutrality objectives (China 2021, the Republic of Korea 2020) and responsible business conduct (Switzerland 2021). Several of these strategies have been adopted over the past 18 months, mainly in the context of post-pandemic recovery efforts and institutional policies to foster the shift towards a more sustainable and green economy (France 2021, Singapore 2021, Spain 2020, Switzerland 2021, the United Kingdom 2021, the European Union 2021).

In addition, most of the G20 members and associated countries rely on targeted strategies for the promotion of sustainable investment in specific sectors (Argentina, Australia, Brazil, Canada, Indonesia, Italy, Japan, Mexico, the Republic of Korea, Türkiye, the United Arab Emirates). The sectors most often targeted by sustainable

investment promotion efforts include, inter alia, renewable and clean energy (Australia, Brazil, Canada, China, France, Indonesia, the Republic of Korea, Saudi Arabia, South Africa, Spain, Switzerland, Türkiye, the United Arab Emirates, the United Kingdom); energy efficiency, waste management and sanitation (Argentina, Australia, Brazil, Italy, the Russian Federation, Saudi Arabia, Singapore, Spain, Türkiye); as well as transport (Argentina, Brazil, France, Indonesia, Italy, Mexico, the Republic of Korea, the Russian Federation, Spain); finance (Argentina, Mexico, Singapore, the European Union); agriculture (Australia, Canada, Italy) and health (Argentina, the United Arab Emirates).

Among the most frequent policy measures introduced, G20 members and associated countries have implemented fiscal mechanisms to support the transition to a green economy, such as carbon pricing or carbon tax mechanisms (Indonesia, the Russian Federation, Singapore, Switzerland) and income tax relief, tax exemption, tax credits and other benefits to promote the green transition and advance the circular economy (Argentina, Canada, China, Indonesia, Italy, the Republic of Korea, Saudi Arabia, Spain, Türkiye). Non-fiscal incentives are also available and typically include subsidized loans and other financial instruments such as green loans, green insurance, or green funds (Argentina, Brazil, China, Italy, the Republic of Korea, the Russian Federation, Saudi Arabia) often aimed at de-risking investment in climate mitigation.

Technology upgrading in support of sustainable investments is also being promoted by many G20 members and associated countries. Incentive measures target innovative technologies such as hydro, solar or biomass energy production (Australia, Argentina, Brazil, Indonesia, Switzerland, Türkiye, the United Arab Emirates), research in clean hydrogen (Australia, Brazil, Canada, France, the Republic of Korea, the Russian Federation, Saudi Arabia, Singapore, Spain, the United Kingdom), feed-in premium mechanisms (Switzerland, Türkiye), low-carbon heating solutions (Argentina, Australia, the United Kingdom) and non-polluting vehicles (Australia, Italy, Mexico, the Republic of Korea). Technology upgrading is also encouraged through national climate change mitigation strategies (South Africa, Spain, the European Union), the implementation of strategic science and innovation projects to promote technological breakthroughs in carbon technologies (Brazil, Canada, China, the Republic of Korea), or through tailored initiatives to support companies to assess their sustainability situations and put forward action plans to improve them (the Russian Federation, the United Arab Emirates).

Some G20 members and associated countries have also developed national policies to support the emergence and growth of innovative and high-tech start-ups (Brazil, Canada, India, Italy, Spain), including by creating venture capital investment funds for early-stage clean technology companies (Australia). Support provided by G20 members and associated countries to innovative small and medium-sized enterprises (SMEs) also comprises advice, coaching and expert education programmes, assistance in patent search, and guidance for market entry and internationalization (Japan, the Republic of Korea, Switzerland). Furthermore, some G20 members and associated countries have implemented onshoring and localization programmes to promote the development of different industries across the green economy value chain (Indonesia, Saudi Arabia, South Africa), or to promote value chain integration in selected sectors that contribute to sustainable development, including manufacturing of electric bicycles, electric vehicles and their batteries, and solar water heaters and the recycling and hydrogen industries (Argentina, Indonesia).

Several G20 members and associated countries are promoting sustainable investment and responsible business conduct through national environmental, social and governance (ESG) policies (Brazil, Canada), the adoption of standards and regulations (Republic of Korea, Saudi Arabia), and the development of science-based classification mechanisms to assess the sustainability level of economic activities (such as the European Union Taxonomy for Sustainable Activities, the development of the K-taxonomy on green businesses in the Republic of Korea, the Russian Federation's Green Finance Taxonomy, or the United Kingdom's plans to introduce a "sustainable investment label") so that consumers and retail investors can clearly compare the sustainability of their choices. Several G20 members and associated countries have also developed green bond and sovereign green bond schemes with the aim of incentivizing private-sector firms to issue green bonds based on

internationally recognized environmental standards (China, Japan, the Republic of Korea, the Russian Federation, Singapore, Switzerland).

Investment promotion initiatives and investment facilitation instruments

Government entities from G20 members and associated countries, such as line ministries (China), investment promotion agencies (IPAs) (India, Switzerland), regulatory authorities in the energy and financial sectors (Argentina) and export credit agencies (Australia) are increasingly pushing forward sustainable development issues both in their inward and outward foreign direct investment (FDI) promotion efforts. Policy instruments include green development guidelines for overseas investment (China), information sharing about outward sustainable investment opportunities (Australia, South Africa), or financing support (e.g. loans, grants, blending) and investment guarantees and insurance schemes (Germany, Japan, South Africa, Spain, the United Arab Emirates, United Kingdom, United States and European Union). In some cases, these instruments have a specific focus on outward FDI and exports by SMEs (Australia, Italy, Switzerland).

Free trade agreements (FTAs) and international investment agreements (IIAs) are also highlighted by some G20 members and associated countries as key drivers to facilitate international investment (Australia, China, Singapore, Switzerland, the United Arab Emirates). The first “Green Economy Agreement” (GEA), a new type of trade policy instrument intended to facilitate investment while bolstering environmental governance and climate change mitigation capacity, is currently under negotiation between a G20 member and an associated country (Australia and Singapore). Other members are adopting new generation IIAs which seek to foster responsible business conduct and sustainable investment (Brazil, Canada). Finally, two G20 members have signed a Memorandum of Understanding to foster cooperation in promoting sustainable green investment (Indonesia and the Republic of Korea).

International partnerships and initiatives are also considered important forums for facilitating sustainable investment. These include the Beyond Oil & Gas Alliance (France), the Glasgow Financial Alliance for Net Zero (the United Kingdom), the Energy Transition Accelerator Financing (Argentina), the Net Zero Producers Forum (Canada, Saudi Arabia, the United States, and others), the Belt and Road Initiative (China), the Blue Dot Network (Australia, Japan, the United States), the Global Gateway (the European Union), the Middle East Green Initiative (Saudi Arabia) and the International Platform on Sustainable Finance (the European Union).

COUNTRY POLICY PRACTICES

Argentina

Strategies

Comprehensive strategies

In terms of general comprehensive strategies and views related to sustainable investment, Argentina welcomes G20 cooperation to consider ways to strengthen sustainable investment in all sectors related to the UN 2030 Agenda and its Sustainable Development Goals (SDGs).

- In doing so, the G20 should bear in mind the role of international cooperation to create a more predictable environment for productive and infrastructure sustainable investments, and their contribution to spurring trade, building productive and industrial capacity, stimulating job creation, and strengthening connectivity, all in line with the UN 2030 Agenda and its SDGs.

- Our country considers that sustainable investments are a key factor to generate more and better opportunities, especially for MSMEs, promoting thereby their further access to global value chains. In addition, it is important to promote technical assistance to developing countries to promote and facilitate sustainable investments in their economic, social and environmental dimensions in a balanced manner, in order to contribute to development and poverty eradication.

- Argentina is committed to play its part in the G20 TIIWG work on sustainable investment. This commitment is also shown by the participation of our country in the Structured Discussions on Investment Facilitation for Development in the WTO framework since its origins in 2017. We believe that Investment facilitation is paramount to the post-pandemic recovery and to achieving the SDGs. We are convinced that "the setting up of a more transparent, efficient and investment-friendly business climate by making it easier for domestic and foreign investors to invest, conduct their day-to-day business and expand their existing investments" (WTO 2020) will not only have a direct impact in development and in strengthening international cooperation, but will also play a relevant role in revitalizing global investment, especially for developing countries. As a virtuous circle, investment facilitation can help countries attract new investments and retain existing ones, while at the same time increasing confidence to expand further investment facilitation measures. This would create a positive environment to transform investment flows into productive activities of sustainable economies, also encouraging technical assistance and capacity-building for developing countries.

With regards to the national strategies in specific sectors, it is worth to highlight some of the particular programs and strategies for sustainable investment developed in certain sectors related to the achievement of sustainable development, such as energy, industry, mining, health, and finance, among others, as follows:

ENERGY SECTOR-RENEWABLE ENERGIES: Argentina has four incentive programs for the creation and development of the renewable sector: (i) "Large-scale Renewables"(RENOVAR), (ii) "Term Market"(MATER), (iii) "Renewables in isolated rural markets"(PERMER) and (iv) "Distributed Generation".

(i) "Large-scale renewables": RENOVAR - It is an electricity supply program from renewable sources managed by the wholesale operator CAMMESA, following the demand and under the supervision of the Secretary of Energy, through national and international open tender processes for project presentations. It dates from 2016 and is currently in force. It has a scheme that articulates different levels of sovereign payments guarantees, structured in the "Fund for the Development of Renewable Energies" (FODER), which, together with the World Bank Guarantees Program, offer a higher level of security to the awarded projects.

(ii) MATER: It is a contracting mechanism between private parties as an alternative to the joint purchase of renewable electricity. It reaches large users with an average annual demand greater than 300 kW, who negotiate the contractual conditions directly with the renewable generator.

(iii) Distributed Generation: This regime for the promotion of "Renewable Energy Integrated into the Public Electricity Network" establishes the regulatory framework so that all citizens connected to the electricity network can generate energy for their own consumption in households, SMEs, large industries, businesses, manufacturing, agriculture, public entities and bodies, among others. The excess energy generated may be injected into the network, receiving compensation for it. The user-generators (UG) will also be able to access a series of promotional benefits.

(iv) PERMER: It is an initiative that provides access to energy from renewable sources to the country's rural populations that do not have access to electric networks because they are far away from the distribution networks. It is the first program in the promotion of renewable energies available in the country. It consists of various initiatives to provide energy to households, rural schools, communities and micro and small enterprises.

- **ENERGY EFFICIENCY:** Argentina has several programs for the promotion and adoption of energy efficiency measures in several sectors, as follows:

-**RESIDENTIAL SECTOR:** National Housing Labelling Program: Its general objective is to implement a housing energy efficiency certification system, unified for the entire national territory, which allows existing households or households under construction to be classified according to their degree of efficiency in the global primary energy requirement, through an energy efficiency label.

- **PRODUCTIVE SECTOR:** "Learning Networks in Energy Management Systems" (SGEn): Their aim is to improve the energy performance of the organizations that comprise it, collaboratively supporting the implementation

process of Energy Management Systems. They are made up of a group of representatives of between ten and fifteen companies who analyze their energy performance by sharing information on the network, setting a joint goal based on the improvement potentials identified, and meeting periodically to exchange experiences, queries, and progress. "Energy efficiency labelling (EEE) for electrical and gas appliances": Development of labelling regulations and minimum standards for products or appliances that provide an energy service through the use of some form of energy, or whose use has an impact on energy consumption.

- PUBLIC SECTOR: "The Program for the Rational and Efficient Use of Energy in Public Buildings" (PROUREE): Its objective is to reduce the levels of consumption in the buildings of the National Public Administration through the implementation of measures to improve energy efficiency, the introduction of criteria for energy management, and the awareness of the staff in the rational use of resources. - Efficient Lighting Plan (PLAE): It is a national plan for the efficient consumption of energy on public roads, through the replacement of existing lights with LED technology.

- TRANSPORT SECTOR: Labelling of Light Vehicles: It is a tool to position efficiency as a decision variable in the purchase of vehicles up to 3,500 kg. Mandatory and gradual implementation. - Intelligent Transport Program (PTI): It is a voluntary public-private alliance made up of transport companies, freight providers, chambers, federations, providers of efficiency technologies and services, universities and related government agencies, which aim is to promote the implementation of good practices for efficient transport.

- INDUSTRY SECTOR: In 2021, the "Green Productive Development Plan" was launched, which stems from Argentina's commitment to the achievement of sustainable development in its economic, social and environmental pillars in a balanced manner, as well to combat of climate change. It includes a set of initiatives to implement a new sustainable and inclusive paradigm in productive systems. It articulates the State, the private sector and civil society to build a sustainable productive structure. The plan is based on 4 axes: i) Industry for a sustainable economy. Promote electromobility, renewable energies, the knowledge economy, and the renewal of industrial sectors; ii) Encourage the incorporation of the "reuse, recycle and reduce" logic, from product and process design to recycling and final disposal. Promote consumer orientation towards eco-design, reducing environmental impacts; iii) Sustainable production. Adapt production towards environmental protection and promote energy efficiency; and iv) Sustainable industrialization for the use of natural resources. Integrate local stakeholders and regional economies, with environmental controls for the industrialization of natural resources.

- MINING-LITHIUM: The Mining Investment Law, Law No. 24,196, is the main pillar of the regulations, since it establishes that the mining activity is subject to the general tax regime with the modifications established by law. One of the main features is the fiscal stability offered to the subjects registered in the regime for new undertakings and expansions.

The benefits of the law cover the different stages of project development: In the initial stages, all the investments for prospecting, exploration, and studies required to achieve technical and economic feasibility may be deducted from income tax. In addition, the Value Added Tax (VAT) charged on the purchase or import of goods or services used is refunded after twelve fiscal periods since its calculation. During the construction or expansion of projects, companies are exempted from the payment of tariffs on capital goods. Finally, up to 5% of the operating costs of extraction may be calculated as a payment on account of income tax.

Lithium mining contributes to technological development, the development of electromobility and energy transition, and thereby to sustainable development. The projections estimate that by 2030, almost 80% of lithium demand will be destined for the electromobility industry.

The political decision of the national and provincial governments is to take advantage of this international opportunity in order to encourage investments, increase production, develop communities and generate employment opportunities, strengthening the mining value chain.

- HEALTH SECTOR: The public and private production of essentials related to biosimilars, vaccines and other biologicals, has developed current local manufacturing capacities, both public and private, regarding pharmaceuticals, biotechnology and nanotechnology.

- FINANCIAL SECTOR: The National Securities Commission of Argentina (CNV) was a pioneer in the promotion of Sustainable Finance in the Argentine capital market, and since 2018 it has been dedicated to the preparation of educational documents that cover various aspects of sustainability. CNV's first step was the promotion of sustainable investments, through the document 'Guidelines for issuance of green, social and sustainable securities in Argentina' (Guidelines), which constitutes the voluntary framework for issuing GSS bonds, and contains standards that were developed based on the International Capital Market Association (ICMA) Principles.

In addition, in 2020 the CNV created the Sustainable Finance Program (internal plan), which aims to raise awareness among local capital market players about the relevance of integrating environmental, social and governance (ESG) factors into investment decisions.

As part of the Program, and to continue promoting the demand for sustainable products, in 2021 the 'Guide for socially responsible investment in the Argentine capital market' was approved -whose objective is to publicize the scope, objectives and advantages of socially responsible investment- and a special regime for sustainable collective investment products -which involves the creation of funds and financial trusts that invest in sustainable assets, including green, social and sustainability (GSS) bonds- were approved.

Within the Program, the 'Guide for issuance of social, green and sustainable bonds' was also launched, which presents the content of the Guidelines in a summarized and didactic way.

It is noteworthy that all the initiatives were approved after submitting them to public consultation and receiving comments and suggestions from citizens.

Finally, the CNV is currently working with the IDB on a technical assistance consultancy to create its 'Sustainability Strategy and Roadmap' and determine its objectives and sustainable activities in the short, medium and long term.

Policies

Enabling regulatory framework

It is worth to highlight the following enabling regulatory frameworks related to sustainable investments in some relevant sectors:

- ENERGY SECTOR: Law 27,424 - Regime for the Promotion of Distributed Generation of Renewable Energy integrated into the Public Electricity Network- ; Law 27,191 -National Development Scheme for the Use of Renewable Energy Sources for the Production of Electric Power- Modification; Law 26,190: National Development Scheme for the use of renewable energy sources for the production of electricity; Law 25,019: National wind and solar energy regime; Law 26,093: Regulation and promotion regime for the sustainable production and use of biofuels; Decree 140/2007: National Program for the Rational and Efficient Use of Energy; Decree 986/2018: Regime for the Promotion of Distributed Generation of Renewable Energy Integrated into the Public Electricity Network.; Regulatory decrees of the Laws and resolutions of procedures (supply contracts and provision of distributed generation for minor operations).

- INDUSTRY SECTOR: "Green Productive Development Plan" - Resolution of the Ministry of Productive Development N° 352/2021 - <http://servicios.infoleg.gob.ar/infolegInternet/anexos/350000-354999/351956/norma.htm>

- "Soluciona Verde" Program - Resolution of the Ministry of Productive Development N° 674/2021 <http://servicios.infoleg.gob.ar/infolegInternet/anexos/355000-359999/355718/norma.htm>

- "Circular Economy Program" - Resolution of the Ministry of Productive Development N° 767/2021 - <http://servicios.infoleg.gob.ar/infolegInternet/verNorma.do?id=356631>

- "Recycling Cooperative Strengthening Projects" - Resolution of the Ministry of Productive Development N° 846/2021 - <http://servicios.infoleg.gob.ar/infolegInternet/anexos/355000-359999/357345/norma.htm>

- HEALTH SECTOR: Law 27,506. "Regime for the Promotion of the Knowledge Economy": This regulatory framework provides tax benefits for industrial sectors such as biotechnology, nanotechnology, biology, biochemistry, microbiology, etc.

- Law 26,270. "Promotion of Modern Biotechnology", which promotes the development and production of modern biotechnology in the national territory.

FINANCIAL SECTOR: Despite being voluntary, the Guidelines and the Guides adopt the standards of the ICMA Principles for issuance of GSS bonds.

For its part, the special regime for sustainable collective investment products does constitute a regulatory framework that must be followed to create sustainable funds and trusts.

Investment facilitation and risk mitigation

The following examples in investment facilitation and risk mitigation in regards to investment for sustainable development can be mentioned in the energy sector:

RENOVAR: As indicated, the "Fund for the Development of Renewable Energies" (FODER) was instrumented, which, together with the World Bank Guarantee Program, offer a higher level of security to awarded projects.

PERMER: It is a project financed by the IBRD (World Bank) For Distributed Generation: Fund for the Distributed Generation of Renewable Energies (FODIS). The following examples in investment facilitation and risk mitigation in regards to investment for sustainable development can be mentioned in the energy sector:

RENOVAR: As indicated, the "Fund for the Development of Renewable Energies" (FODER) was instrumented, which, together with the World Bank Guarantee Program, offer a higher level of security to awarded projects.

PERMER: It is a project financed by the IBRD (World Bank) For Distributed Generation: Fund for the Distributed Generation of Renewable Energies (FODIS).

Technology upgrading

The following relevant national experiences in promoting technology upgrading in support of sustainable investment can be mentioned:

- ENERGY SECTOR: The aforementioned programs and their results (see sections "Comprehensive strategies", "Enabling regulatory framework and "Investment and risk mitigation") are an example of energy technology upgrading policies in support of sustainable investment, including renewables, clean energy and energy efficiency.

- DIGITAL ECONOMY: Through the Digital Documentary Management Ecosystem, as implemented by the National Secretariat of Technological Innovation, administrative processes are streamlined and improved. Additionally, the digital signatures allow for the creation and linking of documents and digital files. This is due to the support in each instance of the process: with surveys and training, and with the support of experts in digital document management. To implement the Program, the starting point is a selection process from a constructed eligibility matrix, where the organization levels are analyzed and the political, economic, social, technologic, ecologic and legal factors of the applicant local States are individualized. One of the axes of the Federal Digital Public Transformation Program is sustainability, due to the saving of paper and printing ink, storage and transport of printed documents. Therefore, our promotion of technological upgrading is supportive of sustainable investments for the whole public sector in Argentina. In 2026, the Program aims to achieve the digitalization of the public administrations in 70% of Argentina's provincial jurisdictions and the digitalization of 250 local governments. For further information, please consult: Federal Public Digital Transformation Program: <https://www.boletinoficial.gob.ar/detalleAviso/primera/267506/20220728>

Policy support

ENERGY AND INDUSTRY SECTORS: please see sections "Comprehensive strategies" and "Enabling regulatory framework". HEALTH SECTOR: Interdisciplinary initiative integrating the Ministry of Health, the National Health Products Regulatory Agency (ANMAT) and Chambers of Manufacturers to foster Clinical Research beyond COVID-19.

Access to finance

ENERGY SECTOR: Please see section "Comprehensive strategies", Law 27,191 (National Development Scheme for the use of renewable energy sources for the production of electricity). In addition, funds from international cooperation and International Financial Institutions (IFIs) are received. FINANCE SECTOR: All CNV's initiatives regarding sustainable finance can be found on its website: <https://www.argentina.gob.ar/cnv/finanzas-sostenibles-cnv>

Development impact

Some of the examples of the country's experiences in promoting development benefits from investments in sustainable development sectors, are as follows:

- INDUSTRY SECTOR: Since 2021, the "Green Productive Development Plan" has been established with the objectives to promote a federal, inclusive and sustainable development, adding value, generating decent jobs, and combatting climate change, within the framework of relevant international agreements, and promoting productivity and competitiveness. In this regard, the following actions and programs are being developed:

- i) SMEs Plan. Training through webinars on sustainability for SMEs,
- ii) "Program for the Development of the Solar Thermal Industry", to strengthen the supply of solar water heaters through technical assistance and product certification,
- iii) "Program for the Development of the Circular Economy". Comprehensive policy to increase the productive capacity of cooperatives in the recovery of waste, focusing on plastics, paper and cardboard, electrical waste and waste of electronic equipment and used vegetable oil,
- iv) "Program for the Development of Suppliers". Strategic sectors include manufacturers of equipment for the recycling industry; equipment for the control of effluents, emissions and waste; and energy-efficient industrial engines.
- v) "Promotion of Sustainable Consumption". Through the "School of Education for Consumption", consumers have access to courses on sustainable consumption from an environmental, social and economic perspective,
- vi) the "Solucion Verde Program". Development, implementation and adoption of innovative solutions, products or services generated by the "Knowledge Economy" sectors that contribute to the transition towards sustainable development,
- vii) Manufacture of electric bicycles. Promotion of the integration of the value chain of electric bicycles.
- viii) "Sustainable Mobility". Promotion of the demand and supply of non-conventional mobility technologies with a predominant role in public passenger transportation and National Public Administration vehicles,
- ix) Hydrogen Production. Development of the hydrogen value chain,
- x) "National Renewable Cluster". Strengthening of the productive cluster of equipment, services and technology in renewable generation together with the provinces, based on wind, solar and small hydroelectric generation, and xi) "Recycling and Plastic Waste Reduction Pilots". Creation of a scalable modular platform to create technological and productive capacities in the integral use of plastic waste, etc.

- FINANCIAL SECTOR: Please refer to the answer provided in the 'Strategies' column, since, through the Guidelines and the Guides, CNV promotes the issuance of GSS bonds that contribute to the fulfilment of the 2030 Agenda and its SDGs.

Promotion	<p>Investment promotion initiatives</p> <p>Some additional examples of national efforts to promote sustainable investment in certain relevant sectors are the following:</p> <ul style="list-style-type: none"> - ENERGY SECTOR: Program RENOVAR (the different rounds of the program took place between 2016 and 2019) - FINANCIAL SECTOR: Guidelines for issuance of green, social and sustainable securities in Argentina. Guide for socially responsible investment in the Argentine Capital Market. <p>Guide for issuance of social, green and sustainable bonds. Special regime for sustainable collective investment products. For further information, please consult: https://www.argentina.gob.ar/cnv/finanzas-sostenibles-cnv</p>
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International collaboration	<p>Investment facilitation instruments</p> <p>Some of the examples of our collaboration with other countries related sustainable investments are as follows:</p> <p>ENERGY SECTOR: Current international collaborations are related to the exchange and technical training and promotion of renewable energies and energy efficiency. Argentina is a member of the International Renewable Energy Agency (IRENA) and has access to the new Energy Transition Accelerator Financing (ETAFA) and thus our country looks forward to benefiting of its funds with a view to further develop renewable energies.</p> <p>The international collaborations are focused on the promotion and exchange of information, mainly through the International Energy Agency and its Energy Efficiency Hub, as well as the environmental international initiatives. For further details, see column titled Active promotion of technology for development.</p> <p>HEALTH SECTOR: The Pan American Health Organization (PAHO) selected two regional centers for the development and production of mRNA vaccines in Latin America in Argentina and Brazil, in order to address COVID-19 and future infectious disease challenges.</p> <p>Private sector biopharmaceutical company Sinergium Biotech has been selected as a hub in Argentina and will partner with biotech company mAbxience — belonging to the same group — to develop and manufacture the vaccine’s active ingredients. Both companies have extensive experience in the production and development of vaccines and other biotechnological medical products.</p> <p>The selection is the result of a call for expressions of interest promoted by the WHO in April 2021 in which manufacturers and public and private research institutions were invited to contribute to the establishment of technology transfer centres for mRNA vaccines against COVID-19 in emerging economies. The initiative was supported by PAHO/WHO global partners, such as the Medicines Patent Pool.</p> <p>The call attracted some thirty expressions of interest from Latin American companies and scientific institutions. To ensure sustainability and further increase regional capacity, PAHO launched a second call for expressions of interest in August 2021. This call was aimed especially at manufacturers interested in being part of a regional consortium to supply pharmaceutical-grade reagents and other inputs for the production of mRNA vaccines.</p>
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Outward FDI promotion schemes

ENERGY SECTOR: See column related to "investment facilitation and risk mitigation"

Active promotion of technology for development

Some of the examples of Argentina’s support for the active promotion of technology dissemination in certain sectors related to sustainable development are as follows:

ENERGY SECTOR: The active participation in forums such as IRENA, the International Energy Agency (Energy Efficiency Hub), the Latin American Energy Organization (OLADE), the Organization of American States (OAS) and its Energy and Climate Partnership of the Americas (ECPA) and relevant thematic initiatives such as the Global Wind Energy Council (GWEC), constitute the way to promote the development of renewable technologies and energies, while facilitating exchange of experiences with other countries. The South-South exchanges promoted by IFIs, such as the World Bank, have also been forms of promotion of renewables, even there have been challenges for their strengthening since 2020, given the pandemic.

HEALTH SECTOR: Vaccine, therapeutics and diagnostics manufacturing, and research is a key topic for Argentina. We believe that any collaboration activities in this regard should be based on the principles of equity, mutual cooperation and solidarity. Also, we understand this topic is correlated to effective technology transfer, experience sharing, and intellectual property licensing.

Regarding preparedness and response to health emergency capacities, Argentina is participating on the G20 Health Track in the Global South Multilateral Meetings led by the Indonesian Presidency. This is an initiative aimed at creating a Manufacture-Research Hub Collaboration for COVID-19 Vaccines, Therapeutics, and Diagnostics (VTD). Argentina also welcomes that the WTO, at its 12th Ministerial Conference (June 2022), has been able to reach some multilateral agreements, including regarding the intellectual property waiver for vaccines against Covid-19. Our country hopes that the current negotiations allow to complete and finalize these partial agreements towards the extension of the waiver to diagnoses and treatments related to COVID-19.

DIGITAL ECONOMY: Argentina is promoting the conclusion of bilateral or multilateral agreements with different States to promote the legal recognition of electronic documents signed with digital signatures, which favors the development of electronic commerce, among other issues. This is of relevance in the context of the achievement of a strong, sustainable and inclusive post-pandemic recovery, given the growth of the e-commerce and the potential for MSMEs to further integrate to markets through this type of trade.

Australia

Strategies

Comprehensive strategies

The Australian government manages and delivers a number of policies and programs to underpin the supply of reliable, secure and affordable energy. Examples include:

Powering Australia, which includes:

- Rewiring the Nation
- National Electric Vehicle Strategy
- National Reconstruction Fund
- Powering the Regions
- Community Batteries and Solar Banks

Climate Active

Establishing Offshore Renewable Energy Infrastructure

Emissions Reduction Fund

Future Fuels Strategy

Indo-Pacific Carbon Offsets Scheme

International climate change commitments

National Greenhouse and Energy Reporting (NGER) scheme

National Hydrogen Strategy

Renewable Energy Target Scheme

Safeguard Mechanism

Trajectory for Low Energy Buildings

Further information on Australia's energy strategies and frameworks can be found at <https://www.dcceew.gov.au/climate-change/strategies>

Policies

Enabling regulatory framework

Renewable Energy Target Scheme

The Renewable Energy Target (RET) scheme encourages renewable electricity generation. It aims to reduce greenhouse gas emissions from the electricity sector.

The Australian government provides policy advice, implementation support and oversees the operation of the RET scheme in line with the RET legislation:

Renewable Energy (Electricity) Act 2000

Renewable Energy (Electricity) (Small-scale Technology Shortfall Charge) Act 2010

Renewable Energy (Electricity) (Large-scale Generation Shortfall Charge) Act 2000

Renewable Energy (Electricity) Regulations 2001

Establishing offshore renewable energy infrastructure

Australia has many areas that may be suitable for offshore renewable energy infrastructure.

We regulate offshore renewable energy infrastructure in Australian Commonwealth waters under the Offshore Electricity Infrastructure Act 2021 and the associated Regulatory Levies Act and Consequential Amendments Act.

The Trajectory for Low Energy Buildings

The Trajectory for Low Energy Buildings is Australia's national plan to achieve zero energy and zero greenhouse gas emissions attributable to commercial and residential buildings by 2050. It is supported and enabled by Australia's National Construction Code, which is a performance-based regulatory framework covering new buildings and major refurbishments of existing buildings.

Market demand for energy efficient buildings is supported by the Commercial Building Disclosure Program, which requires energy efficiency information to be provided when commercial office space of 1000 square metres or more is offered for sale or lease. Building owners can use the National Australian Built Environment Rating System to obtain a simple, reliable, and comparable sustainability measure that can be used to compare a wide range of buildings, including hotels, shopping centres, apartments, offices and data centres.

Australian Energy Ministers have recently updated the NatHERS Whole of Home rating system to enable building owners, assessors and builders to demonstrate compliance with the increased energy efficiency requirements in the National Construction Code 2022. The new assessment system builds on the existing thermal performance assessment by expanding to include information about the energy use of household appliances.

Flexible building energy efficiency regulation in Australia is complemented by regulation on the sale or supply of high energy using household and commercial appliances and equipment under the Greenhouse and Energy Minimum Standards Act 2012. Appliances and equipment covered by a GEMS determination must meet minimum energy performance standards and other applicable requirements, including the display of an energy rating label.

Investment facilitation and risk mitigation

Foreign investment promotion and assistance available from Austrade and Australian state and territory governments:

As Australia's foreign investment promotion agency, the Australian Trade and Investment Commission (Austrade) promotes Australia as a destination for foreign investment and works to attract and facilitate investment into renewable energy projects and technologies to lower emissions. Austrade also coordinates work across state and territory governments to assist investors with various aspects of the investment process, as well as offering a range of programs to encourage business, innovation and growth within their jurisdictions.

Examples available at <https://www.austrade.gov.au/international/invest/investor-updates/2021/foreign-investment-helping-australia-transition-to-a-green-future>

Technology upgrading

Where Australia invests in low emissions technologies:

We are investing in low emissions technologies and other projects to reduce Australia's emissions.

We do this through agencies like the:

Australian Renewable Energy Agency (ARENA)

Clean Energy Finance Corporation (CEFC)

Clean Energy Regulator (CER), which administers the Emissions Reduction Fund (ERF).

The map at the link below shows where these government agencies are investing in and enabling low emissions projects and technologies:

<https://www.dccew.gov.au/climate-change/strategies/where-we-invest-in-low-emissions-technologies>

Policy support

The Commonwealth Science Industry Research Organisation (CSIRO), our national science agency, is recognised internationally for its quality research and is Australia's largest holder of patents. Its science and engineering skills, equipment and international connections are helping Australian manufacturers penetrate new markets and be environmentally sustainable.

Access to finance

Clean Energy InvClean Energy Investment and Finance

The Australian Government supports clean energy innovation across the spectrum of research and development, demonstration and deployment. Research and development grants are provided by the Australian Renewable Energy Agency (ARENA), the Australian Research Council and the CSIRO. The Clean Energy Finance Corporation (CEFC) through its Clean Energy Innovation Fund invests venture capital in early-stage clean technology companies. As well as its direct investments into these companies, the CEFC also supports the provision of seed capital via specialist accelerator co-investors. The Innovation Fund is operated in consultation with ARENA. Additionally, the CEFC promotes investment in clean energy technologies and projects through the provision of debt and equity.

Australian Renewable Energy Agency

The Australian Renewable Energy Agency is a statutory authority established by the Australian Renewable Energy Agency Act 2011, which commenced operations on 1 July 2012. ARENA provides research, development and deployment grant funding to improve the affordability and increase the supply of renewable energy in Australia.

Clean Energy Finance Corporation

The Clean Energy Finance Corporation (CEFC) is a statutory authority established by the Clean Energy Finance Corporation Act 2012, which commenced operations on 1 July 2013. The CEFC's mission is to accelerate investment in Australia's transition to net zero emissions. The CEFC uses debt and equity funding to promote investment in clean energy technologies. The CEFC does this through direct investments, which attract private sector finance, as well as making indirect investments through the provision of wholesale debt facilities to strategic co-financing partners.

Development impact

Landcare

Landcare is a unique grass-roots movement that started in the 1980s to tackle degradation of farmland, public land and waterways. The movement has expanded and evolved since then, and is achieving results Australia-wide. Individuals and groups practice sustainable agriculture and management of natural resources such as soil, water and native vegetation.

Australian Government investment in Landcare

We recognise and support the important role that community, farming and industry organisations play as part of the Landcare movement.

This involvement builds community capacity to sustainably manage natural resources including reducing adverse impacts and improving the condition of soils, water, vegetation and on-farm biodiversity.

Good condition of natural resources underpins the productivity and profitability of the agriculture, fisheries and forestry industries. It also delivers wider community and environmental benefits.

Smart Farms

The Australian Government has allocated \$136 million to the Smart Farms program (2017-18 to 2022-23). The funding supports the development and uptake of best practice, tools and technologies for farmers and land managers, fishers, foresters and regional communities.

This will help improve the protection, resilience and productive capacity of our soils, water and vegetation which underpin successful primary industries and regional communities. Smart Farms will focus on improving land management practices and biodiversity. It will also support agricultural systems to adapt to significant changes in climate, weather and markets.

Building Landcare Community and Capacity

The Building Landcare Community and Capacity Program (\$39.51 million over 6 years) provides ad-hoc grants for initiatives that directly support the Landcare community and farmer organisations. Activities suitable for funding are based on consultation and emerging issues. 53 projects have been funded to date.

These activities include, but are not limited to, awards and recognition for excellence among the Landcare community; leadership development opportunities; conferences and networking events; communication and community engagement activities and other projects that strengthen the social and technical capacity that underpins the delivery of Landcare; and efforts by Landcare and farming groups to deliver on-the-ground improvements in land management.

Promotion

Investment promotion initiatives

Initiatives to promote renewables, clean energy and energy efficiency

Renewable Energy Target Scheme

Offshore renewable energy infrastructure

Growing Australia's hydrogen industry

More information about initiatives to promote renewable energy can be found at <https://www.dcccew.gov.au/energy/renewable>

Australia's energy strategies and framework

Policy documents and examples of Australia's energy strategies and framework can be found at <https://www.energy.gov.au/government-priorities/australias-energy-strategies-and-frameworks>

The Australian Trade and Investment Commission (Austrade)

The Australian Trade and Investment Commission—Austrade—promotes Australian trade, investment, tourism and education to the world.

More information about Austrade can be found at <https://www.austrade.gov.au/about/about>

International collaboration

Investment facilitation instruments

Free Trade Agreements

Free Trade Agreements are instruments that Australia relies on to facilitate investment with other countries.

A summary of Australia's FTAs that are currently in force can be found at <https://www.dfat.gov.au/trade/agreements/trade-agreements>

Austrade events

The Australian Trade and Investment Commission (Austrade) organises events to inform Australian industries of conditions overseas in countries where businesses would like to invest.

More information about these events can be found at <https://www.austrade.gov.au/events/events>

Ministerial Led Business Missions

Overseas visits by Federal Government Ministers help advance Australia's diplomatic and economic interests and promote the international competitiveness of Australian businesses. Austrade manages and coordinates ministerial led business missions including by the Minister for Trade and Tourism and the Prime Minister.

More information can be found at <https://www.austrade.gov.au/events/federal-government-led-business-missions>

Outward FDI promotion schemes

Export Finance Australia

Export Finance Australia provides finance solutions for Australian exporters and overseas infrastructure development that delivers benefits to Australia.

As the Government's export credit agency, it is an integral part of Australia's international trade and investment focus – supporting businesses, jobs and the community. This can include helping businesses to setup overseas operations.

It plays a critical role for its customers and partners by supporting SMEs, corporates and governments to realise export opportunities and by helping finance sustainable infrastructure in the Indo-Pacific region.

Export Finance Australia works together with banks, other government agencies and its partners to drive international success.

More information about Export Finance Australia can be found at <https://www.exportfinance.gov.au/>

Active promotion of technology for development

Agricultural development and food security

Australia is a trusted regional leader in agricultural and fisheries innovation. Through our development program we are harnessing our expertise to help communities in our region to achieve greater productivity, sustainability, climate-resilience and food security.

Australia supports a range of agricultural initiatives across its bilateral, regional and global programs. Australia also has highly valued technical and managerial capabilities in agricultural research which are being harnessed to improve agricultural productivity in developing countries. Through the Australian Centre for International Agricultural Research (ACIAR), the Government funds research to improve the knowledge and understanding of the challenges our partner countries face. The research also provides an evidence base to evaluate the impact of our work and improve the quality of the Australian aid program. In addition, the Australian Department of Foreign Affairs and Trade (DFAT) and ACIAR work closely with research institutions such as the Consultative Group on International Agricultural Research (CGIAR), the Commonwealth Scientific and Industrial Research Organisation (CSIRO), and research organisations in developing countries to sustainably increase agricultural productivity and enhance rural livelihoods.

More information can be found at <https://www.dfat.gov.au/development/topics/development-issues/agricultural-development-and-food-security>

Brazil

Strategies

Comprehensive strategies

The Investment Partnerships Programme (PPI) is one of the largest initiatives for the attraction of private investments for infrastructure in the world, resulting in around USD 44,56 billion as concession fees and USD 230 billion as expected investment (2016-2022). The programme has enhanced legal certainty for investors, through regulatory improvements and has also incorporated a sustainability/ESG perspective, regarding the following aspects: environmental (renewable energy, management of solid waste/sanitation, reduction of emissions, protection of natural resources); social (public policies, social rights); governance (coordination, control, risk management, transparency).

Policies

Enabling regulatory framework

(i) Law No. 14.026/2020 established the "New Regulatory Framework for Sanitation in Brazil". It aims at the universalization of access to water and sewage treatment in the country. This law provided for a more efficient institutional framework, having the National Agency of Waters (ANA) responsible for introducing general regulations and guidelines based on the best regulatory practices in the sector and performance goals. (ii) In 2020, the National Investment Committee (Coninv) of the Brazilian Foreign Trade Chamber (CAMEX) approved the mandate for the elaboration of an Action Plan on Responsible Business Conduct (PACER) as part of the National Investment Plan 2020-2022. Thus, the Brazilian Government has sought to include initiatives related to ESG policies within the scope of the Plan with the aim of promoting more qualified investments and encouraging the implementation of best practices both within the government and in the business sector.

Investment facilitation and risk mitigation

(i) In 2017, the Central Bank (BCB) launched its Social-Environmental Responsibility Policy. Since then, the National Monetary Council (CMN) Resolution No. 4,943/2021 has redefined risk management to include social, climate and environmental risk, which has to be monitored and reported. Resolution CMN No. 4,945/2021 provided that all financial institutions shall establish a Social, Environmental and Climate Responsibility Policy. Resolution BCB No. 140/2021 restricts access to credit to the agricultural sector in case of violation of social, environmental and climate protection provisions. (ii) In 2019, the Brazilian Foreign Trade Chamber (CAMEX) launched the Direct Investments Ombudsman, a "single window" for investors. (iii) Law nº 10.233/2001 establishes as a principle for land transport the compatibility with the preservation of the environment. The government monitors the concessions, to ensure protection of ecosystems, as well as the mitigation or compensation of the impacts of highways.

Technology upgrading

(i) There are federal funding schemes to support sustainable technologies in the following fields: sustainable fuels; biodiversity; bioeconomy; forest management and reforestation; atmospheric studies; and others. There are also direct investments in research infrastructure to enable these investigations (e.g. SALAS Laboratories, Mamiraua Institute, Torre ATTO, Synchrotron Light Sirius). Startup programs support sustainable innovation, with financial and guidance, in fields such as bioeconomy (SEBRAE's Inova Amazonia). Many other multi thematic programs include sustainable cities, circular economy, environment, energy efficiency, renewable energies, and treatment of pollution, in their priority areas (Inovativa, Finep Startup, BNDES Garagem). There are also institutional projects such as the Brazilian Initiative for Hydrogen (IBH2). (ii) Brazil is part of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

Policy support

The Sustainable Airports program, launched in 2019, aims to monitor the development of environmental management in airports and disseminate the sustainable initiatives adopted by airport operators, promoting the reduction of the impacts of civil aviation on the environment. The initiative is in its third edition, and it is a non-regulatory incentive instrument aimed at the dissemination of good environmental management practices in airports and the recognition of proactive initiatives related to the sustainability of air operations.

Access to finance

The National Bank of Social and Economic Development (BNDES) fosters sustainable development and better living conditions by offering credit for financial investments and through specific funds, such as Social Fund, Climate Fund and Amazon Fund. BNDES also supports projects in renewable energy and energy efficiency; sanitation and recovery of brownfields; corporate social investments, social and productive inclusion and microcredit; recovery and preservation of biomes; and urban development and sustainable mobility, healthcare, education and public safety. Examples of recent initiatives: BNDES Parks and Forests; Floresta Viva; RenovaBio; BNDES Blended Finance initiative; BNDES ESG Credit Program. Regarding risk management, recent advances are the reformulation and expansion of the Bank's Exclusion and Conditional Support List and the updating of its Socio-environmental Management of Operations norm.

Development impact

The Federal Government has placed direct funding schemes to support sustainable technologies in the following fields: sustainable fuels for different modes of transportation; biodiversity; bioeconomy; forest management and reforestation; atmospheric studies; and others. There are also direct investments in research infrastructure to enable these investigations (e.g. SALAS Laboratories, Mamiraua Institute, Torre ATTO, Synchrotron Light Sirius). On the side of innovation, there are several startup programs to support sustainable innovation, with financial and guidance, in the fields such as bioeconomy (SEBRAE's Inova Amazonia). Many other multi thematic programs include sustainable cities, circular economy, environment, energy efficiency, renewable energies, and treatment of pollution, in their priority areas (Inovativa, Finep Startup, BNDES Garagem).

Promotion

Investment promotion initiatives

In order to encourage ports to create/encourage and strengthen the adoption of equipment and facilities using renewable energies, there is the RenovaBio Project, aiming to avoid the emission of 620 million tons of CO2 by 2030. And to increase the participation of sustainable biofuels in the Brazilian energy matrix, expanding the consumption of biofuels, advanced biofuels and energy efficiency, there are the following programs: "National Program for the Production and Use of Biodiesel"; Future Fuel Program, Energy Systems for the Future Project"; "ABC+ Program; Andus Project; ProAdapta Project; Pomuc Project" - Aims to encourage initiatives to reduce vulnerability in terms of water, energy, food, social and environmental security, including urban centers.

International collaboration

Investment facilitation instruments

Brazil has developed its own investment agreement model: the Investment Cooperation and Facilitation Agreement (ICFA), which provides legal protection while enshrining investment facilitation as a key element. It creates a Joint Committee which establishes cooperation agendas in areas that improve the investment environment, including the promotion of sustainable investment. ICFA contemplates modern social and

corporate responsibility provisions (Responsible Business Conduct). By committing to the ICFA, investors aim at achieving the highest possible level of contribution to the sustainable development of the host State and the local community, through the adoption of a high degree of socially responsible practices, based on the OECD Guidelines for Multinational Enterprises. Furthermore, the Parties recognize it is inappropriate to encourage investments by lowering the labor and environmental standards.

Outward FDI promotion schemes

See column "Investment facilitation instruments".

Active promotion of technology for development

Action plan to reduce greenhouse gas emissions from civil aviation. Every three years, The Ministry of Infrastructure and the National Civil Aviation Agency bring together stakeholders from the aviation sector to update the Action Plan. The document is part of the commitment signed with the International Civil Aviation Organization - through resolution A37-19 and aims to present the current state of the work developed by stakeholders in the context of climate change mitigation and their plans for future advances. The impact of the proposals is assessed quantitatively, estimating a base scenario for CO2 emissions and the effect of the measures adopted.

Canada

Strategies

Comprehensive strategies

Canada welcomes Indonesia's focus on sustainability and investment, and on how these two areas complement each other. Foreign Direct Investment (FDI) plays an important role in the context of green economic recovery. This is why Canada has been working with policies that support inward FDI attraction in renewables, clean tech and in sectors that support sustainability. Some examples of policies, strategies and initiatives are listed below. Canada is also promoting sustainable investment abroad, especially in developing countries, through initiatives such as FinDev and 2XCanada.

Policies

Enabling regulatory framework

Canada's Private Sector Engagement for Sustainable Development strategy presents an approach to broaden and deepen Global Affairs Canada's engagement with the private sector in Canada and overseas through international assistance and policy programs. The strategy seeks to reinforce Canada's contribution to the achievement of SDGs. The strategy is built around six pillars: The first two pillars seek to expand opportunities for the local private sector to contribute to sustainable development through strengthening the enabling environment (pillar 1) and building capacity (2). The next three focus on partnerships through sharing information (3), advancing practice (4) and mobilizing expertise (5). The last pillar focuses on increasing transnational and local private sector investment toward the SDGs by catalysing capital (6).

Investment facilitation and risk mitigation

See other sections.

Technology upgrading

The Government of Canada announced early in 2022 the creation of the Canadian innovation and investment agency, with initial funding of \$1 billion. The Agency will proactively work with and invest in new and established Canadian industries and businesses to help them make the investments they need to innovate, grow, create jobs, and be competitive in the changing global economy.

Policy support

Canada recognizes the clean tech sector as an important priority for supporting economic growth while working towards the country's climate change commitments. A suite of programs supports the Clean Tech sector, including: The Clean Growth Hub, Agricultural Clean Technology Program and Green Procurement Strategy. A Hydrogen Strategy for Canada was announced in December 2020.

The Department of Finance Canada will engage with experts to establish an investment Tax Credit for Investments in Clean Technology of up to 30%, focused on net-zero technologies, battery storage solutions, and clean hydrogen. The design details of the investment tax credit will be provided in the 2022 fall economic and fiscal update.

Access to finance

The Canada Growth Fund is a new public investment vehicle with an initial capitalization of \$15 billion over five years to attract substantial private sector investments needed to meet our national economic policy goals. This includes reducing emissions and reaching our climate goals; creating low-carbon industries and new technologies to diversify the economy and exports; and restructuring critical supply in areas that are important for future prosperity.

	<p>Development impact</p> <p>Canada continues to support and encourage investment in sustainable development sectors through its Responsible Business Conduct (RBC) approach: The Government of Canada expects Canadian companies active abroad to respect human rights, to operate transparently, and to work in a socially and environmentally responsible manner, while respecting applicable law. In 2022, the Government of Canada updated its Responsible Business Conduct Strategy. This 5-year strategy (2022-2027) sets priorities for the Government of Canada to ensure Canadian companies' contribution to sustainable development by adopting responsible business practices.</p>
<p>Promotion</p>	<p>Investment promotion initiatives</p> <p>Canada's Foreign Direct Investment Attraction Strategy (FDIAS). The objective is to support the Government of Canada's economic growth objectives, including sustainable and inclusive economic recovery, by aligning and guiding federal stakeholders in attracting FDI. This strategy is predicated on the principle that Canada's economic success relies on open and predictable markets while taking into account Canada's national security interests. The role of FDI is even more important in the context of green economic recovery. Foreign investment is an important source of business investment that can drive innovation and sustainable economic growth, particularly in priority sectors.</p>
<p>International collaboration</p>	<p>Investment facilitation instruments</p> <p>Canada's model Foreign Investment Promotion and Protection Agreement (FIPA) aims to protect and promote foreign investment through legally-binding rights and obligations. These include provisions such as the Right to Regulate and Responsible Business Conduct (RBC), which include protection for the environment, sustainable development, and climate change. The role of FDI in Canada is even more important in the context of green economic recovery from COVID-19. Foreign investment is an important source of business investment that will drive sustainable economic growth, particularly in priority sectors that will provide well-paying jobs. While Canada does not have an outward FDI promotion scheme, it does provide protection for investors through investment provisions in FTAs and through its new FIPA model.</p> <p>Canada continues to actively engage in ongoing investment facilitation negotiations at the WTO, under the Joint Statement Initiative on Investment Facilitation for Development.</p> <p>Outward FDI promotion schemes</p> <p>In terms of financial support for sustainable development projects abroad, Canada is supporting sustainable investment through facilities and projects such as 2X Canada, led by FinDev Canada, a subsidiary of Export Development Canada (EDC). The objective of 2X Canada is to contribute to sustainable, inclusive, resilient growth in targeted markets with a focus on enhancing the socio-economic well-being of underserved and vulnerable populations, particularly women in Latin America, the Caribbean and Sub-Saharan Africa.</p> <p>Active promotion of technology for development</p> <p>Canada works closely with the International Energy Agency, IRENA, the Clean Energy Ministerial, Mission Innovation, and the UNFCCC, all of which have core activities around sustainable development technology dissemination.</p> <p>Canada continues to engage with the Climate Technology Centre and Network (CTCN), which provides technical assistance for technology development and transfer and capacity building for developing countries.</p> <p>Canada is also the largest donor to the IEA's Clean Energy Transitions Programme, which advances clean energy technology transitions in emerging economies, particularly through collaborative analytical work, technical cooperation, training and capacity building, and strategic dialogues.</p>

China

<p>Strategies</p>	<p>Comprehensive strategies</p> <p>Achieving carbon peaking and carbon neutrality is a major strategic decision of China. In 2021, the Chinese government made public the WORKING GUIDANCE FOR CARBON DIOXIDE PEAKING AND CARBON NEUTRALITY IN FULL AND FAITHFUL IMPLEMENTATION OF THE NEW DEVELOPMENT PHILOSOPHY, and the ACTION PLAN FOR CARBON DIOXIDE PEAKING BEFORE 2030, which together constitute the overall deployment of carbon peaking and carbon neutralization. It is proposed to improve investment policies, give full play to the guiding role of government investment, build an investment and financing system compatible with carbon peaking and carbon neutrality, strictly control investment in high-carbon projects, and increase support for projects such as energy conservation and environmental protection, new energy, low-carbon transportation equipment, and carbon capture, utilization and storage.</p>
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Policies	Enabling regulatory framework

	Investment facilitation and risk mitigation
	In October 2019, China made public the Regulations on Optimizing the Business Environment. To improve the licensing process, China implements the administrative license list management system, and adjusts the list of administrative licenses in due course and publishes it to the public. In terms of information access, government departments at all levels adhere to openness and transparency in government affairs, and comprehensively promote openness in decision-making, implementation, management, services and results. To enhance the certainty, stability and predictability of the regulatory system, China has improved its business environment by adhering to the principles of marketization and rule of law, and creating a stable, fair, transparent and predictable environment for all types of market players.
	Technology upgrading
In the policy documents such as the WORKING GUIDANCE FOR CARBON DIOXIDE PEAKING AND CARBON NEUTRALITY IN FULL AND FAITHFUL IMPLEMENTATION OF THE NEW DEVELOPMENT PHILOSOPHY AND THE ACTION PLAN FOR CARBON DIOXIDE PEAKING BEFORE 2030, the Chinese government decides to implement key forward-looking and strategic national cutting-edge science and technological projects, so as to realize a breakthrough in the research on low-carbon, zero-carbon and carbon-negative equipment and technologies. Strengthen the application of basic research by focusing on green and intelligent development and clean and low-carbon utilization of fossil fuel, large-scale utilization of renewable energy, new electric power systems, energy saving and among others.	
Policy support	
The Chinese government is committed to promoting the development of energy conservation, environmental protection, and clean energy, and has issued some relevant preferential tax policies. For example, according to the Enterprise Income Tax Law and related policies, the income from investment and operation of public infrastructure as stipulated in the Catalogue of Enterprise Income Tax Preferential Projects for Public Infrastructure Projects, such as wind, ocean energy, solar energy, geothermal power generation projects, etc., gets income tax relief and other benefits. At the same time, the income of enterprises engaged in environmental pollution prevention and control, energy-saving and emission-reduction technology transformation, water-saving transformation and unconventional water utilization projects stipulated in the Catalogue of Enterprise Income Tax Preferential Projects for Environmental Protection, Energy-Saving and Water-Saving Projects can also enjoy corporate income tax preferential policies.	
Access to finance	
Vigorously develop financial instruments such as green loans, green equity, green bonds, green insurance, and green funds, establish carbon emission reduction support tools, and encourage development policy financial institutions to provide long-term stable financing support for carbon peaking actions in accordance with the principles of marketization and rule of law. Encourage social capital to set up green and low-carbon industry investment funds in a market-oriented manner.	
Development impact	

Promotion	Investment promotion initiatives

International collaboration	Investment facilitation instruments
	China has adopted the system of pre-establishment national treatment plus negative list on foreign investment. Constantly update the Foreign Investment Guide of China to guide and facilitate foreign investment by introducing China's investment environment, policies and project information, etc..

Outward FDI promotion schemes

By adhering to market orientation, commercial principles and international practices, the Chinese government improves the level of ODI facilitation, actively negotiates bilateral and multilateral agreements, builds investment cooperation platforms so as to create a favourable environment for OFDI development, and promote mutual benefits and win-win development between China and partner countries.

1.China and 28 countries have jointly endorsed the Guiding Principles on Financing the Development of the Belt and Road, calling upon the governments, financial institutions and companies from countries involved to follow the principles of equal-footed participation, mutual benefits and risk sharing as they work together to build a long-term, stable, sustainable financing system that is well-placed to manage risks.

2.During the Second Belt and Road Forum for International Cooperation, China released the Debt Sustainability Framework for Participating Countries of the Belt and Road Initiative (BRI-DSF) .

3.In 2018, China and UK released the Green Investment Principles for the Belt and Road (GIP) to promote green investment in the Belt and Road region.

Active promotion of technology for development

On FDI, China revised the Catalogue of Industries of Encouraging Foreign Investment, issued the Plan for Development by Utilizing Foreign Investment during the "14th Five-Year Plan" Period in order to lower the bar of foreign-funded R&D centers for the import tax policies on science and technology innovation, optimize the "fast track" system for personnel entry and to promote the steady growth of industrial economy, strengthening policy support for foreign-funded enterprises.

On OFDI, in July 2021, the Ministry of Commerce and the Ministry of Ecology and Environment of China issued the "Green Development Guidelines for Overseas Investment and Cooperation".

France

Strategies

Comprehensive strategies

Policies

Enabling regulatory framework

Investment facilitation and risk mitigation

Technology upgrading

Policy support

Access to finance

Article 77-29° Law No. 2019-486 of 22 May 2019 on growth and transformation of companies (PACTE law) added a specific mission for the Autorité des Marchés Financiers (AMF), making it responsible for ensuring the quality of information provided by asset management companies on their investment strategy and the way they manage risks related to the effects of climate change.

Development impact

Promotion

Investment promotion initiatives

(i) the "France Relance" and "France 2030" investment plans both aim to support the ecological transition by, for example, providing financial support to decarbonize industry and transports, develop green technologies such as hydrogen or batteries, and promote sustainable agriculture. They also aim to unlock private investments for these initiatives. (ii) Held annually, the Choose France Summits aim to promote foreign investments in France, including sustainable investments. The Summits are certified "sustainable events" (ISO-20121) and include panels and workshops on sustainable investment. (iii) Other initiatives have been put in place at the ecosystem-level to promote sustainable investments. The "French Tech Green 20" is a grouping of the most promising French green start-ups, which gives them visibility and helps them attract investors. "Finance for Tomorrow" is an association of the Paris financial center aimed at greening the financial system and promoting sustainable investments.

International collaboration

Investment facilitation instruments

France is a core member of the Beyond Oil & Gas Alliance (BOGA) which is an international alliance of governments and stakeholders working together to facilitate the managed phase-out of oil and gas production.

The alliance aims to elevate the issue of oil and gas production phase-out in international climate dialogues, mobilize action and commitments, and create an international community of practice on this issue. Core members of BOGA commit to end new concessions, licensing or leasing rounds for oil and gas production and exploration and to set a Paris-aligned date for ending oil and gas production and exploration on the territory over which they have jurisdiction.

Outward FDI promotion schemes

Active promotion of technology for development

Germany

Strategies

Comprehensive strategies

Policies

Enabling regulatory framework

Investment facilitation and risk mitigation

Technology upgrading

Policy support

Access to finance

Development impact

Promotion

Investment promotion initiatives

International collaboration

Investment facilitation instruments

Outward FDI promotion schemes

Investment Guarantees of the Federal Republic of Germany hedge eligible German direct investments abroad against political risks that may occur, contributing significantly to economic growth. The policyholder can benefit in many ways under an investment guarantee e.g. the compensation of losses (caused by political events) by the Federal German Government. In a case of project disruption the Federal Government will furthermore provide effective political support to prevent losses. In doing so the investment guarantees help to stabilise German projects abroad and they support German companies to proceed with their investments even under difficult conditions. The ministries in the Interministerial Committee (IMC) decided on measures to implement a strategy designed to take the effects of climate change into consideration in relation to the investment guarantees in 2020. The cover options for projects identified as hazardous to the climate will be restricted under these and conversely, investments in climate-friendly projects will be more strongly promoted. Discussions are currently taking place to provide further incentives for climate-friendly projects.

Active promotion of technology for development

India

Strategies

Attract investment both through domestic and international sources in domestic industry to boost domestic manufacturing especially in sunrise sectors.

Policies

Enabling regulatory framework

To attract investment wherever possible redundant policies/laws are being amended to make them more investor friendly. Some of the initiatives are as under:

- Insolvency and Bankruptcy Code 2016 was introduced to reduce time taken in resolving insolvency, which has now come down to comparable to OECD Countries.
- In order to attract fresh investment in manufacturing and thereby provide boost to 'Make-in-India' initiative of the Government, corporate tax rates on fresh investment in manufacturing has been reduced to 15%. The effective tax rate for these companies shall be 17.01% inclusive of surcharge & cess. Also, such companies shall not be required to pay Minimum Alternate Tax.
- A common tax system for Goods & Services Tax (GST) in the whole country is being followed, which reduced tax burden and compliance requirement on investors.
- Keeping in view India's vision of becoming 'Atmanirbhar', PLI Schemes for 14 key sectors have been announced with an outlay of Rs. 1.97 lakh crore (over US\$26 billion) to enhance India's Manufacturing capabilities and Exports. The 14 key sectors are: (i) Mobile Manufacturing and Specified Electronic Components, (ii) Critical Key Starting materials/Drug Intermediaries & Active Pharmaceutical Ingredients, (iii) Manufacturing of Medical Devices (iv) Automobiles and Auto Components, (v) Pharmaceuticals Drugs, (vi) Specialty Steel, (vii) Telecom & Networking Products, (viii) Electronic/Technology Products, (ix) White Goods (ACs and LEDs), (x) Food Products, (xi) Textile Products: MMF segment and technical textiles, (xii) High efficiency solar PV modules, (xiii) Advanced Chemistry Cell (ACC) Battery, and (xiv) Drones and Drone Components.
- Ease of Doing Business: To improve ease of doing business in the country, government has conducted an exercise with a focus to reduce number of processes, increase transparency and automate interfaces by eliminating physical touch-points. Some of the key reforms encompassing business lifecycle are listed below:
 - Starting a Business: The reforms undertaken have considerably reduced the number of procedures, time taken and cost incurred to start a business in India. For example, New web-form 'SPICE+ and AGILE-PRO' integrates 10 different services related to incorporation of a company.
 - Dealing with Construction Permits: Online Building Permission System (OBPS), introduced by Ministry of Housing and Urban Affairs, is a Single Window for obtaining building permissions and construction permits.
 - Getting Electricity: Process of getting electricity connection has been streamlined by reducing number of procedures and making it online. The charges to obtain a new commercial electricity connection have also been reduced.
 - Trading Across Borders: Time and cost to export and import has been reduced through various initiatives, including the implementation of electronic sealing of containers, upgradation of port infrastructure and allowing electronic submission of supporting documents with digital signatures through e-Sanchit, etc.
 - Resolving Insolvency: Resolving Insolvency has been made easier by promoting reorganization proceedings in practice. The Insolvency and Bankruptcy Code 2016 has been recognized as a mode of resolving insolvency. Also, time taken in resolving insolvency is now comparable to OECD countries.
- Business Reforms Action Plan – State level EoDB Reforms: In a federal country like India, investments are channelized through States/UTs. Therefore, it is essential to drive reform agenda in States/UTs through simplification of processes, introducing online systems, setting up of investors' facilitation centres, etc. As a part of the annual exercise, States/UTs are being recommended to implement a set of reforms spread across areas such as Information Wizard, Single Window Systems, Construction Permits, Inspection Reforms, Labour Regulation Reforms, Environment Regulation Reforms, etc. Some of the reforms are described below:
 - i) Single Window Systems introduced at State-level go a long way in eliminating physical touch-points and acting as a one stop shop for various registrations, licenses, permissions, etc. It enables submission of applications, payments, tracking and final download of certificates.
 - ii) Centralized Inspection System is a unique platform that facilitates compliance inspections of various Departments such Labour, Factories and Boilers at once place. It mandates joint inspection, random scheduling of inspections, computerized risk-based assessment and digital time-bound availability of record of inspection reports, etc.

The aim of BRAP exercise is to create a conducive business environment by streamlining regulatory structures and increasing transparency and efficiency of various government regulatory functions so as to boost private investments. The exercise deals with making procedures efficient and transparent for businesses and reducing physical touch-points. Annual assessment of States/UTs is done by Department for Promotion of Industry & Internal Trade (DPIIT), Ministry of Commerce & Industry on the basis of implementation of these reforms so as to boost the spirit of competitive federalism and encourage States/UTs to adopt international and national good practices.

Investment facilitation and risk mitigation

- In order to make India a more attractive investment destination, the Government since 2014 has implemented several radical and transformative FDI reforms across sectors such as Defence, Pension, Other Financial Services, Asset reconstruction Companies, Broadcasting, Pharmaceuticals, Single Brand Retail Trading, Construction & Development, Civil Aviation, Power Exchanges, e-commerce activities, Coal Mining, Contract Manufacturing, Digital Media, Insurance Intermediaries, etc. In the last one year alone, reforms in the FDI policy have been undertaken in sectors such as Insurance, Petroleum & Natural Gas and Telecom.
- To simplify the approval process of foreign Investment and to promote ease of doing business, the erstwhile Foreign Investment Promotion Board (FIPB) and has been abolished in May 2017 and a new regime has been put in place. Under the new regime, process for granting FDI approvals has been simplified wherein the work relating to processing of applications for FDI has been delegated to the concerned Ministries/ Departments and DPIIT is the nodal department for facilitating the process. Detailed standard operating procedure for approval process has been issued by DPIIT.
- A revamped portal “Foreign Investment Facilitation Portal (FIF Portal)” has been launched as the online single point interface of the Government of India for investors to facilitate Foreign Direct Investment. The portal facilitates single window clearance of applications which are through government approval route. The FIF Portal has now been integrated with the National Single Window System.
- A National Single Window System (NSWS) has been established to provide ease-of-doing-business through a one-stop digital platform. This national portal is integrated with existing clearance systems of the various Ministries/Departments of Govt. of India and State Governments. Now it has become possible to register a company within 24 hours only and also apply for approvals and registrations required during the pre-establishment and pre-operation stages of setting up a business for across the State Governments, Central Ministries, and Departments onto the single platform.
- To provide support and facilitation to investors for investing in India and to boost growth in key sectors of the economy, an Empowered Group of Secretaries (EGoS) was created, which is looking into hindrances being faced by investors, and also take up cross-cutting policy issues. Additionally, Project Development Cells (PDCs) have also been set up in 30 Ministries/Departments to fast track investment in coordination between the Central Government and State Governments and thereby enhance the pipeline of investible projects in India and in turn, increase domestic investment and FDI inflows.
- The increased importance of investments for economic development, coupled with greater competition between locations, has made investment promotion a growing activity of the Government. Government of India has set-up a dedicated National investment promotion & facilitation agency - Invest India. It is the nodal agency for all national investment promotion activities and is the single point of contact for an investor. Invest India (an Investment Promotion Agency of India), has been rated amongst the best IPAs in areas such as adoption of technologies for virtual facilitation & attracting sustainable investments. Invest India in its role as the President of World Association of Investment Promotion Agencies (WAIPA), is spearheading various projects & initiatives towards capacity building of WAIPA members (IPAs of 105 countries).
- To facilitate investors, Invest India website has been established as a digital repository of all the relevant data points for investors to embark on their investment journey in the country. Digital portals have also been created to aid the investor - such as streamlining clearances and approvals through the National Single Window Clearance system, a GIS-enabled industrial land bank portal to explore the different industrial-grade land opportunities and an issue redressal mechanism through a dedicated virtual mechanism for high value infrastructure projects through a Project Monitoring Group (PMG).
- Most of the State Governments have also been proactive in investment promotion over the years and have established sub national IPAs to provide seamless experience to investors.

Technology upgrading

See above section “Investment facilitation and risk mitigation”

Policy support

See above section “Investment facilitation and risk mitigation”

Access to finance

- In order to improve access to finance to industries the following steps are being taken:
- Pradhan Mantri Mudra Yojana (PMMY) scheme was launched on 08.04.2015 to provide access to institutional finance to unfunded Micro/Small business units with collateral free loans up to Rs 10 lakh for manufacturing, processing, trading, services and activities allied to agriculture and to help in creating income generating activities and employment.

- A Fund of Fund of Rs. 10,000 crore is being established to address the various challenges faced by start-ups such as limited availability of domestic risk capital, information asymmetry, constraints of conventional bank finance and lack of hand holding support from credible agencies.
- A Start-up India Seed Fund Scheme (SISFS) is being implemented to provide financial assistance to Start-ups for Proof of Concept, prototype development, product trials, market entry, and commercialization.
- Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) is established by Government to provide collateral free credit to Micro and Small enterprises.

Development impact

- 7th among the top recipients of foreign direct investment (FDI) in 2021: India climbed up one position to 7th among the top recipients of foreign direct investment (FDI) in the last calendar year (2021) after US, China, Hong Kong, Singapore, Canada and Brazil. Further, South Africa, Russia, Mexico, Germany, Israel, and UK are some of the country immediately behind India in terms of FDI Inflows.
- Highest ever FDI Inflow in India since 2000-01 despite pandemic: FDI inflow in India stood at US\$ 45.15 billion in 2014-15 and has continuously increased since then. FDI inflows increased to USD 74.39 billion in the year 2019-20, USD 81.97 billion in 2020-21 and India registered its highest ever annual FDI inflow of USD 84.84 billion (provisional figures) in the financial year 2021-22. Measures taken by the Government on FDI policy reforms have resulted in increased FDI inflow in the country, which year after year is setting up new records.

Promotion

Investment promotion initiatives

International collaboration

Investment facilitation instruments

Outward FDI promotion schemes

Active promotion of technology for development

Indonesia

Strategies

Comprehensive strategies

Indonesia has adopted a comprehensive multi-year strategy to address in an integrated manner investment for sustainable development issues, including investing in downstream manufacturing as well as in renewables, clean energy and energy efficiency, and other sustainable development sectors.

- The GOI ratified the Omnibus Law No. 11/2020 to create a quality business and investment climate so that it can create new jobs in Indonesia. The Omnibus Law regulates many things, including simplification of business licensing procedures, investment requirements, and employment matters.
- To support the Omnibus law in simplifying business licensing, the GOI launched Online Single Submission Risk Based Approach (OSS-RBA) in 2021. The OSS-RBA is a business licensing system that is made based on the level of risk and the scale of business activities. Its purpose is to increase transparency and openness in obtaining business permits with an easier, faster, transparent, and credible process.
- The GOI issued the Investment Priority List (DPI) in Presidential Decree No. 10/2021 concerning Investment Business Field. This is the government's strategies to attract investors to invest in Indonesia. The Investment Priority List (DPI) consists of three sectors, which consist of priority sector, sector that designated to MSMEs and sector with certain requirements. If investors invest in priority sectors, investors will get fiscal and non-fiscal incentives. Fiscal incentives are in the form of reduction of income tax (tax holiday), reduction of tax for taxable income (tax allowance), and exemption from import duty. Meanwhile, non-fiscal incentives are in the form of ease of business licensing, licensing for the implementation of business activities, provision of supporting infrastructure, and guaranteed availability of energy or raw materials.
- The GOI introduces the Presidential Decree no 112/2022 on the acceleration of the development of renewable energy to generate electricity. This policy is imposed to increase the investment and accelerate the achievement of renewable energy in the national energy mix in accordance to the national energy policy and to reduce green gas house emission. This policy provides regulation on both fiscal and non fiscal

incentives to accelerate energy transition. Fiscal incentives are given through the financing and funding mechanism including blended finance from the state budget and other resources.

- The GOI is committed to support the eco-friendly transportation by introducing the Presidential Decree No. 55/2019 on the acceleration of the Battery based Electric vehicles. A more specific regulation was introduced through the Energy and Mineral Resources Ministerial Regulation No. 13/2020 on the provision of the infrastructure of the electric charging of the battery based electric vehicle.

Policies

Enabling regulatory framework

The Indonesian government has issued several regulatory frameworks for preparing a pipeline of bankable SDG investment projects; promoting public-private partnerships in SDG sectors; providing investor guarantees; addressing regulatory barriers and other market regulation aspects.

- During the period of 2016-2020, Indonesia mobilized at least USD 110 million of investment, leveraged through demonstrations of commercially viable business models in rural and industrial areas, benefiting at least 1 million people. Indonesia also developed 60-100 MW³ of clean energy and improved sustainable infrastructure in selected special economic zones, contributing up to 1 million tons of CO₂ emission reduction a year.
- GOI established the Partnering for Green Growth and the Global Goals 2030 (P4G) platform in 2020 with the objective to scale-up funding to public-private partnerships with innovative solutions to advance Indonesia's top sustainable growth priorities in five Sustainable Development Goal areas: food and agriculture, water, energy, cities, clean energy and circular economy. P4G invests in Start-Up (up to \$100,000 in funding) and Scale-Up Partnerships (up to \$1 million in funding) that provide concrete solutions to deliver economic growth in the five area of SDGs. Throughout 2020, the P4G awarded a total of nine partnerships scale-up funding to accelerate their transformative ideas and help countries reach their sustainability objectives and meet their climate ambitions.
- In 2020, the GOI passed Law No. 11 of 2020 regarding Job Creation to revises various provisions in laws across numerous sectors. In February 2021, the government enacted 47 government regulations and four presidential decree to implement the provisions of the Job Creation Law. The law and the derivative regulations are aimed to address the administrative and regulatory barriers to invest in Indonesia.

Investment facilitation and risk mitigation

Indonesia is committed to improving permitting processes and access to information, fostering clarity, stability and predictability of the regulatory regime. The Ministry of Investment/Indonesian Investment Coordinating Board (BKPM) released *Online Single Submission* (OSS) to improve permitting process and broaden access to information about investment projects in Indonesia. The OSS System is an online service system that can be accessed fast by both domestic and foreign investors to manage the investment administration, check the status and find out valid information about investment in Indonesia. This system is integrated with various related government agencies' databases. The investors can easily get investment licenses and various facilities such as the issuance of Business Identification Number (NIB), environmental permit, standard certificate to business permit.

Technology upgrading

The GOI has designed 'Making Indonesia 4.0' as an integrated roadmap to implement a number of strategies to enter the Industry 4.0 era. To support the development of Industry 4.0, Indonesia makes improvement in five main technologies, namely the Internet of Things, Artificial Intelligence, Human-Machine Interface, robotic and sensor technology and 3D printing.

Indonesia has been committed to develop green high-technology to support its priority agenda in down streaming industries. Having rich in natural resources, Indonesia is building electric vehicle battery cell factory in collaboration with the Hyundai Motor Group and LG Energy Solutions. The factory has production capacity as high as 10 gigawatts per hour.

Indonesia also plans to build a green industrial area in North Kalimantan where green technology will be used extensively to produce renewable energy to drive industry. The green industrial area will rely on hydropower by exploiting the flow of Kayan River that stretchers across the province. Indonesia provides facilities, including an easy licensing system and fiscal incentives for investors who are willing to invest in this area

Policy support

Indonesia has initiative in putting in place policy measures to support and encourage investment in sustainable development sectors, particularly in manufacturing.

In 2013, GOI in cooperation with the Global Green Growth Institute (GGGI) initiated the Green Growth Program Indonesia to support the green growth that simultaneously can reduce poverty rate, promote social inclusion, environmental conservation and resource efficiency. This initiative is also designed to achieving ambitious goals of strong, sustainable landscapes and inclusive economic growth in three priority sectors, namely the sustainable energy, sustainable landscapes and sustainable infrastructure in Special Economic Zones (SEZs). This program already run in two phases (2013-2015 and 2016-2020). The first phase achieved good results including the completion of a national green growth roadmap, and the application of a methodology for extended cost benefit analysis which incorporates environmental and social costs and benefits in investment decisions.

The focus of the Phase II is on driving green investment by mobilizing public and private, international and local, green climate finance and shaping green financing vehicles and schemes in Indonesia.

Access to finance

Global Green Growth Institute (GGGI) helps the Government of Indonesia to establish a national funding mechanism for reduce the obstacles and risks of investing in green project.

An example is the design of Environment Fund in which will flow investment and pay-out based on the results of Norway's commitment to Indonesia is worth \$1 billion to mitigate climate change in the sector forestry. It also helps plan, fund investment criteria and guidelines for ensure that the funding mechanism has results in the form of reducing GHG emissions and achieving goals development and the wider environment.

Development impact

The Government of Indonesia has issued Law No. 3/2020 on the Mineral and Coal Mining to accelerate the development of the downstream industry. Down streaming is significant for bringing broad impacts on the national economy, including the foreign exchange earnings from exports and the creation of job. Morowali Industrial Estate, Central Sulawesi is one example of the industry that has succeeded in down streaming nickel ore into stainless steel. This law encourages the utilization of the raw materials to be processed locally and thus produce products that have higher added value to generate more revenue. The presence of foreign companies which invest in the nickel ore processing and refining sector enable the transfer of knowledge and technology to local companies and human resources.

In order to promote investment in sectors that give value add, the Government of Indonesia endorsed investment priority sectors, among others, including export-oriented industry, infrastructure, and energy, particularly on renewable energy and as well as mining which creates value add such as nickel, bauxite, coal, and other natural resources.

Specifically, the Government of Indonesia has recently promoted economic transformation from primary industry to industry based on value (downstream) by prohibiting raw material export starting from nickel in 2020, bauxite in 2022, and copper in 2023. In this case, the raw material will be processed domestically to add value, thus economy based on value add could be achieved. Nickel material, for instance, is famously known as the main component of the electric vehicle, where 35% of EV's components originated from the battery. In this case, 80% of battery components originated from nickel. Therefore, nickel material will be processed by battery industries within the country, and thus EV ecosystem will be established. This, in turn, would greatly contribute to the realization of sustainable investment.

To realize this scheme, the Government of Indonesia has established an electric battery industry in Batang, an integrated industrial area that focuses its area on the realization of industries that give value add. With this scheme, nickel downstream would make Indonesia become the center of production of the electric vehicle. To guarantee the sustainability of the electric vehicle industry ecosystem in Indonesia, the Government of Indonesia has also designed a scheme from upstream to downstream, starting from the mining process of raw materials to the recycling process in the electric vehicle.

Promotion

Investment promotion initiatives

The Indonesian Investment Coordinating Board (BKPM) established the Indonesia Investment Promotion Center (IIPC) to carry out the role as the official representative of the BKPM abroad in charge of promoting Indonesian investment to potential investors abroad. Currently, there are 8 IIPCs spread all over the world: Abu Dhabi (UEA), London (UK), New York (USA), Seoul (South Korea), Singapore, Sydney (Australia), Taipei (Chinese Taipei), and Tokyo (Japan).

In 2010, the GOI has established the National Council for Special Economic Zone (Dewan Nasional KEK) that has authorities to ensure the optimal functioning of eighteen (18) special economic zones where facilities and incentives are provided to attract the investment. The Special Economic Zones are designated areas endowed with geo-economic and geo-strategic advantages and have accessibility to the global market because of their access to the sea port and or airport.

International collaboration

Investment facilitation instruments

The GOI has developed intensive collaboration with Singapore, China, Hongkong SAR of PRC, Japan and Malaysia to increase foreign direct investments in-flow to Indonesia. Five leading sectors dominated the investment realisation in 2020, namely: 1) Transportation, Warehouse and Telecommunication, 2) Basic Metal,

Metal based goods, non-machinery and equipment industry, 3) Electricity, gas and water supply, 4) housing industrial estate and office building, and 5) Food crops, plantation and livestock.

In 2019, GOI and GGGI collaborated with the Korea Forest Services (KFS) to strengthen the cooperation on reforestation and renewable energy. Also, the 2019 Results Report by GGGI gave an example on the Forest Carbon Partnership Facility-Carbon Fund (FCPF-CF). The Government of East Kalimantan through the Emission Reduction Program will provide incentive for protecting one of the world's largest and most biodiverse tropical rainforests and will potentially mobilize USD 110 million Result-Based Payment.

Under the Regional Comprehensive Economic Partnership (RCEP) signed by GOI in 2020, Indonesia implements the RCEP Agreement in stages, namely the elimination of tariffs by 65% at the time of entry into force (EIF) in 2022, 80% for EIF+10 years, and 92% for EIF+ 15-20 years.

Outward FDI promotion schemes

Indonesia encourages national companies to invest in third countries. The objectives of outward investment policies include expanding the market by exploiting the opportunities in the implementation of free trade, particularly the ASEAN Economic Community (AEC); opening market access in third countries that have FTAs with an investment destination; and international of national companies. Outward Direct Investment is seen as business strategy for national firms to expands their operations to foreign countries through e Green field investment, merger/acquisition and/or expansion of an existing foreign facility. To facilitate the outward FDI, the GOI sign bilateral agreement with many countries including Japan, United States, Finlandia, Australia, Poland and Sweden.

Ministry of Investment/BKPM provides support for the national firms to invest abroad by providing relevant information about the outward investment opportunities in its partner countries, including Argentina and Uruguay, ASEAN countries, European countries, Middle East and African countries, India and Oman.

Active promotion of technology for development

The National Research and Innovation Agency (BRIN) carries out tasks in conducting research, development, study and application, as well as integrated inventions and innovations to support the implementation of sustainable development sectors and to achieve promotion of innovative technology for development. In 2022, the National Research and Innovation Agency (BRIN) plans opportunities for cooperation in the field of nuclear technology development with France. This collaboration is aimed at improving nuclear infrastructure and increasing human resource capacity in the field of nuclear technology. In addition, this collaboration is directed at the development of nuclear energy to meet future clean electricity needs.

GOI provides fiscal incentives such as R&D Super Deduction for industries that are willing to fostering innovation and the use of the latest technology in the production process. Maximum gross income deduction of 300% over R&D costs carried out in Indonesia.

Italy

Strategies

Comprehensive strategies

a) Italy has adopted in 2017 the National Strategy for Sustainable Development (NSSD). It is a policy reference framework for public policy and investment making and provides for co-ordination mechanisms across levels. It is structured around the five areas of the Agenda 2030: People, Planet, Prosperity, Peace and Partnership. To these is added a sixth area dedicated to the Vectors for sustainability, elements necessary for transformation. The 5Ps are spelled out in a system of strategic choices and national strategic objectives, specific to the Italian context. With regard to Prosperity, the strategic choices are: 1) financing and promoting sustainable R&D; 2) guaranteeing full employment and quality education; 3) affirming sustainable models of production and consumption. The NSSD annual report (including the Policy Coherence for Sustainable Development (PCSD) report) is discussed every year. Every three years the NSDS must be revised; the Ministry of Ecological Transition has the task of initiating and managing the revision through a broad and participatory institutional process, coordinated by the Presidency of the Council of Ministers. The NSDS has been defined after a dialogue with the Institutions of the State and the Civil Society. The Forum for Sustainable Development was set up to ensure the widest involvement of civil society. It was published in the Italian Official Gazette on the 15th May 2018.

Following the NSSD, Italy has started several initiatives like the National Strategy for the Circular Economy and the Italian Strategy for the Bioeconomy.

b) The National Strategy for the Circular Economy is a policy document released in 2017 and in 2019 providing actions, objectives and measures that are intended to be pursued as institutional policies with the purpose to ensure an effective transition towards a circular economy. The circular economy, understood as a new model of production and consumption aimed at the sufficient use of resources to the circular maintenance of their flow in the country, aims at the eco-design of durable and repairable products to prevent the production of waste and maximize their recovery, reuse and recycling for the creation of new supply categories of secondary raw materials, replacing virgin raw materials.

c) The Italian Strategy for the Bioeconomy sets a goal by 2030 to achieve a 20 percent increase in economic activities and jobs pertaining to the Italian bioeconomy. To make this possible, it will be necessary to:

improve the sustainable and quality production of products in each of the sectors, making more efficient use of the interconnection between them; create more investment in R&I, education, training and communication; and improve coordination between stakeholders and policies at regional, national and EU levels.

Policies

Enabling regulatory framework

a) The National Recovery and Resilience Plan (NRRP) allocates 59,46 bn euro to promote investments in the circular economy, the development of renewable energy sources and a more sustainable agriculture.

b) Decreto del Presidente del Consiglio dei Ministri 6 aprile 2022.

This Decree defines incentives for the purchase of non-polluting vehicles. Specifically, the resources allocated to the recognition of incentives for the purchase of non-polluting vehicles are identified as 650 million euros for each of the years from 2022 to 2024.

c) Decreto legge n. 115 2022, "Decreto Aiuti bis".

This Decree contemplates the possibility of establishing areas of strategic national interest for the implementation of plans or programs involving public or private investment related to sectors of strategic importance.

d) Decreto Legge del 17 maggio 2022, n. 50, "Decreto Aiuti", convertito con la Legge del 15 luglio 2022, n. 91. This Decree introduces energy measures, measures to support business liquidity and economic recovery.

Investment facilitation and risk mitigation

Technology upgrading

Italy has launched inter alia these two initiatives: a) Smart&Start Italia: it funds the birth and growth of innovative and high-tech start-ups.

b) Industria 4.0: it funds digital transition bearing in mind green transition needs (premium for initiatives included)

Additional examples can be easily found here: <https://www.incentivi.gov.it/it>

Policy support

The Ministry for Economic Development enacted the Transition Plan 4.0., enforcing the law n. 160 of 2019, which aimed at giving tax credits for investments in: 1) basic capital goods; 2) research and development, technological innovation, design and aesthetic conception; 3) technical and digital education.

The Ministry for Economic Development can also give subsidized loans and non-repayable contributions for projects of: a) industrial research and experimental development in circular economy; b) sustainable innovations; c) of development to safeguard the environment; d) environmental investments; e) innovative instruments; f) acquisitions of shareholdings in innovative joint ventures; g) investment in innovative start-ups or in SMEs ; h) corporate venture building.

Three specific initiatives deserve a separate mention:

a) Green Public Procurement: we have a wide number of stakeholders in our GPP tables. This is often a slower than market process and it should be revised. However, it serves as input for private investments.

b) Development contract (Contratto di sviluppo): it finances industrial development programs, environmental protection development programs, tourism business development programs, research, development and innovation programs.

c) Fund for innovative investments in agriculture enterprises (Fondo per gli investimenti innovativi delle imprese agricole): it encourages the implementation by agricultural enterprises of investments in new tangible and intangible assets functional to automatic, intelligent and computerized production.

Access to finance

Development impact

Promotion	<p>Investment promotion initiatives</p> <p>The National strategy for the circular economy intends to define new administrative and fiscal tools in order to strengthen the market of secondary raw materials with the purpose to make them competitive in terms of availability, performance and costs compared to virgin raw materials. To this end, the National Strategy produces its effects on the material purchase chain (Minimum Environmental Criteria for green purchases in the Public Administration), on the criteria on the basis of which a waste shall cease to be a waste (End of Waste), on the extended producer responsibility, on the role of the consumer and on the widespread of sharing practices and "product as a service".</p> <p>The National Recovery and Resilience Plan provides for investments in the creation of new plants to manage urban waste and in the upgrade of the existing plants as well as in lighthouse projects in circular economy. The National strategy for the circular economy has been followed by an Implementation Action Plan (IAP) (2020-2025) for the Italian Bioeconomy Strategy describing:</p> <ul style="list-style-type: none"> a) how the circular Bioeconomy can boost the socio-economic recovery in this particular critical period and its key role in the post-COVID 19 phase; b) a detailed action plan 2020-2025 including a series of relevant targeted actions which have been clustered into 4 main macro areas (policy/standards, pilot actions, regeneration of ecosystem services, and stakeholder's engagement); c) flagship projects ready for deployment at national level, to provide concrete examples of how circular Bioeconomy investment can act as catalyst of socio-economic post-COVID 19 restarting; d) legislation needs and economic opportunities; e) a plan for dissemination and monitoring of IAP results and impacts.
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International collaboration	<p>Investment facilitation instruments</p> <p>-----</p> <p>Outward FDI promotion schemes</p> <p>In the framework of the National Recovery and Resilience Plan (NRRP), the Italian Ministry of Foreign Affairs and International Cooperation supports the digital and ecological transition of the Italian Small and Medium-sized Enterprises (SMEs). Through a revolving fund ("Fondo 394"), subsidized financing and soft loans were available to export-oriented companies, for a total amount of 1,2 billion euro. The measure supports digital and sustainable investments of the SMEs, in order to foster their growth and competition on international markets. With the resources made available by the fund, companies can finance investments such as energy efficiency and climate impact mitigation.</p> <p>Active promotion of technology for development</p> <p>-----</p>
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Japan

Strategies	<p>Comprehensive strategies</p> <p>Japan has developed multi-year strategies in sustainable development sectors, in particular related to climate change and energy. For example, in October 2021, three strategies were finalized through Cabinet Decisions- the Sixth Strategic Energy Plan, the Plan for Global Warming Countermeasures and Japan's Long-term Strategy under the Paris Agreement. Together, these strategies set out Japan's plans toward its 2030 emissions reductions targets and vision for carbon neutrality in 2050, spelling out specific policies and measures as well as goals for research and technology development. They were developed through an extensive process of stakeholder dialogue, expert input and comments from the public. In addition, looking ahead to the achievement of net-zero GHG emissions by 2050, under public-private partnerships, we will formulate the roadmap by the end of this year based on the Clean Energy Strategy interim report that outlines the path to socioeconomic and industrial structure reforms for decarbonization.</p>
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Policies	<p>Enabling regulatory framework</p> <p>An example of an enabling regulatory framework in the context of energy efficiency is our Act on Rationalizing Energy Use, first enacted in 1979 and updated several times, most recently in 2022. Among other things, this law sets out reporting requirements for large energy consuming enterprises, requires enterprises to endeavour to continuously improve energy efficiency, and requires manufactures to improve energy efficiency for specific goods, such as cars and electric appliances (Top Runner Program). Together, these measures ensure that the incentives to rationalize energy use are enhanced, encouraging investment for energy efficiency.</p> <p>Investment facilitation and risk mitigation</p> <p>An example of an investment facilitation and risk mitigation measure in the context of clean energy is the Feed-In Tariff (FIT) scheme for renewable energy, first introduced in 2012. This scheme provides strong incentives for renewable energy investment by fixing the purchase price for various types of renewable energy for an extended period of time, e.g. twenty years, greatly reducing the risk of investment. The Ministry of the Environment (MoE) will also establish a new public-private investment fund to achieve carbon neutrality in 2050 and promote investments in this area.</p> <p>Technology upgrading</p> <p>Japan has many measures to provide technology upgrading in support of renewables, clean energy and energy efficiency. For instance, energy efficient installations are promoted thorough subsidies for specified goods that</p>
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meet energy efficiency targets. The Ministry of Economy, Trade and Industry (METI) established a 2 trillion yen Green Innovation Fund in 2021 to encourage research and development of innovative green technologies over a decade-long period, including hydrogen, fuel ammonia and renewables.

Policy support

Please refer to the policies described in other sections, e.g. the FIT scheme and subsidies for energy efficient installations. Other examples include tax incentives and schemes to improve access to finance, detailed in the next section.

Access to finance

The Ministry of Economy, Trade and Industry, together with the Financial Services Agency and MoE, formulated the Basic Guidelines on Climate Transition Finance in May 2021. From Autumn 2021 to Spring 2022, METI has published sector-specific roadmaps to indicate technologies deemed as transitional. Seven hard-to-abate sectors are covered: Iron & Steel, Chemicals, Electricity, Gas, Oil, Cement and paper & pulp. Starting from last summer, METI has selected model cases of transition finance, and has subsidized their certification process. In addition, MoE has developed guidelines for green financial instruments, including but not limited to green bonds and sustainability-linked bonds, to mobilize private capital for ESG issues. The English version of the latest guidelines will be announced soon but the previous versions are available here: Green Bond Guidelines <http://greenfinanceportal.env.go.jp/en/bond/guideline/guideline.html>.

Development impact

SMRJ (Organization for Small & Medium Enterprises and Regional Innovation Japan, which is an incorporated administrative agency.) provides a variety of training programs for executives and managers to acquire practical management knowledge and skills for the sustainable growth of small and medium enterprises.

Promotion

Investment promotion initiatives

Please refer to previous sections.

International collaboration

Investment facilitation instruments

Japan has been actively participating in negotiation of an Agreement on Investment Facilitation for Development under Joint Statement Initiatives including discussion on means of encouraging sustainable investment.

Outward FDI promotion schemes

NEXI (Nippon Export and Investment Insurance is Export Credit Agency invested by Japanese Government) provides Overseas Investment Insurance and Overseas Untied Loan Insurance to cover risks associated with overseas transactions that cannot be covered by private-sector insurance. Overseas Investment Insurance covers losses incurred by Japanese companies with a subsidiary or a joint venture in a foreign country if the subsidiary or joint venture is forced to discontinue business due to force majeure such as war, terrorism and natural disaster.

Overseas Untied Loan Insurance covers losses incurred by Japanese companies, banks, and other institution, that provide a foreign government or company with business funds (which are not tied to export from Japan) for overseas projects that contribute to economic development, or that purchase bonds issued by a foreign government or company for the purpose of financing, if they are unable to collect the loans or the bonds are not redeemed due to i)force majeure such as war, revolution, prohibition of foreign currency exchange, suspension of remittance and natural disaster, or ii) bankruptcy or default of the borrower or the bond issuer. JBIC (Japan Bank for International Cooperation) is a policy-based financial institution of Japan, and conducts lending, investment and guarantee operations while complementing the private sector financial institutions. JBIC contributes to the sustainable development of Japan and the world as a whole by deploying highly professional skills, with a view to realizing a secure and affluent future society.

For example, JBIC has an operation titled GREEN (Global action for Reconciling Economic growth and Environmental preservation) wherein the primary purpose is to support projects with favorable impacts on preservation of the global environment, such as renewable energy projects and energy efficiency projects. Under the GREEN operation, JBIC implements support by using loans, guarantees, and equity investments while mobilizing private funds.

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Operations of JBIC promote sustainable investment by providing companies on overseas business development with supports such as risk mitigation.

Active promotion of technology for development

Mexico

Strategies

Comprehensive strategies

Several efforts have been undertaken to include a sustainability perspective in investments, for example, the creation of the Green Finance Advisory Council (CCFV), the issuance of green bonds and the formation of the Sustainability Committee in the Association of Banks of Mexico. Recent years have been characterized by the entry of innovative investments into the market, the appearance of definitions and concepts aligned with sustainability criteria, as well as the standardization and adoption of international concepts in the national context.

Faced with the opportunity to promote sustainable investments and considering the growing interest in the market to include the sustainability perspective, the Ministry of Economy in collaboration with the SDGs office in Mexico (Agenda 2030) and the Friedrich Ebert Foundation organized the conference "Strategic investments for a sustainable recovery". This conference had the purpose of generating a space for multi-institutional dialogue and discussion to identify potential strategic investments for sustainable economic recovery in the different regions of the country.

The Ministry of Economy developed a methodology to identify the strategic sectors and economic activities to promote green investments. We use economic complexity with a green filter in this process. Also, we been working with the Economic Commission for Latin America and the Caribbean to promote quality FDI which includes a sustainable perspective.

Policies

Enabling regulatory framework

Investment facilitation and risk mitigation

Technology upgrading

Policy support

Access to finance

Development impact

Promotion

Investment promotion initiatives

The Secretaria of Economy has a promotion strategy for the electromobility or zero emission vehicles industries.

Organization of the Electromobility Forum: <https://www.gob.mx/se/acciones-y-programas/foro-de-electromovilidad-287721>

Participation in the Zero Emissions Vehicle Transition Council: <https://zevtc.org/>

Mexico - US Group for the Electrification of Transport: <https://www.gob.mx/sre/es/articulos/el-canciller-erbrard-presenta-grupo-binacional-para-la-electrificacion-del-transporte?idiom=es>

Alliance for the Electromobility in Mexico

https://www.conuee.gob.mx/transparencia/boletines/transporte/automovilistaeficiente/otrosdocumentos/Plan_estrategico_version_final-comprimido_Procobre.pdf

International collaboration

Investment facilitation instruments

The Zero Emissions Vehicle Transition Council was formed as the world's first political forum through which ministers and representatives from governments from most of the world's largest and most progressive automotive markets – collectively accounting for more than half of all new car sales globally – meet to discuss how to accelerate the pace of the global transition to zero emission vehicles. <https://zevtc.org/>

Outward FDI promotion schemes

Active promotion of technology for development

The Republic of Korea

Strategies

Comprehensive strategies

We are implementing key policies that promote the sustainable development and investment.

As the overarching net-zero policy, Korea raised its 2030 NDC within a short period time after it first declared net-zero earlier in December, 2020. We raised the existing reduction target of 26.3% to 40% (from the peak year for 2018) and continuously checking the implementation status under close communication with our interested parties including industries.

Also, Korea's policy focuses on across-the-board green transition of our economy, nurturing the economic system that stimulates green investment and consumption taking advantage of green industry and technology.

Particularly, in terms of the sustainable financing that is drawing keen attention in the aftermath of COVID-19, domestic discussion on the role of green financing was invigorated. Our relevant authorities earlier in 2020 began to provide policy guide on the corporate disclosure on the environment-related information and also on the issuance of green bonds.

- Guidance on ESG Corporate Disclosure (Jan, 2021)
- Guidance on Green Bonds (December, 2020)

Policies

Enabling regulatory framework

To implement the aforementioned policy directions, our relevant ministries and agencies have been legislating key laws and regulations. For instance, Ministry of Environment enacted the *Framework Act On Carbon Neutrality And Green Growth For Coping With Climate Crisis* and the Ministry of Trade Industry and Energy legislated the *Act On The Promotion Of The Development, Use And Diffusion Of New And Renewable Energy*. Featured objectives of these legal infrastructures are as follows:

"The purpose of this Act is to strengthen policy measures to reduce greenhouse gases and adapt to climate change for preventing serious impacts of climate crisis, to resolve economic, environmental, and social disparity that may arise in the course of transition to a carbon neutral society, and to foster, promote, and revitalize green technology and green industry for a harmonious development of the economy and environment, thereby improving the quality of life of present and future generations, protecting the ecosystem and climate system, and contributing to the sustainable development of the international community." (Article 1, Framework Act On Carbon Neutrality And Green Growth For Coping With Climate Crisis)

"It shall overcome climate crisis through transition to a carbon neutral society, and at the same time, turn it into an opportunity to expand national growth engines, strengthen national competitiveness in the international arena, and create jobs, by boosting investment in and support for green technology and green industries with high growth potential and competitiveness" (Article 3.6, Framework Act On Carbon Neutrality And Green Growth For Coping With Climate Crisis)

Investment facilitation and risk mitigation

Regarding investment facilitation and risk mitigation, the Ministry of Environment implements international standardization of environmental information disclosure system to reflect corporate environmental improvement efforts at home and abroad in order to establish eco-friendly management that generates environmental performance and promote related investment.

Technology upgrading

In relation to sustainable investment support, Korea implements the 'Climate Change Response Technology Development Promotion Act' by the Ministry of Science and ICT to create a research foundation for greenhouse gas reduction and climate change adaptation, systematically developing and promoting cooperation with the international community.

Accordingly, the Minister of Science and ICT, if needed, will prepare a comprehensive technical map to establish technology development strategies for responding to climate change and establish investment directions.

According to the 'Act on the promotion of the development, Use and Diffusion of New Renewable Energy,' if deemed necessary to promote the development, use, and distribution of new and renewable energy

technologies, it may be recommended that a person who engages in an energy-related business to invest in or contribute to the project.

Policy support

In terms of green transition, the Korean government is accelerating our industrial transformation toward low-carbon structure for example by promoting eco-friendly automobiles and also by de-carbonizing of carbon-intensive sectors including the steel industry.

To facilitate the investment needed to expedite these changes, the Korean government is offering comprehensive policy mix in a way that does not harm the global level playing field.

With regard to the digital transformation also, our government is facilitating the private investments in related fields by incentivizing the investment in data/AI sector and supporting experts education.

Access to finance

The Financial Services Commission of Korea is facilitating access to finance in order to promote the carbon neutrality. In this regard, Korea attempts to shift investments away from carbon-heavy industries towards eco-friendly businesses, sustainable projects and green industries. It requires concerted efforts from the public and private sectors as well as a joint framework of goals. The Korean government's pursuit of green finance dates back to 2009 when it announced plans to promote investment in green growth-related industries.

The Korea government continues working on the following area:

A. STRENGTHEN THE ROLE OF THE PUBLIC SECTOR

1) Prepare an investment strategy for state-backed financial institutions to double their investment in green sectors from the current 6.5% to about 13% and consider the launching of a new green finance lending program once the K-taxonomy on green industries becomes available.

2) Create green financing teams within the state-backed financial institutions to improve their work consistency and promote cooperation across different institutions.

3) Seek revisions to the guidelines on the management of water resources funds to ensure that the green and environmental indicators are taken into account when selecting fund managers.

B. PROMOTE GREEN FINANCING IN THE PRIVATE SECTOR

1) Develop K-taxonomy to clearly distinguish between green and non-green industries and activities and seek improvements to the system.

2) Introduce best practice guidelines on green financing to be equally applied to all financial sectors and promote an internalization of the rules after an adjustment period.

3) Draw up a climate risk management and oversight plan for financial institutions (March 2021) to (a) regularly conduct stress tests on the impact of devaluation of carbon-intensive industries on the soundness of financial institution and to (b) study whether to apply climate risk factors in the financial sectors' prudential regulation and supervisory frameworks.

Development impact

Through the 'Framework Act On Carbon Neutrality And Green Growth For Coping With Climate Crisis', public institutions and business operators are encouraged to expand their investment and employment in green technology research and development and green industry.

In addition, the Financial Services Commission and the Ministry of Environment designated several distinct graduate schools to recommend specializing green finance (Inha University, KAIST, Yonsei University Industry Cooperation Group) in order to foster green finance professionals.

Promotion

Investment promotion initiatives

With regard to the Korean government's efforts to expand clean energy finance and investment, Korea is supporting the revitalization of private investment in clean energy with a focus on renewable energy and hydrogen.

In July 2022, a hydrogen fund worth 370 million dollars (KRW 500 billion) was established, and financial support is being provided for hydrogen projects. Incentives will be provided to expand renewable energy, for example, tax credits for RE100 companies for making investment in their facilities.

International collaboration

Investment facilitation instruments

The Korean government is seeking intergovernmental cooperation with key economies, including developing countries, by developing network that will help facilitating technology dissemination, technology development, etc. with regard to green transition in order to make our overseas investment more sustainable.

For example in July 2022, the Ministry of Trade, Industry and Energy (MOTIE) signed a MOU regarding cooperation in promoting sustainable green investment with the Ministry of Trade of the Republic of Indonesia to promote eco-friendly investment in Indonesia and support appropriate technology transfer.

In addition, regarding the cooperation in the green finance field, On May 17, 2021, The Financial Services Commission (FSC) and the Financial Supervisory Service (FSS) of Korea applied for the membership to the Network of Central Banks and Supervisors for Greening the Financial System (NGFS), which was launched in December 2017 with aims to contribute to the management of climate and environment-related financial risks and support implementation of sustainable economic development. By joining the Network, the FSC and FSS plan to actively participate in and contribute to global discussions on green finance and work to strengthen policy alignment of Korea's green finance strategies with global standards.

Also at the 2021 P4G Seoul Summit, the FSC and Korea Development Bank co-hosted a special session on green finance, inviting reputable speakers and panellists from international organizations, multilateral development banks and government agencies to have vibrant discussions on the role of finance in fostering green recovery in the post-pandemic era.

Outward FDI promotion schemes

Active promotion of technology for development

As the abovementioned the MOU with the Indonesian government to promote eco-friendly investment and support appropriate technology transfer has been currently signed, the Korean government will continue to seek ways to promote technology dissemination with other countries as well.

The Russian Federation

Strategies

Comprehensive strategies

The implementation of the SDGs and their respective targets in the Russian Federation is being carried out under Decree of the President of the Russian Federation of July 21, 2020 № 474 "On the national development goals of the Russian Federation for the period up to 2030" and the Unified plan to achieve the national development goals of the Russian Federation for the period up to 2024 and for the planned period up to 2030, approved by order of the Government of the Russian Federation of 01.10.2021 N 2765-r.

Russia has been implementing the package of national policy measures, including the Energy Security Doctrine of the Russian Federation and the State Programme "Energy Development" with a view to ensuring universal access to sustainable and modern energy sources. The energy saving and energy efficiency management system continues to be improved through inclusion of relevant targets in industry strategic planning documents at all levels.

In addition, Russia adopted the Strategy of Low GHG Emission Socio-Economic Development 2050 that provides for the establishment of sustainable investment framework and development of national voluntary carbon market. The Strategy presents the vision of low carbon development pathway of the Russian economy, setting the goal of carbon neutrality by 2060. The document encompasses pathways to increase in low carbon energy generation, including nuclear and renewables, as well as sector-specific and overarching measures for improved energy efficiency. Detailed roadmap of the implementation is currently under development.

Since the Strategy was adopted as a governmental act, it went through the standard procedure of public consultations with the draft document publication at a dedicated portal and the procedure of the stakeholders and public comments review.

Policies

Enabling regulatory framework

The Russian Federation develops enabling regulatory framework to attract sustainable investments into domestic economic.

Green finance taxonomy, covering both green and transition activities, was adopted in 2021. The taxonomy for green projects consists of criteria for projects that are widely recognized as green ones in accordance with international best practices. As for the taxonomy for transition activities, the specifics of the Russian economy were taken into account by experts involved in its development. It includes projects in hard-to-abate industries substantially contributing to Russia's carbon neutrality target.

In addition, the Bank of Russia has amended the Bank of Russia Regulations "On the standards of issuing securities" (#706-P, 19 December 2019) and "On disclosure of information by issuers of issuable securities" (#714-P, 27 March 2020) in order to create a legal basis for issuing «green» bonds. It includes the harmonization of requirements for the green bonds issue in accordance with universally accepted international principles and approaches, as well as the introduction of a definition of sustainable development bonds.

And besides, the Federal Law "On Energy Saving and Energy Efficiency and on Amendments to Certain Legislative Acts of the Russian Federation" defines a set of legal, economic and organizational measures aimed at stimulating energy saving and increasing energy efficiency of the economy of Russia.

Investment facilitation and risk mitigation

The Bank of Russia aims to help companies consider the risks that arise when they comply with sustainable development goals. The recommendations developed by the Bank of Russia in 2020 allow market participants to structure information about their environmental impact and social responsibility of doing business, which will enable investors to assess their long-term financial stability.

The recommendations pay special attention to the composition of non-financial information and the principles of its disclosure. At the end of 2020, the Bank of Russia established the Working Group on Sustainable Development Financing that sets the strategic agenda in this area and controls its implementation.

Technology upgrading

The Energy Efficiency Plan of the Russian Federation provides for stimulating the introduction of advanced technologies and increasing the efficiency of the functioning of existing equipment. In the industry, it is proposed to introduce measures that stimulate the development of technologies aimed at the use of secondary energy or material resources instead of traditional materials.

Strengthening state policy measures for energy conservation and energy efficiency in these sectors will significantly reduce the carbon intensity of the Russia's economy and ensure the achievement of Russia's sustainable development goals.

Russian Federation has developed 51 reference books with the best available technologies that contribute to the achievement of environment protection goals. It is planned to establish indicators of resource and energy efficiency before 2024 to reduce resources and energy consumption and to increase the volume of recycled wastes in production.

Policy support

The progress of SDG 9 achievement has substantively benefited from the implementation of the following federal legislative acts:

- (1) Strategy of Spatial Development of the Russian Federation 2025;
- (2) Transport Strategy of the Russian Federation 2030;
- (3) Comprehensive Plan for the Modernization and Expansion of Main Infrastructure;
- (4) "Safe and Quality Roads" national project;
- (4) "Digital Economy" national project.

These documents particularly aim to increase the share of good-quality urban road network to 85 % by 2024 and transport supply in the regions by 7.7 % in 2024.

Access to finance

Russia has been implementing the Action Plan for Acceleration of Capital Investment Growth Rate and Increase of the share of the Capital Investments in GDP to 25% (13.02.2019 # 1315п-П13) aimed to improve the investment climate, competitive environment, comprehensive infrastructure development.

Development impact

The current nation-wide policy of combating poverty provides for the reduction of the national poverty level at least by half by 2024. This goal will be achieved through the implementation of following national projects: "Demography", "Workforce Productivity and Employment Support" and others, as well as and development and introduction of new support mechanisms.

Free access and integrated development of education are the key priorities of the national project "Education" and other strategic and policy documents (such as the State Programme "Education Development" aimed at ensuring access to preschool education and increased involvement in extended education programmes).

The mentioned national projects also set following goals: (1) to accelerate the annual labor productivity growth of MSMEs in essential non-oil economic sectors by at least 5 %; (2) to increase the employment of MSME sector by 25 million by 2024; (3) to rise the share of SMEs in national GDP by at least 32.5%.

Promotion

Investment promotion initiatives

Special economic zones are being actively created in Russia. Such territories have special regime of business activity. Currently, there are 39 special economic zones of four types (industrial, technology-innovative, tourism and port). At the federal and regional levels, special economic zones are considered as a relevant tool for attracting investment and economy development.

In order to develop sustainable finance in Russia in 2020 the Bank of Russia published the Guidance on Responsible Investment Principles – Stewardship Code for institutional investors to draw their attention to responsible investing and sustainable development issues. Special sustainable development sectors were created at PJSC Moscow Exchange and SPB Exchange.

In July 2021, the Bank of Russia issued non-mandatory Recommendations for public joint-stock companies on the disclosure of non-financial information pertaining to their activities. The Recommendations may also be used by any other organizations interested in increasing their environmental information transparency.

And besides, Russia conducted state information system "Energy Efficiency" (SIS), which collects the information from specialized state centers operating in 56 regions of the Russian Federation. This platform contains information on energy efficiency improvement, statistical information on energy intensity of the country's economy, training materials, other useful literature. In addition, the SIS is a single platform for submitting information (declaration) on the consumption of energy resources by budgetary organizations.

International collaboration	Investment facilitation instruments
	Intergovernmental commissions on trade, economic, scientific and technical cooperation between Russia and other countries contribute to facilitating the implementation of investment projects, including those related to renewables, low-carbon energy and energy efficiency as well as other sustainable development sectors.
	BRICS Understanding of Investment Facilitation. The close cooperation among BRICS countries presents an opportunity to mitigate the effects of the crisis and to contribute to restoration of production cross-border trade and cross-border investments, which in turn are all important factors for recovery of the global economy.
	Outward FDI promotion schemes
	In 2019, Russian Direct Investment Fund (RDIF) has launched the Center for Investment Promotion to attract investment into the Russian regions. The Center will use RDIF's extensive experience of working with international investors to create a centralized information portal on doing business in Russia, investment opportunities across the regions and global best practices.
	Active promotion of technology for development
	Cooperation within APEC, BRICS, UNECE, EAEU

Saudi Arabia

Strategies	Comprehensive strategies
	The Kingdom of Saudi Arabia in 2016 announced its Vision2030, a plan to diversify its economy and transform it into a thriving economy, with an ambitious nation and a more vibrant society. Furthermore, the kingdom is investing heavily in all new clean energy technologies, in addition to diversifying its electricity energy mix to consist of a 50% renewable and a 50% Gas. During its G20 presidency, the Kingdom started implementing the endorsed approach of the Circular Carbon Economy (CCE), and its 4 R's (Reduce-Recycle-Reuse-Remove) utilizing all available technologies and solutions to address GHG emissions. In addition, the Kingdom has announced a net-zero target by 2060, using the CCE as the main driver to achieve its Climate Goals (NDC).
Policies	Enabling regulatory framework
	The Kingdom of Saudi Arabia established a whole ecosystem for "Saudi energy efficiency program" ESCO market which includes: 1- creating a demand by issuing a legal instrument to impose an obligation on the Government sector to retrofit Govt facilities of energy efficiency purpose through direct contracting with the Super-ESCO, which going to tender these projects to ESCOs; 2- regulating the ESCO market through the market regulator, including the licensing and evaluating process. In regards to renewable energy related frameworks and to enable the market and ensure the competitiveness of renewable energy opportunities and support the bankability of the projects, the Kingdom of Saudi Arabia engages in kingdom-wide resource measurement projects, performs site-specific preliminary studies in line with international best practices, secures necessary permits, and tenders utility-scale projects to the market with the aim of increasing the contribution of renewable energy sources in the most efficient and competitively priced manner. The kingdom is also collaborating with Madagascar's Government to set policies and regulations of implementing LPG for clean cooking in alignment with the Kingdom's MGI announcement regarding clean cooking solutions. Standardized and regulated sustainable and innovated construction materials locally and internationally through the Saudi Standards, Metrology and Quality Organization (SASO) with the Principle of WTO Agreement. Furthermore, the Circular Carbon Economy National Program (CCENP), under the Ministry of Energy of the Kingdom of Saudi Arabia, is developing a comprehensive set of regulations across the entire value of chain of Carbon Capture, Utilization, and Sequestration (CCUS). Such regulations are extended to cover emissions control, safety of operations, and fees regulations and audit. Moreover, sets of policies and standards are under development for the carbon management which follow a four-step approach to establish the necessary standards and policies for CCUS deployment in KSA through: <ul style="list-style-type: none"> - Identifying standards and policies required for CCUS - Identifying standards and policies yet to be adopted - Aligning on implementation roadmap with stakeholders.
	Investment facilitation and risk mitigation
	<ul style="list-style-type: none"> - On energy efficiency and to avoid any financial burden on the Govt budget, the Super-ESCO was established with a sufficient fund to carry out the retrofitting activities for the Govt facilities, in exchange of collecting the generated energy savings with shared percentage with the Govt. - KSA announced plans to establish the Riyadh Voluntary Exchange Platform for offsets and credits within the Middle East and North Africa. Following COP26 and the latest agreement in Glasgow on the rules of Article 6 of the Paris Agreement, we are working on launching our updated GHG credits and offsets scheme for the Kingdom which will also contribute to our climate action and will enable further international cooperation with interested peers. - The Kingdom introduced and adopted an integrated system to de-risk Renewable Energy projects. The creation of the Saudi Power Purchasing Company as the full off taker of the output of these projects is a main part of this system. Additionally, the pre-development activities and the Grid impact studies that are performed before tendering these projects plays a crucial role in de-risking Renewable Energy projects in the Kingdom.

Technology upgrading

On energy efficiency, the Kingdom through the "Saudi energy efficiency program" is implementing new energy efficiency standards in power generation, water desalination, and electricity transmission and distribution to reduce 100 Mtpa of carbon emissions. It is also changing its energy mix to meet 50% of the Kingdom's domestic energy needs from renewables, reducing emissions by 175 Mtpa and displacing approximately 1 million barrels of liquid fuel per day by 2030. The Kingdom is using carbon capture technologies to convert the captured CO₂ into 12 tons per day of small-scale green methanol.

It's also on route to become the world's leading hydrogen producer and exporter, by capturing more than 27 million tons of CO₂ by producing 3 million tons of blue hydrogen and 1 million ton of green hydrogen per year. Saudi Arabia has initiated as part of its Vision 2030 several programs that support the development of energy sectors' technologies including renewable energy, energy efficiency and clean energy. Those programs' goals are mainly to support the needs of more deployment of clean sources of energy as well as increasing the level of readiness of new emerging technologies to be commercialized. These efforts are collectively done by various policy making, regulating, educational, and other institutions, such as Ministry of Energy, King Abdullah City for Atomic and Renewable Energy (Kacare) and King Abdullah Petroleum Studies and Research Center, and others. Studying Energy Storage technologies and scaling up the deployment of this technologies is one of the efforts that are exerted in this field.

Policy support

The Kingdom adopted policies to stimulate the participation of the private sector in this field, and updated regulations for renewable energy projects to achieve the goals of the National Renewable Energy Program, in line with the Kingdom's Vision 2030. The current Electricity Law also enables the fast progress of the sector with the introduction of different laws and regulations such as the below 2 MW Renewable Energy Generation, EV charging systems, and smart metering.

Access to finance

To maintain strong economic growth and advance sustainable development, ESG (Environmental, Social & Governance) investments and green finance should enable all energy transitions pathways by: (adopting the Circular Carbon Economy approach and its 4Rs; and support the accelerated investment needed in clean energy technologies including CCUS and Direct Air Capture as well as upgrading existing infrastructure to produce abated hydrocarbons). The Kingdom will support regional initiatives and projects through the Middle East Green Initiative.

Development impact

The expansion of renewable energy in the Kingdom also presents an opportunity for the development of a new industry for renewable energy technology, supported by private sector investment and public-private sector partnerships. Accordingly, the kingdom is working to encourage the private sector to increase investment in the Saudi renewable energy sector by creating a competitive local market for renewable energy, the Kingdom is building on its geographic strengths and obtaining the lowest prices in the world for renewable energy projects, particularly in wind and solar energy generation, further increasing the Saudi Arabia's attractiveness as a destination for foreign investment. Supporting localization also is a crucial part the kingdom is focusing on through enabling the development of different industries to cover the whole supply chain. The Circular Carbon Economy (CCE) National Program, under the Ministry of Energy of the Kingdom of Saudi Arabia, is working with all relevant stakeholders within the Energy ecosystem to ensure investment in skills needed across the CCE value chain. Such investment will develop and drive local and regional opportunities. Example of initiatives under deployment are broadening Technical Vocational Programs to cover the CCUS knowledge needed, adopting required programs for higher education, Energy Sector Reskilling initiatives and Energy Sector Scholarships.

Promotion	<p>Investment promotion initiatives</p> <p>The KSA Green Transition is a nation-wide ambition which includes efforts and commitments to attract and promote investments within the energy sector, mobility and transport, materials, and collaboration with other governmental and non-governmental entities. This priority is well-reflected within the Kingdom's Vision 2030 and economic diversification plans, the launch of the Saudi Green Initiative (SGI) and the Middle East Green Initiative (MGI), and the Circular Carbon Economy National Program, to support green investments and promote inclusive climate action nationally and internationally.</p> <p>The CCE National Program is dedicated to increasing investment in and deployment of novel technologies and fuels to reduce and remove emissions, for instance through aiming to pioneer in the production and export of clean hydrogen, reusing and recycling captured carbon to produce products that can generate value, and more. In line with the Kingdom's industrial and technological leadership, KSA prioritizes major investments in the development of low carbon and renewable energy. For example, the Kingdom invested in electric vehicles (Lucid) and localization of manufacturing, R&D in hydrogen vehicles, turbulent jet ignition, mobile carbon capture, production of sustainable and recyclable solar panels, polymer-based materials, to mention a few. Investments are also promoted at the levels of cities, municipalities and Giga Projects. For example, the Public Investment Fund prioritizes sustainability in its investments, which include the Red Sea Development Company & Amaala, focusing on sustainable tourism, and NEOM, which will include the world's largest hydrogen plant and be a hub for clean and renewable solutions.</p> <p>The Kingdom exerts many efforts to attract and promote investments in the Renewable Energy field. Providing custom exemptions, geographical surveys, pro-development studies, grid impact studies, long term power purchasing agreements, and others and all part of the activities that the kingdom does to attract such investments.</p>
International collaboration	<p>Investment facilitation instruments</p> <p>The Madagascar Project "Energy transition Program" which the kingdom is leading with the OPEC Fund for international development to provide clean cooking solutions to the country in alignment with SDG goals. The kingdom is collaborating with a variety of stakeholders, operators, and funds to promote sustainable, economic growth, and energy security in the region.</p> <p>Outward FDI promotion schemes</p> <p>One of the leading Saudi developers, ACWA Power, investor and operator of power generation and water desalination plants in 13 countries, entered into cooperation with many countries such as South Africa, leading the country's largest renewable energy project, in addition to a \$300 million project in partnership with the Ministry of Energy in Azerbaijan to meet to its goal to generate 30% of its power through renewable energy sources. Additionally, ACWA Power has other large investments such as projects in Uzbekistan, a 100MW wind farm in Nukus and two 500 MW wind farm in Bash and Dzhankeledy. The company also has a wind farm project in Morocco with a capacity of 120MW. These international investments are enabled through governmental support by building and reinforcing relationships with various countries in the form of signing and hosting bilateral agreements and other methods.</p> <p>Active promotion of technology for development</p> <p>Saudi Arabia sees international cooperation as an essential enabler for achieving global climate goals, especially in the area of innovation and R&D, for advancing clean energy technologies including these that are needed for achieving net-zero ambitions such as CCUS and Direct Air Capture, as well as low carbon hydrogen solutions. Recently, Saudi Arabia alongside the US, Qatar, Norway and Canada, launched The Net Zero Producers Forum, which aims at developing pragmatic Net Zero strategies, including methane abatement, advancing the circular carbon economy, and development and deployment of clean energy technologies and CCUS. The Kingdom is working to create a sustainable renewable energy sector that includes industries, services, the localization of technologies, and the development of human resources. This being undertaken by identifying the main frameworks required for building the sector also established initiatives dedicated to enable the sector such as technologies localization of renewable energy initiative and human capacity building initiative.</p> <p>The Kingdoms Oil Sustainability Program (OSP) and King Abdullah University of Science and Technology (KAUST) have launched the Fuels, Lubricants, Efficient Engines Technology (FLEET) Consortium for improving the economic and environmental competitiveness of fuel, combustion engines and lubricants in the transportation sector.</p> <p>The consortium contributes to providing the support in engaging relevant entities and facilitating the advancement of research studies, as several leading entities within and outside Saudi Arabia have joined this research consortium, including Saudi Aramco, Bahri, Toyota, Hyundai, Pacific Green Technologies Group, SAPTCO, and others. The Circular Carbon Economy National Program, under the Ministry of Energy of the Kingdom of Saudi Arabia, is working with all relevant stakeholders in the energy ecosystem to accelerate deployment of key R&D themes across the Carbon Capture, Utilization, and Sequestration (CCUS) value chain in order to improve technical and financial feasibility of CCUS technologies. Examples of such efforts are:</p> <ul style="list-style-type: none"> * Build and operate Cryogenic Carbon Capture plant to develop KSA IP and reduce carbon capture costs for high-cost sectors with low CO2 concentration * Deploy Direct Air Capture Unit Pilot in KSA through an international technology provider using locally developed materials * Launch synthetic aggregates pilot in the Kingdom to improve feasibility

- * Launch synfuels pilot in order to assess feasibility of using CO2 to decarbonize hard-to-abate sectors such as aviation and marine
- * Several R&D initiatives to improve technical and financial feasibility of CO2 to chemicals technologies
- * Deploy pilots of CO2 for fertilizers and chemicals

South Africa

Strategies

Comprehensive strategies

South Africa is committed to COP26 and the just transition by moving away from coal to renewable energy, green hydrogen, waste to energy and battery storage. The policy was with all social partners in South Africa via the Nedlac process that brings business, labour, NGOs and government together on policy issues. The strategies are in newspapers, government websites, President's speeches, etc. The just transition is a medium and long-term policy to move away from coal and replace it with clean energy. Invest SA is attracting sustainable green investment in the PV solar sector with two new manufacturers in the PV solar sector.

Policies

Enabling regulatory framework

It is debated in the relevant committees of Parliament and amended if necessary. If the Bill passes through both the NA and the NCOP, it goes to the President for assent (signed into law). Once it is signed by the President, it becomes an Act of Parliament and a law of the land. Regulatory frameworks are legal mechanisms that exist on national and international levels. They can be mandatory and coercive (national laws and regulations, contractual obligations) or voluntary (integrity pacts, codes of conduct, arms control agreements). To provide for the legislative protection of investors and the protection and promotion of investment; to achieve a balance of rights and obligations that apply to all investors; and to provide for matters connected therewith.

CONSCIOUS of the need to protect and promote the rights enshrined in the Constitution;
 RECOGNISING the importance that investment plays in job creation, economic growth, sustainable development, and the well-being of the people of South Africa;
 AFFIRMING that the State is committed to maintaining an open and transparent environment for investments;
 DESIROUS of promoting investment by creating an environment that facilitates processes that may affect investments;
 CONSIDERING the responsibility of the government to provide a sound legislative framework for the promotion and protection of all investments, including foreign investments, pursuant to constitutional obligations;
 SECURING a balance of rights and obligations of investors to increase investment in the Republic;
 EMPHASISING the right to just administrative action;
 RECOGNISING the obligation to take measures to protect or advance persons, or categories of persons, historically disadvantaged in the Republic due to discrimination;
 ACKNOWLEDGING that investment must be protected, in accordance with the law, administrative justice and access to information;

Investment facilitation and risk mitigation

Invest SA/DTIC has worked with the World Bank to improve the permitting system, EIA, construction permits, Deeds office. South Africa is an open society so access to information, clarity and is predictable. For example, the Finance Minister's budget speech is the second most transparent in the world. With the Independent Power Producers programme (IPP), the IPP office adopts a risk mitigation strategy.

Technology upgrading

Art solar is a PV solar company that has the latest technology-M12 for assembling PV panels.

Policy support

A national Framework policy for sustainable development was done by Environmental Affairs in June 2007.

Access to finance

The IDC, DBSa, PIC and commercial banks have supported the IPP process-Independent Power producers programme, which assisted local and foreign investors for funding in the wind, PV solar, CSP sectors.

Development impact

The six master plans from the Department of Trade Industry and Competition (DITC) that are in implementation have embedded investments for sustainable development. The CTFL master plan incentive programme, for example, has specific reference to climate change mitigation strategies. This can also be found in the Steel Master Plan, which has made greening the sector a priority. The master plans also focus on skills upgrades and localisation/onshoring manufacturing with the future of work given focus attention. more: <http://www.thedtic.gov.za/media-room/master-plans/>

Promotion	Investment promotion initiatives
	South Africa has commissioned 5 bid windows for green energy and an emergency bid round. It further notes SA has been gradually adding utility-scale wind, solar PV and CSP for years, increasing the installed capacity from 467MW in 2013 to 5 027MW by the end of 2020 – 414MW of wind and 558MW of solar PV were added during the year 2020 alone. There is 10% of green energy on the Eskom grid as at 2020.
International collaboration	Investment facilitation instruments
	Working with UNIDO and UNEP on circular economy information sharing in the CTFL sector. Working with LEADIT (SWEDEN AND INDIA) for green steel - policy work. Working with the ILO for Master plans. Working with the Green Climate Fund.
	Outward FDI promotion schemes
	For the roll out for green energy, National Treasury provided guarantees for all independent power producers from bid window 1 to Bid window 5. FDI investors are protected by our constitution. On Outward FDI promotion, we do power-point presentations and highlight the investment opportunities in each sector. For Greenfield projects in South Africa, you need an EIA. The DTIC gives some incentives to investors and the IDC provides loans and take equity in investment projects
	Active promotion of technology for development

Türkiye

Strategies	Comprehensive strategies
	In policy documents such as the development plan, export strategy and industrial strategy, actions for clean energy, energy efficiency and renewable energy are addressed. These actions were widely communicated and define and communicate the Government's priorities in the medium and long run, including in respect to sustainable investment attraction. The Energy Efficiency Strategy of 2012-2023 defines a set of policies supported by result-oriented goals and devises actions that must be taken to achieve the goals.
	Türkiye's National Energy Efficiency Action Plan (NEEAP) (2017-2023) includes 55 actions in building and services, energy, transport, industry and technology, agriculture and cross-cutting area, and it is aimed to decrease the primarily energy consumption of Türkiye by 14% in 2023 base scenario.
Policies	Enabling regulatory framework
	Within the scope of the Investment Incentive System, investments are supported under 4 pillars, namely general, regional, priority investment and strategic investment incentive schemes. Each of these schemes has a different purpose. There are 9 support measures such as VAT Exemption, VAT Refund, Customs Duty Exemption, Tax Deduction, Social Security Premium Support for Employer Share and Employee's Share, Income Withholding Tax Support, Land Allocation and Interest Support. These supports include extremely attractive conditions in terms of amount and duration. Renewable energy investments, environmental investments, technological transformation investments can benefit from these supports. "Loan Support for Heat Insulation in Buildings" package has been implemented by Presidential Decree. Expected energy saving is 1 bcm natural gas by end of 2024. Regulation was published about charging stations for electric vehicles on April 2022.
	The RES Law (Law No:5346) introduces feed-in-tariffs (FiT) and constant tariffs for each renewable resource which is set out therein. The prices based on the type of renewable resource are provided below. Investors can make use of the incentives provided in the table for a period of 10 years by participating the YEKDEM (Renewable Energy Support Mechanism). Participation to the YEKDEM is not mandatory. Each year, owners of the power plant declare whether they will enter the YEKDEM or not. When a power plant participates to YEKDEM, it cannot get out of the mechanism in that year.
	YEKDEM: A private power producer generating electricity from renewable resources can voluntarily involve in an alternative mechanism, namely, Renewable Energy Sources Support Mechanism (YEKDEM). Those renewable generators participating to YEKDEM can sell their energy via electricity market/grid at the same time. The objective of YEKDEM is to introduce renewable sources into the economy securely, economically and in a qualified manner, to increase the diversification of energy sources, thus reduce greenhouse gas emissions, utilize wastes and protect the environment.
	Regarding the hybrid power plants regulation: It entered into the electricity market legislation with the eighth paragraph added to the 7th article of the Electricity Market Law no 6446 with the 43rd article of the "Law on the Amendment of the Mining Law, Some Laws and Statutory Decrees" dated 14/2/2019 and numbered 7164. Afterwards, secondary legislation studies were completed. As of July 1, 2020, applications for the establishment of multi-source electricity generation facilities have started to be received by EMRA.

Moreover, there is another electricity generation model named as YEKA which is managed by the Ministry of Energy and Natural Resources. Onshore wind tenders and solar PV tenders have been carried out up to now. The price ceiling, duration and kind of support and other rules of the tenders vary depending on the type of tender.

Investment facilitation and risk mitigation

Power Futures Market was opened on June 1, 2021 under the operation of Energy Exchange Istanbul (EXIST/EPIAŞ). With the amendment in the Electricity Market Law, EXIST/EPIAŞ had been granted the authority to operate the physically settled power futures market in January 2019. The processes on the secondary legislation had also been completed by EMRA and the legislations regarding power futures market had been published. Power futures market enables market participants to hedge their positions in order to protect themselves from market price fluctuations and anticipate future price expectations (price discovery). It also provides price signals for investors and support long-term security of supply indirectly. It will also contain physical delivery of the electricity.

Technology upgrading

Investments possessing high R&D intensity and innovative technologies and meet the minimum investment and capacity criteria may benefit from investment incentives in various ways. For the investments with the high value added and medium/high-tech investments, Türkiye offers higher tax deduction and interest support rates along with the higher durations for labor premiums. Moreover, there are VAT and Customs Duty Exemptions for machinery and equipment, VAT Refund for construction expenses and land allocation for R&D intense and innovative investments. Within the scope of Karapınar YEKA Solar Power Plant-1, the legal entity that won the tender has an obligation of establishing a photovoltaic (PV) solar module manufacturing factory and also to conduct R&D activities in Türkiye for a minimum of 10 years. This module manufacturing factory is the country's first solar module manufacturing facility with an annual capacity of 1000 MW. Within the scope of YEKA Wind Power Plant -1, the legal entity that won the tender has an obligation of establishing a wind turbine manufacturing factory and maintaining R&D activities for the next 10 years.

Rare Earth Elements Research Institute (NATEN) has adopted to contribute the transition from a linear to a circular economy- sustainable organisation of clean technologies for decarbonised future. To that end, NATEN has carried out several projects on recycling of end-of-life materials to recover critical raw materials and REEs and their use in low-carbon technologies.

Policy support

Within the scope of Decision on State Aids in Investments Decree No:2012/3305 investments are supported under 4 pillars, namely general, regional, priority investment and strategic investment incentive schemes. Each of these schemes has a different purpose. There are 9 support measures such as VAT Exemption, VAT Refund, Customs Duty Exemption, Tax Deduction, Social Security Premium Support for Employer Share and Employee's Share, Income Withholding Tax Support, Land Allocation and Interest Support. These supports include extremely attractive conditions in terms of amount and duration. Renewable energy investments, environmental investments, technological transformation investments can benefit from these supports.

Access to finance

The establishment process of the national energy efficiency financing mechanism is continued.

Development impact

Promotion

Investment promotion initiatives

International collaboration

Investment facilitation instruments

Outward FDI promotion schemes

Active promotion of technology for development

Electricity and natural gas distribution companies can use 2% and 1% respectively of their operating expenses for R&D activities. In these cases, distribution companies submit their projects to the R&D commission of the Energy Market Regulatory Authority (EMRA). If the project is approved by the commission, companies can finance the projects using their approved R&D budget. The development and implementation process of approved projects are monitored by EMRA.

Rare Earth Elements Research Institute (NATEN) under Turkish Energy, Nuclear and Mineral Research Agency aims to act as a bridge between the university, public institutions and the private sector through national and international projects for sustainable investment and circular economy.

For example, joint projects with industry and universities are carried out within NATEN regarding the recovery of rare earth elements and strategic raw materials from fluorescent lamps and electronic waste.

The United Kingdom

Strategies

Comprehensive strategies

The UK has recently published a new Energy Security Strategy that has investment in renewable energy at its heart - we now aim to develop up to 50GW of offshore wind by 2030, of which we would like to see as much as 5GW from floating offshore wind in deeper seas. We will also look to increase the UK's current 14GW of solar capacity which could grow up to five times by 2035. Ocean energy, onshore and remote island wind and bioenergy are also supported.

In 2021, the Government published its Net Zero Strategy: build back greener which set out policies and proposals for decarbonizing all sectors of the UK economy to meet UK's net zero target by 2050. As part of this strategy, the Government will work with the Financial Conduct Authority to introduce a sustainable investment label - a quality stamp - so that consumers and retail investors can clearly compare the impacts and sustainability of their investments for the first time.

In addition to that, the Government's ten-point plan sets out the approach the UK will take to build back better, support green jobs, and accelerate our path to net zero. The plan focuses on increasing ambition in a number of areas, including green finance and innovation. The ten-point plan will mobilise £12 billion of government investment, and potentially 3 times as much from the private sector, to create and support up to 250,000 green jobs.

The UK Energy Supply Chain Taskforce (UKESC) is co-chaired by Department for International Trade & Department for Business, Energy and Industrial Strategy Ministers, to deliver on the increased ambition for the UK supply chain to accelerate our progress towards net zero, which is fundamental to energy security. There are huge export opportunities particularly in decommissioning, hydrogen, CCUS and energy from waste within the supply chain transition; building capability and capacity through experience in domestic projects.

Policies

Enabling regulatory framework

The UK's new UK Green Taxonomy will set a robust standard for which investments count as green, following on from our commitment to reach net zero by 2050. Our new economy-wide Sustainability Disclosure Requirements will see businesses and investment products reporting consistent information on how they impact climate and the environment. As standards for transition plans emerge, the UK Government and regulators will take steps to incorporate these into the Sustainability Disclosure Requirements and strengthen requirements to encourage consistency in published plans and increased adoption by 2023

Investment facilitation and risk mitigation

The WTO joint initiative on investment facilitation for development hopes to create a more transparent, efficient, and predictable climate for establishing cross-border investments, which may increase WTO members' ability to retain FDI flows in sectors including renewable energy.

Technology upgrading

There are a number of initiatives currently underway which are promoting technology upgrading, including Heat and buildings strategy (sets out how the UK will decarbonise our homes, and our commercial, industrial and public sector buildings, as part of setting a path to net zero by 2050), the Boiler Upgrade Scheme (providing grants to encourage property owners to install low carbon heating systems), Heat Pump Ready Innovation Fund (supports the development and demonstration of heat pump technologies and tools, and solutions for optimised deployment of heat pumps) and the Net Zero Hydrogen Fund (worth up to £240 million, will fund the development and deployment of new low carbon hydrogen production to de-risk investment and reduce lifetime costs.)

Policy support

The Investment Atlas highlights strategic green investment opportunities across the UK. Investors can find information about foreign direct investment and capital investment opportunities that are ready for investment conversations across the whole of the UK, with information about the wider sectors these opportunities are in, the business environment, and other support available to help investors enter or expand in the market. It will also give investors ready access to a variety of investment support services, including information about how the new Office for Investment can support high value investors receive the strongest possible cross government support to realise their UK investments.

Access to finance

The UK government has committed to support developing countries through our commitment to provide £11.6bn in climate finance over the period 2021 to 2025.

Development impact

Just Energy Transition Partnerships (JETPs) are innovative country-led partnerships that tailor coordinated international support to individual countries' plans for ambitious and just energy transitions. They bring together domestic resources with support from developed countries and multilateral development banks, alongside private sector investment. This approach builds on existing country partnership approaches that many countries already benefit from. These partnerships are an exciting new model for long term collaboration that simultaneously enables increased climate ambition, delivers social benefits, and channels finance to catalytic actions that accelerate clean transitions in developing countries and emerging economies.

Promotion

Investment promotion schemes

International collaboration

Investment facilitation instruments

The Glasgow Financial Alliance for Net Zero (GFANZ) was launched in April 2021, in partnership with the UN-backed Race to Zero campaign, to unite net-zero financial sector-specific alliances from across the globe into one industry-wide strategic alliance. Bringing together existing and new net-zero finance initiatives in one sector-wide coalition, GFANZ provides a forum for leading financial institutions to accelerate the transition to a net-zero global economy. Members currently include more than 450 member firms from across the global financial sector, representing more than \$130 trillion in assets under management and advice.

The UK continues to work through the OECD Investment Committee on the implementation of the Foreign Direct Investment Qualities Guide and other elements of the FDI Qualities workstream. Guide for Development Co-operation has been designed by the OECD and its members to support the implementation of the Recommendation on Foreign Direct Investment Qualities for Sustainable Development. The Recommendation is the first multilateral agreement on how FDI can be used to achieve the SDGs.

The UK's Office for Investment (Ofi) will connect public and private sector expertise while ensuring high and rigorous standards of scrutiny and security. The office supports the landing of high value investment opportunities into the UK which align with key government priorities, such as reaching net zero, investment in infrastructure and advancing research and development.

Outward FDI promotion schemes

The UK Government is supporting sustainable green infrastructure across the Commonwealth and opening new opportunities for Britain's leading clean tech companies to grow their business around the world. British International Investment will provide up to £162 million [\$200m USD] of capital investment in the hydropower sector in Africa, partnered with Norway's Norfund in a joint venture with energy firm Scatec.

Active promotion of technology for development

Breakthrough Agenda - Launched by the United Kingdom and a coalition of 42 world leaders, whose countries collectively represent 70% of global GDP, at COP26. The Breakthrough Agenda is an international clean technology plan to help keep 1.5°C in reach. It provides a framework for countries and businesses to join up and strengthen their actions every year, in every sector, through a coalition of leading public, private and public-private global initiatives, and signposts the leading global initiatives that will help ensure success. Bringing together the government with business, the Agenda aims to make clean solutions the most affordable, accessible and attractive option in every sector, by the end of this decade.

The UK is also introducing five new virtual Centres of Expertise to provide in-depth advice and coaching for Commonwealth countries on green growth, infrastructure, financial services, public finance and trade.

The United States

Strategies

Comprehensive strategies

The Biden-Harris Administration issued an executive order entitled “Executive Order on Tackling the Climate Crisis at Home and Abroad” which stated that “Domestic action must go hand in hand with United States international leadership, aimed at significantly enhancing global action.” The executive order details that it is the policy of the Administration that climate considerations shall be an essential element of United States foreign policy and national security. The United States will work with other countries and partners, both bilaterally and multilaterally, to put the world on a sustainable climate pathway. The United States will also move quickly to build resilience, both at home and abroad, against the impacts of climate change that are already manifest and will continue to intensify according to current trajectories.

Importantly, the United States has consistently taken the view that the private sector is, generally, best positioned to make investment decisions. In the United States, policy measures affecting investment are highly transparent and are generally subject to robust notice and comment procedures.

Policies

Enabling regulatory framework

The United States has a generally open and welcoming investment climate. In June 2021, President Biden reiterated the longstanding open investment policy of the United States as a "pledge to treat all investors fairly and equitably under the law."

In the United States, investors are able to choose whether to have investment partners and are free to choose which partners to have. The United States does not require investments to achieve a given level of local content, nor are advantages to investments conditioned on achieving a given local content level. Investors can freely remit profits and make other investment-related transfers. Further the United States has strong protections against discriminatory and uncompensated expropriation of investment. Lastly, the United States is a highly transparent and predictable regulatory environment with strong respect for the rule of law and anti-corruption measures. These are the factors which make for a regulatory environment that is conducive to investment.

Investment facilitation and risk mitigation

SelectUSA is the federal government program housed within the U.S. Department of Commerce charged to promote and facilitate business investment into the United States. Since its inception, SelectUSA has facilitated more than \$105 billion in client-verified investment projects, supporting more than 138,000 U.S. jobs. SelectUSA investment specialists help companies find helpful information and interpret unbiased data they need on a wide range of topics – from information on the overall economy and investment trends through industry overviews and data about consumers, U.S. workforce, specialized clusters, and available federal resources. The U.S. International Development Finance Corporation provides political risk insurance, which covers currency inconvertibility, expropriation, political violence, reinsurance, breach of contract for capital markets, and multiple guaranty coverages.

Technology upgrading

In April 2021, President Biden announced a new target for the United States to achieve a 50-52 percent reduction from 2005 levels in economy-wide net greenhouse gas pollution in 2030, building on progress to-date and by positioning American workers and industry to tackle the climate crisis. The United States will invest in innovation to improve and broaden the set of solutions as a critical complement to deploying the affordable, reliable, and resilient clean technologies and infrastructure available today. Secretary of Energy Granholm has made clear that “Accelerating how quickly we get novel technologies to the marketplace will allow us to deploy the clean energy sources needed to combat climate change, lower energy costs, and keep us on course to reaching President Biden’s decarbonization goals. The Department of Energy’s national laboratories are stepping up to address the urgent need to develop solutions for expedited clean energy technology commercialization – from the time a product is researched, developed and patented to its widespread use. “

Policy support

The United States does not, in general, offer financial or other incentives for foreign investment and most incentive programs are open equally to domestic or foreign investors.

Access to finance

The United States hosts the most developed, liquid, flexible, and efficient financial markets in the world. Access to capital is an important reason business choose to invest in the U.S. market, where a wide range of funding sources – from banks and investment firms to venture capitalists and angel investors – enable business innovation and expansion. Companies operating in the United States – from individual entrepreneurs with a dream to established businesses expanding their local physical presence – have access to a wide range of short- and long-term investment sources. Unlike in many other markets, capital investors in the United States are typically not involved in the day-to-day management or operations of the organizations they are funding. Internationally, DFC's Portfolio for Impact and Innovation (PI2) aims to bridge the financing gap for early-stage social enterprises. PI2 allows companies (especially local entrepreneurs) that face challenges accessing financing due to their relative size, short track record, and novel approaches, to obtain loans up to \$10m USD through a streamlined approval process.

Further, DFC offers a Loan Portfolio Guarantee product (LPG) through its Mission Transaction Unit (MTU), which allows DFC to provide a financial institution with a guarantee for a portfolio of loans made to hundreds, if not thousands, of customers.

Development impact

The U.S. International Development Finance Corporation (DFC) is the United States' development finance institution. DFC partners with the private sector to finance solutions to the most critical challenges facing the developing world today. DFC invests across sectors including energy, healthcare, critical infrastructure, and technology. DFC also provides financing for small businesses and women entrepreneurs in order to create jobs in emerging markets. DFC investments adhere to high standards and respect the environment, human rights, and worker rights. DFC is a leader in financing projects that help countries generate power from renewable sources including solar, wind, hydro, and geothermal. DFC offers a variety of tools such as direct loans and guaranties, equity, fund investing, political risk insurance, technical assistance, and feasibility studies. DFC projects are aligned to the SDGs, and the agency uses blended finance mechanisms. The agency has launched a series of climate-focused commitments to extend its work in the developing world.

Net-zero emissions: Using credible assumptions, DFC has committed to achieving net zero emissions in its portfolio by 2040.

Call for climate-focused funds: DFC announced a rolling Call for Applications for funds targeting climate mitigation, adaptation, and/or resiliency.

Call for Distributed Renewable Energy applications: DFC issued a Call for Applications from private companies seeking financing.

Increased technical assistance for climate projects: DFC will commit at least \$50 million over the next five years for feasibility studies and technical assistance to help identify, design, and implement new climate projects.

Risk sharing for climate projects: DFC will develop a risk sharing platform with private sector insurance partners to reduce barriers to financing climate projects and expand the agency's capacity to support innovative projects in challenging environments.

Increased collaboration: DFC will collaborate closely with other development finance institutions and interagency partners to bolster its climate project pipeline.

Chief Climate Officer: DFC created a new position of Chief Climate Officer to lead internal and external coordination on sustainability and climate-related investments.

Promotion

Investment promotion initiatives

The Biden-Harris Administration issued an executive order entitled "Executive Order on Tackling the Climate Crisis at Home and Abroad" which stated that "Domestic action must go hand in hand with United States international leadership, aimed at significantly enhancing global action." The executive order details that it is the policy of the current Administration that climate considerations shall be an essential element of United States foreign policy and national security. The United States will work with other countries and partners, both bilaterally and multilaterally, to put the world on a sustainable climate pathway. The United States will also move quickly to build resilience, both at home and abroad, against the impacts of climate change that are already manifest and will continue to intensify according to current trajectories.

The United States developed a climate finance plan, making strategic use of multilateral and bilateral channels.

International collaboration

Investment facilitation instruments

The Blue Dot Network is a mechanism to certify infrastructure projects that meet robust international quality standards. The United States, Japan, and Australia launched the Blue Dot Network as a multilateral effort to promote principles of sustainable infrastructure development around the world. Blue Dot Network certification will serve as a globally recognized symbol of market-driven, transparent, Paris Agreement-aligned, and financially, socially, and environmentally sustainable infrastructure projects. The Blue Dot Network can contribute to closing the global infrastructure gap by helping attract investment from the private sector, while also improving national policies, benefitting local communities, and promoting transparent, climate-smart, sustainable, and responsible investment.

Outward FDI promotion schemes

The decision on whether or how to invest internationally is a private sector decision that should be made for commercial rather than political reasons. The United States generally does not promote outward investment, but in certain circumstances does help to facilitate such investment. For example, the U.S. International Development Finance Corporation (DFC) provides political risk insurance, which covers currency inconvertibility, expropriation, political violence, reinsurance, breach of contract for capital markets, and multiple guaranty coverages.

Active promotion of technology for development

The United States believes that voluntary and mutually agreed commercial partnerships or arrangements are the most effective way to promote technology for development. The United States reports on its incentives to promote and encourage technology transfer to least-developed country (LDC) WTO members in the annual Article 66.2 Report submitted annually to the WTO TRIPS Council. The broad range of activities covered in this report – including laboratory-based scientific collaboration, capacity building and education, and IP enforcement activities – highlight the United States' efforts to promote effective and voluntary transfer of technology to LDC members.

Singapore

Strategies

Comprehensive strategies

In 2021, Singapore launched the Singapore Green Plan 2030, which is a whole-of-nation movement to advance the national agenda on sustainable development. The Green Plan charts ambitious and concrete targets for this decade, which will strengthen ongoing efforts towards achieving UN's 2030 Sustainable Development Agenda and Singapore's commitments under the Paris Agreement. It also positions Singapore to achieve its long-term net-zero emissions aspirations as soon as viable.

Under the Green Economy pillar of the Singapore Green Plan 2030, Singapore seeks to grow as a leading centre for green finance in Asia. The Green Finance Action Plan was developed by the Monetary Authority of Singapore in 2019 to (i) strengthen the financial sector's resilience to environmental risks, (ii) develop green finance solutions, (iii) build knowledge and capabilities, (iv) support green FinTech innovation and (v) enhance data and disclosures. Some initiatives include a USD 2 billion Green Investment Programme to place funds with asset managers committed to deepen green finance activities and capabilities in Singapore, and Project Greenprint, a technology platform aimed at promoting a green financial ecosystem through mobilizing capital, monitoring commitment and measuring impact of green and sustainable projects.

Under the Sustainable Living pillar of the Green Plan, Singapore hopes to encourage a greener citizenry that consumes and wastes less. The inaugural Zero Waste Masterplan launched in 2019 has mapped out Singapore's key strategies to build a sustainable, resource-efficient and climate-resilient nation. These include adopting a circular economy approach to waste and resource management practices and shifting towards more sustainable production and consumption. The plan supports businesses in turning "trash to treasure" – namely, to recycle or transform waste into useful inputs for production. Notably, JTC Corporation, the government agency which champions industrial development, is working with companies on Jurong Island to build a more sustainable Jurong Island.

Policies

Enabling regulatory framework

Singapore introduced a carbon tax on greenhouse gas (GHG) emissions through the Carbon Pricing Act that came into force on 1 January 2019. The carbon tax forms part of Singapore's comprehensive suite of mitigation measures to reduce emissions; the tax rate is currently set at SGD 5 per tonne of carbon-dioxide equivalent (tCO₂e) from 2019 to 2023. The carbon tax will subsequently be raised to SGD 25/tCO₂e in 2024 and 2025 and \$45/tCO₂e in 2026 and 2027 with a view to reaching \$50-\$80/tCO₂e by 2030. The tax is applied uniformly to emissions from all sectors, including those from the manufacturing, power generation, and water and waste management sectors, with direct reckonable GHG emissions of 25,000 tCO₂e or more annually. This covers around 80% of national emissions. This will provide a strong price signal and impetus for businesses and individuals to reduce their carbon footprint in line with national climate goals.

To support companies during the transition, the Government is prepared to spend more than the expected carbon tax revenue of about SGD 1 billion in the first five years to help companies, including small and medium-sized enterprises (SMEs) and power-generation companies (gencos), improve their energy and carbon efficiency by adopting greener and cleaner technologies and practices. In addition to making changes in the energy sector, Singapore has taken action across the economy, such as switching to cleaner-energy vehicles and improving energy efficiency in buildings. To encourage energy efficiency in the industrial sector, the Energy Conservation Act was revised in 2017 to stipulate more energy management practices, which include minimum energy efficiency standards for common industrial equipment and systems.

Investment facilitation and risk mitigation

Technology upgrading

Singapore is investing resources to pursue R&D in low-carbon technologies such as hydrogen. This includes investment in Low-Carbon Energy Research Funding initiative, investing in research to develop new catalysts to liberate hydrogen from ammonia in a more energy-efficient way and development of a Carbon Capture and Utilisation Translational Testbed which will facilitate the rapid evaluation and test-bedding of emerging capture and utilisation technologies to accelerate industry adoption.

Policy support

Access to finance

In 2017, MAS launched a Sustainable Bond Grant Scheme (SBGS) to encourage the issuance of green, social and sustainability bonds in Singapore by helping issuers to cover additional costs associated with external reviews. In November 2019, MAS set up a US\$2billion Green Investments Programme (GIP) to invest in public investment strategies that have a strong green focus. MAS also launched the Green and Sustainability-Linked Loan Grant Scheme (GSLs) in 2020 to encourage businesses to take up green and sustainability-linked loans. The grant also encourages banks to develop green and sustainability-linked loan frameworks to make such financing more accessible to small and medium-sized enterprises.

Singapore launched the Singapore Green Bond Framework in June 2022. The Framework serves as a governance framework for Singapore sovereign green bond issuances under the Significant Infrastructure Government Loan Act 2021 (SINGA). The Framework details the Singapore Government's (i) intended use of green bond proceeds, (ii) governance structure to evaluate and select eligible projects, (iii) operational approach to manage green bond proceeds, and (iv) commitment to post-issuance allocation and impact reporting.

Singapore sovereign green bonds, also known as Green Singapore Government Securities ("SGS") (Infrastructure), will be used to finance major, long-term green infrastructure in Singapore that qualify under the Framework. Examples of eligible green SINGA projects include the upcoming Cross Island Line and Jurong Region Line. Our rail network expansion will enhance connectivity and encourage more commuters to take mass public transport, which together with walking and cycling, are the greenest ways to move.

To support Singapore's decarbonization efforts and deepen Singapore's green finance market, the Government announced at Budget 2022 that the public sector will take the lead by issuing up to S\$35 billion of public sector green bonds by 2030. These public sector green bond issuances will serve as reference for the corporate green bond market and build on MAS' efforts to develop green financing solutions and markets, by deepening market liquidity for green bonds, and attracting green issuers, capital, and investors. This paves the way for greater private sector green finance activity.

Development impact

In February 2022, MAS and IBF launched the Sustainable Finance Technical Skills and Competencies (TSCs) under the IBF's Skills Framework for Financial Services. The new TSCs set out a robust, common level of sustainable finance proficiency, knowledge and abilities needed for individuals to perform various roles in sustainable finance

The Government has also launched Enterprise Sustainability Programme to enable local enterprises to uplift their capabilities and capture opportunities in sustainability.

Promotion

Investment promotion schemes

Singapore sees bilateral and plurilateral Free Trade Agreements (FTAs) as a practical way for like-minded parties to work towards a more ambitious level of trade liberalization, and therefore complement multilateralism. In order to help further address the needs of the future economy, Singapore is exploring the implementation of Green Economy Agreements (GEA) with like-minded and progressive Members which could potentially forge the pathway for new multilateral agreements in future.

Singapore sees GEAs as a valuable channel that can help to (i) facilitate trade and investment in environmental goods and services, (ii) strengthen environmental governance, and (iii) enhance capacity to address climate change. Some areas of cooperation could include carbon trading, green financing and clean energy solutions. Singapore is currently in the midst of working on the world's first GEA with Australia.

International collaboration

Investment facilitation instruments

Singapore is a co-sponsor of the plurilateral Joint-Statement-Initiative (JSI) on Investment Facilitation for Development (IFD) under the World Trade Organization. The JSI on IFD was launched due to the need to address the trade barriers slowing down and restricting investment processes between countries. The JSI works to (i) create clear and consistent global benchmarks for investment facilitation; (ii) anchor domestic

investment facilitation reforms in shared international commitments; and (iii) provide a global forum to promote best practices.

Outward FDI promotion schemes

Active promotion of technology for development

Spain

Strategies

Comprehensive strategies

The Recovery, Transformation and Resiliency Plan is the strategic tool that the Spanish government has put in practice, following a European strategy for the recovery from the COVID-19 pandemic. The Plan is articulated through strategic goals, assigning funds to them.

One of the main goals is achieving a sustainable economic model, specially through de-carbonization, ecological preservation and tackling social inequalities. The Spanish companies should present projects aligned with the goals in order to receive the funds. The Plan also counts with several reforms in order to transform the regulation and promote the achievement of the goals.

For every law and regulation changed there has been a public consultation to take in consideration the worries of companies and individuals. The Plan has been widely communicated, and the medium to long term achievements and progress is being published on web sites.

The Plan also considers the attraction of investment through public- private schemes for green investment.

Policies

Enabling regulatory framework

As a headline, Spain is conducting a multi-year plan for economic recovery focused on energy transition and resilient ecosystems, among others pillars. This is the so-called "Recovery, Transformation and Resilience Plan". Aligned with it, the "Integrated National Plan for Energy and Climate" (PNIEC for acronym in Spanish) sets out the guidelines for investments and reforms.

Additionally, among those main reforms, Spain has put in force the following ones: Climate change and energy transition law, development of a robust and flexible energy system, deployment and integration of renewables, Renewable Hydrogen Roadmap, Resilience and Adaptation of Ecosystems, Development and Connectivity of Green Infrastructures, Water Law and National Plan for Purification, Sanitation, Efficiency, Savings and Reuse, Law on Waste and Contaminated Soils for an Economy Circular, and Self-consumption Roadmap.

Also, with regards to the Public Sector Contracts Law, Law 9/2017 on Public Sector Contracts has introduced award criteria including sustainability and environmental and social aspects related to the contracts. Companies that have implemented measures in these areas are better positioned to win public procurement contracts with the Spanish Government.

Investment facilitation and risk mitigation

An example would be the mentioned Law on climate change and energy transition (Law 7/2021), whose articles 32 and 33 establish climate risk reporting obligations on credit institutions and aim to facilitate investments in sustainable sectors.

Technology upgrading

The private sector plays a leading role in the fight against climate change and must establish strategies to reduce its CO2 emissions into the atmosphere and promote renewable energies as opposed to fossil fuels in its activities, or invest in R&D&I to develop more sustainable and less emission-intensive technology innovations. The drive to approve legislation on climate change has been underway since 2011 and ended with the Law on Climate Change and Ecological Transition. Also, among other general initiatives aimed at improving R&D&I and business climate (with one of the ultimate goals being improving technology related to the core and horizontal objective of sustainability), there are Business Growth Law Projects ("Créate y Crece"), the Law of Startups, etc.

Policy support

The already cited plans, based on the fundamental laws that have been described, represent some of the best examples of policy support in this sense.

Access to finance

At the national level, Spain has developed a sustainability strategy for export credits with official support through a new Policy on Climate and Sustainability, adopted in 2021. The new strategy applies for both direct financing and pure cover operations. It includes restrictions for the financing of projects in polluting industries as well as incentives for adequately channelling financial resources towards sustainable activities, compatible with the EU taxonomy and in accordance with the OECD Arrangement.

With the purpose of going further on these restrictions and incentives, Spain was a founder member of the "E3F (Export Finance For Future)" international coalition, created in April 2021, where members actively and continuously propose new ways in which export finance could play a greater role in supporting climate change adaptation and mitigation projects. At the OECD level, Spain supports a modernisation of the OECD Arrangement that better integrates current sustainability issues and concerns.

The foundations for these developments started with the signature of the so-called Coalition of Finance Ministers for Climate Action [CAPE (2019)], whereby nearly 20 countries undertake to adopt the Helsinki Principles, a statement of best practices for sustainability in macroeconomic and fiscal policy and public financial management.

Development impact

Promotion

Investment promotion initiatives

We can highlight the Recovery, Transformation and Resiliency Plan, that involves a mayor effort on promoting investments, fully oriented to transform the Spanish economy and achieve a more sustainable economic model.

To achieve the investment needed for this, Spain counts with the funds from NEXT GENERATION EU, but it is also implementing a reform plan to improve the business climate in our country, for attracting investment to this end.

International collaboration

Investment facilitation instruments

ICEX – INVEST IN SPAIN is the State agency that promotes internationalization of Spanish economy. Within ICEX, Invest in Spain Division's provides information to investors, acting as a single-window entry point, and thus facilitating the access to market for investors. Invest in Spain fulfils its mission with four lines of action: a) Attracting new foreign direct investment projects, especially involving countries, sectors and businesses that show greatest growth potential in Spain, b) Positioning of Spain as an internationalized country boasting extremely competitive resources, business center and international investment as well as being a global platform for access to third markets, c) Promoting an improved business climate and regulatory environment, thereby facilitating business activity in Spain, d) Facilitating collaboration between foreign investors and Spanish companies for the development and expansion of activities in our country.

Outward FDI promotion schemes

Following the recommendations of the OECD relating to environmental and political risks that have to be addressed on new BITs, the Spanish investment protection policy includes measures to promote investor's commitment with RBC standards, as well as political space to maintain and improve the regulation protecting sustainable development.

Through CESCE (The Spanish ECA, which is a public-private corporation), Spain provides commercial and political risk insurance with sovereign guarantee to Spanish firms for their outward FDI. CESCE is firmly committed to the fight against climate change and, in line with the objectives set through the Paris Agreement, is firmly committed to the promotion of green projects, offering more beneficial conditions to projects with this consideration. Since 2021, CESCE has put in place a new Policy on Climate and Sustainability with new green export and investment cover policies.

Spain also offers direct financing through the "Corporate Internationalization Fund, F.C.P.J. (FIEM)", which has a specific Line of credit (ECOFIEM), created in 2019, that amounts to 200 million Euro for projects that contribute to the fight against climate change.

Moreover, the Spanish Institute for Official Credit (ICO) is a public bank, tasked with the promotion of the Spanish economy. It offers financing, through different modalities, for investment projects of Spanish companies. ICO contributes to the development of sustainable finance, aligning its activity with the ESG sustainability objectives established by the United Nations in the SDGs of the 2030 Agenda and the Paris Agreements (COP21). 2020 has been a key year for the consolidation of ICO's sustainable financing activity for companies, with the approval of financing operations amounting to 2.76 billion euros linked to sustainable development projects, contributing to economic recovery and boosting the ecological and digital transition. ICO has maintained a high degree of commitment to financing for the development of energy efficiency, mobility, renewable energy development and water treatment projects, among others, for some 1.14 billion euros.

Moreover, COFIDES, the Spanish Development Finance Company, offers financing to investment projects abroad in order to contribute both to the development of the countries receiving the investments and to the internationalisation of the Spanish economy and companies. It also supports the Spanish Agency for International Development Cooperation (AECID) in the management of FONPRODE (Fund for the Promotion of Development).

Active promotion of technology for development

Spain is nowadays focused on the promotion of science and technology. In the field of knowledge development, it is worth highlighting the Spanish Strategy for Science, Technology and Innovation, approved in 2020, to advance in the promotion of scientific research and improve Spain's competitiveness.

Towards the diffusion of technology, we can refer the CDTI-E.P.E. a Public Business Entity under the Ministry of Science and Innovation, which promotes innovation and technological development of Spanish companies. It is the entity that channels requests for aid and support for R&D&I projects of Spanish companies at the national and international levels.

Through both multilateral, bilateral and unilateral projects of international cooperation, the CDTI provides with financing for the creation and diffusion of technology.

ENISA is another public company which promotes internationalization of innovative projects.

Switzerland

Strategies

Comprehensive strategies

The 2030 Sustainable Development Strategy (SDS) adopted by the Federal Council in June 2021 sets out the policy establishing sustainable development as an important requirement for all federal policy areas based on the 2030 Agenda for Sustainable Development. The strategy sets out how the federal administration, the private sector including the financial markets, civil society as well as the education, research and innovation sectors can act as drivers of sustainable development. The strategy focuses on objectives for both national and international federal policy in three priority areas: sustainable consumption and production; climate, energy and biodiversity; and equal opportunities and social cohesion. The SDS has been published and was communicated in Switzerland. The draft strategy was subject to three months of formal public consultation and relevant stakeholders are involved in the implementation of the strategy. It does not embed investment promotion components as such, but lays out the directions for the promotion of sustainable production including responsible business conduct.

Policies

Enabling regulatory framework

Switzerland continues to believe that setting a price on carbon is the most effective way of triggering longer-lasting changes in business models and welcomes continued work at the international level on carbon pricing. Switzerland has imposed a carbon price of CHF 120 per tCO₂ on fossil fuels and has an ETS that is linked to the EU ETS for a set of high-emitting industries.

Switzerland has launched the Sustainable Development Goals Impact Finance Initiative (SIFI), a public-private partnership aimed at supporting innovative impact investment solutions for developing countries (see media release 'New public-private partnership to promote innovative development finance').

See answer in section "Technology upgrading" in what regards renewables and energy efficiency.

Investment facilitation and risk mitigation

Switzerland rates among the top countries in ranking such as the governance indicators (Worldbank) or global competitive report (World Economic Forum). Switzerland Global Enterprise, the Swiss Investment Promotion Agency, provides basic information on the Swiss investment regime in an easily accessible way on the webpage (www.s-ge.com) and in a condensed handbook for investors. The handbook provides information on aspects of Switzerland as a modern and innovative business and technology location as well as information on topics such as economic structure, establishing a company, taxes, innovative technologies, the labour market, work permits, and legal matters. A large amount of specifically relevant information to small and medium-sized enterprises is provided by the SME Portal. This portal contains information, addresses (direct contacts to regional promotion organisations/areas) and useful links for entrepreneurs about the creation of an SME in Switzerland or developments in the international scene for instance. The one-stop EasyGov portal facilitates and centralizes administrative procedures for businesses active in Switzerland. A secure and reliable platform allows companies to electronically process authorization, application and reporting procedures in a single location. EasyGov relieves and saves costs - for both companies and the authorities and makes the administrative tasks simple, fast and efficient.

Technology upgrading

New investments in renewables are supported by a feed-in premium (for larger plants) or investment aid (for hydropower, rooftop solar and biomass). Support is financed by a grid surcharge, which is capped at Swiss cent 2.3/kWh and totals about CHF 1.3 billion per year. Proceeds from the grid levy are also used to finance a hydropower premium, energy efficiency tenders and river renaturation. Switzerland's energy efficiency performance standards for energy-using equipment, vehicles and buildings are largely aligned with those of the EU. A distinct scheme are efficiency tenders. Projects with long payback periods (more than 4 years) are regularly tendered. Switzerland also applies a CO₂ levy on stationary fuels. Two-thirds of proceeds are refunded

to the population, one-third are for a Buildings Refurbishment Program. Transport fuels are also subject to a levy: fuel importers must partly offset induced emissions, which they finance by a levy.

Policy support

In its 2030 Sustainable Development Strategy, the Federal Council outlines the priorities it intends to set to implement the 2030 Agenda over the next ten years. This strategy and the corresponding 2021–2023 Action Plan were adopted by the Federal Council on 23 June. Furthermore, the introduction of TCFD disclosure requirements is planned for larger companies (see media release 'Federal Council initiates consultation on ordinance on climate reporting by large companies': Federal Council initiates consultation on ordinance on climate reporting by large companies). The disclosure requirements are key to enhancing climate related transparency and accountability.

Recommendation to join international net zero alliances: The Federal Council encourages financial institutions to join net zero alliances such as those under the umbrella of GFANZ (Glasgow Financial Alliance for Net Zero). Switzerland also supports international efforts to create greater comparability of those commitments through freely accessible data platforms, for instance by being part of the Climate Data Steering Committee (see media release 'Der Bundesrat will mit Klimatransparenz einen internationalen Spitzenplatz bei nachhaltigen Finanzanlagen'

(<https://www.sif.admin.ch/sif/de/home/dokumentation/medienmitteilungen/medienmitteilungen.msg-id-85925.html>). Swiss Climate Scores: establish what Switzerland views as best-practice transparency on the Paris-alignment of financial investments to foster investment decisions that contribute to reaching the climate goals (see media release 'Swiss Climate Scores' (<https://www.sif.admin.ch/sif/en/home/swiss-climate-scores/brief-summary.html>)). [While the Scores are voluntary, they are aimed at defining what constitutes best practice transparency on climate commitments and disclosure. They aim to provide decision-useful information to investors and customers so that they can decide on their preferred sustainable investment strategy in light of some key climate indicators. Key indicators include current GHG emissions, exposure to fossil fuels, as well as forward-looking aspects such as the share of portfolio companies with verified commitments to net zero, the portfolio's climate stewardship strategy or the level of global warming that would occur if the global economy acted with the same ambition as the companies in the portfolio.]

Framework for the issuance of green bonds: First sovereign green bond issuances are planned for 2022. Switzerland wants to show the example to incentivize more private sector firms to issue green bonds based on internationally recognized green bond standards (see media release 'Federal Council wishes to show its commitment to sustainability with green Confederation bonds' (<https://www.admin.ch/gov/en/start/documentation/media-releases.msg-id-85932.html>)).

Access to finance

Private Infrastructure Development Group (PIDG) with financial contributions by SECO (see media release 'PIDG – Mobilising infrastructure investment in sub-Saharan Africa and south and south-east Asia').

Development impact

Swiss location promotion focuses on value-added and innovative companies. Attractiveness of Switzerland as a business location does address needs and potential measures. The Swiss Government aims to improve the economic framework conditions in order to strengthen the medium-term development of the business location. Twelve projects (initiatives) are at the forefront in 2022, taking into consideration sustainable development. The Government intends to meet the challenges facing Switzerland as a business location. Among the initiatives/proposals, the Government foresees measures on the reduction of regulatory costs for companies and on the regulatory brake, the draft revision of the law on the reduction of CO2 emissions etc.

Promotion

Investment promotion initiatives

In order to prepare Switzerland for energy transition and fundamental changes in the energy markets, the Swiss Government adopted in 2018 the Energy Strategy 2050 (see most significant changes in the regulation). See below for more information. Switzerland Global Enterprise executes in its role as an Investment Promotion Agency a specific mandate to inform foreign partners about the capacity and possibilities of the Swiss Cleantech sectors and thus enhances a collaboration for foreign investors or consumers.

International collaboration

Investment facilitation instruments

Switzerland does not promote FDI abroad. Switzerland maintains however a large network of bilateral investment treaties. The conclusion of such agreements improves the legal security for foreign investors in Switzerland and vice versa, improves the investment climate and thus enhances the attractiveness as a location for international investments.

Outward FDI promotion schemes

The Swiss Investment Fund for Emerging Markets is the development finance institution of the Swiss Confederation. SIFEM promotes long-term, sustainable and broad-based economic growth in developing and emerging countries by providing financial support to commercially viable small and medium-sized companies (SMEs) as well as fast-growing enterprises which in turn helps to create secure and permanent jobs and reduce poverty. SIFEM invests mainly through local funds, banks, leasing companies or microfinance institutions. Typically, SIFEM invests between USD 5 and 15 million in funds, each of which invests in eight to twelve local

companies. Direct investments are mostly in the form of loans to local financial institutions. SIFEM takes risks that are not yet borne by the market. In addition, as a responsible investor, SIFEM promotes good working conditions, environmentally sound production and high business ethics.

Active promotion of technology for development

Switzerland has supported the development of LC3, a new type of high-tech, eco-friendly cement which is helping to reduce the environmental footprint of the industrial and construction sectors, which are responsible for almost 40% of global carbon emissions. Cement production alone accounts for between 7% and 8% of total CO2 emissions generated by both sectors. LC3, which was developed by EPFL in cooperation with Universidad Central de Las Villas in Cuba and the Indian Institutes of Technology New Dehli and Madras, is now being piloted at global level. As part of the Building Energy Efficiency Project (BEEP) in India, the federal administration assisted the Indian government in producing the first construction code for energy-efficient housing.

The United Arab Emirates

Strategies

Comprehensive strategies

The UAE Government has ambitious strategic development objectives and realises its vision through wise policies and initiatives that aim to drive the economy and foster happy societies. These development plans were accompanied by exceptional projects for more than half a century, even as it aspires for a more diversified, competitive and adaptable economy based on science and innovation. The UAE's future endeavours are spearheaded by inclusive strategies towards achieving a digital and knowledge-based economy. In efforts to enhance the investment environment in the UAE and compete amongst competent economies in inward and outward of FDI globally, the UAE launched the National Agenda for Inflow of FDI and the National Agenda for Outflow of FDI, with a set of targeted sectors and countries for each inward FDI and outward FDI. It was developed in collaboration with concerned entities in UAE such as DEDs, IPAs (ex: Dubai FDI and Abu Dhabi Investment Office), PMO. It targeted some sustainable sectors to focus on in terms of investment attractions.

Policies

Enabling regulatory framework

The UAE has advanced a set of laws that align with the national investment directives including well-established legislative structures that aim to attract foreign investment. The Commercial Companies Law of 2020 is a qualitative leap in legal legislation, encouraging investment and business establishment, granting foreign investors the ability to establish companies and to have full ownership of their companies. Investment opportunities are offered in all economic sectors and activities, with the exception of activities with a strategic impact. Find more on: <https://www.moec.gov.ae/en/legislative-environment>

(See section "Policy support"). The Ministry of Industry and Advanced Technology is entrusted with the development, issuance and management of standards and regulations for the country, as well as tracking and management of conformity to the regulations. This effectively includes the drafting of regulations in partnership with stakeholders (private/government), which enable and accelerate the circular economy and equip the UAE for ensuring that technologies of the future are well leveraged with the appropriate mitigations well in place.

Additional regulatory frameworks are in development stages, notably research and development regulatory frameworks which optimize fund allocation to research and the maximization of commercialization opportunities.

Investment facilitation and risk mitigation

Risk mitigations are covered within BITs, which aim to protect state-to-state investments.

Technology upgrading

The UAE is prioritizing digital transformation and has launched innovative policies to attract new investments, especially in the areas of artificial intelligence, Internet of Things, financial technology, e-commerce, and information and communications technology, among others. This presents many new investment opportunities for investors.

13 Targeted Sectors for Inflow of Investment ranging from: retail and e-commerce marketplaces, Agriculture Tech, healthcare, manufacturing, financial tech, logistics, entertainment, streaming and gaming, supply chain, space, medical & wellness tourism, ICT sector, renewable energy, and education.

24 Targeted Sectors for UAE Investors abroad ranging from: education tech, cybersecurity, e-healthcare/ e-pharma, renewable power generation/ water supply, smart buildings, robotics, blockchain, carbon-capture technology, transport infrastructure, 5G infrastructure, healthcare facilities therapeutics and devices, senior housing & care organizations, consumer companies, 3D printing, IoT & sensors, sustainable transport, sustainability in food consumption, subscription- based products/ digital content, financial tech, E-commerce platforms, Artificial Intelligence, Augmented reality/ virtual reality, renewable energy, agriculture Tech.

UAE's active promotion of technology for development is an initiative that was recently launched to support manufacturing companies assess their sustainability situation and put forward an action plan to become more environmentally sustainable.

Policy support

The UAE has advanced a set of laws that align with the national investment directives, including well-established legislative structures that aim to attract foreign investment. The Commercial Companies Law of 2020 is a qualitative leap in legal legislation encouraging investment and business establishment, granting foreign investors the ability to establish companies and have full ownership of their companies. Investment opportunities are offered in all economic sectors and activities, with the exception of activities with a strategic impact. Investment incentives are available for the manufacturing sector.

Find more on: <https://www.moec.gov.ae/en/legislative-environment>

Access to finance

The UAE's Emirates Development Bank has updated its strategy and is presently offering a range of funding solutions on competitive terms to Industrial and manufacturing, food and agriculture, healthcare, education businesses, and green financing to convert businesses to renewable energy use. These funding solutions are offered to SMEs as well as larger enterprises.

Further funding and credit insurance solutions are offered through Etihad Credit Insurance and Abu Dhabi Export Office, as well as the commercial banking sector which is expected to play a greater role than hitherto seen.

Development impact

As a signatory to the Paris Accord, the UAE has made a real commitment to Net Zero by 2050. A roadmap is presently under development and update which will target the Industrial, logistics, and energy and utility sectors, ensuring there is a sensible path to achieving Net Zero in the targeted timeframe, with clear initiatives towards decarbonation, carbon capture and a transition towards ultimately predominantly clean energy sources.

A nation-wide In-Country-Value (ICV) program has been launched in 2021, which seeks to maximize value creation in-country, with multiple incentives offered to higher scoring companies. This program is being leveraged precisely "to localize steps of the value chain; boosting domestic capability and promoting business linkages between international investor and the local private sector, particularly in value-added activities, etc."

Promotion

Investment promotion initiatives

NextGen FDI is a national initiative which aims to attract digitally enabled businesses from all over the world and provide them with the necessary market entry fundamentals needed to launch and scale from within the UAE. It ultimately aims to support the growth of the nation's knowledge-driven economy. More than 40 free zones allow tax exemptions and 100% ownership for foreign investors. The UAE also provides these investors great flexibility in selecting the most appropriate zones for establishing their businesses. Free zones are located throughout the UAE, allowing investors to engage in a wide variety of economic businesses and activities.

The UAE does not impose income tax on individuals, investors or corporates, with the exception of oil companies and branches of foreign banks. As a country with a free economy model since inception, it allows individuals and investors to freely repatriate their profits in entirety.

The UAE grants long-term residence visas, for durations that extend from 5 to 10 years, to investors, entrepreneurs, and talented individuals. This allows expatriates and their family members wishing to live, work or study in the UAE to settle, establish their businesses, and enjoy the benefits of extended residency.

Low customs tariffs have contributed to cementing the status of the UAE as a trade hub. Government tariffs in the country range from 0% to 5%. Thereby, the UAE leads global and regional trade, ranking 3rd worldwide, and 1st in the Arab world in the arena of re-exporting.

International collaboration

Investment facilitation instruments

To improve its development goals, the UAE signed 107 agreements (BITs) with other countries to protect and encourage investments. With a network of the UAE's key trade partners, these agreements aim to protect investments from all non-commercial risks like nationalisation, expropriation, sequestration and freezing. They also aim to allow the establishment of investments and licensing such investments and confirm the free transfer of profits and other returns in a freely transferable currency, as well as granting national treatment in accordance with the laws enforced in the UAE, and other objectives that ensure the protection and encouragement of investments in the UAE.

Outward FDI promotion schemes

The country developed the UAE National Agenda for Outward of Investments which aims to opening new markets for Emirati investors and facilitating their ability to access promising opportunities and projects, especially in the priority sectors that serve the country's efforts in food security files, attracting and localizing advanced technology, and digital transformation, and identifying new opportunities through which it is possible to develop and expand the business portfolio of Emirati companies abroad.

The UAE through these set of targeted initiatives and agenda aims to be among the top 10 countries for outflow of FDI.

The country has developed a set of targeted sectors including: education tech, cybersecurity, e-healthcare/ e-pharma, renewable power generation/ water supply, smart buildings, robotics, blockchain, carbon-capture technology, transport infrastructure, 5G infrastructure, healthcare facilities therapeutics, and devices, senior housing & care organizations, consumer companies, 3D printing, IoT & Sensors, sustainable transport, sustainability in food consumption, subscription- based products/ digital content, financial tech, e-commerce platforms, Artificial Intelligence, augmented reality/ virtual reality, renewable energy, agriculture Tech.

Active promotion of technology for development

As part of the UAE's Industry 4.0 program, the UAE has established an Industry 4.0 Champions Network with 17 local and global Tech Champions in order to promote technology adoption and development in many sectors, including sustainability. The network specifically worked on an initiative to support 50 manufacturing companies assess their current sustainability situation and put forward an action plan to become more environmentally sustainable. Moreover, Industrial Enablement Centers are being established to promote advanced digital production technologies through technical training, demonstration, piloting and providing a platform for collaboration between public, private and academic institutions.

Additionally, as part of the UAE's goal to promote international collaborations in science and technology, a number of partnerships have been formally established with key countries with a focus on advanced technology and sustainability. Also, the UAE actively overlooks and plans delegation visits and programs that aim to showcase its tech ecosystem and the offerings available. This is done either through conferences, virtual tours or site visits.

From an R&D perspective, there is a large number of research and development being done in sustainability. The establishment of the Emirates Research and Development Council is going to support in governing R&D in these sectors, as well as establishing a funding mechanism for the long term.

The European Union

Strategies

Comprehensive strategies

The Strategy for financing the transition to a sustainable economy, adopted in July 2021, aims at consolidating what has been achieved since 2018 and taking into account the recent evolutions, specifically focusing on four areas:

TRANSITION: the need for financing the transition of all sectors in the economy, not only financing already sustainable activities;

INCLUSIVENESS: the increased need to be inclusive, taking on board SMEs and citizens into the sustainable journey, especially after the pandemic;

RESILIENCE AND CONTRIBUTION OF THE FINANCIAL SECTOR: the need to set the incentives right and ensure resilience in the financial sector, as it plays a key role in helping the real economy transition to sustainability; the concept of double materiality is core for the EU sustainable finance agenda.

GLOBAL AMBITION: finally, the new global context, with renewed commitments by major jurisdictions, where the EU can build on its leadership and could further engage with EU partners.

Policies

Enabling regulatory framework

The EU taxonomy for sustainable activities is a science-based classification system that allows financial and non-financial companies to share a common definition of sustainability, when determining their investment choices. It translates the European Green Deal objectives by defining and classifying what is in line with a net zero trajectory by 2050, based on a rigorous methodology. It is a voluntary tool, defining performance criteria for activities to be considered aligned with the EU climate and environmental objectives, creating a common language for investors and companies and helping connect finance to the transition efforts happening in the real economy.

Investment facilitation and risk mitigation

To align with the European Green Deal, the financial sector itself will need to be more resilient to the risks posed by climate change and environmental degradation and also improve its contribution to sustainability. This requires a comprehensive approach which consists of the systematic integration of both financially material sustainability risks (outside-in) and sustainability impacts (inside-out) in financial decision-making processes. It is crucial that both angles of the materiality concept are duly integrated for the financial sector to contribute pro-actively and fully to the success of the European Green Deal. The double materiality perspective is the compass of the EU approach to sustainable finance: the EU Taxonomy provides clear definitions for economic activities that are considered environmentally sustainable, against which investors and companies will need to report. The Taxonomy Disclosures Delegated Act specifies the information that non-financial undertakings and financial institutions must disclose under the Non-Financial Reporting Directive (NFRD) as regards the extent to which their activities are taxonomy-aligned. Further to this, the Corporate Sustainability Reporting Directive, soon to be adopted, will require listed EU large companies and SMEs to disclose their

transition and decarbonisation plans and the progress towards achieving them, therefore providing meaningful and comparable sustainability data to financial sector players. The Sustainable Finance Disclosure Regulation is a disclosure regime with significant behavioural implications that requires for instance financial entities to report on how they consider so-called principal adverse impacts of investments on ESG sustainability factors. Finally, the European Single Access Point, currently under negotiations, will be the first step towards the EU Financial Data Space and will give investors seamless access to financial and sustainability-related company information, including ESG data.

Technology upgrading

The Taxonomy Climate Delegated Act, applying from January 2022, includes activities that make a substantial contribution to the environmental objectives of climate change adaptation and mitigation. It lists over 170 economic activities, those that make the most significant contributions to the two environmental objectives covered here, climate adaptation and climate mitigation. Therefore, it covers 13 sectors with the highest contributions to CO2 emissions (energy, manufacturing, transport, buildings), and economic activities that enable their transformation. Notably, the Taxonomy Climate Delegated Act lists forest management, forestry conservation, etc. as economic activities within the sector of forestry. Within transport, it lists freight rail transport, inland passenger water transport, etc. Within manufacturing, manufacture of cement, of aluminium, etc.

Policy support

- Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13–43).
- Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (OJ L 442, 9.12.2021, p. 1–349).

Access to finance

The proposal for a Regulation on European green bond standards (EU GBS) will set a gold standard for how companies and public authorities can use green bonds to raise funds on capital markets to finance such ambitious large-scale investments, while meeting tough sustainability requirements and protecting investors. It is a voluntary standard to help scale up and raise the environmental ambitions of the green bond market. The new EU GBS will be open to any issuer of green bonds, including companies, public authorities, and also issuers located outside of the EU. It is currently being discussed by co-legislators.

There are four key requirements under the proposed framework:

- Taxonomy-alignment: The funds raised by the bond should be allocated fully to projects that are aligned with the EU taxonomy;
- Transparency: Full transparency on how the bond proceeds are allocated through detailed reporting requirements;
- External review: All European green bonds must be checked by an external reviewer to ensure compliance with the Regulation and taxonomy alignment of the funded projects;
- Supervision by the European Securities Markets Authority (ESMA) of reviewers: External reviewers providing services to issuers of European green bonds must be registered with and supervised by the ESMA. This will ensure the quality of their services and the reliability of their reviews to protect investors and ensure market integrity.

The Commission/DG INTPA is actively supporting partner countries in putting in place the conditions for a conducive investment climate that promotes sustainable investments, working to promote sustainable investment policies and regulations, to facilitate access to finance to sustainable investments, and to put forward sustainability into the private public dialogue with all stakeholders.

Development impact

In the 2021 Strategy, the Commission committed to raise the level of ambition at the international level, by deepening cooperation on sustainable finance bilaterally and multilaterally, in particular to promote convergence of approaches and to provide the private sector with usable tools and metrics, such as taxonomies. The Commission is also advocating for international forums and standard-setters, such as the Financial Stability Board, to develop ambitious standards and principles sustainable finance, in particular advocating for a comprehensive approach based on the double materiality concept. Further international work is needed on disclosure, building where appropriate on the recommendations of the Task Force on Climate-related Financial Disclosures and other international initiatives. Work will be intensified with partners through the International Platform on Sustainable Finance (IPSF), to support the interoperability and comparability of taxonomies and to promote transition finance.

Promotion	<p>Investment promotion initiatives</p> <p>The Taxonomy Climate Delegated Act includes 25 energy activities based on renewables. It also contains extensive energy efficiency measures and improvements in sectors including building renovations, to help reduce emissions.</p>
International collaboration	<p>Investment facilitation instruments</p> <p>The EU launched on 18 October 2019 the International Platform on Sustainable Finance (IPSF), together with other founding members, namely the relevant authorities of Argentina, Canada, Chile, China, India, Kenya and Morocco.</p> <p>Since then, Hong Kong Special Administrative Region of the People’s Republic of China (Hong Kong SAR of PRC), Indonesia, Japan, Malaysia, New Zealand, Norway, Senegal, Singapore, Switzerland and the United Kingdom also joined the IPSF. Together, the 18 members of the IPSF represent 55% of greenhouse gas emissions, 50% of the world population and 55% of global GDP.</p> <p>The work of the IPSF is also informed by twelve additional observers, such as the IMF, the World Bank, the UNDP, or the European Investment Bank.</p> <p>The platform is a forum for dialogue between policymakers, with the ultimate objective of scaling up the mobilisation of private capital towards environmentally sustainable investments. The IPSF therefore offers a multilateral forum of dialogue between policymakers that are in charge of developing sustainable finance regulatory measures to help investors identify and seize sustainable investment opportunities that truly contribute to climate and environmental objectives. Through the IPSF, members can exchange and disseminate information to promote best practices, compare their different initiatives and identify barriers and opportunities of sustainable finance, while respecting national and regional contexts.</p> <p>Additionally, the European Commission, on a regular basis annually and/or semi-annually, cooperates with partner third countries in the financial area by organizing international financial fora, where sustainable finance are one of the core topics usually discussed. Some examples are the US-EU Joint Financial Regulatory Forum, the EU-Japan Joint Financial Regulatory Forum, and EU-Asia-Pacific Forum on Financial Regulation.</p> <p>Accelerating private financial flows towards EU partner countries will be critical to collectively deliver on our global sustainability agenda. The Commission is therefore providing dedicated support to help scale up sustainable finance, including by supporting the development of sustainable finance frameworks and sustainability-related instruments including green bonds sharing the EU experience (taxonomy, benchmarks, standards, sustainability-related disclosures) and by providing de-risking mechanisms to crowd in private investors in sustainable investment in developing markets by covering part of the risks that investors are not ready to take, notably through the European Fund for Sustainable Development (EFSD+). Finally, the Commission will develop a comprehensive strategy to help further accelerate the flow of international and domestic private capital towards sustainable investments in low- and middle-income countries. To this end, a dedicated high-level expert group (HLEG) will be created to provide state-of-the-art recommendations to the Commission about transformative and innovative actions the EU can take to scale up sustainable finance in low- and middle-income countries, so as to accelerate private financial flows for a green, just and resilient recovery in EU partner countries.</p> <p>In addition, the Commission/DG INTPA puts in place several instruments and programmes to support the promotion of sustainable investment actions, both from the policy/regulatory side, by providing TACB to partner countries in addressing sustainability in their investment policies, but also by promoting access to finance in and for sustainable investments.</p> <p>Finally, the European Commission and the EU High Representative have set out the Global Gateway, a new European strategy to boost smart, clean and secure links in digital, energy and transport sectors and to strengthen health, education and research systems across the world.</p> <p>Outward FDI promotion schemes</p> <p>On 9 June 2021, the EU adopted Regulation (EU) 2021/947 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI - Global Europe), whose actions contribute to climate and biodiversity mainstreaming in line with the European Green Deal and the inter-institutional agreement.</p> <p>The new NDICI- Global Europe instrument merges several former EU external financing instruments. It aims to support countries most in need to overcome long-term developmental challenges and will contribute to achieving the international commitments and objectives that the Union has agreed to, in particular the 2030 Agenda and its Sustainable Development Goals and the Paris Agreement.</p> <p>With an overall allocation of €79.5 billion, the NDICI - Global Europe instrument covers the EU cooperation with all third countries, except for the pre-accession beneficiaries and the overseas countries and territories from the geographic programmes.</p> <p>The NDICI-Global Europe instrument unifies grants, blending and guarantees (the latter previously subject to specific rules and regulations, such as the EIB’s External Lending Mandate), which allow the EU to strategically promote public and private investment worldwide in support to sustainable development through the European Fund for Sustainable Development Plus (EFSD+). Investments are backed by an up to €53.4 billion External Action Guarantee, which will also cover the pre-accession countries.</p>

