



CENTRE
ON GREEN
FINANCE AND
INVESTMENT



OECD policy and
economics expertise
OECD policy
communities

STAKEHOLDERS

Institutional investors
Banks and asset managers
Industry sectors
Data and ratings providers
Research institutions
Philanthropies

Advisory Board
Knowledge
Partners

Annual Forum
Other Events



CENTRE ^{ON} **GREEN**
FINANCE AND INVESTMENT

BACKGROUND AND MISSION

Green investment needs to take place on a far greater scale over the coming decades if we are to achieve climate objectives and a broader set of environmental objectives linked to the Sustainable Development Goals (SDGs), including in support of biodiversity and water security. In 2016, the Organisation for Economic Co-operation and Development (OECD) took a major step to support these objectives by establishing a Centre on Green Finance and Investment. The Centre's mission is to help catalyse and support the transition to a green economy through the development of effective policies, institutions and instruments for green finance and investment. Leveraging the OECD's expertise and policy communities, the Centre provides a global platform for engaging with key players and harnessing the market intelligence of private sector partners. To support the rapid scale-up of green investment and financing flows on a scale commensurate with the challenge, the Centre:

- ◆ enables knowledge exchange among leaders from the private sector, government, regulatory institutions, academia and civil society
- ◆ develops rigorous, innovative and compelling analysis and practical recommendations
- ◆ organises high-impact events
- ◆ engages effectively in the wider policy debates and arenas.

A WEALTH OF EXPERIENCE

The OECD has been working with governments to tackle the economic, social and governance challenges of a globalised economy for more than 60 years. It advises countries on making economic and environmental policies more compatible and making growth greener. This work reflects the priorities of the OECD's 36 member countries and its key partner countries - Brazil, India, Indonesia, the People's Republic of China and South Africa.

The scale of the transition to a green economy is enormous – it is the biggest structural adjustment ever proposed in the field of international governance. This transition cannot be achieved without profound co-operation and interaction between governments and public authorities at all levels, the full range of private sector actors and civil society. This demands the sharing of best practices and new ideas, breaking down silos across different levels of government, and better co-operation between the various actors driving the shift to a new model of green development.

The OECD is the only inter-governmental organisation that has systematic reach across all branches of government. Its policy research and advice is independent, evidence-based and reviewed by committees made up of representatives from the governments of member and partner countries. Its unrivalled convening power enables it to bring together ministers, senior policy makers and leaders in finance, industry and civil society.

A GLOBAL PLATFORM FOR RESEARCH, ENGAGEMENT AND ACTION

The Centre provides policy guidance and analysis on green finance and investment, including to support climate mitigation, climate resilience, biodiversity, water and other environmental objectives. The Centre aims to address policy and market challenges and support the scaling up of green investment. The Centre taps into the private, public and philanthropic sectors for cutting-edge expertise and analysis as well as access to the latest innovations and initiatives in a quickly evolving area. This enriches the Centre's work and reach, contributes to its analysis, and provides direct insights into the policy making process.

The Centre supports developed, emerging, and developing economies by pursuing work in three key areas:

- ◆ strategies, policies, and actions for investment in the low-carbon, climate-resilient transition, as well as in support of other environmental objectives like biodiversity and water
- ◆ financing for green investment
- ◆ tracking progress in green finance and investment.

The OECD contributes to green finance and investment by helping policy makers at different levels of government to:

- ◆ assess the impacts of their climate policies, investments and other policies on the low-carbon transition
- ◆ promote the development of investment channels and instruments (e.g. green bonds) to facilitate increased financing from banks, institutional investors, and others in green infrastructure
- ◆ understand the role of domestic and international institutions (e.g. green investment banks and, development banks), investment channels, and public risk mitigation tools and incentives in reducing risks and transaction costs
- ◆ analyse mandatory climate change disclosure schemes in G20 countries
- ◆ analyse the business case for biodiversity action by investors
- ◆ understand the range of current practices of institutional investors in the areas of investment governance and the integration of climate and other environmental, social and governance (ESG) factors
- ◆ obtain quantitative and qualitative insights into the impact of the policy and business environment (including trade and investment measures and regulations) on investment and innovation in renewable energy generation

- ◆ address specific policy, governance and financing challenges for subnational governments – cities and regions – and promote co-ordinated climate policies, investment and action across levels of government.

In addition to producing high-quality, policy-oriented research, the Centre provides a global platform for engagement, collaboration and action on green finance and investment, involving governments and regulators, institutional investors, the private sector, international organisations, think-tanks, philanthropies, academia and civil society.

The Centre works with institutions that share a commitment to driving the transformative changes needed to achieve the aims of the Paris Agreement. An Advisory Board, combining strategic partners from government, the private and philanthropic sectors, as well as thought leaders from civil society and academia, provides advice on the activities of the Centre. Working with Knowledge Partners, the Centre seeks to advance the green finance and investment research agenda and promote the sharing of knowledge and expertise globally.

The work and activities of the Centre are linked to the wide range of OECD bodies and networks dealing with topics such as climate finance, the environment, development, governance, investment, trade, regional and urban policies. With this extensive reach and linkage to governments, the Centre can enable more co-ordinated and coherent strategies and policies on green finance and investment at subnational, national and international levels.



THE CENTRE IN ACTION

The OECD is an active participant in the global sustainable finance and investment agenda, and leverages the Centre's analytical work and expertise to provide an actionable evidence base to policy makers. For example, the OECD serves as an observer to the Central Banks and Supervisors Network for Greening the Financial System (NGFS) and the European Commission's Technical Expert Group on Sustainable Finance (EU TEG). The OECD also provides technical support to the Coalition of Finance Ministers for Climate Action.

Recent work

- ◆ OECD Guidance on Transition Finance: Ensuring Credibility of Corporate Climate Transition Plans
- ◆ Policy Guidance on Market Practices to Strengthen ESG Investing and Finance a Climate Transition
- ◆ Supporting Women's Empowerment Through Green Policies and Finance
- ◆ Real Estate Finance and Climate Transition: Market Practices, Challenges and Policy Considerations
- ◆ Enabling Conditions for Bioenergy Finance and Investment in Colombia
- ◆ Financing a Water Secure Future
- ◆ Transition Finance: Investigating the State of Play - Stocktake of Emerging Approaches and Financial Instruments
- ◆ De-risking Institutional Investment in Green Infrastructure: 2021 Progress Update
- ◆ Biodiversity, Natural Capital and the Economy: A Policy Guide for Finance, Economic and Environment Ministers
- ◆ Developing Sustainable Finance Definitions and Taxonomies
- ◆ Green Infrastructure in the Decade for Delivery: Assessing Institutional Investment
- ◆ OECD Progress Update on Approaches to Mobilising Institutional Investment for Sustainable Infrastructure
- ◆ Building Robust Project Pipelines for Low-Carbon Infrastructure
- ◆ State-owned Enterprises and the Low-carbon Transition

More reports and publications are available at www.oecd.org/cgfi.

Events

The OECD Forum on Green Finance and Investment (Forum) is the annual flagship event of the Centre. The Forum gathers senior policy makers and key private and public actors from around the world for action oriented discussions on a variety of sustainable finance and investment topics.

The Centre also organises the following events every year:

- ◆ Annual High-Level Breakfast Event on Institutional Investors and the Low-Carbon Transition
- ◆ Multiple side events at COP

More information on recent and upcoming events is available at www.oecd.org/cgfi/resources/events.

OPPORTUNITIES FOR SPONSORS

Sponsors of the OECD Centre on Green Finance and Investment take part in a unique, international public-private platform to deliver solutions for the low-carbon transition and sustainable development. They support path-breaking work and connect with relevant policy makers and regulators represented in numerous OECD committees, while promoting effective global dialogue.

To ensure tangible results, the best analysis, insights and innovations from the private, non-profit and philanthropic sectors need to be shared with mainstream decision makers and regulators worldwide. The OECD's convening power and ability to promote the adoption of best practices by governments amplifies the impact of the Centre's research and analysis. In addition to helping to advance the Centre's work and engagement across governments and key stakeholders, sponsors of the Centre can help inform the OECD's broader engagement in key international fora addressing topics at the heart of green finance, investment and policy, including:

- ◆ new OECD work on mobilising institutional investors in support of biodiversity action
- ◆ OECD's involvement with the European Commission's International Platform on Sustainable Finance

Sponsors can include national governments, cities and regions, private industry, philanthropies, funds, foundations, development banks and other organisations seeking to support the scale-up of private finance for the low-carbon transition and other environmental objectives, and to maintain continued momentum across governments at the international level.

For more information please contact

Robert Youngman
OECD Environment Directorate
Robert.Youngman@oecd.org

www.oecd.org/cgfi



@OECD_ENV

@OECD_BizFin

Image credit (p. 5): © think4photop / Shutterstock

