



## Concept Note

### **13<sup>th</sup> Annual G-24/AFI Policymakers' Roundtable at the International Monetary Fund (IMF) and World Bank Group (WBG) Spring Meetings (13 April, 2021)**

*“Inclusive Green Finance: a Pathway to Sustainable COVID-19 Recovery”*

#### **1. Introduction**

Across the globe there is a recognition of the climate related risks to financial stability, as well as climate change impacts on the livelihoods and the wellbeing of human beings. Climate change and environmental degradation have quickly been taking the center stage of global discussions and decision-making processes and are no longer seen as a niche. Green finance has a unique role to play in ensuring that financial flows are directed towards climate change mitigation and adaptation and to stop environmental degradation.

As a rapidly evolving policy area, [inclusive green finance](#) is an important aspect of on-going green finance developments that draws focus on the most vulnerable humans in the most vulnerable economies. It emphasizes the ability of financial inclusion to empower those at the base of the economic pyramid so that they can build their own resilience to the impacts of climate change and lessen their own contributions to climate change and environmental degradation. Access to credit, formal savings, insurance and payment systems is enabling individuals and small businesses to adapt to both slow-onset and fast-onset climate change. Working in tandem are tailored financial products and services that are bolstering climate mitigation efforts.

The recovery during and after the on-going pandemic should also be considered in tandem with the scaling up of green finance globally. Medium- and long-term responses towards economic recovery provide an unprecedented opportunity for financial policymakers and regulators to adopt green approaches for a green and climate change resilient future. In this recovery resilience building and inclusivity is paramount and thus inclusive green finance should be one pillar to consider. Including the most vulnerable financially, while building their resilience and enabling their own mitigation of climate change and environmental degradation should be a clear priority.

Central banks and financial policymakers are in prime position to not only to contribute to the development of inclusive green finance policies, but also drive the global discussion on innovative and integrated approaches to climate change, as demonstrated in the AFI network's endorsement of the 2017 [Sharm El Sheikh Accord on Financial Inclusion, Climate Change and Green Finance](#).

In addressing climate related financial stability risks, but also in racing against time to achieve the targets set in the [2030 Sustainable Development Agenda](#) and [Paris Climate Agreement](#), inclusive green finance policy initiatives are crucial in ensuring that no one is left behind.



## **2. Event outcomes**

This roundtable will aim to achieve the following objectives:

- Engage leaders from the G-24 and AFI networks and key partners in a discussion about how to advance inclusive green finance in the global recovery response to COVID-19;
- Share main insights and recommendations on global and national inclusive green finance initiatives (based on AFI members experience and work);
- Ahead of a crucial year for climate and the environment, ensure that developing country and emerging market perspectives from the G-24 and AFI networks can be incorporated into key global fora and decision-making processes.

## **3. Session scope and format**

The Roundtable will be structured around two key sessions:

- Experience sharing and recommendations from the AFI network on Inclusive Green Finance and its role in sustainable COVID-19 recovery;
- Establishing linkages and opportunities for G-24 and AFI members to contribute to key international fora and processes on climate change and green finance.

Key questions for discussions will include:

- What insights can be shared from the AFI network on impactful IGF policy reforms?
- What is the role of IGF in contributing to a sustainable COVID-19 recovery?
- How can digital financial services & FinTech help to enable IGF as part of COVID-19 recovery?
- What are the key international processes and global fora addressing the nexus of climate change, green finance, and financial stability and inclusion?
- How to ensure developing countries and emerging markets can effectively contribute their perspectives and experiences into the global dialogue?

## **4. Speakers**

Speakers will include Central Bank Governors and Deputy Governors from the G-24 and AFI memberships; international organizations such as the International Monetary Fund and the Financial Stability Board; and guest representatives from developed country regulators.