



## **Third Sustainable Finance Working Group (SFWG) Meeting under G20 India Presidency commences in Mahabalipuram, Chennai during 19-21 June 2023**

The Third G20 Sustainable Finance Working Group (SFWG) meeting under India's G20 Presidency will be held in Mahabalipuram, Tamil Nadu, from June 19 to 21, 2023. The meeting will bring together around 100 delegates from G20 member countries, invitee countries and international organisations.

The first two meetings of the SFWG were held in Guwahati and Udaipur. During the 3rd meeting, the focus will be to steer discussions for finalising the recommendations for key deliverables set out in the SFWG 2023 workplan.. The draft of the same has been circulated to the membership ahead of the meeting.

The SFWG has been working on three priority areas to advance the actions as envisaged in the G20 Sustainable Finance Roadmap, namely (i) Mechanisms for mobilisation of timely and adequate resources for climate finance; (ii) Enabling finance for the Sustainable Development Goals; and (iii) Capacity building of the ecosystem for financing toward sustainable development.

Under the 1st priority, SFWG will develop of a list of options to support climate investments and transition activities in line with country circumstances. The options will include ways to expand risk- sharing facilities, as well as policies and financial instruments to support private capital for investment in green and low-carbon technologies. The major challenges to scaling up climate finance include limited availability of concessional funding, complexities in utilising de-risking facilities and lack of bankable projects.

Enabling greater capital flows for advancing early-stage technologies focused on adapting and building resilience to climate change also remains a challenge. It is the first time that the SFWG has undertaken work on financing SDGs in addition to climate. Under this priority, we have focused on financial instruments for social

impact investment and nature-related data and reporting. The lack of methodological tools and fragmented measurement and reporting frameworks impedes social impact investment growth. Similarly, nature-related data and reporting suffer from limited availability and a lack of access to data and metrics. There remain gaps between data analysts and decision-makers to make informed investment decisions taking into account environmental impacts. These two components are essential for enabling an environment for financial flows.

Capacity building plays a vital role in supporting the goals of the 2030 Agenda for Sustainable Development and Paris Agreement. The demand for capacity building for sustainable finance is rising. However, there are substantial knowledge gaps, limited technical assistance, a lack of consistent funds and a lack of coordination and collaboration among capacity-building program providers.

In view of this, the SFWG, under the Indian Presidency, is developing a set of voluntary recommendations as part of its deliverables for 2023 to address the challenges and benefit the entire sustainable finance ecosystem. The discussions and negotiations held in this meeting on the draft voluntary recommendations would feed into the discussions to be held in the 3rd G20 Finance Ministers and Central Bank Governors (FMCBG) Meeting in July 2023.

On the side-lines of the meeting, the following two workshops will be organised:

- 1.(i) G20 Workshop on policy measures and financial instruments for catalysing the rapid development and deployment of green and low-carbon technologies.
- 2.(ii) G20 Workshop on transition finance, data and metrics for climate aligned investments and sustainability data issues.

The two workshops will enable sharing of knowledge and technical expertise from several high-profile speakers from IOs, academia, think tanks and civil society to provide focused insights on various topics. Several Jan Bhagidari events were also organised in Chennai on the sidelines of the SFWG meeting to increase public participation and create awareness amongst the masses about India's G20 Presidency. Jan Bhagidari events include a domestic Outreach Event on 'India's G20 Roadmap to achieve a Sustainable Future' in RBI Staff College and a Roundtable on Mobilising Climate Finance in India for Mitigation and Adaptation in IIT Madras on 17th June 2023. There was enthusiastic participation from academia, industry professionals, policymakers and regulators. The events were highly interactive and successfully informed the participants about the broader climate and sustainability agendas.

The delegates have also been invited to local excursions and cultural programmes to showcase the rich cultural heritage of Mahabalipuram. Additionally, we are also organising a yoga session to commemorate the International Day of Yoga on 21st June.

Mahabalipuram, Chennai  
June 18, 2023