

Bridging the Investment Gap for Sustainable Energy Transitions

COP27

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ISDB UPDATED STRATEGY





ENERGY SECTOR POLICY FRAMEWORK





CLIMATE CHANGE @IsDB – MAIN PILLARS

Mainstreaming in Operations

- Integration of CC in upstream country discussions, strategies, etc.
- Climate screening tool
- Project appraisal and design

Support MCs Paris Agreement Realization

- Nationally Determined Contributions (NDCs) development and implementation
- Long term climate strategies (LTS) development
- Green growth strategy development

Capacity Building and Knowledge Generation in MCs

- Sector focused CC
 workshops
- Knowledge reports (guidance reports, etc.)
- Policy advisory
- Creating enabling environments

Climate Financing and Leveraging

- Accessing climate funds and donor resources
- Green sukuk and markets
- Strategies to catalyze private sector and
 Islamic Finance
 Institutions' investment
 in climate action



GREEN AND SUSTAINABILITY SUKUK

- Public financing is not suffieceint to cover the investments needed for the energy transition
- Private sector involvement is a must.
- Rules, Policies and regulations
- The Bank sukuk program helps diversify the asset pool of the Bank.



GREEN AND SUSTAINABILITY SUKUK

In November 2019, the Bank raised the AAA-rated Green Sukuk of €1 billion.

In June 2020, the Bank raised AAA-rated Sustainability Sukuk raising US\$ 1.5 billion to assist Member Countries in tackling the aftermath of the global pandemic triggered by COVID-19

In March 2021, the Bank raised the largest Sustainability and Green Sukuk, raising US\$ 2.5 billion, for financing green and social development projects that are eligible under the Sustainable Finance Framework.



CONCLUSION

- Public financing is not sufficient to investments needed for the energy transition. Private sector involvement is important.
- IsDB polices emphasized on increase investments in energy transition from its own Capital Resources and mobilizing resources from the market.
- De-risking private sector investment
- The Bank as a lead institution in the Islamic Sukuk finance would be glad to share its experience and help MCs in issuing Sukuk, and other financing aspects.









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