

Glasgow Financial Alliance for Net Zero

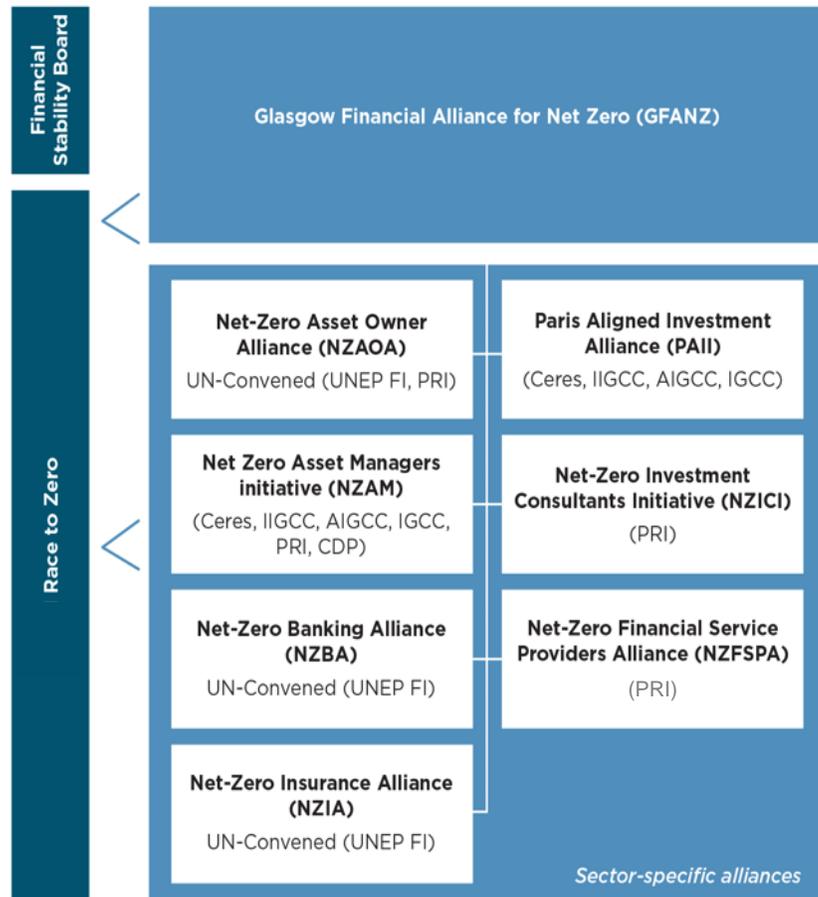
**Building the commitments, markets,
and tools to finance the global net
zero transition**



GFANZ

Glasgow Financial Alliance for Net Zero

GFANZ exists to support and unite net-zero alliances into one sector-wide strategic alliance



About GFANZ

- GFANZ **unites net-zero finance alliances** into one sector-wide strategic alliance. It works alongside stakeholders to limit global warming to 1.5 degrees C by accelerating the alignment of financing activities with net zero.
- GFANZ works to expand the number of net zero-committed financial institutions and supports members by developing tools and frameworks to help them make good on their net-zero commitments.
- It also works to transform the financial infrastructure to support the net-zero transition.
- It encourages deployment of capital to enable emerging markets and developing economies to decarbonise and prosper in a global net-zero economy.

GFANZ

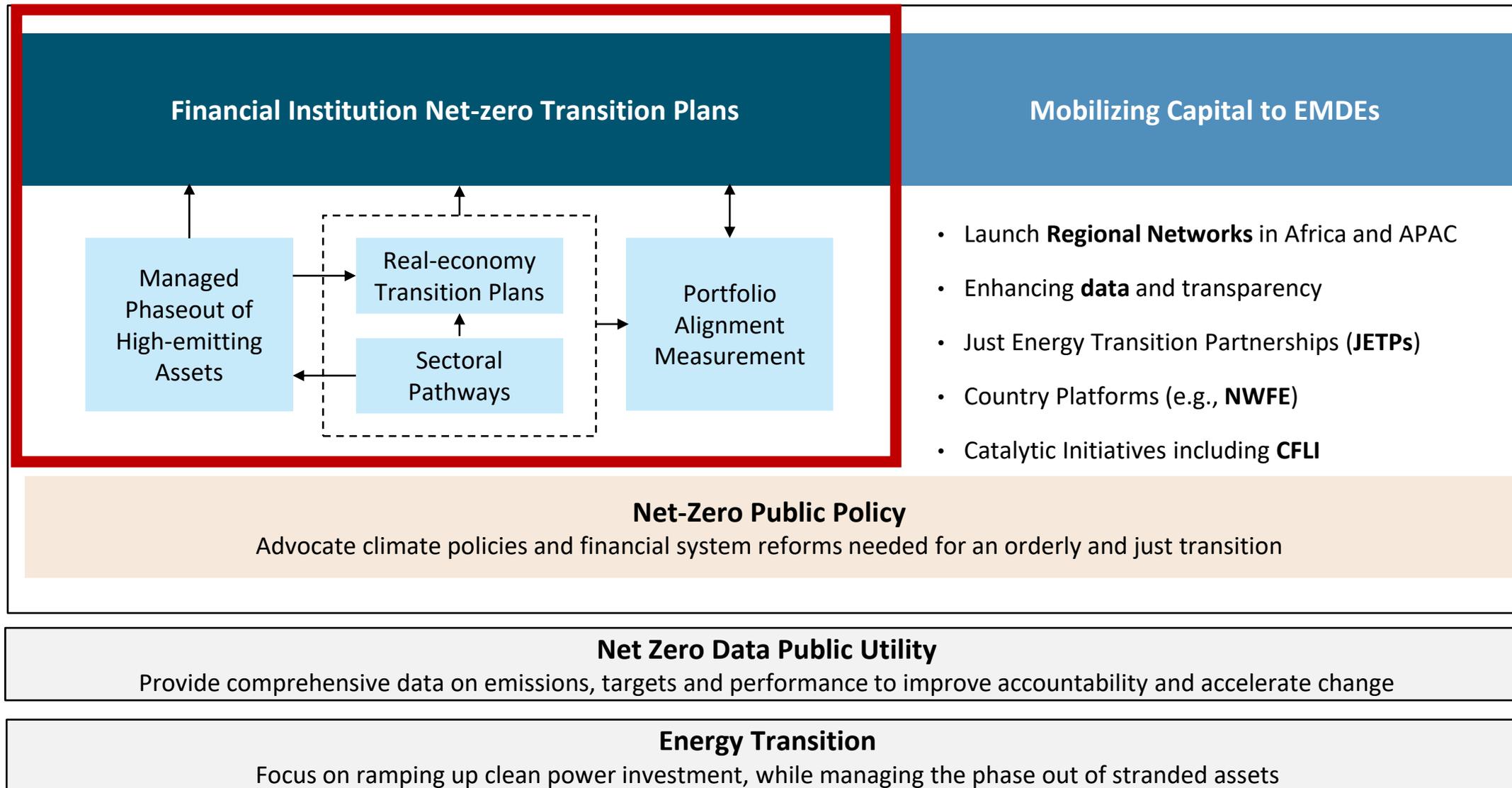


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firms



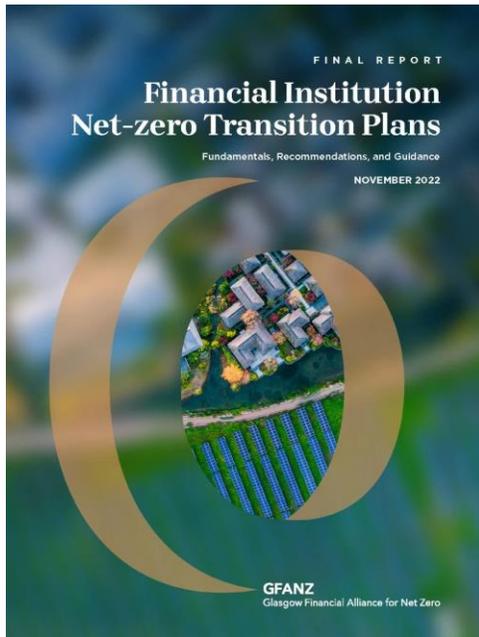
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Countries

Building a Net Zero Financial System



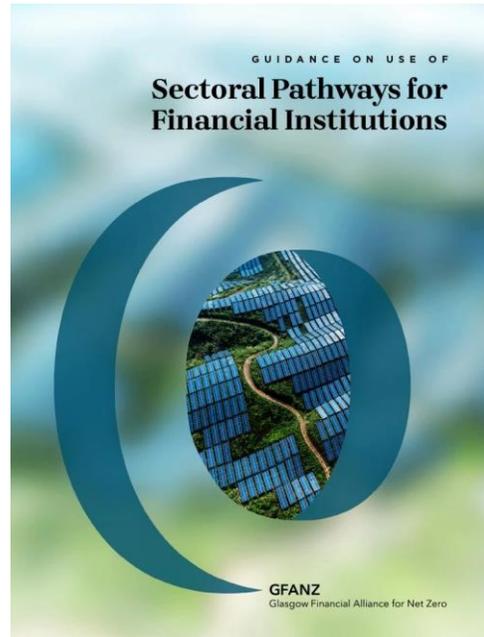
Comprehensive technical guidance to turn commitments into action

November 2022



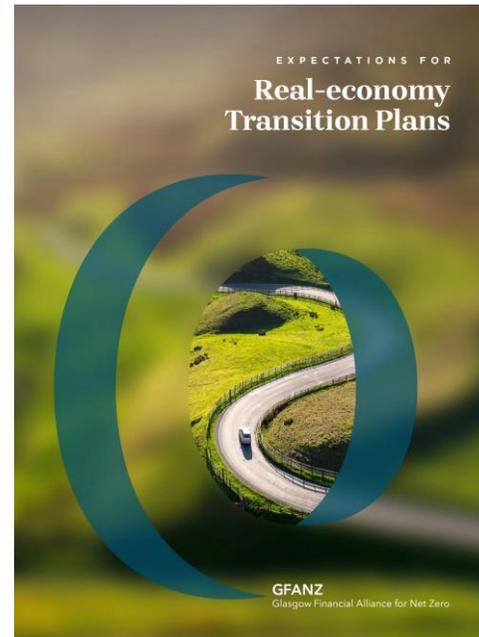
Financial Institution Net-zero Transition Plans – Fundamentals, Recommendations, and Guidance

June 2022



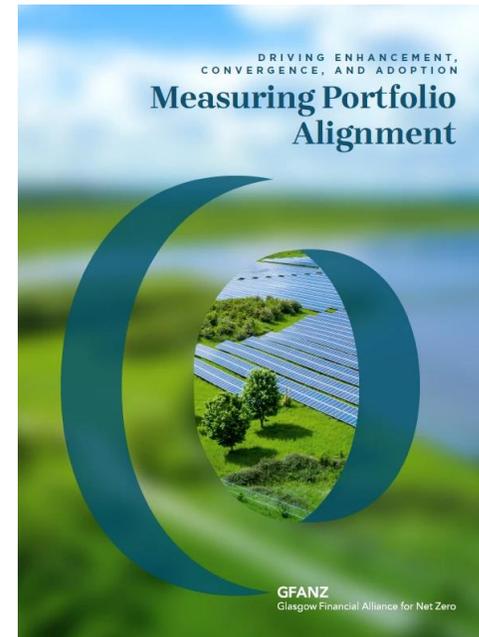
Guidance on Use of Sectoral Pathways for Financial Institutions

September 2022



Expectations for Real-economy Transition Plans

November 2022



Measuring Portfolio Alignment: Driving Enhancement, Convergence, and Adoption

June 2022



Managed Phaseout of High-Emitting Assets

Four financing strategies to catalyse real-world emissions reduction

1



Climate solutions

Financing or enabling entities and activities that develop and scale climate solutions.

2



Aligned

Financing or enabling entities that are already aligned to a 1.5 degrees C pathway.

3



Aligning

Financing or enabling entities committed to transitioning in line with 1.5 degrees C-aligned pathways.

4



Managed phaseout

Financing or enabling the accelerated managed phaseout of high-emitting physical assets.

Bringing together the financial sector across developed and emerging APAC to accelerate an inclusive and just transition to a net-zero economy

Strengthening accessibility of GFANZ in APAC

September 2022: Held Measuring Portfolio Alignment consultation webinars with Japanese & Korean simultaneous translations



Developing knowledge from Asia Pacific

Sub-workstream

MPO & WS2 Crossover



Assisting companies pursuing phaseout of coal power generation in APAC

WS2 and WS3 crossover



ASEAN Policy Engagement

Rationale

Wide interest in coal phaseouts in APAC, but **insufficient guidance to enable transactions**
Existing research does not bridge the **transition credibility and financial viability** nexus

The policy environment in much of Southeast Asia is **not facilitative** to net-zero transitions (e.g. limited “push” by regulators, subsidies on fossil fuels, etc.)

Objective & output

Report laying out **practical guidance** to FIs on what a “good” coal phaseout looks like, and how these can be executed in APAC to catalyse transactions

Launch a **structured engagement platform** representing the voice of regional FIs to engage public sector agencies on net-zero policies/regulations

Tie-in with global GFANZ

Contextualises managed phaseout output to one of APAC’s most pressing heavy emitting assets
Supports JETP in **guiding approach** to phaseouts

Regional platform for GFANZ policy workstream
Complements individual-country JETPs with a region-led forum for dialogue with regulators



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