

Climate Action in the Time of Debt Distress – Special Session at the Third Annual Conference of the Global Research Alliance for Sustainable Finance and Investment

Friday 11 September, 7-8am EST / 12-1pm BST / 1-2pm CEST / 4-5pm PKT

A global debt crisis is looming. Even before COVID-19 swept the world, the International Monetary Fund deemed global public debt burdens a high risk for the majority of developing countries – noting that half of the lower-income countries were ‘at high risk of or already in debt distress.’ As the COVID crisis worsens, developing countries face steep output contractions, while the COVID relief and recovery effort demands a massive upscaling of expenditures.

This new, systemic debt crisis emerges at a critical time when the global climate crisis demands the urgent mobilisation of huge efforts on mitigation and adaptation. Moreover, partly driven by policy, partly by technological disruption, fossil fuels are transitioning from being an asset to a liability, amounting to a third systemic crisis sweeping capital markets and the developing world. It is at the intersection of these three systemic crises that new and innovative answers need to be found, breaking through silos of international policy making.

Against this backdrop, this special session at the 3rd Annual GRASFI Conference will discuss solutions for addressing the debt crisis in the Global South while enabling far-reaching action for climate adaptation and mitigation. In particular, it will examine the options for debt rescheduling that will allow for people-centered investments that address climate change and inequality by leaving fossil fuels in the ground, and investing in climate adaptation while expanding job and livelihood opportunities.

Keynote

Alicia Bárcena, Executive Secretary of the UN Economic Commission for Latin America and the Caribbean

Panel Discussion

Jean-Paul Adam, Director for Technology, Climate Change and Natural Resources Management in the United Nations Economic Commission for Africa

Shamshad Akhtar, Chair of the Board of Directors at Karandaaz Pakistan & Member of the of Global Advisory Board, SOAS Centre for Sustainable Finance at SOAS, University of London

Stephany Griffith Jones, Financial Markets Program Director at the Initiative for Policy Dialogue, Columbia University

Romina Picolotti, President of the Center for Human Rights and Environment & Climate Change Senior Advisor at the Institute for Governance and Sustainable Development

Ulrich Volz, Director of the Centre for Sustainable Finance at SOAS, University of London (chair)

About the speakers

Jean-Paul Adam is the Director for Technology, Climate Change and Natural Resources Management in the United Nations Economic Commission for Africa. Prior to taking on this role, he served in the Government of the Republic of Seychelles in several Cabinet positions. He was Minister of Health from 2016 to 2019. He served as Minister of Finance, Trade and the Blue Economy from 2015 to 2016 where he negotiated a debt for climate change adaptation swap and launched the process for Seychelles to become the first issuer of a Blue Bond. Between 2010 and 2014, he was Seychelles' Minister of Foreign Affairs, where he advocated for countries to embrace the concept of the Blue Economy, to improve sustainability for island and coastal countries. Before entering the Cabinet, between 2005 and 2009, he occupied several senior roles in the Office of the President of the Republic of Seychelles including Director General for presidential affairs, Principal Secretary for the Office of the President and Secretary of state in the presidency. He started his career as a career diplomat in the Ministry of Foreign Affairs between 2001 and 2004. He is a holder of a Masters in International Political Economy from the University of Manchester (UK) and a BA in English Literature and French from the University of Sheffield (UK).



Shamshad Akhtar is a development economist and diplomat. She is Chair of the Board of Directors of Karandaaz Pakistan, a collaborative innovative finance and digital financial inclusion platform which is supported by DFID and the Bill & Melinda Gates Foundation. She was the 14th Governor of the State Bank of Pakistan, Pakistan's central bank, the first woman to assume this position. She also served as Finance Minister of Pakistan, holding several economic portfolios during the last interim government. Shamshad served as Under-Secretary-General of the United Nations and was the 10th Executive Secretary of the UN Economic and Social Commission for Asia and the Pacific, leading global work on the 2030 Sustainable Development Agenda, climate change, and financing for development. As Senior Special Economic and Finance Advisor to UN Secretary-General Ban Ki-moon, she was the UN Sherpa for the G20. Shamshad was the World Bank's Vice President for the Middle East and North Africa Region, Director General at the Asian Development Bank, and Special Senior Advisor to the ADB President. She was a post-doctoral Fulbright Fellow at Harvard University, holds a PhD in Economics from the University of Paisley, a Master in Development Economics from the University of Sussex, and an MSc in Economics from Quaid-i-Azam University. She serves on a few key global and regional advisory councils and boards. She was listed among the 'Ten Women to Watch in Asia' by the Wall Street Journal and received the 'Central Bank Governor of the Year in Asia' award in 2008.



Alicia Bárcena Ibarra is Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC) since 2008. Ms. Bárcena Ibarra served as the Chef de Cabinet to the former Secretary-General before serving as the Under-Secretary-General for Management. Earlier in her career, Ms. Bárcena Ibarra served as Deputy Executive Secretary of ECLAC, and in this capacity she contributed substantively and increased interagency collaboration to provide a regional perspective on the Millennium Development Goals and on Financing for Sustainable Development, connecting issues of inequality, poverty, economic development and sustainability with the required fiscal policies



needed to address extreme poverty. As Chief of the Environment and Human Settlements Division of ECLAC, she heightened the profile of the Regional Commission in the areas of climate change, sustainable energy, fiscal policies and environment. She previously served as Coordinator of the United Nations Environment Programme (UNEP), as well as Adviser to the Latin American and Caribbean Sustainable Development Programme in the United Nations Development Programme (UNDP). She was part of the Secretariat that was in charge of preparing the United Nations Conference on Environment and Development (UNCED), held in Rio de Janeiro, Brazil, in 1992. She was Principal Officer in charge of various topics related to Agenda 21 and was also the Founding Director of the Earth Council in Costa Rica. Previously, she served in the Government of Mexico as the first Vice-Minister of Ecology and as Director-General of the National Institute of Fisheries. In the academic arena, Ms. Bárcena Ibarra was the Director of the South-East Regional Centre of the Instituto Nacional de Investigaciones sobre Recursos Bióticos in the State of Yucatán, working closely with the Mayan communities. She has taught and researched on natural sciences, mostly on botany, ethnobotany and ecology. She has published a number of articles on sustainable development, namely on financing, public policies, environment and public participation. Ms. Bárcena Ibarra holds a Bachelor of Science in biology from the Universidad Nacional Autónoma de México and a master's degree in public administration from Harvard University.

Stephany Griffith-Jones is the Financial Markets Director at the Initiative for Policy Dialogue, based at Columbia University; Emeritus Professorial Fellow at the Institute of Development Studies at Sussex University; a Senior Research Associate at the Overseas Development Institute; a non-resident Fellow at the Center for Global Development; and a Distinguished Fellow at ClimateWorks Foundation. She is also co-coordinator of the research program for the November 2020 Research Conference part of the Finance in Common Summit, the first global meeting of all public development banks. Professor Griffith-Jones is researching and providing policy advice on reforming international and national financial architecture, with emphasis on a development perspective, and special focus on development banks; capital flows to emerging and low-income economies; debt crises and their management; and debt for nature and development swaps. She has led many major international research projects on international and domestic financial issues. Publishing widely, having written or edited over 25 books and numerous journal and newspaper articles. A 2010 OUP book, coedited with Joseph Stiglitz and Jose Antonio Ocampo, *Time for a Visible Hand*, dealt with financial regulation. Her most recent book, co-edited with Jose Antonio Ocampo, *The Future of National Development Banks*, was published by OUP in 2018. She has advised many international organizations, including the European Commission, European Parliament, World Bank, Commonwealth Secretariat, IADB, and various UN agencies and several governments and central banks, including in the UK, Chile, Sweden, South Africa, Tanzania, Brazil and Czech Republic.



Romina Picolotti is President of the Center for Human Rights and Environment and Climate Change Senior Advisor at the Institute for Governance and Sustainable Development. Previously Ms. Picolotti was Argentina's Environment Minister (2006 – 2008) during which time she crafted and introduced numerous compliance and enforcement initiatives to uphold environmental laws and regulations. She was instrumental in achieving the passage of the world's first Glacier and Periglacial



Environment Protection Law, as well as the passage of the 2007 adjustment to the Montreal Protocol to accelerate the phase-out of HCFCs to achieve climate mitigation equivalent to 10 to 15 billion tons of CO₂. She also has promoted environmental and human rights protection in Nicaragua, Cambodia, Peru, Cuba, Haiti, Argentina, and other places around the world. Ms. Picolotti is the author of numerous articles and books, including *Human Rights and Environment in Argentina: A Proposal for a National Agenda* (Ordoba, 2005), *The Human Cost of Defending the Planet: Human Rights Violations of Environmental Defenders in the Americas* (CEDHA, 2004), *Linking Human Rights and the Environment* (Arizona Press, 2002), now in its third edition, as well as several Amicus Curiae briefs offering new legal reasoning that changed the way the Inter-American Court on Human Rights understood the inseparable links between environmental protection and human rights. In the context of COVID-19 and the Debt Crises, Romina co-authored a comprehensive background note, “Debt for Climate Swaps”, on how addressing the debt crisis can help avert the climate crises and stabilize global. She is a law graduate of the National University at Cordoba, Argentina, and holds a Master’s Degree in International Public Interest Law from the Washington College of Law at American University, Washington, DC. Her achievements in climate protection have earned the *Sophie Prize* for outstanding contribution to sustainable development in 2006, the *Sierra Club’s Earth Care Award* in 2007 presented to CEDHA, and the *US EPA Climate Protection Award* in 2008. Ms. Picolotti currently assists IGSD’s efforts to reduce short-lived climate pollutants (black carbon, ground-level ozone, HFCs and methane), including strengthening the Montreal Protocol to protect the climate by phasing out production and consumption of HFCs through the Kigali amendment, while improving the energy efficiency of air conditioning and other appliances during the switch from HFCs to climate friendly refrigerants.

Ulrich Volz is Director of the SOAS Centre for Sustainable Finance and Reader in Economics at SOAS, University of London. He is also a Senior Research Fellow at the German Development Institute, Honorary Professor of Economics at the University of Leipzig, Director of the Global Research Alliance for Sustainable Finance and member of the Advisory Council of the Asian Development Bank Institute. Ulrich is a lead author of a 2018 UN report on *Climate Change and the Cost of Capital in Developing Countries* and a co-editor of the recently published *Routledge Handbook of Banking and Finance in Asia*. He is co-editor, along with Ma Jun and Ben Caldecott, of a NGFS volume on *Case Studies of Environmental Risk Analysis Methodologies* which will be published in September 2020. He is currently Principle Investigator of an INSPIRE grant on “Climate Change and Sovereign Risk” and lead author of a report on this topic that will be launched in October 2020. Ulrich was Banque de France Chair at EHESS in Paris and taught at Peking University, Kobe University, Hertie School of Governance, Freie Universität Berlin, Central University of Finance and Economics in Beijing, and the Institute of Developing Economies (IDE-JETRO) in Tokyo. He spent stints working at the European Central Bank and the European Bank for Reconstruction and Development and held visiting positions at the University of Oxford, University of Birmingham, ECB, Bank Indonesia, and Aoyama Gakuin University in Tokyo. Ulrich holds a PhD from Freie Universität Berlin and was a Fox International Fellow and Max Kade Scholar at Yale University. Ulrich was part of the UN Inquiry into the Design of a Sustainable Financial System and has acted as an advisor to several governments, central banks, international organisations and development agencies on matters of sustainable finance and development.

