



Terms of Reference

“Blended Finance for Smallholders: Addressing Global Challenges with SDG Focused Solutions”

Date and Time: 11 October 2018, 12:00 – 16:00 hrs

Venue: Mercure Hotel, Nusa Dua, Bali, Indonesia

Hosts: Government of Indonesia, UN Environment and the Tropical Landscapes Finance Facility

Background

It is estimated that global combined aid available to address climate change impacts is around USD 150 billion when what is required is close to USD 9 trillion.

There is a need to increase and combine financing for both the public and private sectors to address the challenges associated with meeting the need to feed an estimated 9 billion people while protecting our global land bank.

Global demand for foodstuffs and energy exert considerable pressure on our land mass with deforestation and a loss of biodiversity a common result in both developed and developing economies.

At the same time, this is not just about the environment and meeting Paris Climate Agreement, but is equally important to acknowledge the legitimate right of Governments, especially in development countries, to balance out social and economic progress with protecting the environment. This right is recognised by all Members of the UN and is an integral and essential part of achieving sustainable development goals 2030.

In the case of palm oil, there is no doubt that this commodity has contributed significantly to the economic and social fabric in palm producing countries and the sheer productivity of palm oil vis a vis other vegetable oils, is a key factor in protecting the global land bank as demand for vegetable oils continues to increase significantly.

One of the major challenges for palm oil is how to increase supply while protecting the pristine environment in palm producing countries without undermining social and economic progress, especially the reduction of poverty in the rural environment where often the sole source of a livelihood is the cultivation of palm oil.

In addressing this challenge in the palm sector, the Government of Indonesia is committed to



improving the productivity of small holders especially on existing cultivated lands as a contribution to reducing deforestation in the global economy.

In order to achieve this, there is need to pool together financing from both the public and private sectors. An example of this is the agreement signed between the UN Environment and BNP Paribas, a milestone MoU to work together and channel at least USD 10 billion of private finance by 2025 from the global capital markets to large-scale sustainable and climate resilient projects in emerging economies. Such 'sustainable finance facilities' aim to provide platforms for the private sector to engage with public and civil society stakeholders by offering their global customers viable SDGs' based project models.

The first of these facilities, the Tropical Landscapes Finance Facility (TLFF), established in Indonesia, is supporting the government in reducing deforestation as well as restoring degraded lands.

A further example outside of palm oil is the Sustainable India Finance Facility (SIFF), a recent addition, is working with several state governments in India to address the continued depletion of agricultural systems, biodiversity and ecosystem services with a special focus on improving well-being of marginalized communities and assisting the Government of India in meeting its Intended Nationally Determined Contribution (INDC) targets.

Objectives

This event, on the sidelines of the 2018 Annual Meetings of International Monetary Fund & World Bank Group (IMF-WBG) in Nusa Dua, Bali, will bring key stakeholders, including several international organizations, financial institutions and member nations of the UN together to highlight how 'blended finance' models can support countries in simultaneously achieving inclusive growth and emissions reductions goals. It will offer opportunities to discuss new partnerships and knowledge exchange opportunities, through catalytic institutions like TLFF and SIFF that can scale availability of finance for sustainable economic and social development. It will provide space to scope out innovative finance approaches that can provide triple-bottom-line social, environmental and economic benefits for developing countries in sectors related to sustainable land management and nature.

Agenda and Speakers

12.00 – 13.00	Registration and Lunch
13.00 – 13.45	<p>Opening Session – “Financing the SDGs”</p> <p>Introduction: (5 mins) Mr. Satya S. Tripathi, Assistant Secretary-General, UN Environment</p> <p>Welcome Remarks: H.E. Mr. Luhut B. Pandjaitan, Coordinating Minister for Maritime Affairs, Republic of Indonesia</p> <p>Framing the Challenges and Opportunities for smallholders: H.E. Dr. Sofyan Djalil, Minister for Agrarian and Spatial Planning</p> <p>Keynote Address: H.E. Mr. Darmin Nasution, Coordinating Minister for Economic Affairs</p>
13.45 – 15.15	<p>Plenary Session – “How Can Blended Finance Help Achieve the SDGs?”</p> <p>Moderator: Mr. Mahendra Siregar, Advisor to Minister for Foreign Affairs, Republic of Indonesia</p> <p>Panelists: Mr. Sean Kidney, CEO and Co-founder of the Climate Bonds Initiative MR. Elliott Harris, Assistant Secretary-General and Chief Economist of the United Nations Mr. Pierre Rousseau, BNP Paribas SA Monica Tanuhandaru, Executive Director, Kemitraan - Partnership for Governance Reform Emma Sri Martini, President Director, PT Sarana Multi Infrastruktur (Persero) (“PT SMI”)</p>
15.15 – 15.20	<p>Closing Remarks: H.E. Mr. Satya S. Tripathi, Assistant Secretary General, UN Environment</p>
15.20	Coffee/Tea and Informal Interaction