

ATTENDEES

CHAIR	Leah Gilbert Morris (EDC)
BU SECRETARIAT	Eve Hall, Paul Heaney
ATI	Clement Yapo
ATRADIUS DSB	Arjen Walbroek
AXA XL	Andrew MacFarlane
BPIFRANCE	Lea Freneaux, Elsa Pancek
DZ Bank	Ralph Lerch
EDC	Gwladys Topsoba
EKF	Toke Philipsen Prahm
EKN	Karin Wessman
MIGA	Olga Sclovsciaia
UKEF	Mark Anderson, Matthew Riley
US DFC	Marlena Hurley
<i>Invited:</i>	
Offenburg University, IfTI	Andreas Klasen
UNEP Finance Initiative	Elena Koritchenko

Apologies from: Clement Yapo (ATI)

SUMMARY

The Chair opened the meeting by welcoming the CWG participants, with a special welcome to the newest CWG members - representatives from Atradius DSB and EKF. She introduced Andreas Klasen (Offenburg University, IfTI) and Elena Koritchenko (UNEP FI) who were invited to join the video conference.

The main purpose of the call was twofold: to have an update from Net Zero Export Credit Agency Alliance and its work with UNEP Finance Initiative; and to share experiences in implementation of the COP26 Joint Statement on International Public Support for the Clean Energy Transition.

The Chair commended CWG and BU members for submitting video explainers and innovation projects for the website and encouraged everyone to amplify videos from previous submissions on social media, especially the recently published video on COP27 takeaways (link at the end).

Net Zero Export Credit Agency Alliance and the UNEP FI

Elena Koritchenko and Andreas Klasen provided an update as follows: United Nations Environment Programme Finance Initiative (UNEP FI) have agreed to host the Secretariat and convene the prospective ECA NZ Alliance, working alongside Oxford University. Under such an arrangement, basic approaches and scientific guidance would be managed by UNEP FI Secretariat, with the specific targets and approach to be defined by the group itself. UNEP FI expressed its encouragement for a

prospective ECA NZ Alliance, which would join in the efforts of the global Net Zero banking, insurance, and asset owners alliances. The unique focus of the group would be on helping to develop robust commitment framework and protocol for target-setting. The BU CWG could act as a channel for outreach and sharing of information around these developments.

A small incubation group of ECAs has been convening over the past 18 months to shape the underlying philosophy and objectives of the prospective alliance. The group is exploring ideas from the broader community on how this should work. Currently, a soft launch is planned for mid-2023, with public launch expected by COP28. Currently, UNEP FI's focus is to secure funding to support the initiative.

Elena Koritchenko has shared examples of the target setting protocols used by the 3 alliances below. The **commitment document** texts that each Finance Initiative needs to sign to enter the relevant Alliance can be retrieved as follows:

Net-Zero Asset Owner Alliance	Net-Zero Banking Alliance	Net-Zero Insurance Alliance
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In each of the Alliances, 'portfolio decarbonization' targets play a key role in ensuring that the climate change mitigation ambition is appropriately operationalized by members. The setting and publishing of such targets happens based on specific guidelines (or **Target Setting Protocols**), which are agreed Alliance-wide, consulted on, and endorsed by a wide range of stakeholders, and are publicly available:

Net-Zero Asset Owner Alliance's Target Setting Protocol	Net-Zero Banking Alliance* – UNEP FI Guidelines for Target-Setting by Banks	Net-Zero Insurance Alliance – Target Setting Protocol version 1.0
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* The latest version of the Protocol shall be available on the website shortly.

In addition, every alliance features:

- A **governance document** setting governance procedures;
- A **reporting mechanism** and format (individual reporting and collective progress reporting).

COP 26 Implementation Experience

At COP26 in 2021, the following statement of actions to align international public support towards the clean energy transition and out of unabated fossil fuels was agreed by a number of countries and entities: <https://ukcop26.org/statement-on-international-public-support-for-the-clean-energy-transition/>

The CWG members reported on their implementation experience as follows:

EDC

EDC is fully implementing the Joint Statement as of January 1, 2023, consistent with the [Guidelines](#) issued by the Government of Canada. EDC has engaged in a lot of dialogue with government officials, exporters and businesses, and continues to report on its climate progress through various annual reporting and public disclosures as shared on their website. EDC has been on a divestment

programme from 2018, having reduced investment in new international fossil fuel financing from CAD 6.1 billion to CAD 417 million as of 2022.

Atradius DSB

An extensive consultation was held with a wide range of stakeholders. New commitment on support for fossil fuels in line with COP26 statement was introduced on 1st of January:

<https://atradiusdutchstatebusiness.nl/en/news/exclusions-from-january-first.html>

No hard cut-off was set but a transition for applications was put in place. Also introduced a temporary exemption for projects contributing to European energy security (must be connected with re-power Europe programme). Atradius is continuing to engage in extensive communication and outreach with exporters around this topic. It's Green label allows tracking of progress of decarbonisation at a qualitative level, in terms of decrease of fossil fuel exposure.

EKF

Phase out policy was already largely in place before COP26. EKF have taken a pragmatic approach which does not reference the 1.5°C warming limit and the Paris Agreement, but has very limited exceptions to fossil phase out.

E3F countries including Denmark have decided to work on this together and have already published their policy in a standardised format on the E3F LinkedIn page:

<https://www.linkedin.com/company/export-finance-for-future-e3f/posts/?feedView=all>

E3F is also working on transparency and encouraging sharing of fossil fuel activity (power BI report to be published on LinkedIn). Exploring which activities are transitional and which are not is an area for discussion.

EKN

No further steering from Swedish government on implementation of COP26 statement. Having discussions with exporters around other countries' exemptions. EKN is suggesting a dialogue around this on whether there are developing countries which could qualify for exemptions.

UKEF

Have a relatively long timeline of experience since implementation of climate policy. Engagement with stakeholders is an on-going process of change management and communications strategy, especially at points where there are changes in the underlying political and economic environment (e.g. around energy security).

Update on Working Group's deliverables

Edited version of the video recording from CWG last call discussing UN COP27 takeaways has been posted on BU CWG website: <https://berneunion.org/Articles/Details/737/Climate-Working-Group-representatives-share-highlights-from-the-UN-COP27>

ATRADIUS DSB have shared a video outlining new financial products to support green transition: <https://berneunion.org/Articles/Details/739/Atradius-DSB-shares-insight-into-its-Green-Products-Development>

Climate Products, Incentives, and Innovation Webinar pipeline (forthcoming)

DFC on Belize Blue Bonds for Marine Conservation

MIGA-supported Scatec bond issue and summary of a webinar on carbon credits (with DFC and AXA XL). MIGA webinar on solar transaction in Egypt.

EDC video on its Sustainable Bond Framework

ATI Regional Liquidity Support Facility

BPIFRANCE Climate bonus topic TBC

Best Practices in Low-Carbon Transition Video Explainer pipeline (forthcoming)

EDC – On science-based targets

EKN – On Scientific Council / RE transition plans / new green export credit product TBC

AFD/FICS - investment in social infrastructure video TBC

FOLLOW UP AND NEXT MEETING

Ideas for either the Innovation webinar series (workstream 1) or the Video Explainer technical series (workstream 2) with projected deadlines welcome. Please contact Eve at the Secretariat directly.

The Chair noted that the next call would continue the discussion addressing the Glasgow Climate Pact Statement (COP26 statement) and the implementation phase. Further feedback from E3F members on the different strands of their work will be welcome (Power BI, transparency, etc.).

Next call: TBC