



auctusESG and the UK FCDO release reports on

Decoding Net-zero for Financial Institutions in emerging markets: Recommendations to Financial Regulators

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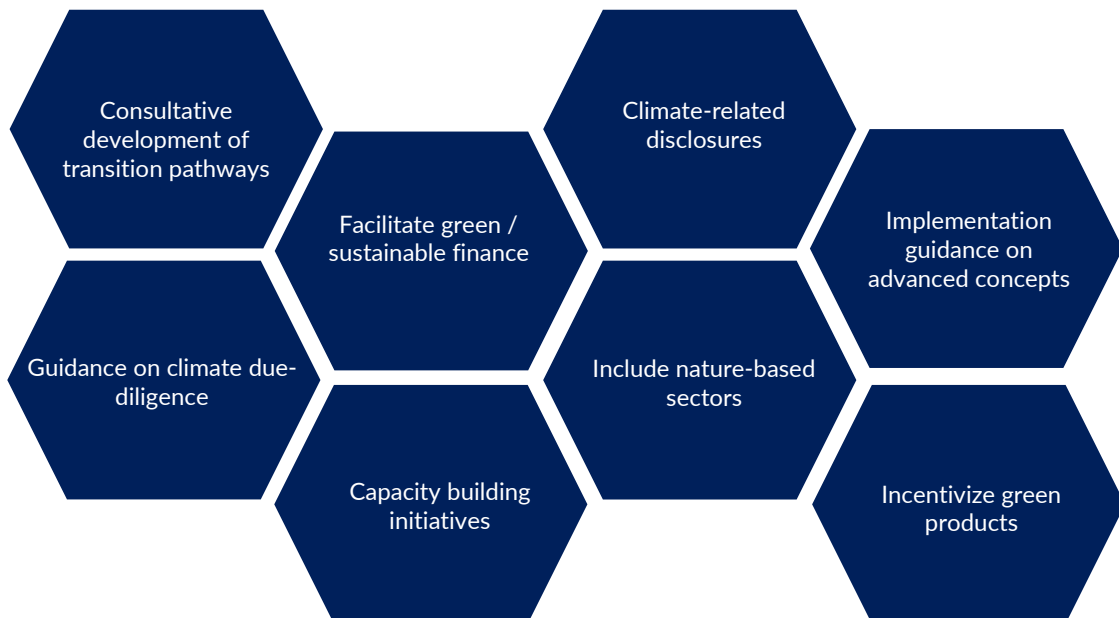
Gender-Responsive Transition Finance Framework

The shift towards net-zero emissions is an unparalleled imperative in emerging markets. The financial sector, through its economy-wide implications offers unprecedented opportunities for catalyzing socio-economic growth while mitigating the pressing challenges of climate change. auctusESG and the UK Foreign, Commonwealth & Development Office (FCDO) released two highly relevant reports with an objective to support regulatory decision-making and provide crucial inputs to the G20 forum. The reports encompass insights from practitioners, subject matter experts, and a thorough review of literature.

The key takeaways from the report on net-zero highlight that emerging markets with unique economic structures are at varying stages in climate transition. This requires context-specific solutions. To this end, auctusESG makes adaptable recommendations for transitioning to a net-zero emissions economy (Figure.1).

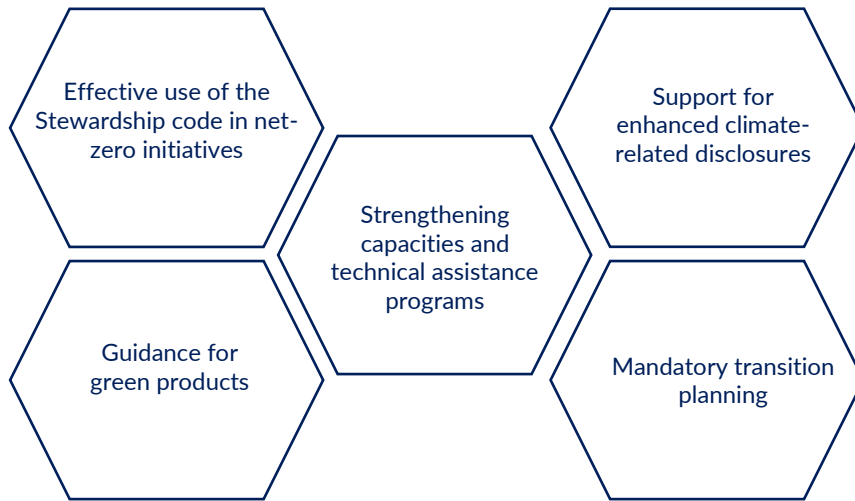
Figure.1. Decoding Net-zero for Financial Institutions in emerging markets: Recommendations to Financial Regulators

Recommendations to banking regulators





Recommendations to capital market regulators

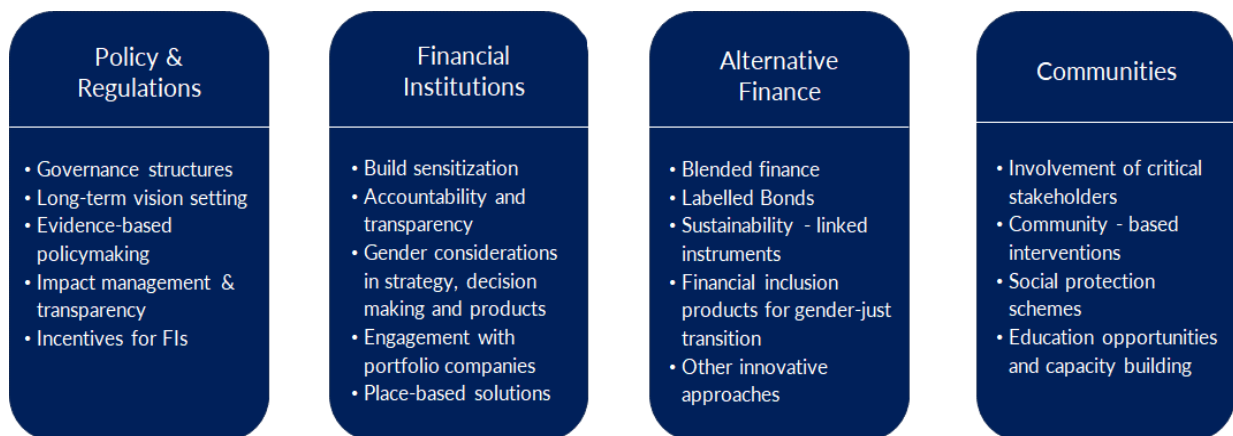


Source: [Decoding Net-zero for Financial Institutions in emerging markets: Recommendations to Financial Regulators](#)

The second report on Gender Responsive Transition Finance drives gender perspectives on the transition narrative of net-zero. It centers on aspects of justice, equity and fairness for women affected by coal transition. The report discusses a guidance framework with four key pillars: gender-just transition policies and regulations; the role of financial institutions; alternative finance mechanisms; and women-centric community interventions (Figure.2). The framework, grounded in ILO’s paper on social protection for a just transition, may be tailored and weaved into decarbonization plans across markets.

Figure.2. Gender-Responsive Transition Finance Framework

Four pillars of the proposed GRTF Framework



Source: [Gender-Responsive Transition Finance Framework](#)



The report launch was followed by an insightful panel discussion with international experts from both industry and academia.



Bose Varghese
Senior Director - ESG,
Cyril Amarchand Mangaldas



Elvira Lefting
Managing Director,
Finance in Motion GmbH



Nick Robins
Professor in Practice - Sustainable Finance,
Grantham Research Institute, LSE



Srestha Banerjee
Director, Just Transition,
iFOREST



Anita Bhatia
Founder, The Impact Commons
Former Assistant Secretary-General, UN &
Deputy Executive Director, UN Women

The discussions on net-zero underscored the need to deploy effective risk covers and innovative financial instruments to attract private investment. At the same time, overcoming the inertia within the financial sector is an important step to revamp finance for net-zero. In this regard, curbing misdirected incentives, taxing externalities, and maintaining high qualification standards would ensure competence, for accurately risk-weighted assets and alignment with a low-emissions economy.

The panellists also drew on the linkages between net-zero and just transition, suggesting a gender-lens integration into existing institutional mechanisms. Policy reforms; investment planning at sub-national and enterprise level; and institutional capacity building, are few key action areas for strengthening just transition narratives. To this end, documenting the successes and failures of transition in other sectors is critical. Further, supporting women representation in the transition to a low-carbon future through structural reforms is an important way forward.



Panel discussion at auctusESG and the UK FCDO [report](#) launch

The event observed a wide representation across geographies, including South-East Asia, India, Europe, and the US. Conclusively, the session provided valuable insights on regulatory action



for net-zero risk reduction and financial stability, unlocking private sector finance, and the need for GRTF integration in policies to accelerate financing for an orderly, just, inclusive transition.

To download the reports, visit [Reports](#)

Event recording available at [Virtual Reports Launch || auctusESG & UK FCDO](#)