



# Fifteenth South Asia Economic Summit (SAES XV) Unleashing an equitable green transformation in South Asia

**Kathmandu | 11-13 December 2024**

## Parallel session: Harnessing investments for an equitable green transformation in South Asia

Date: 12 December 2024

Time: 14:00-15:45

Increasing levels of foreign direct investment (FDI) are desperately needed to bridge the financing gap to meeting the Sustainable Development Goals (SDGs). While greenfield FDI into the Asia-Pacific region in 2023 reached one of its highest levels in the past decade, the amount South Asia is receiving will still fall short of contributing tangibly to the 2030 Agenda for Sustainable Development.

Greenfield investments in green sectors have been topping the sectoral hit list of FDI flows in recent years. The potential to be harnessed is thus tremendous, and targeted proactive approaches to promoting and facilitating investments in green sectors are crucial.

While South Asia was targeted by the highest number of greenfield FDI projects in 2023 since 2014, this growth—and recovery from the COVID-19 pandemic—was largely driven by companies seeking to launch or expand operations in India. Other South Asian nations, such as Pakistan, Sri Lanka, Bangladesh, Nepal and Bhutan, experienced stagnant growth, and are generally lagging behind their FDI project levels of the mid-2010s.

However, India's growth and increasing attraction to foreign investors offers great opportunity for South Asia as a region. This is not only true for India, but also neighbouring countries and regions, such as Southeast Asia, which is progressing to becoming one of the most dynamic regions for foreign investment globally. Complementing and tapping into the emerging green value and supply chain hubs in India and Southeast Asia can be a key driver for stepping up investments for sustainable development in the region. South Asian economies present valuable investment opportunities transcending potential in the economic dimension, but also in innovative technologies and practices to advance the global green transition.

South Asia's renowned cultural diversity, stunning natural landscapes, and deep historical heritage make for a pressing case to explore opportunities for green investments. This session will feature key players in the regional investment landscape, from the public to private sectors, discussing the breadth and depth of green opportunities available to regional and global investors and how they can help advance the global green transition.

The issues and questions for discussion in this session include:

- Exploring growth sectors and emerging opportunities in green investments in South Asia: Renewable energy, sustainable agriculture, waste management, eco-tourism from an FDI perspective.
- Aligning environmental, social and governance (ESG) and SDG considerations in green economy investments.
- The role of regional cooperation in attracting green investments.
- How can South Asian economies be better integrated into green value and supply chains?
- How can synergies be created through investments in different green sectors, domestically as well as cross-border?