

ESG in Emerging Markets

Managing Risks, Creating Opportunities

Reuters Events Webinar 28 April 2020

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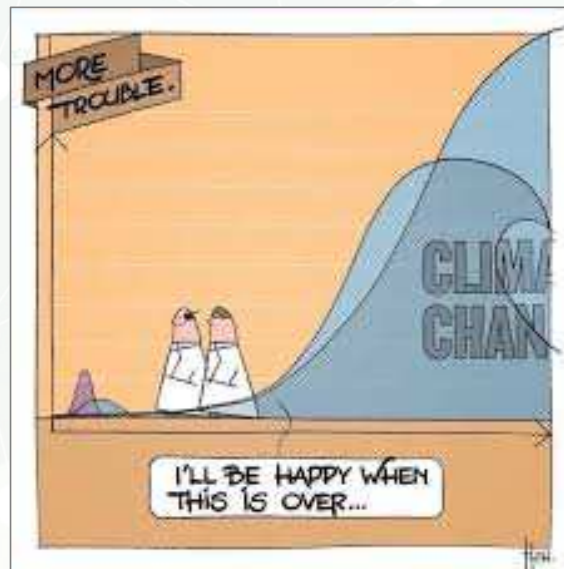
COVID-19 and ESG: Flattening which Curve?

*“Despite the impacts of the coronavirus pandemic, the world mustn't forget the **“deeper environmental emergency”** facing the planet. We must **act decisively to protect our planet** from both the coronavirus and the existential threat of climate disruption.”*

UN Secretary General Antonio Guterres – April 22, 2020



UNITED NATIONS



COVID-19 and ESG: Learning the Lessons



- Systemic Risks
- Non-stationary
- Regressive
- Potentially Inter-independent

However, ESG/climate risks are gradual, cumulative

→ **Preparation and Prevention**

*“The coronavirus crisis holds profound lessons that can help us address climate change—if we make **greater economic and environmental resiliency core to our planning** for the recovery ahead.”*

McKinsey, April 2020

COVID-19 and ESG: Looking Forward



SEC

SEC urges thorough coronavirus disclosures by US companies

Regulator emphasises need for 'exchange of forward-looking information' in earnings reports

- This quarter... historical information may be substantially less relevant
- **“exchange of forward-looking information is essential”**

BlackRock

How a global pandemic could accelerate the ESG imperative. When it comes to human vs. nature, **the upper hand goes to nature.**

Calvert

"Although no companies had criteria for how they would respond to a pandemic, it's clear that **companies that had been thoughtful about managing other environmental or social risks were ready** for any kind of situation and have reacted quite well,"



Question 1: Behavioural Change

ESG AND FINANCIAL REGULATION PROGRESS in LAC



- Regulation
- Supervisory measures
- Private initiatives

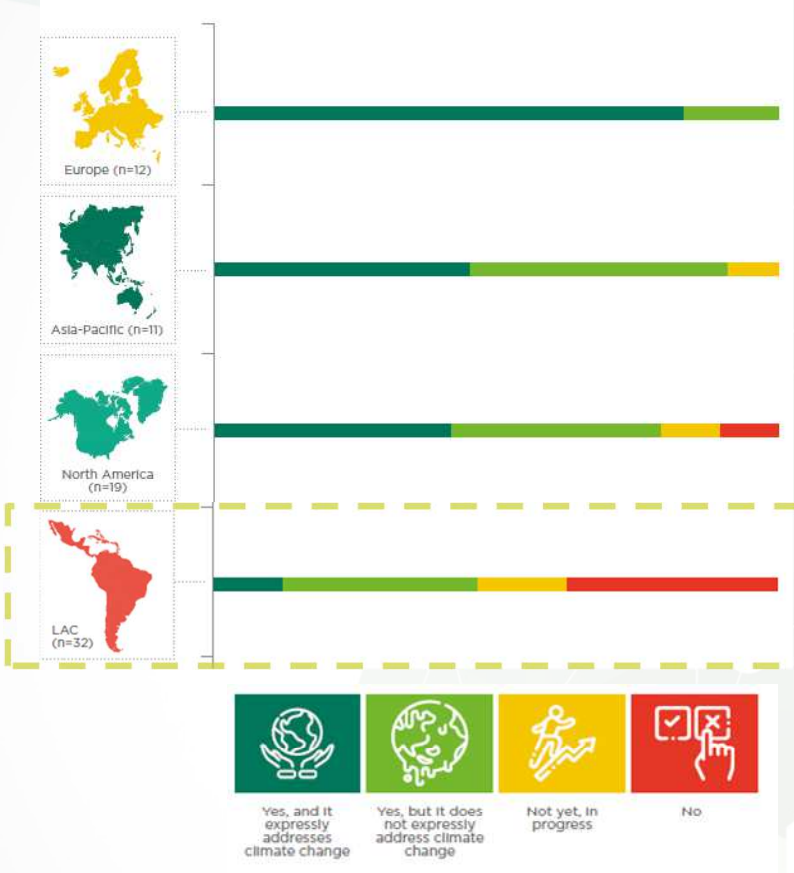


<https://bit.ly/2W4pX4t>

Question 2: Regulation and Supervision



Investor ESG or Sustainable Investment Policy Adoption (by region of respondents HQ, n=74)



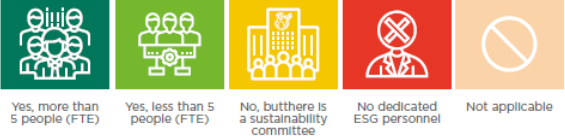
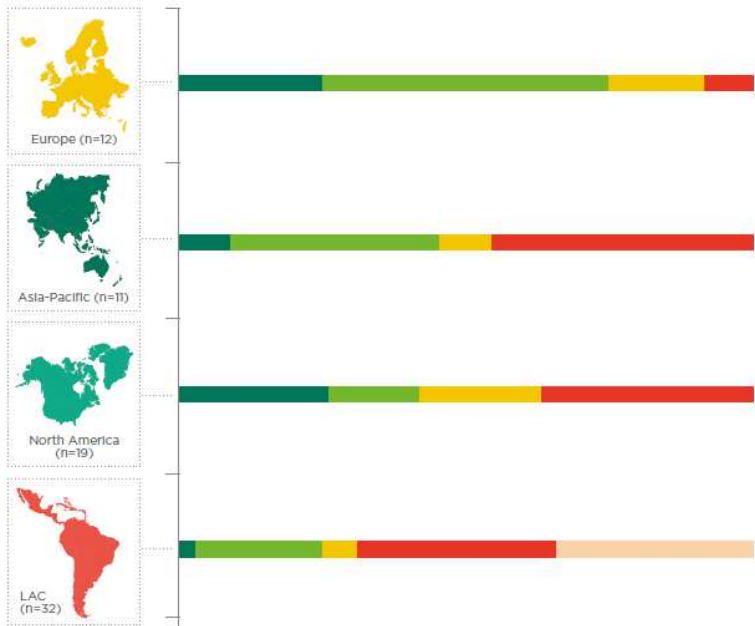
2019 Survey

INVESTING IN SUSTAINABLE INFRASTRUCTURE IN LATIN AMERICA



<https://bit.ly/3aC6y0V>

Prevalence of ESG Resources (by region of respondents HQ, n=74)



Climate Change-related Risks Disclosure (by region of Investors' HQ, n=74)



Question 3: Barriers to ESG Investing

Thanks

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