

Asia Transition Finance Study Group publishes “Asia Transition Finance Guidelines” and “Asia Transition Finance Activity Report”

The Asia Transition Finance Study Group (ATFSG), in which Mizuho Financial Group, Inc. (President & CEO: Masahiro Kihara) is a core member, has announced publication of its Asia Transition Finance Guidelines and Asia Transition Finance Activity Report.

ATFSG was established in 2021 based on the recognition that transition finance will play an important role in Asian economies being able to achieve carbon neutrality. Various global financial institutions have gathered under the auspices of ATFSG to create guidelines for companies contemplating transition finance and to offer advice which complements existing global frameworks for sustainable finance.

The Asia Transition Finance Guidelines and Asia Transition Finance Activity Report were created after many months of discussion among the core Asian and global financial institution members, together with development banks, export credit agencies, public agencies and finance associations.

The Asia Transition Finance Guidelines are primarily for financial institutions, and include technical guidance for transition finance addressing typical issues related to transition in Asia.

The Asia Transition Finance Activity Report is for broader stakeholders, and offers recommended support for transition finance such as transition project support programs by local governments, with the aim of encouraging greater stakeholder engagement.

In order to accelerate transition finance in Asian markets, the challenge going forward will be the establishment of decarbonization pathways aligned with the Paris Agreement, as well as development of policies to promote transition activities by both financial institutions and corporates.

Mizuho has been at the forefront of promoting the transition finance market in Japan and a pioneering finance provider for various transitional activities. To achieve “Just Transition”, Mizuho will act as a “catalyst”, working together with all stakeholders across the public and private sectors.