

# Important ideas on important issues: How leaders are thinking about ESG

## You can't ignore ESG



De-risking the transition to a green economy is not just the right thing to do or the moral thing to do — it's the prudent financial thing to do. I suspect that, within the next 5 years, all loans will have some sort of environmental or social KPI attached. ”

**Greta Talbot-Jones**, Associate Director of Responsible Investment with Aviva Investors



You can always debate if these measures are ambitious enough. What is clear is that we need to dramatically shift our course by 2030 and once we have done that, it will be easier to build on that foundation. ”

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## New solutions and capabilities required



Asset recycling allows governments to release the value of their existing assets by bringing forward future revenues. When the proceeds are invested back into new, more efficient and more sustainable infrastructure, a virtuous circle is created. ”

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Economic impact assessments could be readily applied to give decision-makers, leaders and investors the basic data they need to get started on their ESG journey. They just need to start incorporating environmental, social and governance factors into their analysis. ”

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As governments and corporations seek to deliver on their Net Zero goals and to ease the transition towards a green economy, the fostering of green capabilities and skills — alongside the creation of green jobs — will be critical. ”

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## Be clear about your goals



We're trying to make decision-making more knowledge-based by giving leaders the tools they need to actually do something about sustainability at the local level. It's going to take transformation and innovation to achieve our 2030 SDG goals. ”

**Anne Romsaas**, Chief Advisor for SDGs at the Norwegian Association of Local and Regional Authorities



We want to be able to foster more partnerships with the private sector, more innovation, more technology and more businesses because we understand that there is a lot of potential for value creation in the sustainability field. ”

**Geir Graff**, Portfolio Manager for Strategic Projects for Asker municipality, Norway



You can't accelerate your journey if you don't know what you want to achieve and what KPIs you want to influence. We have 4 'A's that we look at — Additionality to the NetZero journey, Alignment to the Paris Agreement, Accountability in terms of reporting, and Avoidance of negative impacts. ”

**Ruth Kent**, Managing Partner and COO of Brookfield's Renewable Power & Transition Group

## Delivering a 'just' transition



More than anything, the transition to Net Zero must be equitable. There is an obvious alignment between our environmental obligations and what we need in order to continue to function as a society as our climate continues to change. ”

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There is an increasing awareness of the linkages between ESG-enhanced infrastructure assets and positive community impacts at scale — potentially generating stronger levels of stakeholder support and business opportunities as a result. ”

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## Partnering to make it real



Measurement is a very key aspect for us. It takes partnership between government and the private sector to ensure we are delivering — and then measuring — the outcomes expected. But if you aren't measuring, how can you expect to achieve your outcomes? ”

**Chris Kirigua**, Director General of Kenya's PPP Directorate



I believe government has a very strong role to play in encouraging ESG innovation in infrastructure and construction. We want our procurement officers to prioritize the deals that deliver the most value, not the lowest overall budget costs. ”

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As an infrastructure provider, you can't just come in with the lowest bid. You need to offer a great deal more in terms of not only non-financial benefits but also commitments to ongoing innovation around ESG. ”

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