

Role of the BOT in supporting the Transition towards Environmental Sustainability

World Bank x PIER Climate Finance Policy Forum
4th March 2024



Transition towards environmental sustainability must be done in way & speed that suitable for Thai context

➔ **Less disruptive transition**

**Economy heavily rely
on brown sectors**

60%
**of industrial sector
relies on fossil-fuel
energy**

**3-4 times
Hotel sector's
GHG emission**
Higher than the global
and Asian averages

**Highly
Vulnerable to
natural disasters**

Ranked 30th out of
171 countries affected
by Climate Risk, with
low capability to
adapt with climate
change

**SMEs not ready
for the
transition**

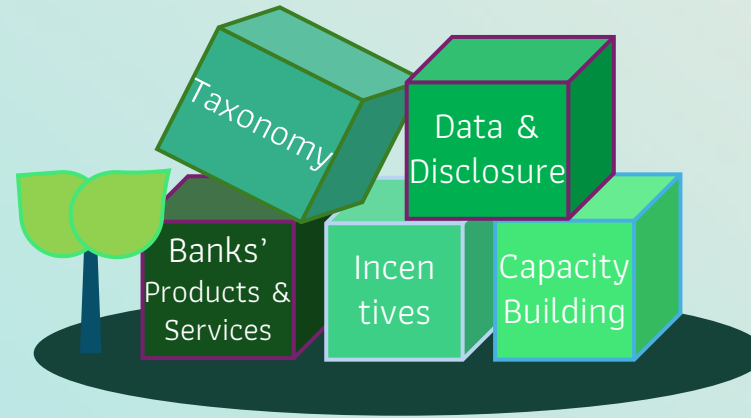
70%
of SMEs are not ready to
adapt to environmental
changes

**Business sector needs to deal with both adaptation and
mitigation [may start from brown to less brown]**

**SMEs may need
to start small**

The BOT's initiatives to drive Financial Sector to support Thai Economy on the Path of Sustainability

1. Building an ecosystem for environmental sustainability [5 building blocks]



The key characteristics of products under **Financing the Transition** project



Tailored to Thai context

- Focusing on the transition from 'Brown' to 'Less Brown'
- Covering key economic sectors
- Supporting SMEs to start from small steps



Material and scalable



Banks

- set clear targets
- Provide comprehensive solutions



Clients

- Adjust key processes
- Appropriate KPIs



Scalable

- Products are applicable with others who need similar transition