

ESTABLISHING THE UK AS THE WORLD'S GLOBAL DEVELOPMENT FINANCE HUB

A flagship Foreign, Commonwealth and Development Office programme, MOBILIST is focused on mobilising institutional capital to catalyse new scalable and replicable financial products that deliver on the Global Goals and support the net-zero transition.



THE OPPORTUNITY

Even before COVID-19 hit, financing for the Global Goals was falling \$2.5 trillion (USD) short. The OECD's Global Outlook 2021 report suggests that the annual SDG financing gap in developing countries could have increased by a further \$1.7 trillion, or nearly 70%, in 2020.

Yet, this financing gap represents only a tiny fraction of the capital managed by large-scale institutional portfolios, estimated to have upwards of \$80 trillion of assets under management globally. Listed or 'public' products — those traded on stock exchanges — make up more than 90% of these assets. Institutional investors value listed products for their governance, leadership, data, valuation, measurement and disclosure standards.

Action is needed to bring products that address developing country challenges to listed markets and to scale. In 2018, less than 4% of global pension assets were invested in emerging markets and developing economies. Of the 4%, most investments were attributable to 'private', unlisted markets.

The contribution of listed public markets is vastly untapped in many of the countries with the greatest need. Across international financial centres, including London, there are currently very few African and limited 'developing' Asian listed investment opportunities.

MOBILIST represents a compelling opportunity to bridge these gaps and accelerate progress towards the Global Goals.

The investment industry is also increasingly committed to mitigating climate risks and aligning with the net-zero goal, which is reflected in significant ESG uptick in listed markets. This is another area where emerging markets and developing economies can benefit from evolving investment trends. Despite growing energy needs and increasing demand for energy financing, steps to implement the green transition pose risks for existing investment flows to developing countries. MOBILIST seeks to support the private sector to access climate finance more easily from new sources at scale and thereby support the advancement of human welfare.

\$2.5 trillion

pre-pandemic private sector financing shortfall in developing countries.

\$1.7 trillion

increase in financing gap in 2020 during the pandemic.

\$10.5 trillion

of investment capital managed in the UK.

\$1.6 trillion

out of \$44.1 trillion of global pension assets were invested in emerging markets and developing economies.

THE PROGRAMME



MOBILIST will kickstart products designed to realise the vast potential that institutional capital in listed markets presents.

The programme looks to help direct the £7.7 trillion of investment capital managed in the UK — and the significant assets managed across international financial centres — towards climate and development finance. By surfacing investible products, MOBILIST generates transaction opportunities to catalyse climate and development-focused finance at scale.

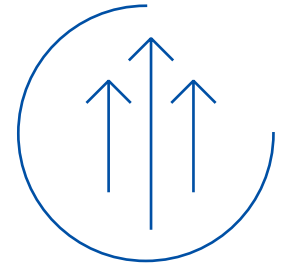
MOBILIST works with international financial institutions with the appetite and ability to surface great product ideas on major and local exchanges. New sources of finance, at scale, will increase developing countries' access to energy as well as drive job creation and economic growth. MOBILIST is one important component of the UK's mobilisation 'toolkit' under the 'Clean, Green Initiative' to help deliver climate policies and strategies that maximise human welfare. If the critical role of public markets in financing economic activity can be harnessed, then this crucial piece of financial architecture can help finance global development for decades ahead.

MOBILIST partners are working to build bridges between developing countries and global capital markets. By equipping policymakers and investors with information and connectivity, MOBILIST seeks to help solve many pressing barriers to public market mobilisation.

Launched in February, with over 160 different financial entities participating in the event, MOBILIST has already successfully run the first in a series of competitive processes as FCDO's Infrastructure Competition. 31 expressions of interest were received, including from international banks, DFIs, multilateral banks, developers, asset managers and impact investors. Now in Phase III of the Competition, commercial negotiations are ongoing with five finalists. We want to support these finalists to bring their ideas to market, attracting much needed private financing into developing countries to build high-quality infrastructure.

MOBILIST can help solve enormous developmental challenges through public market mobilisation. It can mobilise funds in a way that ensures long-term viability without reliance on public subsidies. The programme formally launched across several interconnecting and complementary platforms.

MOBILIST Competition and Product Platform



A competitive process to provide investment managers and financial institutions with the technical assistance, seed capital and support necessary to list sustainable finance products on the London Stock Exchange and emerging and frontier market exchanges.

Open to financial institutions worldwide and backed by FCDO's capital, the MOBILIST Infrastructure Competition is a public event that represents the first in a series of competitive processes that will run until 2025. Future MOBILIST competitions and pipeline development will follow a 'source, select and support' methodology, which we expect to give rise to further innovations in climate finance.

FCDO is committed to supporting participants with equity capital, technical assistance and the UK government's backing to enable the very best product ideas to come to fruition. These sustainable finance products must show viability and scalability for both listing and potential to accelerate the Global Goals in developing countries.

MOBILIST Research and Policy Platform



An ecosystem development initiative closing data gaps, promoting enabling policies and building market awareness to help scale emerging market sustainable finance.

MOBILIST's Research and Policy Platform aims to build sustainable finance in emerging markets and developing countries at scale through research, communications, advocacy and monitoring, evaluation and learning.

The platform produces and disseminates high-quality, evidence-based research and policy analysis to address information gaps and misperceptions that hinder sustainable finance in target markets. It also enables scaling and replication of sustainable finance products by validating and building awareness of their developmental impact and financial performance.



Chemonics International leads the implementation of the MOBILIST Research and Policy Platform in partnership with Lion's Head Global Partners.



PwC LLP is MOBILIST's Sustainable Infrastructure Competition Manager.



Palladium Impact Capital leads the implementation of the MOBILIST Product Platform in partnership with 18 East Capital.



MOBILIST has been endorsed as a Catalytic Initiative by the CEO Principals of the Glasgow Financial Alliance for Net Zero (GFANZ), the global coalition of leading financial institutions committed to accelerating the decarbonisation of the economy, chaired by Mark Carney, the UN Special Envoy on Climate Action and Finance and anchored in the UN's Race to Zero campaign.



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