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Crédit Agricole CIB: Connecting Opportunities in Sustainable Transition Through Sustainable Finance in Southeast Asia



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As Senior Country Officer at Crédit Agricole CIB, Antoine Sirgi oversees all business activities covering Crédit Agricole CIB's clients in Singapore and Southeast Asia. He also holds a group coordination role for Crédit Agricole Group entities present in Singapore, namely Amundi and Indosuez Wealth Management. Antoine Sirgi has over 30 years of experience in the capital markets and banking industry, having previously held the positions of Deputy CEO of Crédit Agricole CIB Hong Kong and Corporate Coverage Coordinator for Asia. Prior to his current role, he was Senior Country Officer of Crédit Agricole CIB Japan for 7 years.

Currently Director of Sustainable Investment Banking for Southeast Asia, India, and Australia at Crédit Agricole CIB, Roy Chan leads the structuring of sustainable investment banking products (bonds, loans, derivatives) and provides ESG advisory services to corporates, financial institutions, and sovereigns in these regions. Previously, he spent nearly 7 years at Standard Chartered Bank, holding roles in capital structuring and distribution group and ratings advisory in debt capital markets. Roy Chan began his career as a consultant at Synpulse Management Consulting and he holds a degree from Nanyang Technological University in Singapore.

Crédit Agricole Group, one of the largest banking groups in the world, offers specialised investment banking services through its subsidiary Crédit Agricole Corporate and Investment Bank. Crédit Agricole CIB provides a wide range of financial services, including corporate banking, risk management, capital markets, and M&A advisory. Present in over 30 countries, Crédit Agricole CIB supports companies, financial institutions, and institutional clients across Europe, the Americas, Asia-Pacific, and the Middle East.

As Southeast Asia has embarked its green transition, Antoine Sirgi and Roy Chan discuss sustainable finance, the state of social and environmental stakes in ASEAN cities, and the unique opportunities it may present for French companies.

Q: What are Crédit Agricole CIB's activities and projects in Southeast Asia?

A: Crédit Agricole CIB is the corporate and investment banking arm of the Crédit Agricole Group, the 9th largest

banking group worldwide in terms of balance sheet size (The Banker, July 2024). Having served clients in Singapore for 120 years, Crédit Agricole CIB has been operating as a full branch supervised by the Monetary Authority of Singapore

since 1905. Since then, Crédit Agricole CIB has firmly established itself as one of the leading foreign banks in Singapore and is an important franchise for Southeast Asian clients, offering strong cross-border services across a wide range of banking products. Our goal is to be the leading bank in climate transition, by supporting our clients and society in the shift towards low-carbon businesses.

We are one of the first banks to have established a dedicated Sustainable Investment Banking team (since 2009) to provide best-in-class solutions on key topics such as sustainable finance and climate transition. Crédit Agricole CIB is also a co-founder of the Green Bond Principles and the only European bank in the drafting committee in 2013. Throughout the years, we have been among the world's leaders in Sustainable Finance and were awarded the ESG House of the Year by the International Financing Review for 6 years since 2015. In Asia, Crédit Agricole CIB was named the Best Sustainable Finance House in Asia 2023 by FinanceAsia, and Hong Kong's Best Bank for ESG by Euromoney for two consecutive years in 2023 and 2024.

Southeast Asia offers a compelling growth story for us due to several key factors. With the heightened geopolitical landscape between major powers, many multinational companies have diversified their supply chains into Southeast Asia. While large economies are experiencing a slowdown and facing the risk of recession, Southeast Asia remains rather resilient with high growth potential. Furthermore, the emerging markets in this region continue to show strong domestic growth with younger populations and a growing middle class, even in the

face of global challenges. Operating in this region not only provides diversification for our bank but also opportunities to grow together with our global network of clients in Southeast Asia.

Our vision is driven by our social and environmental commitments to promote financing that is useful to the society. Our pioneering position in sustainable finance has given us a strong competitive advantage and has placed us at the forefront of this global shift.

Q: How do you position yourself against the competition to succeed?

A: Crédit Agricole CIB stands out as a forerunner in sustainability. Firstly, we are consistently a top dealmaker in the sustainable finance space. According to Dealogic and Environmental Finance, Crédit Agricole CIB is ranked #1 in the Global league table of Sustainability-Linked and Green Loan arrangers in 2023 and #2 Bookrunner for Global Sustainable Bonds from 2018-2023 (all currencies). We devote significant resources to solidify our leadership position in this space with our Sustainable Investment Banking team doubling in size over the last two years, with 14 dedicated professionals based in Dubai, Singapore, Tokyo, and Hong Kong to support our regional franchise.

Secondly, we are a prominent advocate for sustainable finance in the market. Below are some of the notable involvements in Asia-Pacific:

- In May 2024, we gathered sustainable finance experts from across Asia-Pacific markets to explore how the region can bring forward the transition finance agenda together. Given Singapore's role as Southeast Asia's key financial hub, it is one of the ideal marketplaces to bring

together issuers and investors to explore the challenging yet pivotal topic of transition finance. By fostering dialogue between issuers and investors in the transition event, Crédit Agricole CIB plays a pivotal role to galvanise collective action across the financial ecosystem to propel the transition agenda.

- In October 2023, Crédit Agricole CIB co-authored the first sustainable finance thought leadership paper by The Alliance for Green Commercial Banks. A global initiative of the International Finance Corporation (IFC), a member of the World Bank Group, the Alliance's Asia chapter was jointly launched in 2020 with the Hong Kong Monetary Authority (HKMA), the chapter's founding member and the first regional anchor. Titled "Defining an Ambitious Climate Strategy of Green Banking: A Case Study", the paper presents a "Five-Step Approach" to guide the process of transformation towards green banking, inspired by Crédit Agricole CIB's own experience in setting up its strategy to transition towards green banking, as well as supporting clients in their transition journey. We leveraged the paper to encourage industry participants, including financial institutions, to establish a robust climate strategy that will collectively contribute to facilitating climate transition.

Lastly, we are known for bringing innovation to the market by forging new important market benchmarks – for instance, in July 2024, we launched our inaugural Sustainability-Linked Loan Financing Bond (SLLB) Framework to issue our inaugural JPY3 billion SLLB, setting new standards for transparency and



ambition in the Sustainability-Linked Loan market, in line with the recent ICMA Sustainability-Linked Loan Bond Guidelines.

Q: What are your views on the current and future state of sustainability in ASEAN cities?

A: ASEAN has made significant strides towards sustainability over the recent years. We have seen progressions made by countries towards its Nationally Determined Contributions (NDCs). That said, it is becoming clearer that some national policies will need to be recalibrated in order to meet their net zero ambitions. This transition will also require the active participation of all players in the market, such as corporates, financial institutions, and governments.

A crucial part of the shift towards sustainability is the need for rapid expansion of clean or renewable energy, including the use of green hydrogen and biofuels. The transition comes with a set of challenges not limited to escalating energy demand due to urbanisation in emerging markets, limited funds to meet the scale of decarbonisation projects, and land constraint (specific to Singapore). One of the more exciting opportunities is biofuels. The move towards Sustainable Aviation Fuel (SAF) is a promising step to decarbonise one of the most

carbon intensive sectors (example – Singapore mandates all flights departing from Singapore to use at least 1 per cent SAF, with an aim of increasing it to 3 to 5 per cent by 2030). While there are still barriers such as economic considerations and availability of feedstock, the growing interest and commitment in this region have spurred investments to increase the production of this alternative fuel. Similarly, green hydrogen is emerging as a potential game-changer in ASEAN especially for decarbonisation of industrial and transportation, but is still at its early stages of development.

Equally important, the development of regulations within this region is crucial to provide guidance, promote transparency, and set the pace of adoption. To name a few common developments across the countries:

1. Local and regional taxonomies (example – ASEAN and Singapore-Asia taxonomy) to promote or support transition categories;
2. Carbon pricing/taxes and carbon credit (example – Singapore has developed a bilateral framework for the international transfer of correspondingly adjusted carbon credits between host countries and Singapore, with a set of criteria);
3. ESG disclosures and reporting.

Overall, we are highly optimistic about the direction ASEAN is taking towards sustainability and energy transition, supported by ASEAN's forward-thinking policies and regional collaborations.

Q: What are the main opportunities and key success factors for French companies in the region?

A: Given the strong emphasis and region's commitment to renewable

energy (example – Indonesia's target for renewable energy mix between 17-19% by 2025), we see significant growth opportunities in the clean energy sector. It certainly provides an opportunistic platform for French companies with expertise in energy transition and clean technologies. The demand for battery storage will grow as a result of the expansion of intermittent renewable energies.

The focus to improve energy efficiency also presents substantial opportunity for companies that are able to deliver energy efficient technologies and solutions. Other relevant areas include retrofitting or improving existing infrastructure and modernising industrial or commercial buildings.

With policies around carbon taxes/pricing, Electric Vehicles (EVs) and their related infrastructure are expected to gain momentum. While ASEAN countries are at different stages of EV adoption, the overall trend is moving towards policy incentives and increasing public awareness of sustainable transport options (example – Singapore has targets to phase out internal combustion engines by 2040).

As the ASEAN region operates at a different pace compared to the European Union, key success factors include understanding specific countries' energy needs regarding energy security, affordability, availability, and accessibility. Companies will also need to adapt to the diverse regulatory environment across the different ASEAN countries, especially for cross-border businesses, and focus more on building local partnerships and collaborations with local businesses and governments to drive long-term success in the fast-evolving landscape.