



*Aitken Spence*<sup>®</sup>

at COP 28

BY GROUP SUSTAINABILITY DIVISION,  
AITKEN SPENCE PLC



COP28  
UAE

COP28, or the 28th Conference of Parties of the United Nations Framework Convention on Climate Change, convened in Dubai, UAE, in the last leg of 2023 uniting global leaders, advocates, negotiators, and various other stakeholders to bolster the global climate response. A highlight of COP28 was the assemblage of country pavilions, where participating nations displayed their climate action, fostering discussions and international collaboration on climate issues. Marking a first, the Sri Lankan delegation invited the private sector to join the Sri Lanka pavilion as participants and conduct side events relevant to Agenda 2030.

Accepting this invitation, Aitken Spence PLC joined the national delegation and conducted a side event on Private Sector Pioneers for Climate Ambitions: Showcasing Private Sector Leadership in Climate Action and Innovation at the Sri Lanka pavilion.

This is an overview of our experience at COP 28 and lessons learnt towards our efforts to contribute meaningfully towards local and global climate actions.

# OUR OBJECTIVES FOR THIS EVENT

The key objectives of Aitken Spence to join the national delegation was to;

- demonstrate the contributions of the private sector of Sri Lanka towards ambitious climate action in Sri Lanka and
- attract possible investment opportunities for the private sector

Our objectives for joining the national delegation also included;

- expanding our knowledge on the risks and opportunities of climate mitigations and adaptation
- experiencing local and global discussions on climate action first-hand
- networking with like-minded climate advocates for shared learning and opportunities to collaborate on climate action



## EVENT HOSTED BY AITKEN SPENCE

**Event Title: Private Sector Pioneers for Climate Action**

*Private Sector Leadership in Sri Lanka for Climate Action and Innovation*

**Date:** 4th December 2023, 9am to 10.30am

**COP28's thematic topic:** Finance/Trade/Gender Equality / Accountability  
**assigned for the date**

**Relevance of the event:** The private sector plays a crucial role in Sri Lanka's economic growth and sustainability, aligning with national climate goals and the Sustainable Development Goals of Agenda 2030. This session will showcase pioneering efforts across various industries, highlighting the sector's commitment to local and global development. It will emphasize the private sector's vital contribution to achieving Sri Lanka's NDCs, providing a platform for discussing innovative strategies, challenges, and collaboration opportunities. The focus will be on reinforcing the sector's key role in national and global efforts to combat climate change.

# EVENT OUTLINE

## PART 1 - PRESENTATION

**Accelerating the achievement of NDCs in Sri Lanka through the private sector**

A video of this presentation can be viewed by [clicking here](#).

## PART 2 - PANEL DISCUSSION

**Powering Sri Lanka's NDC Ambitions: Private Sector Leverage and Potential**

Moderator: Ms. Yasangi Randeni - GM, Corporate Strategy & Sustainability, Aitken Spence PLC

# OUR PANELISTS



**DR. ANANDA MALLOWATANTRI**

Currently serving as an Advisor to the Government at the Presidential Secretariat, Dr. Mallowatantri has extensive experience in international development and environmental management. With over 23 years in roles at USAID, UNDP, and IUCN, and over 40 years experience working with governments, the UN, private sector, research, and academia, he brings with him a wealth of knowledge invaluable to this discussion.



**MS. STASSHANI JAYAWARDENA**

Ms. Jayawardena, Joint Deputy Chairperson & Managing Director of Aitken Spence PLC, is the youngest and first female board member of the company. She also leads the tourism sector at Aitken Spence. Bringing fresh management perspectives and strategic leadership, Ms. Jayawardena also holds positions on the Executive Boards of several key industry associations. She is a member of the PWC NextGen Advisory Board.



**MR. DENVER DE ZYLVA**

Senior Vice President of Virtusa Corporation and Global Head of ESG/Sustainability, Mr. De Zylva is a director of Virtusa (Pvt.) Ltd. and a member of Virtusa's ESG Committee. Since 2016, he has been on the Board of Directors of the UN Global Compact (UNGC) Network Sri Lanka. He leads Virtusa's ESG initiatives with a purpose-driven approach, aiming to future-proof stakeholders and align Virtusa's sustainability programme with the SDGs and the 10 UN Global Compact Principles.



**MR. LUCAS RIBEIRO**

Mr. Rebeiro is the Accelerator Lead for the Climate Ambition Accelerator at the UNGC and supports 2,500+ companies from 80 countries in setting science-based emissions reduction targets. With a background in environmental engineering and management, energy management, and economics he also bring with him extensive experience in geological surveys, biotechnology, renewable energy, supply chain management, sustainability, and climate action.



Discussion  
**Powering Sri Lanka's NDC Ambitions: Private Sector Leverage and Potential**

- **Dr. Ananda Mallawaratne** - Currently Advisor to Government at President's Secretariat Former IUCN Country Representative in Sri Lanka, UNDP Assesment Resident Representative in Sri Lanka and USAID Director for Energy and Environment in Sri Lanka
- **Ms. Sumanth Jayawardena** - Jt. Deputy Chairperson & Jt. Managing Director and Head of Tourism & Leisure - Allken Spence Hotel Managements (Pvt) Ltd. Jt. Chairperson - Allken Spence Director - Allken Spence Hotel Holdings Director - Allken Spence Aviation (Pvt) Ltd. Jt. Chairperson CUI
- **Mr. Demar de Zylva** - Senior Vice President - Virtusa (Pvt.) Limited, and the Global Director of Virtusa, a Director of Virtusa, a Director of Virtusa, a Director of Virtusa, a Director of Virtusa
- **Mr. Lucas Ribeiro** - Accelerator Lead - Virtusa, a Director of Virtusa, a Director of Virtusa, a Director of Virtusa, a Director of Virtusa

# KEY INSIGHTS

Note - the discussion points and insights shared by our panelists to the questions have been paraphrased to capture a summary of the responses provided.

## QUESTION TO DR. MALLAWATANTRI

**Based on your extensive experience across all levels, what do you think can the private sector and the government do together to create an enabling environment for foreign and local investments and expand ESG into business?**



- There will be opportunities like the EU Green Bond, but, in order to capitalize on these opportunities, interventions like the Science Based Targets initiative need to be implemented fully. There is a role the government must play in this as well.
- Products should show their footprint so that the consumer can make informed decisions. The government should establish the required governance structures to incentivise the private sector to play a bigger role, especially in reporting, accounting for product footprints etc. This is important to reduce product footprint.
- The citizens should also play their part by changing consumer demand patterns to be more sustainable. For example, greening and cooling, identifying where erosion can be reduced, identifying where AC loads can be reduced etc.
- All efforts need financing and that is why the public and private sectors need to work together. In the changing climate, there is no other way than to work together.

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## QUESTION TO MS. JAYAWARDENA



### What can you share with us about the private sector's readiness to work towards sustainable development goals, especially towards climate ambitions?

- Several factors illustrate the private sector's readiness to support Sri Lanka's development ambitions. For example, major investments in renewable energy, voluntary alignment with global benchmarks for reporting and accounting climate and environmental information and collaborating for climate action. For example, Aitken Spence invested over LKR 13 billion on a waste to energy power plant and LKR 1.4 billion to acquire Sri Lanka's first utility scale solar farm.
- Platforms like the UN Global Compact facilitate collaboration in the private sector and also urge industries to accelerate action for climate change mitigation and adaptation. These interventions show our commitment to support national development efforts and climate action.
- There is also an undeniable link between climate risks, environment, and health, especially women's health. It also underscores the realization that sustainability is not just a moral imperative but a strategic imperative for long-term success in a world increasingly focused on social and environmental responsibility. There is a need for more collaboration between public and private sectors so that these pressing needs can be funded.



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## QUESTION TO MR. DE ZYLVA

### **What do you think is the role of the IT sector in Sri Lanka to advance climate ambitions and the NDCs of Sri Lanka?**



- SLASSCOM set a goal several years ago to make Sri Lanka a green IT, BPO destination of choice. The objective was to have Sri Lanka's IT sector seen as a responsible industry. The reason was to stay ahead of the competition in the context of the challenges faced by the industry and fast-track investment into the IT industry by governing the industry to be a sustainable choice for investors.
- Metaphorically speaking, the world is in a perfect storm and the norm is to put anchor and weather the storm. The problem here is that the storm is only intensifying. The 'ask' of stakeholders is to accelerate into the storm at speed and scale despite the very poor visibility moving forward. In order to do that, we must understand the challenges. The industry saw environmental and social governance (ESG) as a significant piece of the armour of the vessel to get the industry through the storm.
- Virtusa makes it a point to extend their ESG reach to their supply chains. In the spirit of building partnerships to take the industry forward together, Virtusa has shared all their ESG policies with SLASSCOM members to download free of charge to help them get started on their own ESG policies and procedures. From starting at the basics, the company's ESG practices have evolved to include emission reporting aligned with global benchmarks such as the reporting framework of the Carbon Disclosure Project (CDP).
- The industry is also working to enable the workforce to be equipped with the required skills and knowledge to be a competitive workforce in light of the risks as well as opportunities stemming from climate change and other environmental and social factors that could disrupt sustainability.



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## QUESTION TO MR. REBEIRO



**The Science Based Targets initiative (SBTi) plays a pivotal role in achieving climate ambitions by guiding and validating corporate emissions reduction targets to ensure they are in line with the latest climate science and meet the goals of the Paris Agreement. You have experience engaging with diverse entities through the accelerator programmes. How can the private sector scale up their ambition regarding climate action?**

- In addressing climate action, it's also important to understand why we are where we are, which is a climate emergency. Until the industrial revolution, for over 800,000 years the planet earth has functioned in between 200 to 300 parts per million (PPM) of carbon in the atmosphere and the concentration of carbon in the atmosphere has been balanced naturally. In the 150 years after the industrial revolution, we went from 200-300PPM to 300-400PPM. The natural balance in the atmosphere was disrupted by human action. We need to accept that we are part of the problem and hence we need to be part of the solution.
- SBTi to companies is what NDCs are to countries: Companies commit to reduce emissions through SBTi to support global action against climate change and SBTi helps organisations understand how much and how fast companies need to reduce emissions.
- Taking action is inevitable. SBTi translates the science to numbers and deadlines that companies can act upon.
- The main challenge to taking action will always be the value chain engagement. The suppliers and customers need to be engaged so that they understand what needs to be done. Impact is proportional to how hard it is to implement action through the value chain. If we can get everyone talking about required action, that means everyone in the value chain is also talking about it. Therefore, engagement at all levels is important to transition to a low carbon economy. The main challenge is also the main opportunity: the transition will happen, and we can be part of that transition and plan ahead or we can be caught by surprise and be left out.

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## OPEN QUESTION TO ALL PANELISTS:

**What are the major challenges faced by private businesses, especially in Sri Lanka, in contributing to climate ambitions, and how are they being addressed?**

**DR. MALLAWATANTRI**

- The main challenge is in unpacking climate science and climate impacts and how they affect the country, people, biodiversity and the natural environment. To tackle that, Sri Lanka came up with 3 pillars. First is a concept called 'Climate Prosperity'. This is the idea that we need to find investments to grow faster and greener than what is needed by climate change. In Sri Lanka, the best response is renewable energy promotion to fast-track and attract new investments. However, integrating these strategies into national policy and planning, especially regarding subsidies and profit transfers from foreign investments, has been challenging.
- The second concept is called 'Climate Justice' which is to make sure that while we develop, adequate care is taken to the most vulnerable community groups and geographies. We talk about health & climate, gender & climate etc. and all these connections and interrelations. Convincing all stakeholders of these connections has always been a challenge. And then, what is the formula to distribute vulnerability benefits or investments? That also extends to opportunities like the EU Green Bonds and the Loss & Damage Funds.
- The last part is the technology transfer, financing and converting knowledge developed in the West to be suitable for vulnerable countries. The Sri Lankan offering for that is the Climate Change University. If we can address the principles of climate justice, climate prosperity and the need for capacity building, especially among citizens to take personal responsibility as well, and also bridge together traditional knowledge and modern information, these challenges can be faced.





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### MR. DE ZYLVA

- In transitioning (to a low carbon economy), Sri Lanka has a few advantages. Sri Lanka has the largest digital/ internet penetration per capita in the region. This was evident when we had the digital transition during COVID. To make use of and leverage those opportunities for Sri Lanka, the level of digital infrastructure plays a key role. The traditional way of working has changed, and it will never go back. The challenge is that, as a developing country, we have fixed mindsets. In addition, what is important is that we enable all our individuals to grab the available opportunity. For example, in a SLASSCOM IT/ BPN forum, many were asking of opportunities in Sri Lanka, but the IT industry has no borders. Most tech companies in Sri Lanka are servicing overseas clients. That shift in the mindsets has to happen so that Sri Lanka is able to benefit from the opportunities.
- Another big challenge we have is that lack of renewable energy options available for people. The renewable energy investments should help us become more independent from fossil fuels that we are currently dependent on. That infrastructure and power purchase agreements need to improve. For example, Sri Lankan companies are being offered renewable energy power purchase solutions from other countries which is a shame. Renewable energy should be available to Sri Lankans.
- There are many start-ups in the country. The recommendation from SLASSCOM to them would be to build articles of association on good values, and ESG using the tools provided by SLASSCOM. Build the business plans on top of that to be more competitive.



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### MS. JAYAWARDENA

- In addition to the points shared by the other panelists, the value chain has many constraints and challenges. For example, limited access to resources such as finance, or lack of knowledge about where to start sometimes. Collaboration across sectors is key to ensure adaptability, to embrace different tools and technologies, to access resources and share knowledge, to access different finance mechanisms and platforms as well as technologies that can make the distribution of resources more equitable and cost effective.
- Sharing knowledge and operating principles such as sustainability and the UNGC Principles across value chains and all key stakeholders within the value chain including SMEs and start-ups would be a good starting point to overcome some of the prevalent challenges across Sri Lanka.
- The Climate Change University couldn't have been proposed at a better time. We should use technology through the university to encourage sustainability to be a lifestyle, especially with the younger generation, so that the future workforce is sensitised to sustainability.



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### MR. RIBEIRO

- The main challenges and opportunities can be seen in terms of investments, energy transition and collaboration.
- We need investments for all these transformations. It is not only a business opportunity, but we need to understand that it is our only option. There is no business on a dead planet. The opportunities we have now to make changes happen may not be available to us a few years later. Therefore, investments are critical for this transition to a new, low carbon, net zero economy.
- (Sharing an insight from a high-level meeting at COP28 on the Caring for Climate intervention) Energy is the crossroad between progress and sustainability. We have to create more products, improve the condition of life of people, give better energy access to people in a more sustainable way (especially the 3 million who do not have access to energy right now). Energy is a key factor.
- There needs to be collaboration. (Referring to the point raised by the moderator about a company who created an eco-friendly, sustainable pain and patented it making it too expensive for use in scale and non-replicable) In school it is bad to copy, but in this scenario, shared learning is required. When we have large organisations, SMEs etc., where there should be collaboration to make progress.



## Private Sector Pioneers For Climate Action

*Private Sector Leadership in Sri Lanka  
for Climate Action and Innovation*