

Sustainable Banking Network (SBN)

Regional Workshop - SBN & the SBN2019 Report

January 2021



Accelerating Sustainable Finance Since 2012

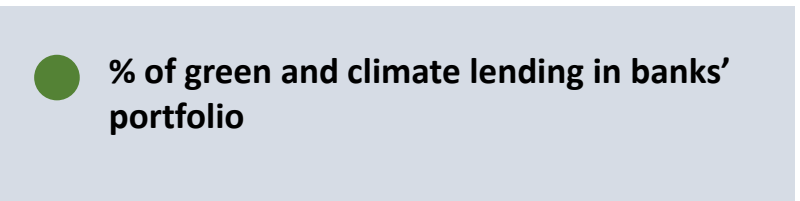
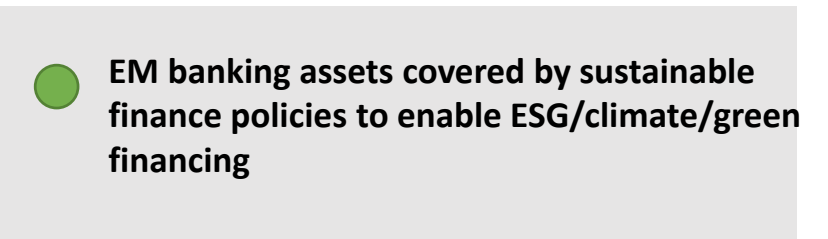
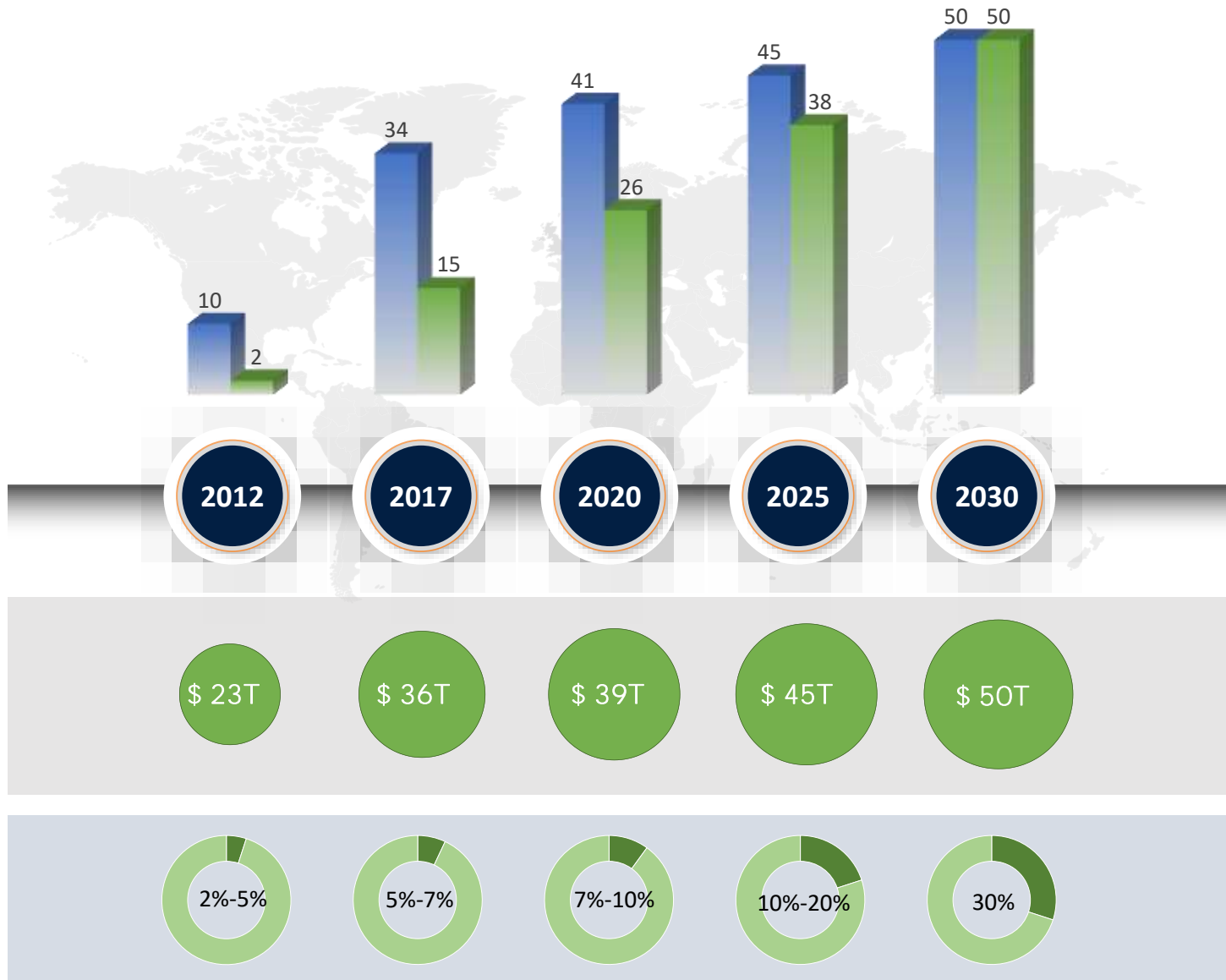




Disclaimer: This map was produced by Staff of the World Bank. The boundaries, colors, denominations and any other information shown on this map do not imply, on the part of the World Bank Group, any judgement on the legal status of any territory, or any endorsement or acceptance of such boundaries.
*Policy issued after report cut-off date. ** Joined after report launch.

- **Policies in implementation:** Bangladesh, Brazil, Cambodia, China, Colombia, Ecuador, Georgia, Ghana*, Honduras*, Indonesia, Kenya, Mexico, Mongolia, Morocco, Nepal, Nigeria, Pakistan, Panama, Paraguay, Peru, Philippines*, South Africa, Sri Lanka, Thailand*, Turkey, Vietnam
- **Policies in preparation:** Argentina, Chile, Costa Rica, Dominican Republic, Egypt, Fiji, India, Iraq, Jordan, Kyrgyzstan, Laos, Maldives**, Samoa, Serbia**, Tunisia**, Ukraine**

SBN Past, Present & Future – The Opportunity for Emerging Markets



Note: Climate/green financing data are estimation (2012- 2019) and projection (2019-2030) based on SBN and IFC research.



Purpose & Focus

Twin objectives of

- **Improved management of Environmental, Social and Governance (ESG) risks and performance** – including climate risk
- **Increased capital flows** to activities with environmental and social benefits, including positive climate impact.

Supporting behavior change of banks through market-based actions with policy leadership, knowledge sharing & capacity building.



Membership Growth

Members include **financial sector regulators** and **industry associations**.

Launched in Sept. 2012 with **10** founding members.

As of Jan 2020, **42** member-countries, **59** member institutions **86%** banking assets in emerging markets.

26 member countries have launched **96** national policies or voluntary principles.



Collective Ambition

Members commit to

- **Take policy actions within 2-years of joining** (requirement since 2016)
- **Actively share knowledge** with peers to accelerate collective progress and design common roadmaps.

Members have confirmed a collective goal to

“achieve measurable change in line with international standards”.



SBN/IFC was a key knowledge partner for the **G20 Sustainable Finance Study Group (SFSG)** from its inception and contributed research papers with case studies of SBN member experiences, providing an emerging markets perspective to inform the global agenda.



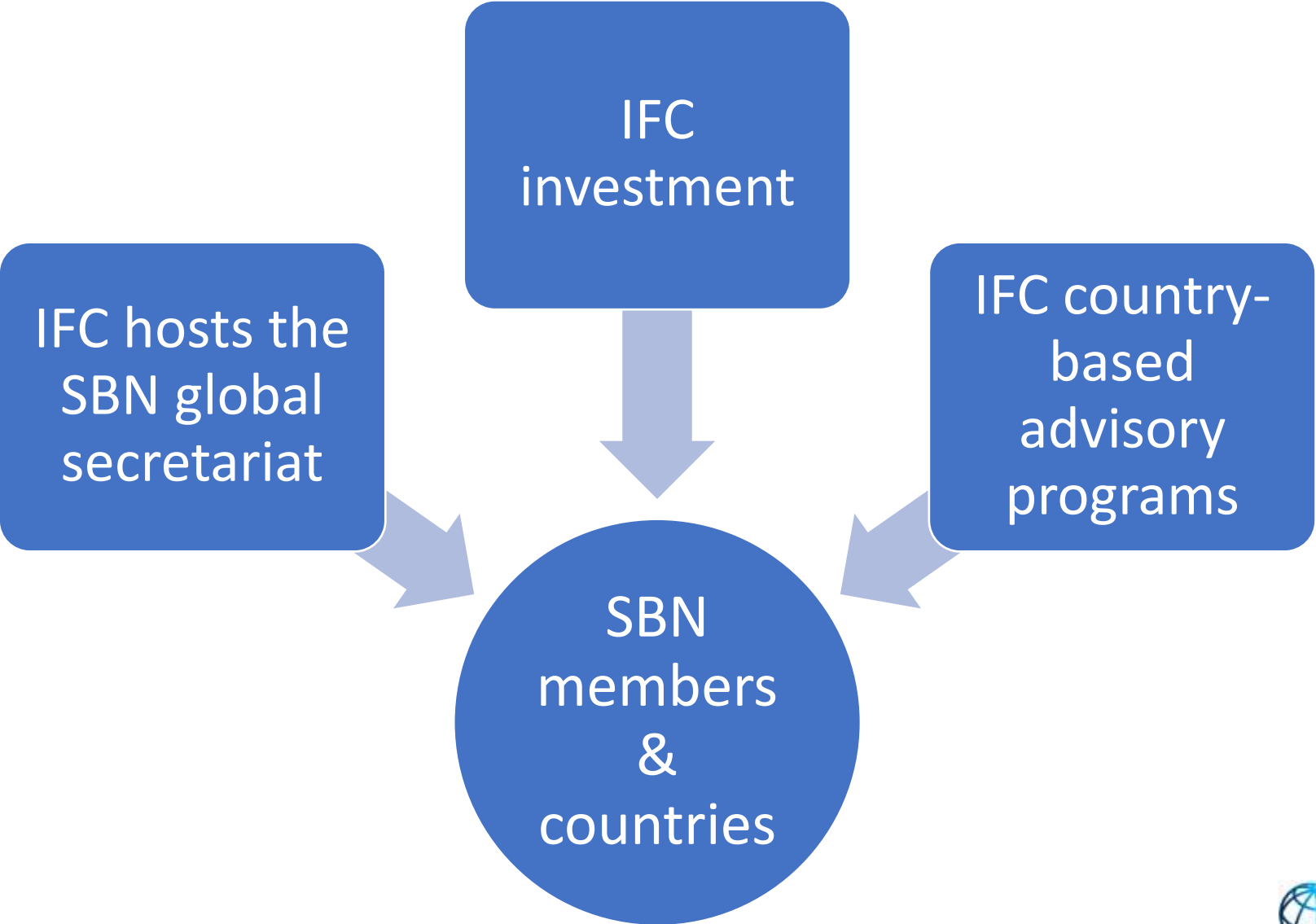
SBN and the **Network for Greening the Financial System (NGFS)** are partnering to advance the sustainable finance agenda globally and to contribute to the Sustainable Development and Climate Goals. SBN/IFC is an official observer to NGFS, participating in NGFS' three work streams.



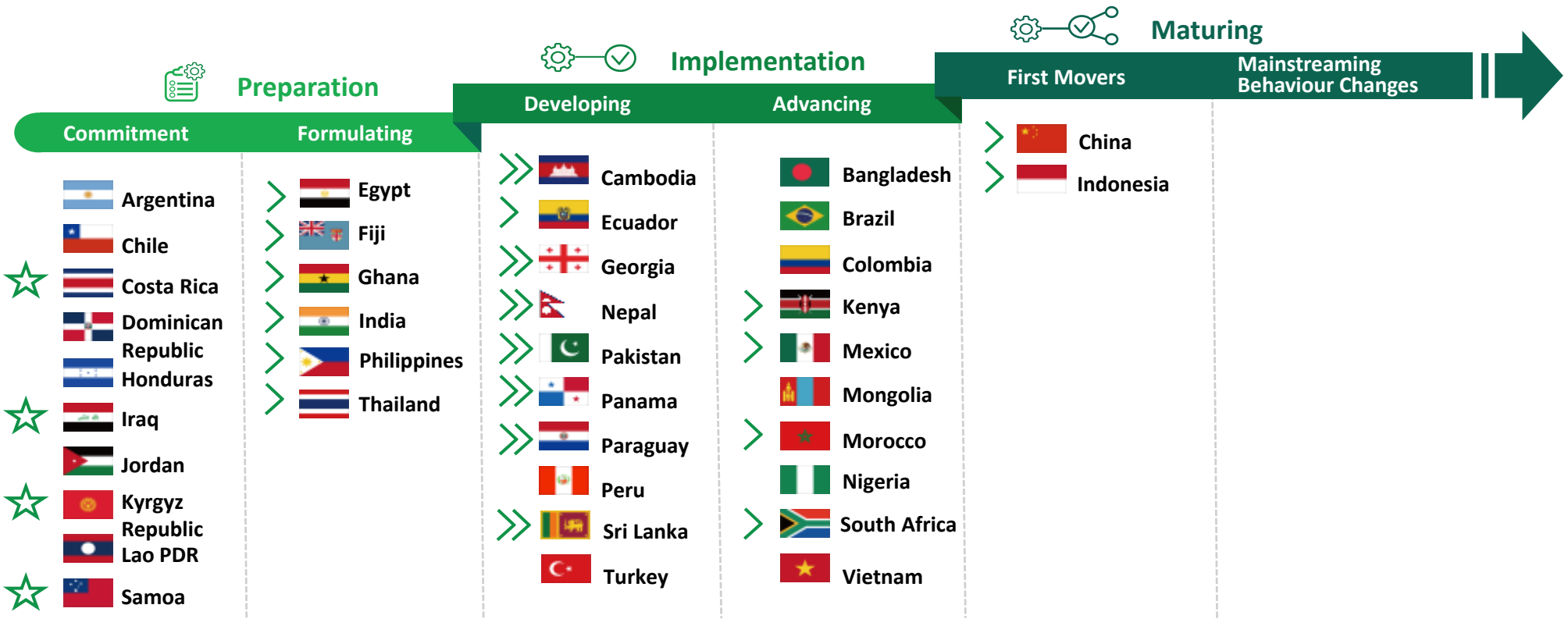
Global Green
Finance Leadership
Program

SBN and the **Center for Finance and Development of Tsinghua University** co-hosted the Global Green Finance Leadership Program in Beijing in May 2018 and the Seminar on Policy Framework for Sustainable Finance in November 2018.





Countries at different stages of sustainable finance market development



Progress since the 2018 Report

- ★ 4 new SBN member countries made progress in the initial Commitment Stage
 - 14 countries made progress within the same stage
 - > 13 countries moved up one stage
 - >> 7 countries moved up two stages
- Note: Ghana and Thailand launched their policies and principles in August 2019, after the cut-off date of June 2019 for this Report.*

The 2019 Global Progress Report reviews 38 SBN members' experiences and progress, supplemented by 30 country progress reports, 40 case studies and online analytical tool.

Over the past two years, 24 of the 38 SBN member countries progressed to the next stage in the SBN Progression Matrix.



National sustainable finance policies & principles were assessed against ESG risk management practices, climate and green finance flows and alignment with international standards.

Strategic Alignment Pillar

- Alignment with global E&S standards and best market practices
- Alignment to NDCs and with national/regional climate change targets
- Multi-stakeholder collaboration

ESG Integration Pillar

- Governance of E&S
- E&S risk management
- Enforcement



Climate and Green Finance Pillar

- Products and services
- Climate & green Investment reporting
- Measurement
- Incentives

Countries were mapped across a progression matrix to capture their level of progress.

Sector-level data and case studies

Sector-level data and individual case studies to assess interaction between national frameworks and behavior change by private financial institutions.

