IFC and SBN Partner with the National Bank of Georgia to Boost Sustainable Finance

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Tbilisi, Georgia, April 12, 2019—IFC, a member of the World Bank Group, has joined forces with the National Bank of Georgia to launch the Sustainable Finance Roadmap, a guide to helping the financial sector improve the management of environmental, social, and governance risks and direct more capital to sectors and projects that have environmental and social benefits.

IFC, together with the Sustainable Banking Network (SBN), for which IFC serves as secretariat and technical advisor, helped the National Bank of Georgia design the new roadmap, which outlines future actions the bank will undertake to support sustainable finance development in Georgia. The roadmap aims to provide a credible, predictable, and stable regulatory framework to prepare the market for transitioning to sustainable finance.

"Sustainable finance is very important in contributing to sustainable development. A successful transformation to sustainable finance requires coherent, consistent actions by both the public and private sectors simultaneously," said Koba Gvenetadze, Governor of the National Bank of Georgia. "The new roadmap puts together policy actions that we have been implementing since 2017 to promote transparency and the integration of environmental, social, and governance issues into investment decision-making and risk management processes."

The Sustainable Finance Roadmap references international best practices and leverages experiences from 36 SBN member-countries from emerging markets. The new policies are also expected to help commercial banks and public companies attract investment, thanks to a growing movement among investors worldwide to support socially and environmentally responsible development projects. Supporting these efforts is part of IFC’s broader work to help boost private sector development in Georgia.

Jan van Bilsen, IFC Regional Manager for the South Caucasus, said: "Sustainability is critical to business success. Adhering to sustainable finance principles will help banks and the capital market more responsible investors and will also provide new opportunities to increase finance flows, such as the issuance of green bonds."

Georgia became an IFC member and shareholder in 1995. Since then, IFC has provided around $1.88 billion in long-term financing, of which nearly $980 million was mobilized from partners, in 60 projects in financial services, agribusiness, manufacturing, and infrastructure. In addition, IFC has supported more than $394 million in trade through its trade finance program, and implemented number of advisory projects focused on developing the private sector.

About IFC
IFC—a sister organization of the World Bank and member of the World Bank Group—is the largest global development institution focused on the private sector in emerging markets. We work in more than 2,000 businesses worldwide, using our capital, expertise, and influence to create markets and opportunities in the toughest areas of the world. In fiscal year 2018, we delivered more than $23 billion in long-term financing for developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity. For more information, visit www.ifc.org

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About SBN
The Sustainable Banking Network (SBN) is a knowledge and capacity-building platform of financial sector regulators, banking associations, and environmental regulators from emerging market committed to developing sustainable finance frameworks based on national priorities and international good practices. IFC acts as the secretariat of the network, playing the role of facilitator a technical adviser to SBN. For more information on the Sustainable Banking Network, visit www.ifc.org/sbn.