

Changing Finance to Catalyze Transformation:

How financial institutions can accelerate the transition to an environmentally sustainable economy



References

References

1. United Nations Environment Programme, Global Environment Outlook – GEO-6: Healthy Planet, Healthy People (Nairobi, 2019) https://wedocs.unep.org/bitstream/handle/20.500.11822/27539/GEO6_2019.pdf?sequence=1&isAllowed=y
2. International Monetary Fund, Global Financial Stability Report: Markets in the Time of COVID-19 (2020) <https://www.imf.org/-/media/Files/Publications/GFSR/2020/April/English/text.ashx>
3. J. Jager, Europe charts a course for sustainable recovery from COVID-19. (World Resources Institute, 2020) <https://www.wri.org/blog/2020/06/europe-charts-course-sustainable-recovery-covid-19>
4. Financial Stability Board, Global Monitoring Report on Non-Bank Financial Intermediation (2020) <https://www.fsb.org/wp-content/uploads/P161220.pdf>
5. United Nations Environment Programme, Making Waves: Aligning the Financial System with Sustainable Development (Nairobi, 2018) http://unepinquiry.org/wp-content/uploads/2018/04/Making_Waves_lowres.pdf
6. United Nations, Secretary-General's video message for "Finance in Common" Summit (12 November 2020) <https://www.un.org/sg/en/content/sg/statement/2020-11-12/secretary-generals-video-message-for-finance-common-summit>
7. Global Canopy, Eliminating Commodity-Driven Deforestation: Finance Sector Roadmap (2021) <https://globalcanopy.org/news/eliminating-commodity-driven-deforestation-finance-sector-roadmap/>
8. A. Sharma, L. Bryant, E. Lee and C. O'Connor, Regenerative agriculture part 4: The Benefits (NRDC, 2021) <https://www.nrdc.org/experts/aro-hi-sharma/regenerative-agriculture-part-4-benefits#:~:text=Regenerative%20farming%20also%20benefits%20water,blooms%20and%20drinking%20water%20pollution.>
9. F. Huwylar, J. Käppeli and J. Tobin, Conservation Finance. From Niche to Mainstream: The Building of an Institutional Asset Class (Credit Suisse Group AG and McKinsey Center for Business and Environment, 2016) <https://www.rockefellerfoundation.org/report/conservation-finance-from-niche-to-mainstream-the-building-of-an-institutional-asset-class/>
10. NYU Stern Center for Sustainable Business, Invest NYC SDG: A Finance White Paper (March 2021) <https://www.stern.nyu.edu/sites/default/files/assets/documents/Invest%20NYC%20SDG%20Finance%20White%20Paper%203.12.21.pdf>
11. Ellen MacArthur Foundation, Financing the Circular Economy: Capturing the Opportunity (2020) <https://emf.thirdlight.com/link/17z1dk7idbty-lrrp3s/@/preview/1?o>
12. World Economic Forum, Towards the Circular Economy: Accelerating the scale-up across global supply chains (2014) http://www3.weforum.org/docs/WEF_ENV_TowardsCircularEconomy_Report_2014.pdf
13. Organisation for Economic Co-operation and Development, The Circular Economy in Cities and Regions: Synthesis Report (2020) <http://www.oecd.org/regional/the-circular-economy-in-cities-and-regions-10ac6ae4-en.htm>
14. United Nations Environment Programme, Financing Circularity: Demystifying Finance for Circular Economies (Nairobi, 2020) <https://www.unepfi.org/publications/general-publications/financing-circularity/>
15. The World Bank, Gender and COVID-19 (Coronavirus) (Washington D.C, 2020) <https://www.worldbank.org/en/topic/gender/brief/gender-and-covid-19-coronavirus>
16. World Economic Forum, The Future of Nature and Business (2020) http://www3.weforum.org/docs/WEF_The_Future_Of_Nature_And_Business_2020.pdf
17. Global Canopy, Little Book of Investing in Nature: A simple guide to financing life on Earth (Oxford, 2021) https://globalcanopy.org/wp-content/uploads/2021/01/LBIN_2020_EN.pdf
18. D. Webb, Bonds & Loans: Social bonds slump as governments wind down recovery borrowing (Responsible Investor, 2021) <https://www.responsible-investor.com/articles/bonds-and-loans-social-bonds-slump-as-governments-wind-down-recovery-borrowing>
19. J. Ravindirane, German sovereign innovates with its Bund's inaugural green twins (Natixis, 2020) <https://gsh.cib.natixis.com/our-center-of-expertise/articles/german-sovereign-innovates-with-its-bund-s-inaugural-green-twins>

20. International Finance Corporation, IFC's work in gender (2021) https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Gender+at+IFC
21. United Nations Global Compact, Scaling Finance for the Sustainable Development Goals: Foreign Direct Investment, Financial Intermediation and Public-Private Partnerships (2019) <https://d306pr3pise04h.cloudfront.net/docs/publications%2FScaling-SDG-Finance.pdf>
22. UNEP Finance Initiative, Principles for Responsible Banking Guidance Document: Gender Equality Target Setting (Geneva, 2021) https://www.unepfi.org/wordpress/wp-content/uploads/2021/02/PRB-Gender-Equality-Guidance-Document_final.pdf
23. International Capital Market Association, International Finance Corporation and UN Women, Bonds to Bridge the Gender Gap: A Practitioner's Guide to Using Sustainable Debt for Gender Equality (2021) <https://www.unwomen.org/sites/default/files/2021-11/Bonds-to-bridge-the-gender-gap-en.pdf>
24. International Finance Corporation, Moving Toward Gender Balance in Private Equity and Venture Capital; with Rock Creek, Oliver Wyman (2019) https://samatacapital.com/wp-content/uploads/2021/04/Moving-Toward-Gender-Balance_Final_3.22.19.pdf
25. C. Chanjaroen and H. Amin, Singapore to Curb Greenwashing With Stress Tests, Technology (Bloomberg, 2021) <https://www.bloomberg.com/news/articles/2021-11-07/singapore-aims-to-curb-greenwashing-via-stress-tests-technology>
26. BBVA, 'Blockchain' set to shape future of green bonds (2019) <https://www.bbva.com/en/blockchain-set-to-shape-future-of-green-bonds/>
27. U.E. von Allmen, P. Khera, S. Ogawa and R. Sahay, Digital financial inclusion in the times of COVID-19 (International Monetary Fund, 2020) <https://blogs.imf.org/2020/07/01/digital-financial-inclusion-in-the-times-of-covid-19/>
28. FMO, Environmental, social and governance toolkits (2021) <https://www.fmo.nl/esg-toolkit>
29. United Nations Environment Programme, UNEP Inquiry Project (2016) <https://unepinquiry.org/publication/green-smes/>
30. Organisation for Economic Co-operation and Development, Environmental policies and SMEs in SME Policy Index: ASEAN 2018: Boosting Competitiveness and Inclusive Growth (Paris, 2018) <https://www.oecd-ilibrary.org/docserver/9789264305328-9-en.pdf?expires=1606807555&id=id&ac-cname=guest&checksum=23EAE6BD8C058793DF721B806B2CFD3>
31. United Nations Global Compact, Helping Small Businesses Survive COVID-19 (2020) <https://unglobalcompact.org/academy/%20helping-small-businesses-survive-covid-19>
32. The World Bank, Expanding women's access to financial services (2014) <https://www.worldbank.org/en/results/2013/04/01/banking-on-women-extending-womens-access-to-financial-services>
33. Food and Agriculture Organization of the United Nations, Running out of Time: The Reduction of Women's Work Burden in Agricultural Production (Rome, 2015) <http://www.fao.org/3/i4741e/i4741e.pdf>
34. Bill and Melinda Gates Foundation, Evidence Review of Women-led Small and Medium-sized Enterprises (SMEs) Before, During, and after Covid-19: Examining Barriers and Opportunities (2021) https://docs.gatesfoundation.org/documents/evidence_review_of_women_led_small_and_medium_sized_enterprises_SMEs_before_during_and_after_covid19_examining_barriers_and_opportunities.pdf
35. United Nations, citing \$2.5 trillion annual financing gap during SDG Business Forum Event, Deputy Secretary-General says poverty falling too slowly (2019) <https://www.un.org/press/en/2019/dsgsm1340.doc.htm>
36. Organisation for Economic Co-operation and Development, COVID-19 crisis threatens Sustainable Development Goals financing (Paris, 2020) <http://www.oecd.org/newsroom/covid-19-crisis-threatens-sustainable-development-goals-financing.htm>
37. European Commission and ERM, Study on Sustainability-Related Ratings, Data and Research (2021) <https://op.europa.eu/en/publication-detail/-/publication/d7d85036-509c-11eb-b59f-01aa75ed71a1/language-en/format-PDF/source-183474104>
38. United Nations Environment Programme, Rethinking Impact to Finance the SDGs (2018) <https://www.unepfi.org/wordpress/wp-content/uploads/2018/11/Rethinking-Impact-to-Finance-the-SDGs.pdf>

39. Organisation for Economic Co-operation and Development, What is Transition Finance? (Paris, 2019) <https://www.oecd.org/dac/financing-sustainable-development/development-finance-topics/What-is-Transition-Finance-2019.pdf>
40. World Bank, Financial development (2020) <https://www.worldbank.org/en/publication/gfdr/gfdr-2016/background/financial-development>
41. Blended Finance Taskforce, Better Finance Better World: Consultation Paper of the Blended Finance Task Force (London, 2018) http://s3.amazonaws.com/aws-bsdc/BFT_BetterFinance_final_01192018.pdf#asset:614:url
42. The World Bank, Maximizing Finance for Development (MFD) (2018) <https://www.worldbank.org/en/about/partners/maximizing-finance-for-development>
43. G20, G20 Sustainable Finance Roadmap (2021) <https://www.g20.org/wp-content/uploads/2021/10/G20-Sustainable-Finance-Roadmap.pdf>
44. H. Hatashima and U. Demberel, What is blended finance, and how can it help deliver successful high-impact, high-risk projects? (World Bank, 2020) <https://ieg.worldbankgroup.org/blog/what-blended-finance-and-how-can-it-help-deliver-successful-high-impact-high-risk-projects>
45. M. Mughogho, A State of Sustainable Finance. ZeniZeni Sustainable Finance Working Paper (2021)
46. J. Kay, Kay Review of UK Equity Markets and Long-Term Decision Making: Financial Report (2012) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/253454/bis-12-917-kay-review-of-equity-markets-final-report.pdf
47. United Nations Environment Programme, Financing the Transition: How Financial System Reform can Serve Sustainable Development (Nairobi, 2016) http://unepinquiry.org/wp-content/uploads/2016/11/Financing_the-Transition_Financial_System_Reform.pdf
48. European Commission, Report on Sustainable Finance for a Circular Economy (2019) [https://ec.europa.eu/environment/international_issues/pdf/File%20%20-%20G20%20Sustainable%20Finance%20for%20Circular%20Economy%20\(Tokyo%2010%20October%202019\)%20-%20Report.pdf](https://ec.europa.eu/environment/international_issues/pdf/File%20%20-%20G20%20Sustainable%20Finance%20for%20Circular%20Economy%20(Tokyo%2010%20October%202019)%20-%20Report.pdf)
49. Commodity Futures Trading Commission, Managing Climate Risk in the U.S. Financial System (2020) <https://www.cftc.gov/sites/default/files/2020-09/9-9-20%20Report%20of%20the%20Subcommittee%20on%20Climate-Related%20Market%20Risk%20-%20Managing%20Climate%20Risk%20in%20the%20U.S.%20Financial%20System%20for%20posting.pdf>
50. Pensions & Investments, 80% of equity market cap held by institutions (2017). <https://www.pionline.com/article/20170425/INTERACTIVE/170429926/80-of-equity-market-cap-held-by-institutions>
51. Sustainable Stock Exchanges Initiative, Stock exchange sustainability activities (2021) <https://sseinitiative.org/>
52. Global Alliance for Banking on Values, #BankingOnValues: Moving Forward Together <https://www.gabv.org/wp-content/uploads/BankingOnValues-Moving-Forward-Together.pdf>
53. UNEP Finance Initiative, Guidance for banks. Gender Equality Target Setting (2021) <https://www.unepfi.org/wordpress/wp-content/uploads/2021/05/PRB-Gender-Equality-Guidance-7.pdf>
54. ADOPTION OF THE PARIS AGREEMENT - Paris Agreement text English (unfccc.int)
55. Glasgow Financial Alliance for Net Zero, Bringing together the financial sector to accelerate the transition to a net-zero economy (2021) <https://www.gfanzero.com/>
56. J. Nicholl, The heart, head and hands of transforming leadership. Leadership & Organization Development Journal, vol 15, No. 6 (September, 1994) <https://doi.org/10.1108/01437739410066072>
57. C. Caldwell and others, Transformative leadership: Achieving unparalleled excellence. Journal of Business Ethics, vol. 109 (2012) <https://doi.org/10.1007/s10551-011-1116-2>
58. C. Naidoo, Relating Financial Systems to Sustainability Transitions: Challenges, Demands and Dimensions (University of Sussex, 2019) <https://ideas.repec.org/p/sru/ssewps/2019-18.html>
59. Climate Safe Lending Network, Climate Intrapreneurs Insights from the front lines of Bank Climate Action (December 2020) <https://static1.squarespace.com/static/5e0a586857ea746075c561a3/t/5fca564dfaf9e00ac2410028/1607095889309/Climate+Intrapreneurs++December+2020+%28Executive+Summary%29.pdf>
60. T. Picketty, Capital in the 21st Century (Harvard University Press, 2014)

61. Intergovernmental Panel on Climate Change, Summary for Policymakers. In: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty (2018) <https://www.ipcc.ch/sr15/chapter/spm/>
62. A. Van den Heever, Remarks by Alex van den Heever, during Helen Suzman Foundation 2013 Accountability Quarterly Roundtable (2013) <https://hsf.org.za/publications/roundtable-series/qrs-accountability.pdf>
63. E. Dimson, P. Marsh and M. Staunton, Divergent ESG ratings. The Journal of Portfolio Management, vol. 47 No. 1 (2020) <https://doi.org/10.3905/jpm.2020.1.175>
64. World Benchmarking Alliance, Financial System Benchmark - World Benchmarking Alliance (2020) <https://www.worldbenchmarkingalliance.org/financial-system-benchmark/>
65. R. Cohen, Impact: Reshaping Capitalism to Drive Real Change (2020) <https://sirronaldcohen.org/books>
66. G.E. Metcalf, On the Economics of a Carbon Tax for the United States (Brookings Institution, 2019) <https://www.brookings.edu/wp-content/uploads/2019/03/On-the-Economics-of-a-Carbon-Tax-for-the-United-States.pdf>
67. Bolder Advocacy, Advocacy Capacity Tool (ACT!) (2018) [https://bolderadvocacy.org/resource-library/tools-for-effective-advocacy/evaluating-advocacy/advocacy-capacity-tool-act/#:~:text=Blog-,Advocacy%20Capacity%20Tool%20\(ACT!\),to%20engage%20in%20advocacy%20efforts.](https://bolderadvocacy.org/resource-library/tools-for-effective-advocacy/evaluating-advocacy/advocacy-capacity-tool-act/#:~:text=Blog-,Advocacy%20Capacity%20Tool%20(ACT!),to%20engage%20in%20advocacy%20efforts.)
68. F. Sonkin, Recipe for disaster: The IMF and World Bank's role in the financialisation of food and agriculture (Bretton Woods Project, April 2020) <https://www.brettonwoodsproject.org/wp-content/uploads/2020/03/IMF-and-World-Bank-role-in-financialisation-of-food-and-agriculture-At-Issue-Spring-2020.pdf>
69. Influence Map, Sustainable Finance Policy Engagement (2020) <https://influencemap.org/report/Sustainable-Finance-Policy-Engagement-ae2640f0ab05a86c3a53359b0c5a3057#2>
70. Hoegh-Guldberg, O., D. Jacob, M. Taylor, M. Bindi, S. Brown, I. Camilloni, A. Diedhiou, R. Djalante, K.L. Ebi, F. Engelbrecht, J. Guiot, Y. Hijjoka, S. Mehrotra, A. Payne, S.I. Seneviratne, A. Thomas, R. Warren, and G. Zhou, 2018: Impacts of 1.5°C Global Warming on Natural and Human Systems. In: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)] (2019) https://www.ipcc.ch/site/assets/uploads/sites/2/2019/06/SR15_Chapter3_Low_Res.pdf
71. Stockholm Resilience Centre, Time for an emergency response (2019) <https://www.stockholmresilience.org/research/research-news/2019-11-27-time-for-an-emergency-response.html>
72. MSCI, Net-zero solutions (2021) <https://www.msci.com/our-solutions/climate-investing/net-zero-solutions>
73. United Nations Environment Programme and World Bank, Roadmap for A Sustainable Financial System (2017) <http://unepinquiry.org/publication/roadmap-for-a-sustainable-financial-system/>
74. United Nations Environment Programme, The Financial System we Need: The UNEP Inquiry Report. Aligning the Financial System with Sustainable Development (2015) https://wedocs.unep.org/bitstream/handle/20.500.11822/9862/-The_Financial_System_We_Need_Aligning_the_Financial_System_with_Sustainable_Development-2015The_Financial_System_We_Need_EN.pdf.pdf?sequence=15&isAllowed=y
75. European Central Bank, Hearing at the committee on economic and monetary affairs of the European Parliament (Brussels, 2021) https://www.ecb.europa.eu/press/key/date/2021/html/ecb.sp210125_2~5d8b84dc5a.el.html
76. Network for Greening the Financial System, NGFS Climate Scenarios for Central Banks and Supervisors (2020) https://www.ngfs.net/sites/default/files/medias/documents/820184_ngfs_scenarios_final_version_v6.pdf
77. Network for Greening the Financial System, Membership (2021) <https://www.ngfs.net/en/about-us/membership> as at 15 February 2021

78. Responsible Investor, Regulate ESG data providers, advisors tell European Commission (2021) <https://www.responsible-investor.com/articles/regulate-esg-data-providers-advisors-tell-european-commission>
79. European Commission and ERM, Study on Sustainability-Related Ratings, Data and Research (2021) <https://op.europa.eu/en/publication-detail/-/publication/d7d85036-509c-11eb-b59f-01aa75ed71a1/language-en/format-PDF/source-183474104>
80. International Platform on Sustainable Finance, Common Ground Taxonomy – Climate Change Mitigation (2021) https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/211104-ipsf-common-ground-taxonomy-instruction-report_en.pdf
81. CFA Institute, Environmental, Social, and Governance Issues in Investing: A Guide for Investment Professionals (2015) <https://www.cfainstitute.org/-/media/documents/article/position-paper/esg-issues-in-investing-a-guide-for-investment-professionals.ashx>

List of Figures

Figure 1: Figure 1: SDG financing gap is only about 1% of global assets

United Nations Environment Programme. Changing Finance to Catalyze Transformation: How Financial Institutions Can Accelerate the Transition to an Environmentally Sustainable Economy. GEO for Business Brief. Nairobi; 2021.

Figure 2: Particular features of a state of sustainable finance

Source: M Malango and Van den Heever, A. (2013), Remarks by Alex van den Heever, during Helen Suzman Foundation 2013 Accountability Quarterly Roundtable. <https://hsf.org.za/publications/roundtable-series/qrs-accountability.pdf>

Figure 3: Shifting focus of assets towards sustainability and developing countries

United Nations Environment Programme. Changing Finance to Catalyze Transformation: How Financial Institutions Can Accelerate the Transition to an Environmentally Sustainable Economy. GEO for Business Brief. Nairobi; 2021.

