Sustainability – Risks and Opportunities for Financial Institutions in South East Europe

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UNEP FI Central and Eastern European Task Force (CEETF) - Mission and Objectives

• Raise awareness amongst the financial sector of environmental risks and opportunities
• Provide support to FIs wishing to address such issues (capacity building, risk management tools etc)
• Provide a forum for debate and discussion amongst FIs and civil society
• Encourage a level playing field
CEE Task Force - Membership

- Financial sector institutions based in the region.
- NGOs and other interested stakeholders.
- Task Force activities are member driven.
- Assist banks in CEE to improve local environmental conditions for the broader community.
**Survey on Sustainable Finance in CEE**

- Survey of 26 financial institutions in CEE (EU accession and non-EU countries)
- Aim:
  - gain understanding of the current status of sustainable finance in CEE financial sector;
  - what are the main drivers and barriers
Survey on Sustainable Finance in CEE - Findings

- Majority consider sustainability is an important issue.
- Financial and non-financial issues – top three most relevant sustainability issues.
- 90% respondents engage in community development activities.
- 60% publish an environmental report.
- Micro credit is frequently offered sustainable finance product (42.2%).
Survey on Sustainable Finance in CEE – Findings (2)

• Drivers: enhanced reputation (73.1%); social responsibility (61.5%).
• Barriers: difficulty to measure benefits (53.8%); lack of clear business case (46.2%).
• 95% respondents that implement sustainable finance practices experienced clear benefits.
• 38.5% provide at least one environmental financial product.
• 76.9% believe that in 5 years more emphasis will be on sustainability.