



UNEP **Finance Initiative**
Innovative financing for sustainability

**Scratching on the surface of sustainable
finance...**

***Results of a survey on
sustainable finance practices in Greece***

Regina Kessler, Project Manager Central and Eastern Europe

<http://www.unepfi.org>

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Agenda

- Survey Methodology
- Survey Results
- Conclusions from the Survey Results
- Recommendations



Survey Methodology

Objective:

Better understanding of what the Greek financial sector does on sustainability and what stakeholders expect from the financial sector

Survey participants:

13 financial institutions and 13 stakeholder organisations responded to two different questionnaires

Sustainable finance practices:

All actions that financial institutions can undertake to influence the environment and society directly or indirectly

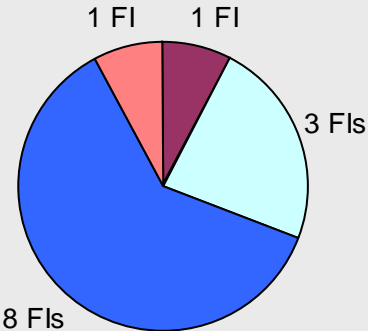


Survey Results

Sustainability is of growing importance - today....

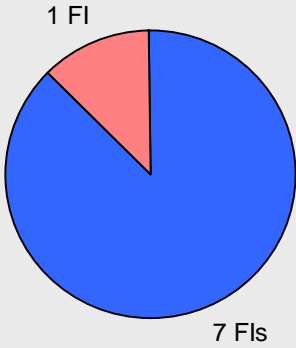
How high do you rank sustainability matters as relevant to your company`s business risks / opportunities?

Among all surveyed companies

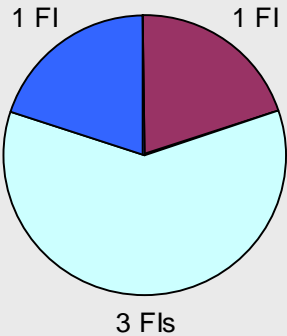


- Rank 0 - Not Important
- Rank 1
- Rank 2
- Rank 3
- Rank 4
- Rank 5 - Most important

Among Listed Companies



Among Non-Listed Companies

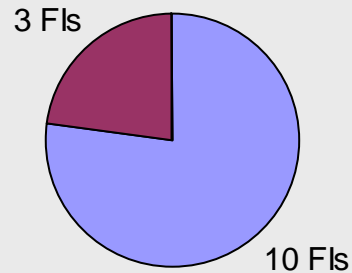


Survey Results

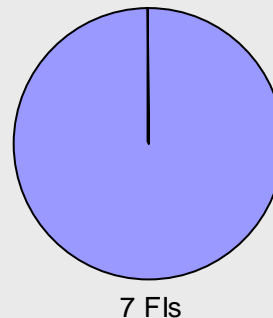
Sustainability is of growing importance –
today....and in the future!

Do you believe that in 5 years there will be more emphasis
on sustainability in the financial sector than today?

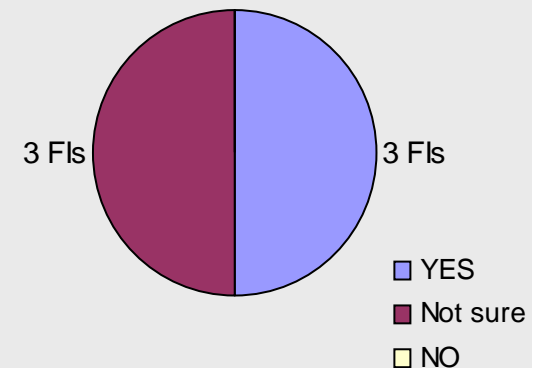
Among all companies



Among Internationally
Dominated Companies

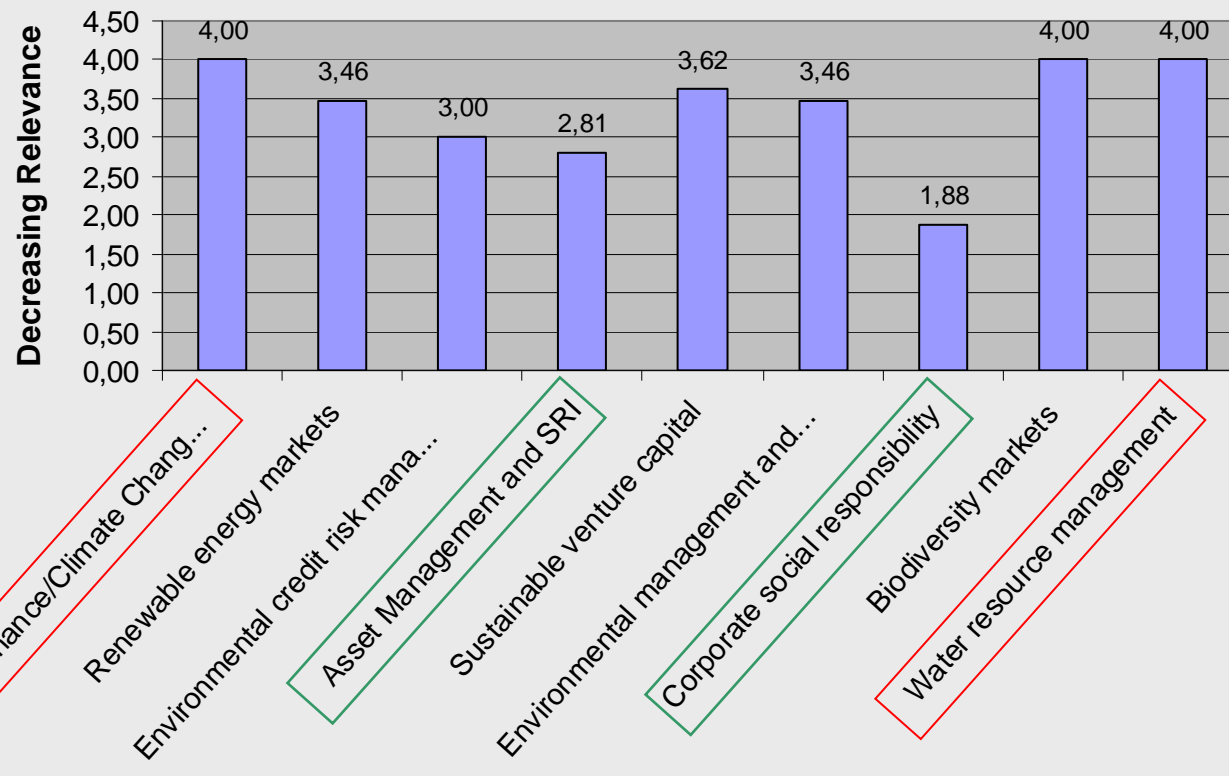


Among Not Internationally
Dominated Companies



Survey Results

Which topics are most important to the Greek financial sector?



Climate Change: A Problem for Greek FIs?

- EU Commission, 10 January 2007:

„...the zone with excellent weather conditions, currently located around the Mediterranean (in particular for beach tourism) will shift towards the north". [...] Tourism may become more popular on the beaches of the North Sea and the Baltic as the Mediterranean becomes too hot.“

„While they are losing their tourists, the countries of the Med may also be losing their agriculture. Crop yields may drop sharply as drought conditions, exacerbated by more frequent forest fires, make farming ever more difficult.“

- Extreme weather events, water scarcity, sea-level rise
- EU Emissions Trading Scheme: Greek emissions +25% until 2012



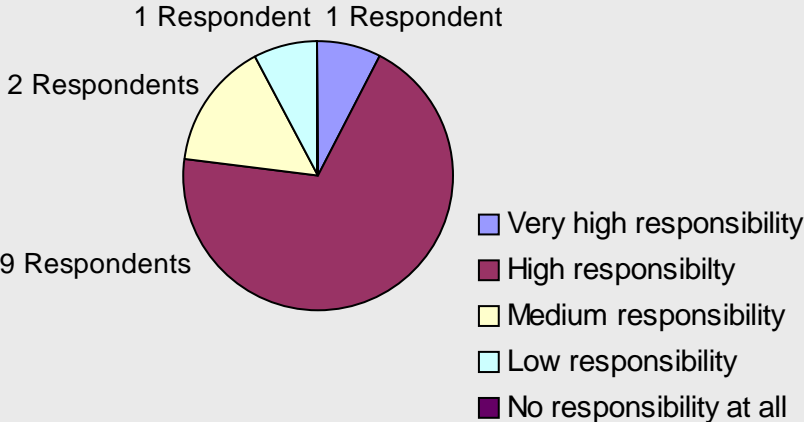
Whatever affects your clients, will affect your business!



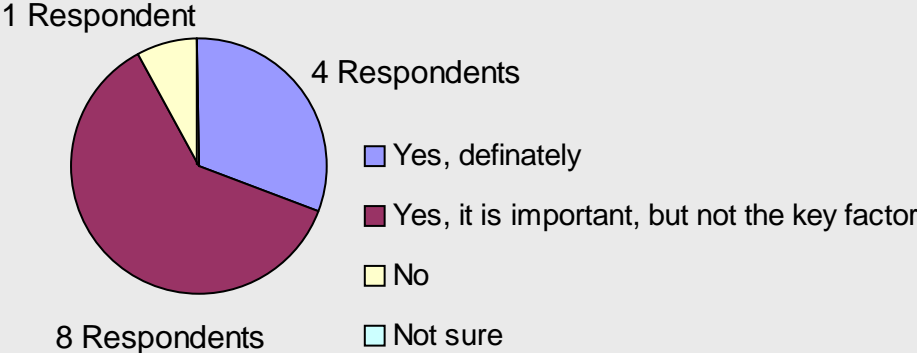
Survey Results

Expectations and awareness of Greek stakeholders (1)

How high do you rank the environmental responsibility of banks?



Is the environmental performance of a bank a key factor when you choose a bank to cooperate with?



Survey Results

Expectations and awareness of Greek stakeholders (2)

How do you think banks should help the environment?

1. Financing of environmentally friendly projects
2. Implementing internal programmes with environmental aims
3. Granting better financing conditions to environmentally friendly companies

Less mentioned measures:

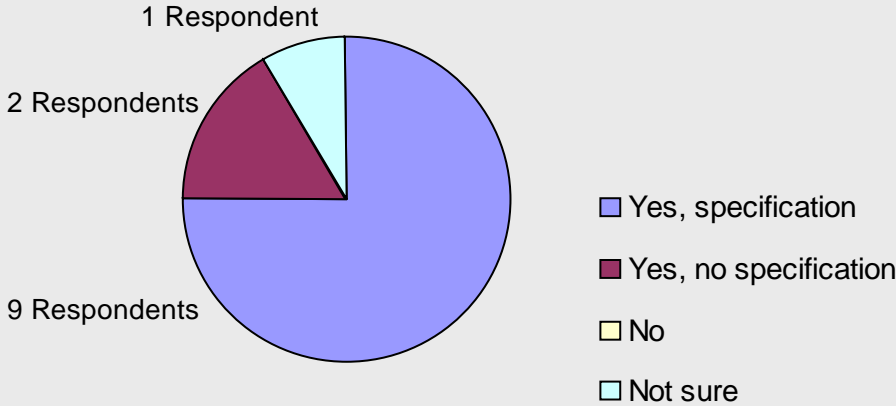
- Pressuring the government to take action
- Worse financing conditions to environmentally harmful companies/projects
- Purchasing eco-friendly supplies
- Offering green products



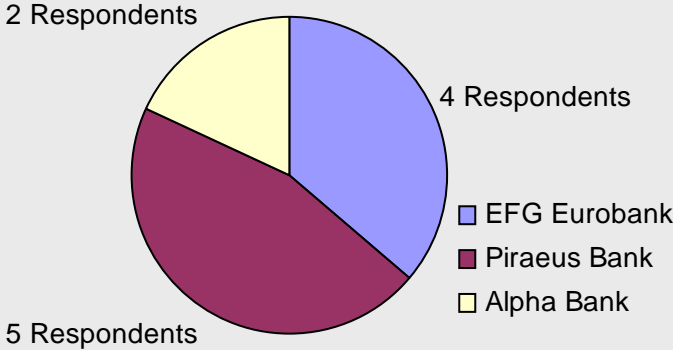
Survey Results

Expectations and awareness of Greek stakeholders (3)

Do you know of any banks in Greece that help the environment?



If yes, which bank?



Survey Results

Sustainability reporting

Does your company publish any of the following?

Sustainability report (4)

Environmental report (1)

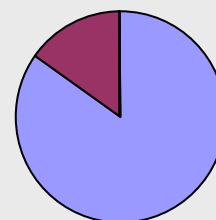
Plan to issue a report within 2 years (3)

Plan to issue a report within 3-5 years (0)

Do not publish or plan to publish a report (5)

Do you believe banks should publish a report containing their environmental performance ?

2 Respondents



■ Yes, for sure

■ Yes, it would be good, but not necessary

■ No

■ Not sure

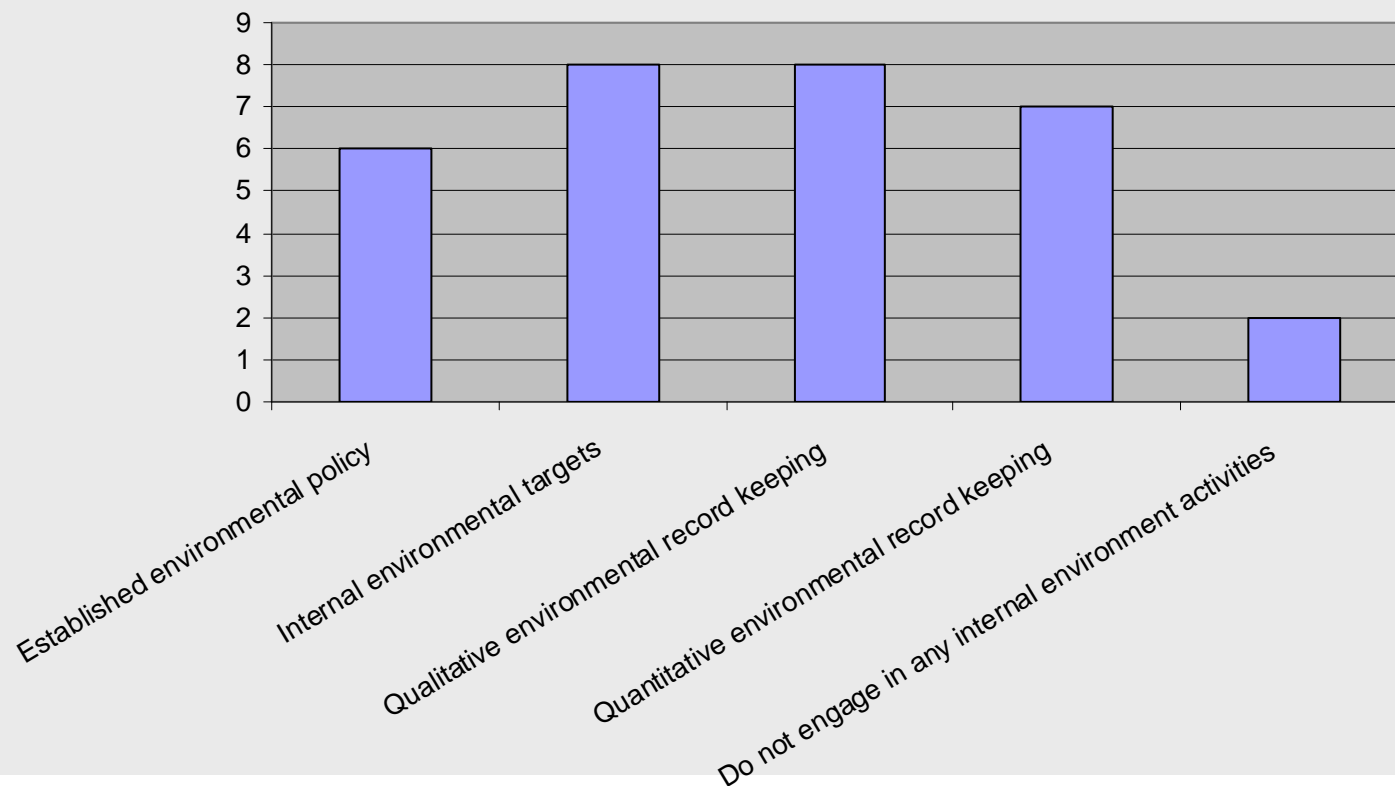
11 Respondents



Survey Results

Internal environmental activities

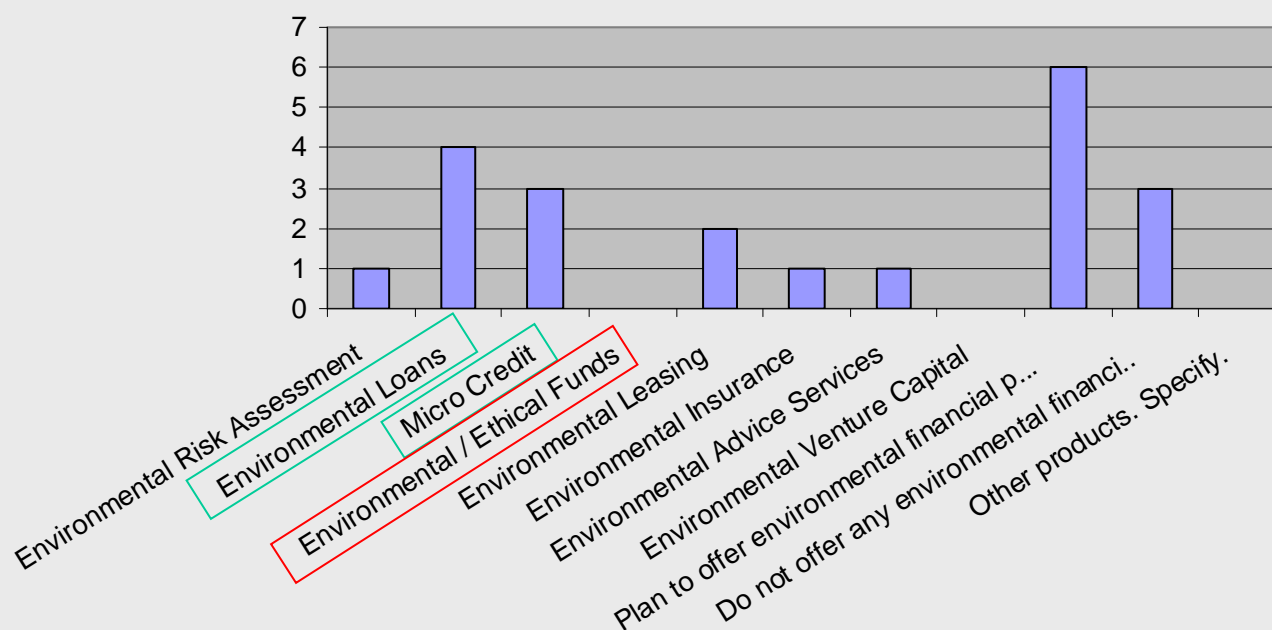
What internal environmental activities does the company engage in?



Survey Results

Green financial products

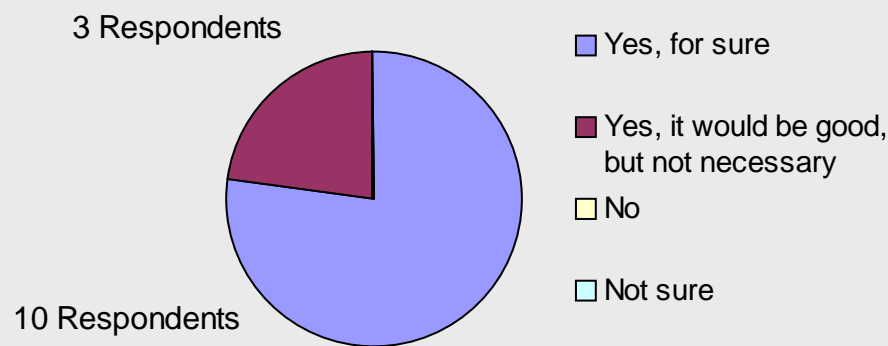
What financial products for environmental care does your company offer?



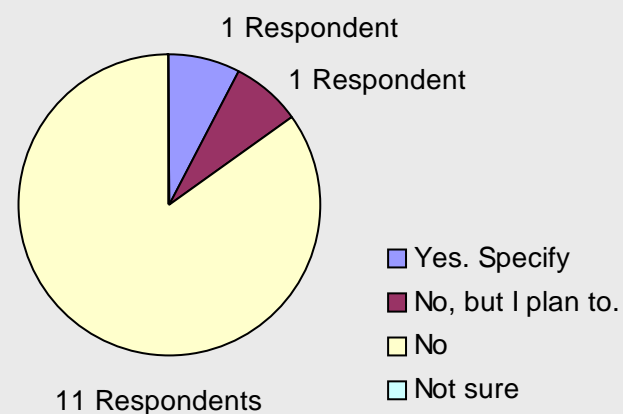
Survey Results

Green financial products (2)

Do you believe banks should offer financial products that are beneficial for the environment?

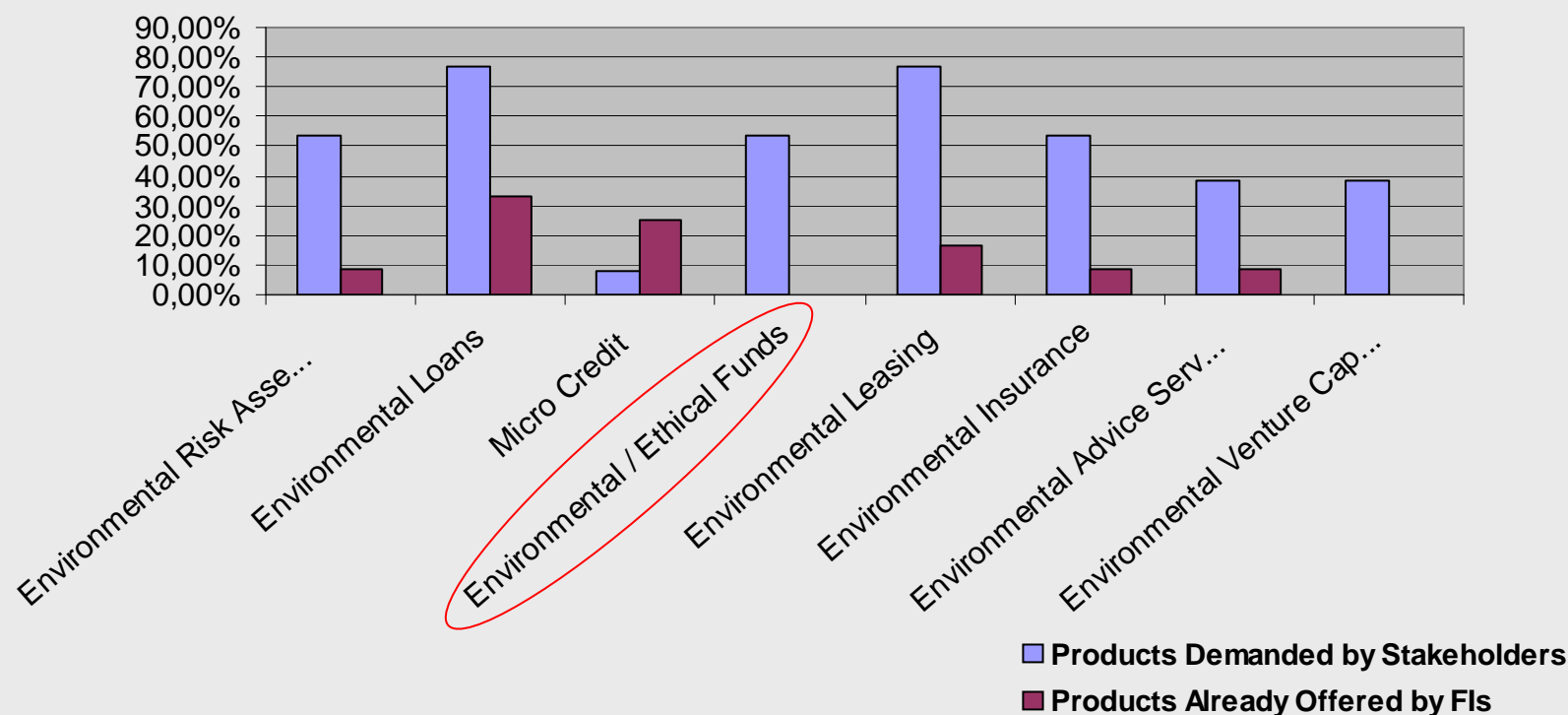


Do you use any banking products that are beneficial to the environment?



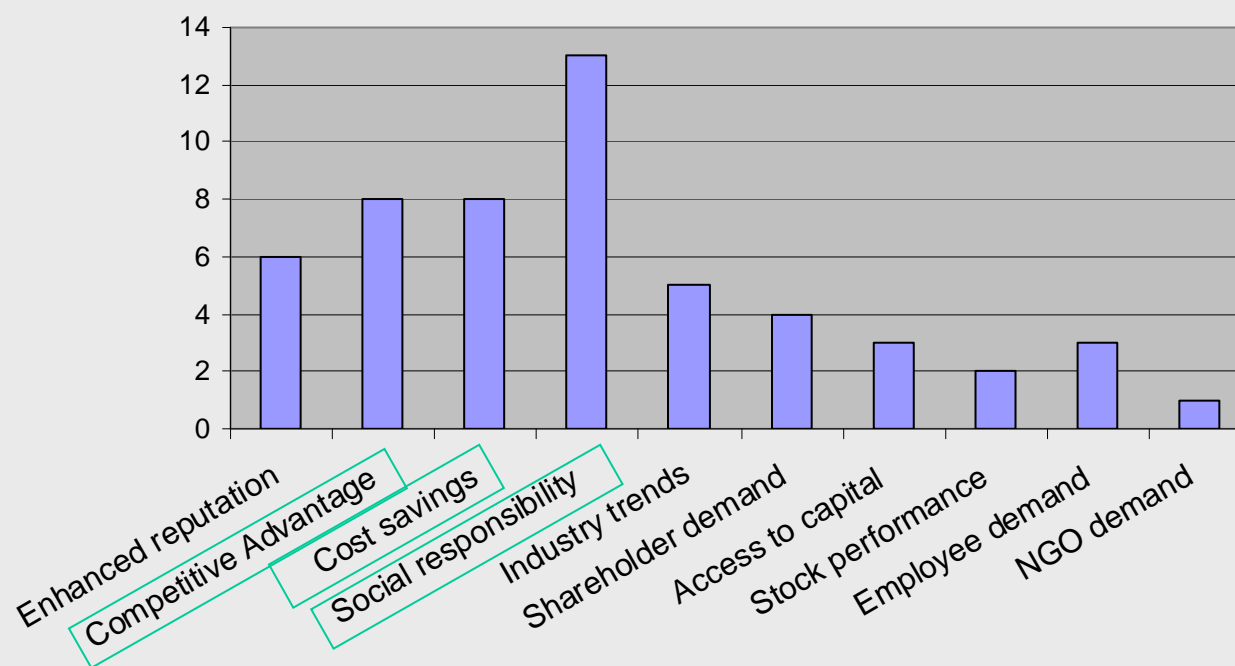
Survey Results

Green financial products (3) – Demand vs supply



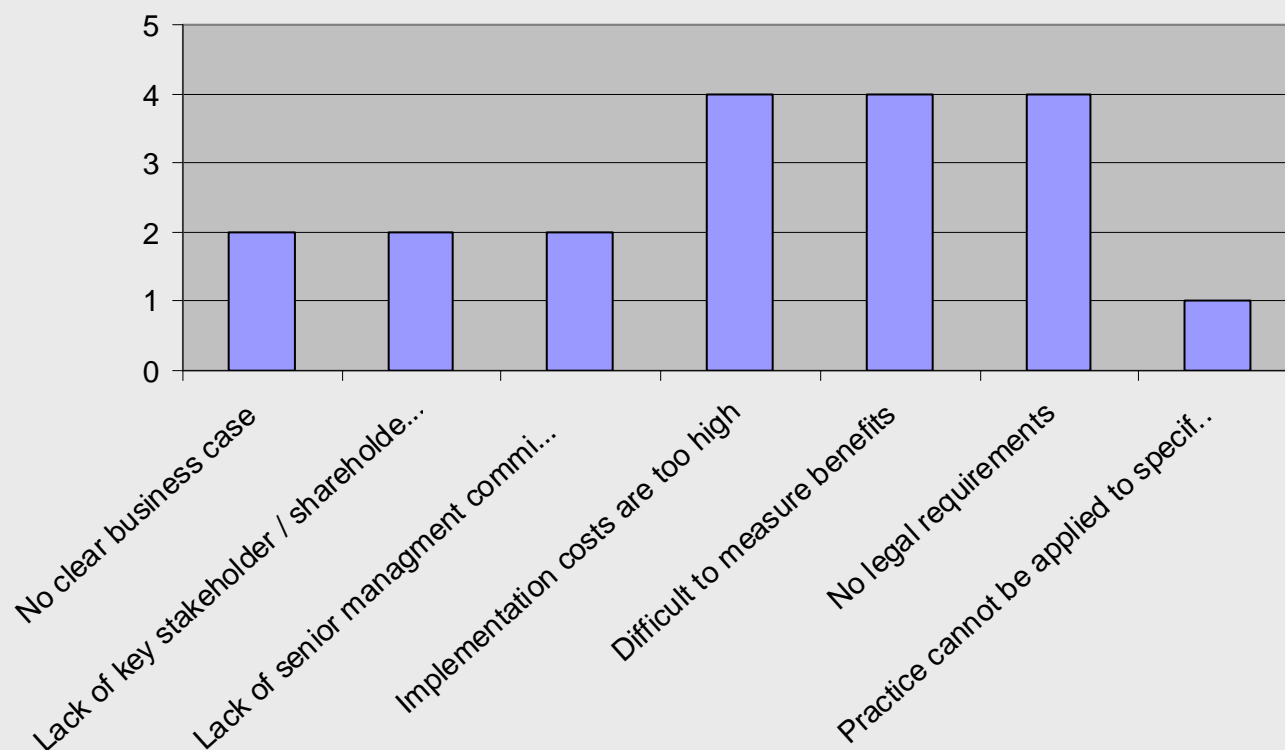
Survey Results

What are the reasons for adopting sustainable finance practices?



Survey Results

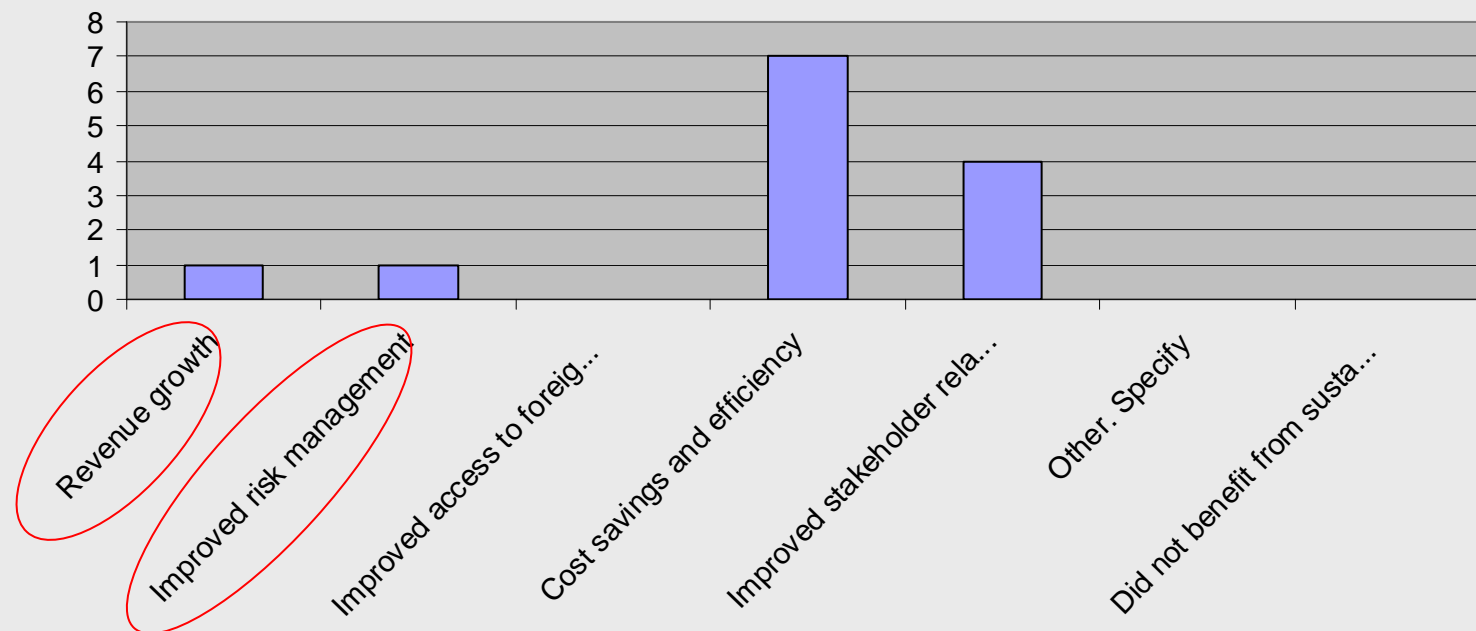
What are the main barriers?



Survey Results

The benefits of sustainable finance practices

Question to organisations that implemented sustainable finance practices (9): how did your organization benefit from implementation of sustainable finance practices?



Main Conclusions

- 1) Importance of sustainability topics high – But current focus only on internal environmental management, CSR campaigns and offering selected green financial products.
- 2) International financial institutions are not as strong in implementing their sustainability policies in their Greek subsidiaries as they are in their headquarters' operations.
- 3) Lack of information about the financial sector's possible role towards a sustainable development among Greek environmental organisations.



Recommendations - FI

1 Get started on sustainable finance

If you are not yet working on sustainability issues: Get started, the business case is real!

- Contact your peers in Greece and get advice on how to start
- Contact your international parent company for advice
- Regularly meet with your peers to learn from each other

If you have already started: Advance on the path that has been chosen – You're on a good track!

- Increase and broaden your supply of sustainable financial products
- Continue public campaigning to foster demand for such products among the Greek public
- Regularly meet with your peers in order to learn from each other and scope for possibilities how to work together e.g. to increase public awareness



Recommendations - FI

2 Get into the real business- Or miss the best opportunities!

- **Environmental credit risk management**
Develop internal credit policies and systems for the assessment and management of environmental risks.
- **Responsible Investment**
 - Explore potential for SRI products
 - Consider environmental, social and good governance criteria in mainstream investment decisions.
- **Climate change**
 - EU Emissions Trading scheme
 - Extreme weather events will increase in frequency and intensity
 - Renewable energy and energy efficiency will become more attractive with tightening limitations for fossil fuel based energy supply.



Recommendations – Stakeholders

1 Increase awareness of the indirect links between environment and finance

- Contact experienced NGOs
- Spread the word among Greek civil society organisations in order to trigger higher interest in the financial sector
- When consulting, push financial institutions towards tackling the integration of environmental and social issues into their “real” business

2 Start a constructive dialogue with financial institutions

- Foster sustainability management in core business areas of financial institutions, e.g. joint campaigns for green financial products.
- Understand the constraints of financial institutions in sustainability management and be a constructive partner to overcome these problems.



Thank you for your attention!

The full study is available at
www.unepfi.org/ceetf

Contact:

Regina Kessler

Project Manager Central and Eastern Europe

Regina.kessler@unepfi.org



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