Sustainable Banking Network
Global Progress Report

February 2018

Emerging markets have become a major force in driving sustainable development and fighting climate change. 34 emerging market countries -- that form the Sustainable Banking Network (SBN) – have initiated banking reforms to introduce environmental and social risk assessment into banks' lending operations and expand lending to sustainable and green projects. SBN member countries hold $42.6 trillion in banking assets or 85% of the total in emerging markets.

Sustainable Banking Network (SBN), supported by IFC, is a community of financial sector regulators and banking associations.

2018

SBN member countries have grown to

34

that represent

$42.6

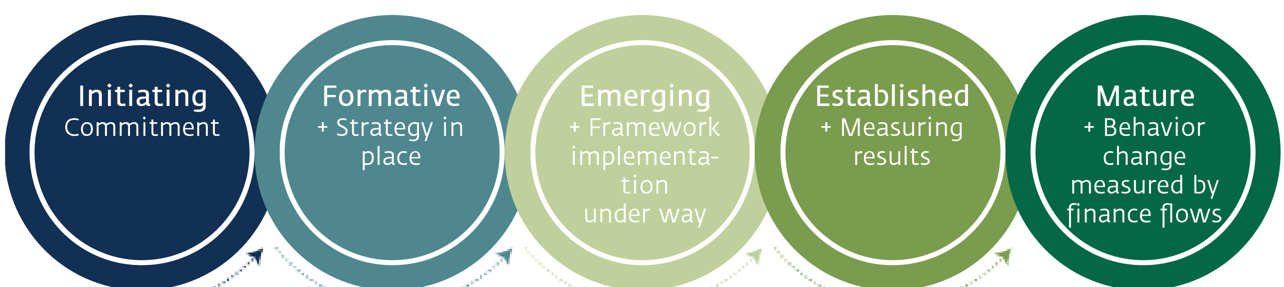
trillion in banking assets

accounting for **85%** of the total in emerging markets.

SBN MEMBER COUNTRIES

Argentina	Georgia	Nepal
Bangladesh	Ghana	Nigeria
Brazil	Honduras	Pakistan
Cambodia	India	Panama
Chile	Indonesia	Paraguay
China	Jordan	Peru
Colombia	Kenya	Philippines
Dominican Republic	Lao PDR	South Africa
Ecuador	Mexico	Sri Lanka
Egypt	Mongolia	Thailand
Fiji	Morocco	Turkey
		Vietnam

All SBN member countries are advancing sustainable finance reforms. They are at different stages of progress from commitment to reforms to changing domestic banks' lending practices. 15 SBN member countries have started implementing national sustainable finance policies and principles in alignment with international industry standards, such as IFC Performance Standards and the Equator Principles, to create sustainable finance markets. Eight countries—**Bangladesh, Brazil, China, Colombia, Indonesia, Mongolia, Nigeria, and Vietnam**—have reached an advanced stage, having implemented large-scale reforms and put in place systems for results measurement.



Initiating: Argentina, Cambodia, Chile, Dominican Republic, Egypt, Fiji, Georgia, Ghana, Honduras, India, Jordan, Lao PDR, Nepal, Pakistan*, Panama, Paraguay, Philippines, Sri Lanka, Thailand

Formative: Ecuador

Emerging: Kenya, Mexico, Morocco, Peru, South Africa, Turkey

Established: Bangladesh, Brazil, China, Colombia, Indonesia, Mongolia, Nigeria, Vietnam

** Pakistan launched its policy in October 2017, after the cut off date of June 2017 for analysis in the report.*

Sustainable Banking Network

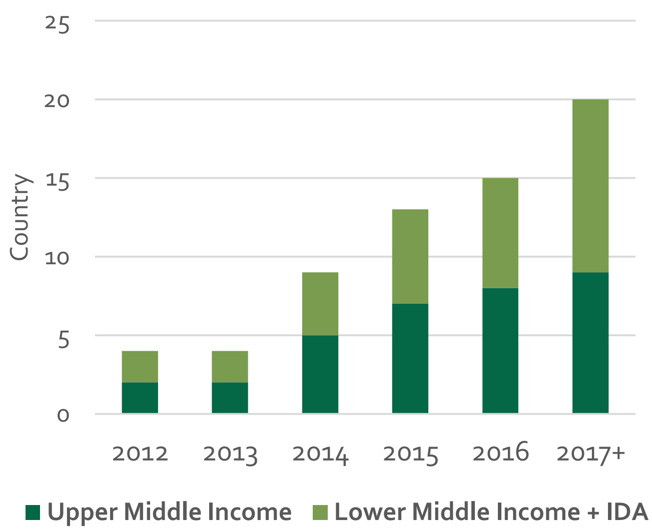
www.ifc.org/sbnreport

IFC International Finance Corporation WORLD BANK GROUP

Creating Markets, Creating Opportunities

Sustainable finance is expanding globally—wealth, market maturity, and level of development do not limit the transition to sustainable finance. Even the poorest countries can adopt sustainable finance policies.

Number of countries with sustainable finance policies in place by their income level

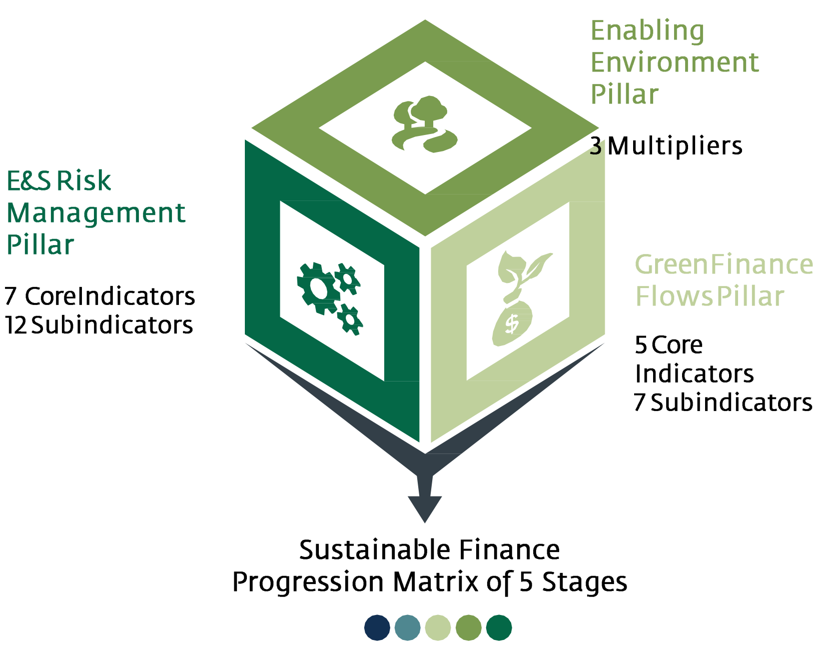


** IDA - The International Development Association*

An analysis of country initiatives compared with income level, as defined by the World Bank, shows that examined countries of all income levels are advancing the development of sustainable finance, with lower-income countries quickly joining the ranks.

For example,
Bangladesh was among the first movers in adopting sustainable finance regulation, with a per capita income of $1,358.1

The report is based on an innovative results-measurement approach that has been agreed by all 34 member countries—a remarkable achievement that is breaking new ground for measuring progress at the global level. National sustainable finance policies and principles were assessed against environmental and social risk management practices, green finance flows and enabling environment. Countries were mapped across a progression matrix to capture their level of progress.



1. ***E&S Risk Management Pillar** assesses the degree to which national policies or principles provide comprehensive and in-depth guidance and requirements to FIs in managing E&S risks, including climate risk.*

2. ***Green Finance Flows Pillar** assesses the degree to which market infrastructure has been introduced to encourage FIs to direct their lending to projects and businesses with positive environmental and climate impacts.*

3. ***Enabling Environment Pillar** assesses crosscutting factors that have been shown to have a multiplying or undermining effect in achieving the first two pillars.*