

# About the Sustainable Banking and Finance Network (SBFN)

March 2023

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## Introduction

Established in 2012, SBFN is a voluntary community of financial sector regulators, central banks, ministries of finance, ministries of environment, and industry associations from emerging markets committed to advancing sustainable finance. IFC is SBFN's Secretariat and knowledge partner, assisting members to share knowledge and access capacity building to support the design and implementation of national sustainable finance initiatives.

As of February 2023, SBFN comprises 77 member institutions representing 63 countries and at least US\$43 trillion (86 percent) of the total banking assets in emerging markets.

*Access a searchable list of SBFN members at <https://www.sbfnetwork.org/membership/>*

SBFN members are committed to moving their financial sectors towards sustainability, with the twin goals of

- (i) Improved risk management and governance of environmental, social, and governance (ESG) factors by financial institutions (FIs), including management and disclosure of climate risks, and
- (ii) Increased capital flows to activities with positive environmental and social impacts, including climate change mitigation and adaptation.

## Supporting members to advance sustainable finance

SBFN supports members to advance sustainable finance in their countries and regions through the following activities:

- Virtual and in-person international gatherings, such as the SBFN Biennial Meetings, sometimes cohosted with member countries.
- Peer-to-peer exchanges among members, such as study tours, virtual knowledge exchanges, and learning events.
- Member-led thematic working groups (read more at <https://www.sbfnetwork.org/working-groups/>)
- An online Knowledge Base, available at [www.sbfnetwork.org](http://www.sbfnetwork.org)
- Regular membership communications on policy and implementation developments across member countries.
- The biennial SBFN Global and Country Progress Reports (read more at <https://www.sbfnetwork.org/publications/global-progress-report-2021/>)

- Where available, SBFN also partners with IFC and World Bank advisory programs to deliver direct advisory support to members in developing sustainable finance guidelines, roadmaps, policy frameworks, and capacity building.

According to the latest [SBFN Global Progress Report](#), 33 SBFN countries had launched over 200 national framework documents to support sustainable finance. The process of developing and implementing these frameworks generates a positive dynamic between the public and private sector, enabled by SBFN's mix of both regulators and industry associations. This is seen in the mix of market-based actions and policy leadership that is resulting in more effective frameworks and implementation.

## Member-led thematic working groups

Member-led Working Groups are one of the main ways that SBFN members collaborate to exchange experiences and develop common approaches. The following working groups have been established in response to member priorities and interests. The working groups are co-chaired by leading SBFN member institutions.

*Measurement Working Group (MWG)*: Established in 2016, the WG responds to SBFN member demand for a systematic approach to assess and benchmark country progress in developing national sustainable finance frameworks. The WG has developed and refined a [Measurement Framework](#) that was approved by all members and continues to evolve to keep pace with country-level and global developments. The Measurement Framework guides the development of SBFN's [Global and Country Progress Reports](#), the most comprehensive benchmarking of national sustainable finance initiatives across emerging markets, which are published every two years to support members and the broader financial sector. **From 2023, SBFN is aiming to develop showcase member progress more actively in real time through an online dashboard.** SBFN's 2021 Measurement Framework benchmarked national policies and principles across three key thematic pillars that cover the full spectrum of sustainable finance:

*Sustainable Finance Instruments Working Group* (formerly the Green Bond Working Group). This WG responds to members' continued interest in the rapidly evolving landscape for sustainable finance instruments. It led to the 2018 report "[Creating Green Bond Markets](#)", which mapped green bond market developments in over 22 emerging markets and included a practical toolkit for SBFN members. The WG launched a new phase of work in December 2021 to explore the diversifying trend in sustainability-focused instruments, including green, social and sustainability bonds, sustainability-linked loans, transition finance and more. An initial phase of work will map the trend in national green and social taxonomies across emerging markets and globally that aim to provide clarity on eligible activities and credibility to the sustainable finance marketplace.

*Data & Disclosure Working Group*. This new WG responds to the current global need for improved data and disclosure by the financial sector to support national sustainable finance ecosystems and enable regulators and supervisory agencies to better assess ESG risks and opportunities in the financial sector and incentivize the transition to green and socially inclusive economies. Recent trends include the growing need for climate-related data, supported by initiatives such as the Task Force on Climate-related Financial Disclosures (TCFD); as well as the new IFRS International Sustainability Standards Board (ISSB). The WG will

map the latest country-level developments in sustainable finance data and disclosure across the SBFN community and international initiatives and will facilitate the development of tools and practical guidance for SBFN members.

IDA/Low Income Country Task Force. Established in 2018, this task force aims to support the development and implementation of national sustainable finance frameworks in IDA/low-income member-countries. It is made up of 10 SBFN countries that qualify for investment by the International Development Association (IDA), namely Bangladesh, Cambodia, Ghana, Honduras, Kenya, Kyrgyzstan, Lao PDR, Nepal, Nigeria and Pakistan. It resulted in the 2020 report, [“Necessary Ambition: How Low-Income Countries Are Adopting Sustainable Finance to Address Poverty, Climate Change, and Other Urgent Challenges”](#). Future work will include the development of tools and capacity building.

## Engagement with Global Partners

SBFN’s Secretariat engages with key international initiatives to ensure alignment and consideration of emerging markets’ perspectives. These include, but are not limited, to the

- G20 Sustainable Finance Working Group (SFWG). Launched in 2016, the G20 SFWG aims to enhance the mobilization of private green investment through financial markets. SBFN was invited to be a key knowledge partner and contributed a series of Input Papers with case studies of member experiences, thereby providing an emerging markets perspective to inform the global agenda. The Group’s Synthesis Report in 2016 and its recommendations were endorsed by the G20 Leaders, including calls for scaling SBFN as a global learning platform.
- Network for Greening the Financial System (NGFS). SBFN and NGFS are partnering to advance the sustainable finance agenda globally and to contribute to Sustainable Development and Climate Goals. SBFN, represented by IFC as its Secretariat along with the World Bank Group, has been an official observer to NGFS since its inception, participating in NGFS’ three work streams.
- EU International Platform of Sustainable Finance (IPSF). SBFN, represented by IFC as its Secretariat and along with the World Bank Group, joined IPSF as an official observer in 2021.

## How to join SBFN

SBFN is open to financial sector regulatory bodies and industry associations from emerging markets that are committed to developing and implementing national sustainable finance regulations, guidelines, and related policy actions.

**SBFN membership does not constitute any legal or financial obligation to undertake regulatory actions.** Instead, members are required to:

- Demonstrate progress in advancing a enabling environment for sustainable finance within a two-year timeframe. This could include awareness raising, stakeholder engagement, and capacity building, with a view to developing policies, roadmaps, guidelines, or voluntary principles to cover different aspects of sustainable finance. Each country selects the strategies that best fit its context and priorities.

- Participate in and contribute to the data collection for the biennial Global and Country Progress Reports, based on an agreed-upon measurement framework.
- Participate in SBFN Working Groups and contribute to collective knowledge, approaches, and tools.

Interested institutions can apply to join SBFN via the following procedure:

- **An official letter should be sent from the Governor or Head of the institution to indicate a request to join SBFN.** It should describe the motivations for joining SBFN and the commitment to meet the membership requirements mentioned above. The letter can contain specific actions that the institution intends to take in the next two years, or it could indicate a general commitment to advance sustainable finance.

The letter should be addressed to  
Mr. Alfonso Garcia Mora, SBFN Chair, Vice President  
International Finance Corporation (IFC)  
c/o [SBFN\\_Secretariat@ifc.org](mailto:SBFN_Secretariat@ifc.org).

- **The SBFN Secretariat will review the application** based on membership requirements.
- Upon approval, **a membership confirmation letter from the SBFN Chair** will be sent to the Governor or Head of the potential member institution.
- Once the membership process is completed, the new member will be asked to **appoint its focal point and representatives in the relevant SBFN Working Groups.**

For any further questions, don't hesitate to reach out to the SBFN Secretariat: [SBFN\\_Secretariat@ifc.org](mailto:SBFN_Secretariat@ifc.org)

Or visit <https://www.sbfnetwork.org>