Green Credit in China

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Policy Framework

- CBRC Green Credit Guideline
  - Financial support to green, low-carbon and recycling economy;
  - Prevention from environmental and social risks in financial activities;
  - Enhancement of environmental and social performance of banks themselves.

GCG Implementation

- Training and good practice sharing
- Key performance indicators
  - Qualitative indicators;
  - Quantitative indicators;
  - Additional indicators.
- Implementation assessment by bank itself
- Peer review for implementation assessment

Monitoring

- Statistics - loans and emission reduction arising from such loans:
  - Green agriculture;
  - Green forestry;
  - Energy/water saving in industrial sector;
  - Nature protection, biological restoring and disaster prevention;
  - Recycling projects;
  - Garbage treatment and pollution prevention;
  - Renewable energy and clean energy;
  - Water projects in urban and rural areas;
  - Green buildings;
  - Green transportation;
  - Energy efficiency and environmental services;
  - Overseas green projects.

Incentives

- Bank Camel Rating – Management block;
- Ranking in green banks;
- Securitization of green loans;
- Issuance of bonds for green loans;
- Dissemination of good practice.

Challenges

- Motivation
  - Differentiating fiscal policies
  - Differentiation regulatory policies
- Social pressure
  - Stakeholders
  - Internalization
- Peer pressure
- Capacity and tools

Thank You!