

Contextual Paper on Green Finance: Analysis of the Green Bonds Market

Authors : Dina H. Gabr, Mona A. El Bannan

Abstract : With growing worldwide concern for global warming, green finance has become the fuel that pushes the world to act in combating and mitigating climate change. Coupled with adopting the Paris Agreement and the United Nations Sustainable Development Goals, Green finance became a vital tool in creating a pathway to sustainable development, as it connects the financial world with environmental and societal benefits. This paper provides a comprehensive review of the concepts and definitions of green finance and the importance of 'green' impact investments today. The core challenge in combating climate change is reducing and controlling Greenhouse gas emissions; therefore, this study explores the solutions green finance provides putting emphasis on the use of renewable energy, which is necessary for enhancing the transition to the green economy. With increasing attention to the concept of green finance, multiple forms of green investments and financial tools have come to fruition; the most prominent are green bonds. The rise of green bonds, a debt market to finance climate solutions, provide a promising mechanism for sustainable finance. Following the review, this paper compiles a comprehensive green bond dataset, presenting a statistical study of the evolution of the green bonds market from its first appearance in 2006 until 2021.

Keywords : climate change, GHG emissions, green bonds, green finance, sustainable finance

Conference Title : ICEFM 2022 : International Conference on Economics, Finance and Management

Conference Location : Berlin, Germany

Conference Dates : May 23-24, 2022