



Libyan International Medical University Faculty of Business Administration



The Impact of **Green Finance** on Economies During COVID-19

How to Cite This Research Paper :

Buzakuk Anmar, Elkrghli Sabri (2023), “The Impact of Green Finance on Economies During COVID-19”, *Faculty Research Volume*, 1(17),pp. 1 -30.

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Sunday, 8 January, 2023

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List of Abbreviations and Acronyms

FI	Financial Institutions
NBFI	Nonbank Financial Institutions
SOCB	State-Owned Commercial Banks
SDB	Specialized Banks
FCB	Foreign-Owned Commercial Banks
PCB	Private Commercial Banks
COVID-19	Coronavirus disease of 2019
Y-O-Y	Year Over Year
SDG	Sustainable Development Goal
BDT	Bangladesh Taka
SD	Standard Deviation

Introduction: Key Terms, Definitions, Background



The COVID-19 epidemic, one of the worst infectious diseases in the world, has had a huge influence on the global financial sector.

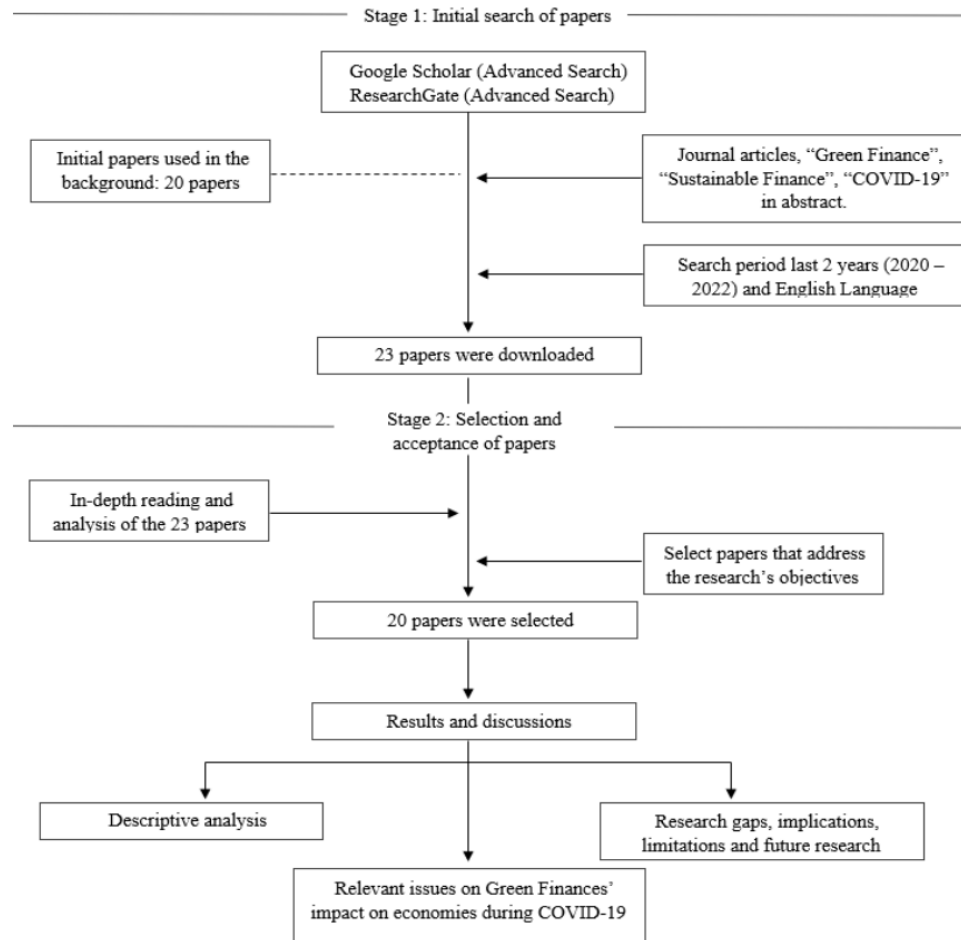


The financial industry is particularly vulnerable during this epidemic due to its activities are depending on everyday economic activity, either directly or indirectly.



The COVID-19 pandemic has altered countries' perspectives and priorities for environmental challenges.

Data Methodology

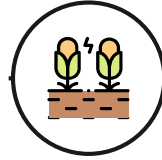


Prior Studies



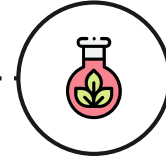
**Pisani, F., & Russo, G.
(2021)**

After measuring the financial performance of green/sustainable finance on 30 funds the paper has concluded that funds have a higher ESG rating using green finance during the COVID-19 era.



**Dornean, A., Popescu, A.-I.,
& Oaenea, D.-C. (2022)**

After having analyzed 2021 macroeconomic data this paper has concluded that green financing has had a positive impact on economic growth during the COVID-19 era in EU countries.



**Ngo, Q.-T., Tran, H. A., &
Tran, H. T. (2021)**

After examining the impact of green finance on the economic development of ASEAN countries during COVID-19, the paper has concluded that the impact it had was positive.

Prior Studies cont.



**Rapi, K., Maisarah, S.,
Rambe, S. A. F. (2021)**

This paper has concluded that the correlation between green finance (i.e. sustainable finance) and the impact it has on the banking sector and its profitability post COVID-19 is positive.



Zheng, G. Siddik, A. (2021)

This paper has concluded that during COVID-19 the impact green finance has had on banks and non-bank financial institutions (NBFIs) was positive.



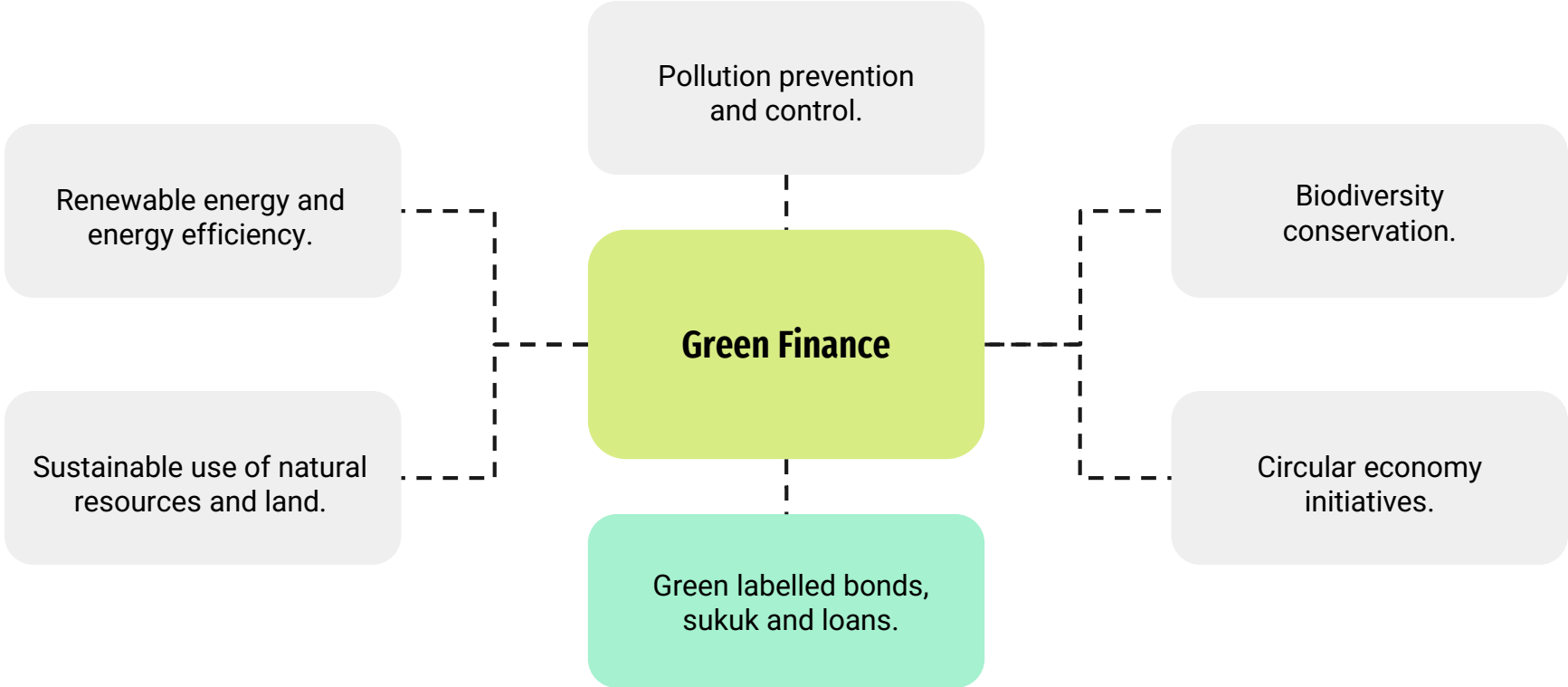
Singh, V. Mishra, N. (2022)

This paper has indicated that by sampling 30 countries the outcome it has come to is that the economic growth is regarded to be highly positive during the COVID-19 era.

Reflection on Prior Studies

The COVID-19 pandemic era caused the previously stated literature review research findings to be conducted between 2020 and 2022; this can be used as a benchmark for how recently the sudden positive outbreak occurred. Green finance has room to greatly improve and be used as a tool for governments, financial and non-financial institutions.

Green Finance

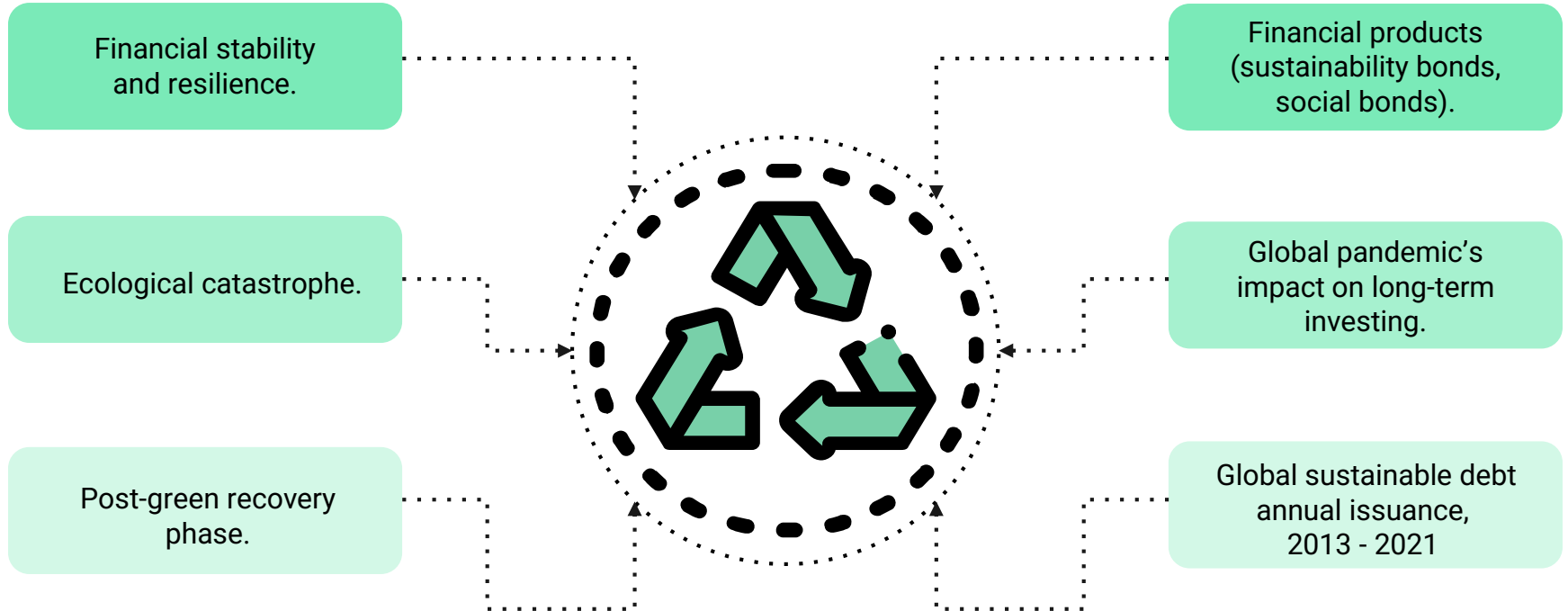


Green Finance cont.

Compositions of Green Finance

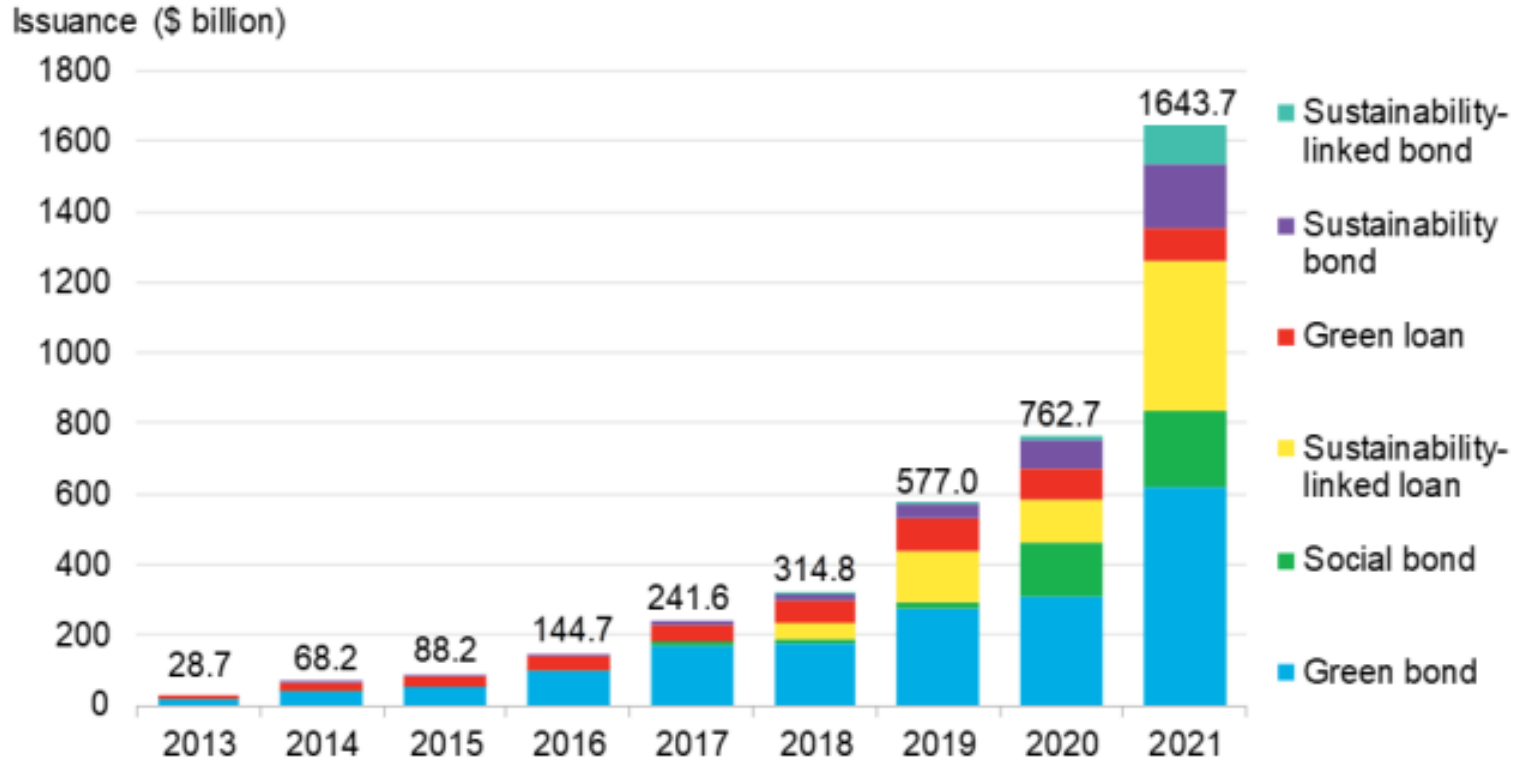


Linking COVID-19 to Green Finance



Linking COVID-19 to Green Finance cont.

Global sustainable debt annual issuance,
2013 - 2021



Linking COVID-19 to Green Finance cont.

Green Finance by All Banks and NBFIs in Bangladesh before (2019/20) and During (2020/21) the Pandemic.

Quarterly	All Banks (61)			FIs (34)		
	Before the Pandemic	During the Pandemic	Growth Rate (%)	Before the Pandemic	During the Pandemic	Growth Rate (%)
April-June	23,676.38	25,021.29	0.06	1,542.40	25,021.29	15.22
July-September	19,104.82	23,204.75	0.21	19,104.82	23,204.75	0.21
October-December	33,421.96	38,470.45	0.15	33,421.96	38,470.45	0.15
January-March	28,372.12	18,881.04	-0.33	28,372.12	18,881.04	-0.33
Total (amount in BDT million)	104,575.28	105,577.53	0.02	82,441.30	105,577.53	3.81

Green Finance as a Tool for the Transition to a Green Economy



Considering the possibility of a possible upcoming pandemic/financial crisis, it is essential to make the switch to a green economy.



Governments should publish industry standards and related rules that are accepted by competitors around the world.



In order to boost the diversification function of green bonds for both developed and emerging economies.

Implications

A. Implications for the Green Economic Recovery

Given the COVID-19 epidemic, green finance has a large potential to strengthen the world economy. The study's value offer some use for academics, financial institutions, managers, and regulators in developing nations who want to decrease the post-COVID-19 pandemic's damaging consequences on the economy.

Implications cont.

B. Implications for the Government

Given the COVID-19 epidemic, green finance has a large potential to strengthen the world economy. The study's value offer some use for academics, financial institutions, managers, and regulators in developing nations who want to decrease the post-COVID-19 pandemic's damaging consequences on the economy.

Implications cont.

C. Implications for the Banks and Financial Institutions

For “Green Finance” to succeed, governments will have to introduce policies to increase rates of return of green projects in order to incentivize private investors to invest in them.

Implications cont.

C. Implications for the Banks and Financial Institutions (In Libya)

- Funding and performing a community cleanup; trash and litter collection, beach clean-ups, and street clean-ups.
- Funding and recycling plastic waste from streets and beaches.
- Beautification projects such as planting trees and flowers throughout the streets of Benghazi.

Limitations

The study carries some limitations, even though it addresses the underlying variables comprehensively. These limitations provide opportunities to future researchers and authors to expand the scope and accuracy of their study. The study offers some important theoretical implications on how COVID-19 may affect the green finance activities of economies globally which leaves room for future research and research gaps presented in this study due to this study only relying on secondary data obtained from literature relevant to the study.

Conclusion

The findings indicate that green financing had a positive effect on the growth and development of the global economy. According to this theoretical study, the global pandemic will have a long lasting effect on investors behavior and how they might deal with the environment and what it takes to fund projects related to improving economies.

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Thank You