

Chartered Banker Institute

Standalone and Professional Banker Diploma

2018 MODULE SPECIFICATION

Title:	Green Finance Certificate: Fundamentals of Green Finance
Credit Value:	SCQF Level – 8 / 9 (TBC) SCQF Credit Points – 13 (TBC)
Aim:	To provide a comprehensive insight into the underpinning science, principles and practice of green finance. The module further considers the evolution of aligned products and services, effectiveness, monitoring and risks. The module closes with consideration of how green finance can be brought into the mainstream.
Access Statement:	There are no entry requirements for the module and it may be accessed by anyone interested in professional development, either by developing their existing understanding or those wishing to gain new insight. It should be noted that the supporting learning material and the assessment will be delivered in English.
Programme of study to which unit contributes	<ul style="list-style-type: none">Professional Banker Diploma <p>The Green Finance Certificate: Fundamentals of Green Finance may be studied on a standalone basis and can also act as a contributory module to the three modules required for Professional Banker Diploma.</p>

Learning Outcomes:	Knowledge, Understanding and Skills On successful completion of this module, students will be able to: <ol style="list-style-type: none"> 1. Explain the scientific underpinnings that have influenced the development and evolution of green finance products and services. 2. Understand the significance of green finance’s vision, principles, strategy and performance measurement. 3. Explain the range of green finance products and how they influence opportunities and challenges for mainstreaming green finance.
Method of Learning:	Blended learning.
Assessment:	One 1-hour examination consisting of 50 objectively assessed questions.

Learning Outcomes, Assessment Criteria and Indicative Content

Learning Outcomes	Assessment Criteria	Indicative Content
Green Finance underpinnings.		
<p>1. Explain the scientific underpinnings that have influenced the development and evolution of green finance products and services.</p>	<p>1.1 Understand the evolution of green finance.</p> <p>1.2 Outline the scientific influences for green finance and their impact on finance organisations.</p> <p>1.3 Explain the role of the primary actors involved in the evolution of green finance.</p>	<ul style="list-style-type: none"> • Definitions of environmentally friendly banking / sustainable banking / green finance. • A brief history of green / sustainable finance. • Green finance products and services. • Green industry sectors. • The changing environment, planetary boundaries and climate change. • Key environmental and financial risks. • The carbon bubble, stranded assets and divestment. • The green economy and the circular economy. • Sustainable development goals. • Policy and regulation - the impact of national and international policies. • Industry initiatives. • Green Fintech. • Challenges and opportunities for transition to a green economy. • The role of organisations and the finance professional in supporting transition.

Learning Outcomes	Assessment Criteria	Indicative Content
Green Finance principles.		
<p>2. Understand the significance of green finance’s vision, principles, strategy and performance measurement.</p>	<p>2.1 Understand why green finance vision is important.</p> <p>2.2 Explain a range of green finance principles.</p> <p>2.3 Identify what good green finance strategy looks like.</p> <p>2.4 Understand how the performance of green finance is undertaken, including risk.</p>	<ul style="list-style-type: none"> • The importance and range of green finance vision. • green finance principles: <ul style="list-style-type: none"> ○ Principles for Responsible Investment; ○ Green Investment Group Principles; ○ Environment Agency Pension Fund Principles. • Green strategy influences: <ul style="list-style-type: none"> ○ Sustainable Finance Study Group (SFSG); ○ The Green Finance Initiative (GFI); ○ UK industrial strategy. • Superficial and genuine green strategies. • What good green strategy looks like. • Performance measurement: <ul style="list-style-type: none"> ○ impacts; ○ data and transparency; ○ accreditation and monitoring; ○ processes and organisations. • Green finance indices. • Risk in green finance: <ul style="list-style-type: none"> ○ environment-related risks; ○ types of climate related risks;

		<ul style="list-style-type: none">○ stranded asset risk;○ identification and management of climate related risks.
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Learning Outcomes	Assessment Criteria	Indicative Content
Green Finance products and services.		
<p>3. Explain the range of green finance products and how they influence opportunities and challenges for mainstreaming green finance.</p>	<p>3.1 Explain the role of retail, wholesale and investments banks in green finance.</p> <p>3.2 Understand green bonds and asset-backed securities.</p> <p>3.3 Explain the role of Central and Development banks in the context of green finance.</p> <p>3.4 Describe the role of equity markets in supporting green finance.</p> <p>3.5 Understand the critical role of the insurance industry in managing environmental risk.</p>	<ul style="list-style-type: none"> • The role of banking on the wider financial system and the natural environment. • The role of banks in facilitating the effective management of the environment. • The range of debt products for green investors. • The role of green bond principles and other guidelines in the development of the green bonds markets. • The role of asset-backed securities. • The role of central and development banks in supporting the transition to a low-carbon economy. • How equity products support green finance. • Types of investment fund appropriate to green finance. • Portfolio approaches to green finance. • The influence of insurance products and systems on the quality and function of the natural environment.

	<p>3.6 Explain why it is imperative for green finance to be mainstreamed.</p> <p>3.7 Describe the opportunities that mainstreaming Green Finance creates.</p> <p>3.8 Explain the positive steps that can be taken by regulators, policymakers, institutions, organisations to support the mainstreaming of green finance.</p>	<ul style="list-style-type: none"> • Drivers for the mainstreaming of green finance. • The social purpose of banking and finance. • Stewardship. • Assessing progress towards the mainstream.
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