

# Islamic fin to play key role in achieving SDGs: DB CEO

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DOHA

ISLAMIC finance has the potential to play a crucial role in supporting the implementation of the sustainable development goals (SDGs), Doha Bank CEO R Seetharaman has said.

Delivering a keynote address at the International Conference on Islamic Finance at the College of Islamic Studies, Hamad Bin Khalifa University, in Doha on Wednesday, Seetharaman said, "In the face of significant financing needs for the SDGs, Islamic finance has untapped potential as a substantial and non-traditional source of financing for the SDGs."

He said, "Innovations in the use of Islamic financial instruments can go a long way in supporting the SDGs. Green sukuk is one such instrument, paving the way towards more climate-friendly investments."

Giving insight on global economy, Seetharaman said, "Global growth is projected to rise to 3.3 percent in 2020. Advanced economies is expected to grow by 1.6 percent into 2020."

"The emerging market and developing economy group is expected to grow by 3.7 percent in 2019, increase to 4.4 percent



Doha Bank CEO R Seetharaman speaks at an event in Doha on Wednesday.

in 2020. Growth in the Middle East and Central Asia region is expected at 2.8 percent in 2020."

Speaking about green banking, he said, "The top four emitters in the world are China, US, European Union and India. Greenhouse gas emissions need to be estimated for major economic sectors in areas of operation to determine the carbon footprint."

"Based on the carbon footprint in various economic sectors, various initiatives should be proposed to promote green economies, such as lending for green projects, clean development mechanism (CDM) scheme, and paperless banking."

Seetharaman said, "The banking environment operates within the global standards of lending or investing and such standards have been revised after the global financial crisis both in terms of liquidity and capital adequacy. The going-concern and gone-concern capital has been redefined and suitable buffers have also been developed taking into consideration the liquidity and systematic issues."

"However in addition to above banks' as socially responsible citizens have a role to play on protecting environment and contribute to sustainable development."

"There are various green banking initiatives brought at

the global forum which includes equator principles, UN Principles for Responsible Investment (UNPRI), UN Environment Programme (UNEP) Finance Initiative Statements and UN Global Compact (UNGC). Equator Principles define the set of voluntary standards that commit signatory banks to take social and environmental risks into account when providing project finance."

Giving insight on sustainable development goals (SDG) developments in Qatar, the Doha Bank CEO said, "Qatar has put many integrated plans and objectives for sustainable development and is working in the clean and renewable energy with plans to generate 200 megawatts of solar power during the next two years and that will be increased to 500 megawatts."

"Fifa World Cup 2022 will be the first 'carbon neutral' championship by using solar power in stadiums and using energy and water-saving, cooling and lighting technology."

"Qatar Stock Exchange (QSE) is introducing environmental, social, and governance (ESG) guidance to assist listed companies wishing to incorporate ESG reporting into their existing reporting processes."