

## Fit for the future of finance:

# Integrating sustainable finance into university curricula

## Background

The transformation towards a sustainable future requires a financial system that is aligned with sustainable development, serving society within our planetary boundaries. While the financial sector and policymakers have started to increasingly integrate ESG factors into financial decision-making, academic finance curricula still largely exclude climate and other sustainability aspects, with a few emerging exceptions.

As a result, the academic world lags behind in preparing future finance professionals and leaders for the new realities in finance and business. As sustainable finance moves from niche to mainstream, finance study programmes will have to transform as well, revising assumptions of modern finance as well as teaching contents, tools and methodologies – and in supporting the dynamic market development with solutions-oriented research and tools.

## Objective and approach

This initiative aims to fill this gap at both the faculty and the student level by developing a blueprint sustainable finance university course and implementing it jointly with pioneering universities around the globe. Together with our partners, we aim to transform the education of the finance professionals of tomorrow, foster the development of technical knowledge and practice-oriented skills on sustainable finance and inspire young professionals to work for a sustainable future.

The blueprint course is jointly developed by the Emerging Markets Sustainability Dialogues (EMSD) global programme of the German Agency for International Cooperation [GIZ](#) (commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ)), [CICERO](#) Center for International Climate Research, and a consortium of experts from academia and finance from both the public and private sector and different geographies, consolidating state-of-the-art knowledge and expertise in sustainable finance.

Each lecture will be designed for 1.5 hours and consist of a package of presentations, including case studies, practice-oriented interactive exercises and further references. While the objective is to integrate the course into standard finance curricula, allowing students to gain credits upon successful completion, the blueprint course framework can be tailored to the universities' objectives and needs – ranging from a single introductory seminar to a full semester course.

The initiative, which will be piloted from mid-2020 with partner universities in Mexico, is supported by the German Government.

## Preliminary course framework

The blueprint course comprises the following modules:

### Module 1: Introduction to sustainable finance (SF)

Lesson 1.1: Sustainability meets finance

### Module 2: ESG and finance

Lesson 2.1: Introduction to ESG integration in financial decision-making

Lesson 2.2: ESG & impact: data, tools and integrated reporting

### Module 3: Climate change and finance

Lesson 3.1: The state of the planet

Lesson 3.2: Climate transition risks in focus

Lesson 3.3: Physical climate risks in focus

### Module 4: SF strategies by asset classes

Lesson 4.1: Debt

Lesson 4.2: Equities and funds

Lesson 4.3: The role of stock exchanges, index providers, rating agencies

### Module 5: The public sector perspective

Lesson 5.1: Sustainable finance policies and regulations

Lesson 5.2: Blended finance & public-private-partnerships

### Module 6: Solutions for tomorrow

Lesson 6.1: Intro to blockchain, cryptocurrencies and big data and their potential for impact

Lesson 6.2: Natural capital solutions and conservation finance

On behalf of