

BARRIERS HINDERING GREEN FINANCE DEVELOPMENT IN SOUTH ASIA- SYSTEMATIC LITERATURE REVIEW

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1. Introduction

Global warming is increasing due to environmental pollution and fossil fuel use despite slight fluctuations. Scholars suggested that the financial system can protect the environment by directing savings towards green investments and results available globally. South Asia is a region that is particularly vulnerable to climate change and environmental degradation. Despite the growing interest in green finance in South Asia, significant barriers still hinder the adoption of green finance practices as a region. It is essential to promote green finance to achieve the Sustainable Development Goals and address the challenges of climate change and environmental degradation in the region. The objectives of this study are to identify and analyze barriers to green finance in the region and to provide potential solutions to develop green finance in the region.

2. Research Methodology

Using a systematic literature review method and based on the PICO approach, the research question has been formulated and included 21 studies on green finance, particularly related to the South Asian region. The selection was after the identification, screening, and eligibility steps of the PRISMA model by Moher et al., 2009 and including and excluding criteria were predetermined. The researcher used a manual review method.

3. Findings and Discussion

The study identified and analyzed 24 barriers in the region that hinder the development and adoption of green finance in South Asia, while the lack of supportive policies and regulations was the major barrier. This study analysed related literature belonging to India, Bangladesh, Nepal, Pakistan and South Asia as a whole region. According to the findings, a multi-faceted approach is needed to develop green finance in the region, and having a proper set of policies and regulations procedures is key.

4. Conclusion and Implications

Although the path is difficult and time-consuming, South Asia's financial landscape is capable enough to effectively accelerate green finance in the region by having strong policies and regulations and standards for assessing, measuring and analyzing green finance. Making awareness and understanding is essential not to a financial revolution but to a green revolution, marking the region's sustainable and secure future.

Keywords: Barriers, Green Finance, Green financing, South Asia.