

## Standard Bank commits R300bn to sustainability target

Standard Bank has set aside a cumulative amount of between R250bn and R300bn for sustainable finance projects by the end of 2026.

 By [Katja Hamilton](#) 21 Oct 2022



Source: [Fxabay](#)

This target includes R50bn of financing for renewable energy and underwriting of a further R15bn for renewable energy by the end of 2024.

This was the announcement made by Standard Bank Group chief executive of corporate and investment banking, Kenny Fihla.

He was speaking at the second climate summit hosted by Standard Bank, in partnership with the University of London's School of Oriental and African Studies this week.

"I am pleased to inform you that since the launch of our climate policy in March this year, we have already provided sustainable finance to the tune of almost R40bn and are tracking ahead of our timelines to surpass these targets," Fihla said.

"Energy supply is likely to become even more subject to geopolitical rivalry than it is at present.

"Regions and blocs will want to become increasingly self-reliant for energy – or at least reliant on countries that are not their rivals. In this context, building Africa's capacity to supply our own energy needs becomes ever important," said chief executive officer of Standard Bank Group, Sim Tshabalala.

"Equally, there will be huge opportunities for African countries as exporters of transitional and renewable energy. Growing our sustainable and transitional energy capacity will increase African countries' fiscal headroom – which is essential for effective sovereignty. It will enable us to move deeper into global supply chains – which is very helpful to broader industrialisation."

This year's climate summit comes on the back of the release of Standard Bank Group's climate policy ear

this year, which commits to achieving a portfolio mix that reaches net zero by 2050.

The one-day event built on last year's net zero theme, and looked at climate change within the context of energy access, and focused on the just energy transition in an endeavour to identify, unify and raise Africa voices on this important topic.



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To this end, four in-depth panel discussions were hosted under the following topical themes: energy transition; opportunities and risks; green investing; and the role of government.

South Africa's Minister of Forestry, Fisheries and Environment, Barbara Creecy said: "In reaching our net zero goals, we must remember to put our people and communities at the centre of a just transition that guarantees better and decent jobs, social protection, more training opportunities, and greater job security all workers affected by global warming and climate change policies.

"This is extremely important in our establishment of a resilient South African green economy and is a cornerstone of our developmental agenda."

Industry leaders, investors, government, civil society organisations and some of Africa's leading policymakers highlighted that, while Africa must join the global drive towards limiting greenhouse gas emissions, this action must be considered within the context of Africa's just transition towards a low-carbon economy.

This should also be done in a manner that recognises and addresses the deep energy deficit across African economies where less than 43% of the population have access to a national grid, they said.

As the world's attention turns to COP27 taking place in Sharm el-Sheikh, Egypt next month, the platform promises to troubleshoot Africa's ability to raise significant capital to back the deployment of climate change mitigation solutions that, in turn, will position the continent as a key player in the low-carbon economy.

The call to action now is that Africa needs to prioritise capacity-building support, while securing technology and finance as a matter of urgency.

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