

## Deloitte Banking Alert

December 2023

### National Bank of Romania published information on supervised institutions' feedback on the readiness level for the green transition

Under the Report on Financial Stability published in December, the National Bank of Romania (NBR) provided information on system readiness regarding Climate change and Green finance in Romania.

#### Background

Climate change has gained increased attention in recent years, both internationally and in Romania. In July 2023, in line with the recommendations of the National Committee for Macropprudential Oversight (CNSM), the NBR conducted the roll-out of a **questionnaire** among credit institutions and non-banking financial institutions, **to assess their readiness for a green transition** and to **raise awareness** about the implications of climate and environmental risks on their activity.

In the **Financial Stability Report** published in **December 2023**, an **analysis** was presented, which was conducted based on the responses of 20 credit institutions and 22 non-bank financial institutions.

From the information published by the NBR, the **most pressing challenges** encountered in connection to implementing and developing green products concern: (1) **data availability**, closely followed by (2) the **lack of stability** of the legislative framework and (3) the **lack of necessary knowledge** in the field.

#### Main takeaways

- The main **green products available** to customers relate to green and sustainability loans, green bonds and leasing products for green mobility;
- The most **pressing challenge** faced by the Romanian financial system when implementing and developing green products is related to data availability;
- The **awareness** of climate and environmental risks by the non-financial industry sectors is a concern for most financial institutions (60 percent of respondents to the Questionnaire);
- The most common actions carried out by domestic institutions are those regarding the collection of **information on greenhouse emission** and identification of innovative solutions.

## Next steps

We will continue to monitor what further actions the National Bank of Romania undertakes in connection to the green transition of the financial sector, especially considering the evolving regulatory framework and the reporting expectations.

For further questions regarding the aspects mentioned in this alert, please don't hesitate to contact us:



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## Sources:

[Report on financial stability, December 2023](#)