



BUSINESSMED
Union of Mediterranean Confederations of Entreprises
Union Méditerranéenne des Confédérations d'Entreprises

Sustainable Banking and Environmental Investment

The Point of View of the Private Sector

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BUSINESSMED

- **BUSINESSMED** is a private sector organization with **14** national founder member organizations representing **12** Mediterranean countries, **3** observer members representing **3** European countries
- The **business sector** is a key stakeholder of sustainable development because of the social, economical and environmental impact it has on the territories in which it operates and because of the nature of the resources it mobilizes: natural and human resources
- Improving appropriation of the sustainable development agendas in a **Euro – Mediterranean** context by **UMCE-BUSINESSMED** and the national organizations including the potential funding resources for future developments
- Developing **roadmaps**: vision and mission for **UMCE-BUSINESSMED** and its member organizations in the context of sustainable development, actions are undertaken at the regional and national levels
- **MoUs** were signed with **SMAP** and **RAC/CP**
- **Member of the steering committees of MCSD/UNEP and EU initiative Horizon 2020** representing the private sector



Private Sector In the MED Region

- **80-85% are SMEs**
- **60-65% of the economic structure**
- **55-60% of the GDP**
- **50-55% of the Environmental problems generated by the P.S.**
- **Family structure**
- **100000 Euros is the average of yearly Working Capital**



Steps Achieved by P.S.

- **1997** end of clash between ENV. And Production
- Adoption of **CP** as: Goal and Solution
- **EMS** tools for better management and Production
- **Millions** of Dollars Invested in Env. Components
- **Sectoral** analysis
- **Strategies** and **Roadmaps**



Future Steps

The **implementation of strategic roadmaps**
-at the national levels and synchronized at
the regional level –in the key business
sectors and sub sectors



Implementation Consequences

- **Reduction** in the Cost of Production
- **Money Savings**
- **More Profits**
- **Efficient** Management
- **Productive and Competitive**
- **Company with a Future**
- **A growing Company that is Sustainable**



Obstacles Facing Financing Sustainable Development

- Interest rates exceed **4%** **Stops the pay back system**
- **Tax reforms and reforms of financial and banking systems**, taking into account needs related to sustainable development if on process are still very slow.
- Moreover, in many countries, **the collateral required by commercial banks and the high costs of credit impede access by SMEs to investment in productive activities which correspond to environmental standards..**
- **If it exists most credit lines are for big enterprises 1M and above**



Private Sector Financial Demands

- The SMEs market is estimated to be **3B Euros**
- The total Business Sector Demand is **6B Euros**
- Individual SMEs Demand **50000-100000 Euros**
- South Med. Countries Varies between **200M Euros and 400M Euros**



Financing sustainable development

- There is an urgent need for the implementation of **Euro-Mediterranean systems**, such as:
 - **micro-credit,**
 - **soft loans,**
 - **venture capital**
 - **Euro-Mediterranean fund for SME's**



Investing in Environment is a Big opportunity

You are investing in a Future Big Client

Sustainable Banks will have more demands from the Private Sector Moving towards Sustainable Production