From Building Knowledge to Financing the Transition: The Association of Banks in Jordan's Journey Toward a More Mature Green Finance Ecosystem

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The transition toward a more sustainable economy is no longer an environmental issue separate from economic and financial policy. It has become an essential part of the equation for growth, competitiveness, and resilience to shocks. In Jordan, the importance of this transition is increasing in light of energy and water challenges, climate change, and rapidly evolving economic and geopolitical developments, making the direction of finance toward sustainable priorities both an economic and development imperative.

In response to these developments, the Association of Banks in Jordan has, over the past years, adopted a gradual approach to supporting the banking sector's transition toward green and sustainable finance, based on the conviction that the shift toward a more sustainable economy also begins with how that transition is financed, and that the banking sector is a key partner in directing resources toward activities and projects that combine economic viability with development and environmental impact.

The journey began with a study of the state of green finance in the banking sector in order to understand needs, challenges, and opportunities. This was followed by the establishment of the Association's Green Finance Committee as an institutional step that brought banks together around a shared vision for coordination, exchange of expertise, and monitoring developments in this field.

In parallel, the Association invested in building banking knowledge and capabilities through specialized programs and activities that gradually expanded to cover governance and sustainability, climate risk and disclosure, financing the just transition, and the design of green financial products. The Association also broadened its network of national and international partnerships to benefit from global expertise, transfer knowledge, and develop the tools and practices needed by the sector.

As experience accumulated, the Association's role evolved from building knowledge and capabilities toward making a greater contribution to the dialogue on policies and regulatory frameworks that support green finance, and conveying the banking sector's technical perspective to the relevant stakeholders. Its contribution to the development of the Jordan National Green Taxonomy represented one of the most important milestones in this journey, as the taxonomy provides a shared national reference that helps identify green activities and direct finance and investment toward them.

As part of this journey, the Association launched GREEFIN, the Green Finance Forum, in 2023 as an annual platform bringing together the banking sector, government, the private sector, international institutions, development partners, and experts, while gradually moving the dialogue from awareness-building toward the development of solutions and partnerships.

In 2023, the first edition was launched under the theme “Setting the Scene,” with the aim of building a shared understanding of green finance and the role of the financial sector in addressing climate and sustainability challenges.

In 2024, the Forum moved from introducing the concept to firmly establishing green finance as a strategic necessity for the future of banking, through discussions on global trends, integrating sustainability into banking operations and green products and services, and managing environmental and climate-related risks.

In 2025, GREEFIN moved more decisively from vision to implementation, with a focus on designing green financial products, exploring market opportunities, leveraging technology and data, and strengthening governance and partnerships. The Association translated this direction into practice by developing a specialized guide for green financial products in response to one of the Forum’s key recommendations.

On September 1 of this year, the Association of Banks in Jordan held the fourth edition of the Forum under the theme “Public-Private Green Dialogue: A Strategic Tool for Reshaping Sustainability,” with the participation of more than 250 representatives from the public and private sectors, the banking and financial sectors, international institutions, development partners, and experts.

The Forum’s agenda reflected a more advanced stage of the discussion, centered on building an integrated ecosystem capable of transforming sustainability into investment opportunities and bankable projects. The Forum addressed three interconnected themes.

The first examined the role of sustainability in strengthening the resilience of the Jordanian economy in the face of regional and international challenges. The second focused on the Jordan National Green Taxonomy as a common language connecting government, financial institutions, investors, and the private sector, and helping translate national priorities into financing and investment opportunities.

The third theme addressed one of the most important practical challenges for the next stage: mobilizing domestic and international finance by overcoming investment barriers, developing risk-sharing instruments, strengthening public-private partnerships, and building a pipeline of viable and bankable green projects.

The Forum also gained an international dimension through a keynote address on the importance of public-private green dialogue amid changing global economic and geopolitical conditions, and its role in strengthening economic resilience and mobilizing the resources required for the sustainable transition.

The four-year journey of GREEFIN reveals a clear evolution in the nature of the dialogue: from asking what green finance is and why it matters, to how it can be integrated into banking, then to designing solutions and products, and today to the more important question of how national priorities can be transformed into bankable projects, connected to capital, and supported by partnerships capable of distributing risk and mobilizing resources.

In this way, GREEFIN reflects a broader journey led by the Association of Banks in Jordan: from building knowledge and capabilities, to developing frameworks and tools, then expanding partnerships and encouraging implementation.

It is an ongoing journey, guided by knowledge and strengthened by partnership, with the ultimate goal of moving green finance in Jordan from vision to implementation, and from financing to genuine, sustainable economic, development, and environmental impact.