

# Global warming and climate change effects

[Environment](#), [Global Warming](#)



Today's globe is suffering from the problems arising from global warming, atmosphere change and enormous environmental pollution. In many ways, issues like substantial industrialization, renovation and unplanned urbanization are treated as the key causes of these problems. It is said that because of this environmental pollution and climate change, human survival in this world is becoming endangered. Because of this environmental pollution the temperature of the world is rising, world climate is changing, rainfall and crop productions are being affected, and the living of many marginal groups of inhabitants is being shaken.

It is important to mention here that over the years, the corporate houses all over the world are blamed as one of the contributors to climate change and global warming. At first, the manufacturing companies were for the most part blamed for all this. But these days, even the service oriented organizations are being responsible for contributing harmfully to atmosphere change. In the function of an organization, many actions are carry out that can affect the environment. While performing their operating activities, they use electricity, fuel, gas, water, paper and others. Other than these, banking and other financial institutions are funding several organizations that are accountable for polluting the environment.

This paper deals with the issue of reporting on environmental responsibility from the banking Companies' side. The main objective of this paper is to investigate the nature of disclosure of green banking issues in the websites of banking companies that is operating in Bangladesh.

In order to act in a responsible manner, banks and other financial institutions must be attentive of their environmental responsibilities. It is to be remembered that their actions must not create any harm to the atmosphere directly or indirectly.

For the purpose of creating this consciousness, the concept 'green banking' came into existence. Here, it can be said that the term green banking came into existence because of the current popular environmental discourses like sustainability, climate change, global warming, carbon emission and some others.

Green banking is an effort to make sure that the banking activities do not contribute to environmental pollution. Many actions are suggested in order to make sure the realization of the objectives of green banking. For example, green banking promotes activities that make sure using less paper (Meena, 2013). This can be ensured by establishing online banking. Online banking makes sure using less paper work and thus avoids wastage of paper.

Another important action is to initiate green banking products. (Bahl, 2012) gave some examples of green banking products like 'green mortgages', 'green loans', 'green credit cards', 'green saving accounts', 'green checking accounts', 'mobile banking' and others. (Bahl, 2012) talked about some strategies that the Indian banks have implemented in order to ensure green banking. These are: introducing green banking financial products, introducing paperless banking, creating energy awareness, using mass transportation and green building and encouraging social responsibility services.

(Meena, 2013) identified four benefits of green banking. Firstly, as stated earlier, by ensuring less use of paper through establishing online and SMS banking services, green banking facilitates in reducing deforestation. Papers are products of woods and trees. Less deforestation makes sure cooler weather conditions and thus less contribution to global warming and climate change.

Secondly, green banking helps in building environmental consciousness among employees and customers. (Meena, 2013) mentions that these awareness creation activities also help in building a positive image about the bank among the stakeholders. Thirdly, green banking attempts to make sure giving loans at a lower rate. Green banking programs support setting up environmentally friendly businesses by providing the facility of lower interest rates of loans.

Under a green banking program, the bank shall provide loans with lower interest rates in case of investment in 'fuel efficient vehicles, green building projects' and others. Fourthly, banks under green banking programs initiate environmental standards for lending. It induces the business houses to change their business activities in a manner that is environmentally friendly (Meena, 2013). Thus, harmful impact on the environment is reduced.

The issue of green banking has become a slogan in the Bangladeshi banking sector over the last three years. Bangladeshi banks are put emphasis on green banking mostly because of the support and pressure from the central bank of Bangladesh - Bangladesh Bank (Ahmed, Zayed and Harun, 2013). In February 27, 2011, Bangladesh Bank issued a circular (BRPD Circular No. 2)

where it asked the banks of Bangladesh to adopt a green banking policy in order to conserve and save from harm the environment.

Later in July 22, 2012, Bangladesh Bank issued BRPD Circular Letter No. 07 that again contained a number of guidelines for the banks in terms of green banking. Finally, in September 11, 2013, Bangladesh Bank issued another GBC-SRD Circular Letter No. 05 titled 'Policy Guidelines for Green Banking' where full policy guidelines along with reporting guidelines are presented. In these circulars, Bangladesh Bank highlighted the issue of climate change and its negative impact on the environment.

Bangladesh Bank also mentioned the importance of low carbon industries for protect the planet. The bank identifies Bangladesh as one of the most at risk countries that is facing challenges because of environment change and global warming. That is why Bangladesh Bank called for the adoption of green banking policies by the banks of Bangladesh.