



## **University of Zurich and the Green Digital Finance Foundation launch Collaboration Program**

The Swiss FinTech Innovation Lab from the University of Zurich and the Green Digital Finance Foundation from the Sustainable Digital Finance Alliance, a not for profit foundation founded by UN Environment and ANT Financial, are founding a new collaboration program at the interface of FinTech and green finance. Through an interdisciplinary approach, the collaboration aims to accelerate the development of the emerging field of “Green Digital Finance” which has so far been largely lacking in research, education, policy and in practical application and integration by ecosystem actors. The collaboration is intended to stimulate and facilitate into new research, education, as well as develop strategic insight to inform policy makers and regulator on how to govern digital finance for a green future. “Combined with the excellent research at the University of Zurich, the new collaboration will allow us together to develop knowledge on green fintech practices that can inform policy makers, regulators and fintech innovators on how to scale green digital finance,” states the Director of the Sustainable Digital Finance Alliance Marianne Haahr.

The limitation of global warming and the achievement of the Sustainable Development Goals (SDGs) is estimated to require approx. US\$4 trillion per year. Currently, the investments are only covering approx. 35% of that. Technologies like blockchain, artificial intelligence (AI), mobile technology, internet of things (IoT) can be applied to the financial system to unlock green finance throughout the global economies and societies to fill this gap. But how can this be achieved? The impact of FinTech usage in the financial system refers to both the integration of green intent into existing financial products, processes, value chains and business models as well as the creative combination into entirely new green digital finance products, processes, value chains and business models. Among the examples are integration of greenness rating into automated credit scoring by mobile platforms for SME lending or leveraging IoT for automatic data harvesting of green assets. For example, banks and insurers may create APIs to collaborate with external partners in future digital ecosystems that commit to designing new green products. “The possibilities of innovative technologies to improve and redesign the financial system are tremendous and offer a unique opportunity to unlock additional green finance in both developed and developing countries.”, comments Katherine A. Foster, Chief Intelligence Officer of the Sustainable Digital Finance Alliance.

The collaboration among the two parties will establish the Swiss FinTech Innovation Lab as the leading knowledge hub of the international GDFE FinTech Hub Network, to conduct research and education activities and position the joint initiative as the internationally leading program for research and education in this field to foster collaborations with other actors like policy makers, regulators, financial institutions, technology firms and other stakeholders from the ecosystem. To achieve this, the collaboration is intended to bridge disciplinary barriers and unite researchers and experts across various disciplines, ranging from technology, banking and finance, economics, law and regulation and many others. “Basic research in Switzerland ranks among the best in the world. However, it often takes a long time until research results are transferred into practice for the benefits of the society. Our collaboration not only will develop entirely new models for the future financial system but it also aims to accelerate the transfer of them”, states Thomas Puschmann, head of the Swiss FinTech Innovation Lab at the University of Zurich.

The **Green Digital Finance Foundation** is the founder of the Sustainable Digital Finance Alliance which was initiated by ANT Financial and UN Environment. Its aim is to be a catalytic platform for the deployment of digital technology to unlock financing for the Paris agreement on climate change,



as well as for the environment and biodiversity. To deliver on this objective the GDFP will consolidate its position as the go-to place on green digital finance through three key outcome areas: Policy engagement, networks to FinTech hubs (with key activities and tailored action plans), and scaling through experimentation.

The **Swiss FinTech Innovation Lab of the University of Zurich** is a cross disciplinary research center covering banking & finance, informatics, law & regulation as well as economics. The research center contributes to closing the substantial gap that currently exists in the field of the digitalization of the financial system through the use of innovative technologies. It carries out research, teaching, community building and innovation transfer in this field and maintains contacts with practitioners from policy makers, non-for-profit organizations and industry representatives.