

# Fostering a Green FinTech Ecosystem Roundtable



Published By

Hosted By



26-28  
JUN  
2023  
Zürich, Switzerland



On June 26, 2023, the [Green FinTech Network](#), a multi-stakeholder association to foster the Swiss green digital finance ecosystem, hosted its official launch at the Point Zero Forum in Zurich, Switzerland. The purpose of the meeting was to evaluate the current state of the global green FinTech landscape, to showcase selected propositions, and to outline actionable

steps to foster the green FinTech ecosystem, with a particular emphasis on the availability of sustainability data. Participants included prominent green FinTech entrepreneurs, and representatives of key green FinTech stakeholders and supporters, from consulting, academia, ESG data and financial service providers.



The meeting commenced with an opening statement from Deputy State Secretary Stefan Flückiger, who underscored the importance of the green FinTech sector in Switzerland and for a global sustainable economy at large. The proceedings of the session were jointly moderated by Christoph

Baumann, Swiss Envoy for Sustainable Finance, and Katherine Foster, Executive Director of the Green Digital Finance Alliance (GDFA). In her keynote speech, Foster highlighted a growing global trend within the financial industry to utilise digital technology to address climate and environmental challenges.



Attendees analysed Switzerland's market conditions for the inception and growth of green FinTech and its potential to influence the global transition to sustainability. The conversation also addressed hurdles to scalability, especially those linked to capital and customer acquisition.

#### Key Takeaways:

##### 1. Macro perspective

- 1. A nascent field requires nurturing.** The majority of green FinTech companies are still in the early-stage phase, which highlights the need for targeted support and resources.
- 2. Slow convergence of key disciplines.** Despite the importance of 'green', 'finance', and 'technology' there is still a scarcity of green FinTech solutions compared to their significance for the financial industry.
- 3. Slow transition could be accelerated**

**by technology.** The transition of society and economy towards the required holistic sustainability may take longer than anticipated, due to complex, interconnected, and long-established system structures. This necessitates even more technological advancements, to accelerate the pace of change.

##### 2. Regulation and policy

- 1. Swiss regulation is on a promising path.** Swiss sustainable finance-related policies are assessed positively, although differences between EU and Swiss policy frameworks may pose challenges for startups in terms of regulatory alignment.
- 2. Disclosure data to be made available in an effective manner.** Disclosure of a significant share of data required for green finance use cases is regulatory-driven, standardised and machine-readable.

### 3. Ecosystem

---

- 1. Converging disciplines require a dedicated, supportive ecosystem.** The financial and the environmental sector, until recently, had limited overlaps. Thus, there is a pressing need to grow a cohesive ecosystem that connects all green FinTech stakeholders, and fosters collaboration and knowledge sharing among them.
- 2. All relevant types of funders are present.** Switzerland is home to diverse funding sources for green FinTechs, ranging from risk-averse venture funding to long-term, mission-driven investments.
- 3. Most funders are out of their depth.** The current fundraising landscape poses challenges for green FinTechs, as investors often struggle to assess the combination of FinTech and climate/environmental factors in the green FinTech sector, necessitating dedicated programs and platforms that can support their development and growth.

### 4. Data

---

- 1. Green FinTech is a strongly data-driven segment.** Green FinTech propositions often integrate climate and environment-related data (e.g. on GHG emissions, weather, flood, water footprint, biodiversity impact etc.) with financial data, to assess risk and impact, and to structure or help structure financial products.
- 2. Overview of and easy access to sustainability data is needed.** The categories, sources, quality, and availability of sustainability related data is as diverse as the dimensions of sustainability. Moreover, the

geographical scope of data required is regularly regional or even global. Orientation, sourcing, and processing of these data are therefore time-consuming and costly.

### 5. Market access and demand

---

- 1. Startup-corporate collaboration is hard from many angles.** Collaboration challenges exist between green FinTechs and financial institutions, from general startup-typical topics to impact or methodology-related factors.
- 2. 360° understanding of sustainability work's challenges is needed.** For more effective collaboration, challenges faced by corporates on their sustainability journeys and obstacles faced by startups seeking to assist, need to be better understood, mutually.
- 3. Sustainability-as-a-Service is the (an?) answer.** Incumbents and startups need to become better at leveraging already developed services and offerings, to support sustainability efforts across the financial industry.
- 4. Innovate not reinvent.** Incumbents desire new added value propositions, rather than reinventions of existing offerings.
- 5. SMEs are still behind on disclosures.** SMEs are still underserved and need support with cost-efficient assessment and reporting of emissions and other sustainability factors.
- 6. AI to complement, not replace human intelligence.** While AI plays an increasingly important role in big

data preparation, processing, and analysis, humans are often quite effective in judging ‘right or wrong’.

**7. Turn data into information.** In an environment of newly emerging

data, converting those into meaningful information is a crucial task for innovators, to enable actionable decision-making with data-driven insights.



Encouraged by the dynamic roundtable, and substantial interest and positive response from the domestic and international green finance ecosystem, the Green FinTech Network (GFN) will explore further and seek to address several of the identified challenges and opportunities. The association's President Gerrit Sindermann outlined the GFN's key objectives as:

1. Build a thriving green FinTech ecosystem
2. Establish a good overview of and ensure easy access to sustainability data
3. Foster sustainability-related disclosures
4. Ensure adequate funding and support is available for green FinTechs

The participating organisations in

the roundtable included Climada, Correntics, EY, Frigg, Global Center for Sustainable Digital Finance (UZH), Globalance Bank, Green Digital Finance Alliance (GDFA), Inyova, MSCI, Pelt8, Rep Risk, SIX, Sustainaccount, Swisscom, UBS, and ZHAW.

The dialogue delved into an exploration of the Swiss green FinTech landscape, assessing its present state and challenges. So far, Switzerland has seen the emergence of at least 24 green FinTech startups, with additional 5 success stories where companies have either progressed to scale-ups, robustly established or have already been acquired. All entities are conveniently located on the [Green FinTech Map](#), a joint development by Swisscom e.foresight and the Green FinTech Network.



[elevandi.io](https://elevandi.io)