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MACIEJ MIKLIŃSKI*

TOWARDS GREEN BANKING

Abstract

The purpose of the study is to present, using the method of critical analysis of the literature, the selected issues accompanying the phenomenon of so-called "green banking". Green banking includes two main aspects. Internally, it manifests itself as an effort to make the operation of banks environmentally neutral. In the external aspect, i.e. the scope of banks' operation in the market, the idea of green banking is used in the selection of assets in which banks financially engage. As a result, banking institutions are becoming an important instrument for transmitting environmental policy impulses to the economy, particularly by excluding the financing of some traditional industries such as the fossil fuel industry. While the goal of climate protection itself is understandable, the manner and pace of pursuing it is no longer necessarily so. On the one hand, banks succumbing to political and social pressure are imposing pro-environmental missions on themselves, including a rapid shift away from financing the fossil fuel industry. On the other hand, such an approach results in a feedback mechanism through which the likelihood of the creation of so-called stranded assets in the financial system increases, i.e. the loss of value of bank assets previously involved in and linked to environmentally damaging industries. The magnitude of the impact of this phenomenon on the stability of the financial system is difficult to estimate, as its negative effects will not only directly affect the funds involved in certain industries but will also cause the price of commodities and thus of derivatives based on them or related to them to become unstable.

Key words: banking, green banking, ESG, sustainable development

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* Maciej Mikliński, PhD, attorney, Department of Financial Law, Faculty of Law and Administration, University of Gdansk, specializing in banking law and local government finance. Author of 1 book and more than 10 reviewed articles.
Contact e-mail: maciej.miklinski@prawo.ug.edu.pl, ORCID: 0000-0002-5840-0942.

1. Introduction

The purpose of the study is to present selected issues accompanying the phenomenon of so-called "green banking", that is, the use by banks of their potential to accelerate the transformation towards environmental protection, including climate protection. Directives in this area can be traced back to the idea of sustainable development, understood as making possible to meet the needs of the present without compromising the ability of future generations to meet their own needs [Our Common Future, 1987]. The axiologically justifiable pressure exerted on business entities to direct their activities toward taking environmental protection into account, including climate protection, also extends to banking entities. In this case, however, not only are requirements made to make the operation of their own structure sustainable in terms of environmental concerns, but their social and economic function, according to many, should preclude them from engaging in financing those activities that are harmful to the environment. While a number of initiatives, including those of international scope, popularize and support the assumptions and goals of environmental sustainability, in certain situations the implementation of the postulated solutions begins to raise doubts about their legality and impact on systemic risk in the financial system. An example is the European Union's policy of introducing legislative changes too late and too quickly, attempting to exclude the use of energy carriers such as coal and oil derivatives. Forcing banks to restrict the financing of, for example, coal mines as an environmental protection activity deprives these institutions of predictable and steady income and, in addition, introduces into the financial system the destructive element of sudden loss of value of bank assets involved in such activities [compare: Collective Commitment to Climate Action, Year One in Review 2020: 36-41]. A banking problem of so-called "stranded assets" of difficult-to-estimate magnitude is emerging.

The research method used in the study is the method of critical analysis of the literature. In terms of the analysis of legal texts, the methods of interpretation including the logical-linguistic and purposeful method were used. The study uses not only the achievements of legal sciences, but to show the economic and social context of considerations, the study also uses to some extent the achievements of economic and management sciences.

2. A bit of history

From a historical perspective, the issues of banks' favorable approach to engaging in socially important initiatives have already been recognized and discussed in the literature. In the Middle Ages, especially in Italy, the capital for the establishment of a bank was frequently donated or raised for the purpose of carrying out charity, and consequently ethical and religious principles influenced banks to finance only a certain type of activity [Weber 2012: 4-5]. Directives of conduct reminiscent of modern indications of Corporate Social Responsibility can be found as far back as the 16th century, among the principles that guided the Monte di Pieta bank in its activities, including, for instance: lending primarily to the local community not regional; engaging in social activities, lending to public authorities in times of crises, lending to women, and others [Weber 2012: 5 and the literature cited therein]. In the Polish territories, pro-social, ethical behavior was fostered by pious banks (Latin: montes pietatis) opposed to usury [Szczygielski 2006: 776]. Their idea was implanted by Piotr Skarga, founder of the first Mons Pietatis in the Corpus Christi chapel at St. John's Church in Vilnius in 1579.

Even today, banking has begun to fit in with the social, environmental, and corporate challenges of implementing sustainable development principles. The term "sustainable banking" is pointing the commitment to environmental, social, and management rather than fiscal goals [wider: Úbeda, Forcadell, Aracil, Mendez 2022: 277, and the literature cited therein]. In the wake of the introduction of new normative regulations, the number of academic studies in this area has increased exponentially, especially after 2008 [Aracil, Nájera-Sánchez, Forcadell 2021: fig.1 and fig.2]. The subject of research in the field of environmental goals is very broad, ranging from showing the need for change towards green banking, through statements how to carry it out, to the risks that change brings or the costs of inaction. Particularly interesting are the attempts to estimate the impact of the so-called green transformation on the financial market and the effects of the lack of transformation on the market [Stolbova, Battiston 2020; Stefaniak 2022; Alogoskoufis, Dunz, Emambakhsh, Hennig, Kaijser, Kouratzoglou, Muñoz, Parisi, Salleo 2021]. Among the subjects of the studies one can also find those that discuss niche problems, e.g. they indicate that sustainable banking helps overcome imbalances in residences with weak legal mechanisms [Úbeda, Forcadell, Arcil, Mendez 2022: 282]. Research in this area is primarily economic in nature and there is a lack of consideration in legal aspects.

3. Selected legal foundations of green banking

The origins of the special treatment of the needs of the environment can be seen in modern times already in the Convention for the Protection of Birds Useful to Agriculture signed in Paris on March 19, 1902. In holistic terms, the problem of environmental protection was addressed by the United Nations Assembly Resolution A/RES/2398(XXIII) of December 3, 1968 Problems of the human Environment. Held four years later in Stockholm, the UN Conference resulted in the Stockholm Declaration adopted on June 16, 1972. Among its 26 principles indicated the one that emissions of toxic substances or other substances and heat in such quantities or concentrations that exceed the capacity of the environment to render them harmless must be stopped to avoid causing serious, irreversible damage to ecosystems. The United Nations Framework Convention on Climate Change, adopted in 1992 was dedicated to the issue of climate change, setting the goal of stabilizing greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system [The United Nations Framework Convention on Climate Change: Journal of Laws 1996 No. 53 item 238]. The protocol to the Framework Convention, adopted on December 11, 1997, the so-called Kyoto Protocol, introduced mechanisms for reducing greenhouse gas emissions, while the Paris Agreement of December 12, 2015, included in its normative content a limit on the increase in global average temperature [Paris Agreement].

International declarations and initiatives have taken normative shape in EU and national regulations. The Treaty on European Union (hereinafter: TEU) [The Treaty on European Union] stipulates, among others, in Article 3(3), that the Union shall *work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment*. According to Article 21(2)(f) of the TEU, the European Union shall *help to develop international measures to preserve and improve the quality of the environment and the sustainable management of global natural resources, in order to ensure sustainable development*. In turn, the Treaty on the Functioning of the European Union [The Treaty on the Functioning of the European Union], in Article 11, indicates that *environmental protection requirements must be integrated into the definition and implementation of the Union's policies and activities, in particular with a view to promoting sustainable development*.

In Polish conditions, action within the framework of the principle of sustainable development has gained constitutional significance. From the programmatic principles contained in Article 5 of the Polish Constitution comes the directive that the Republic ensure environmental protection guided by the principle of sustainable development. In this regard, the issue of whether guided by the principle of sustainable development, should be treated narrowly as related only to environmental protection or relevant to the interpretation of other provisions of the Constitution of the Republic of Poland, in particular, clarifying the concept of a social market economy has been raised [Bałaban 2003: 20].

On European ground, one of the motives for pursuing sustainable development goals in the financial market was the Final Report on Sustainable Finance, released in 2018 [Financing a sustainable European Economy 2018]. From its contents emerged the scope of the European Union's policies on the reorganization of the financial market, counting energy efficiency, or the obligations of institutional investors from the point of view of the requirements of running environmentally, socially and corporately responsible enterprises. The role of sustainability taxonomy, linking investors' decisions to climate risks, disclosing financial information about risks over a longer time horizon, using household savings (which account for 40% of the EU's total financial assets) to invest in sustainable development, or introducing a European green bond standard were emphasized. However, the most relevant recommendations from the point of view of this study were those concerning banks and the need to lower their prudential requirements. The report indicated that it would be beneficial for banks to take on more risk as they invest in the green transition. Thus, in the clash between the two worthy goals of bank security and bank deposits on the one hand and the need for green transformation on the other, the priority should be given to green transformation, according to the report's suggestions. Implicitly accepted, therefore, is the risk of destabilizing the banking system, subjecting the savings of generations of Europeans accumulated in bank accounts to greater risk when the goal is for banks to engage in European climate policy.

In addition to the still-developing international cooperation within the framework of the United Nations Climate Change Conference, a number of initiatives have emerged to promote the ideas of sustainable development within the financial market, shaping patterns of behavior that participants commit to follow. These serve to stop the financing of environmentally damaging activities. In this regard, the following are indicated [Weber 2012: 14-17]: United Nations Environmental Program Financial Initiative - which brings together banks insurers and investors working toward the goals of sustainable development; Global Reporting Initiative - which helps assess the actual environmental impact of an institution's activities; Equator Principles - principles designed to serve as a common benchmark and risk management framework for financial institutions to identify, assess and manage environmental and social risks in project financing; Principles for Responsible Investment - which advocates responsible investment; Global Impact Investing Network - a nonprofit organization working to remove obstacles to responsible investment; or Global Alliance for Banking on Values - a network of independent banks working for sustainable development.

4. Selected problems of green banking

Directives of conduct arising from the implementation of the idea of green banking, permeate the business activities carried out by banks. They affect the functioning of these institutions in at least two ways: first, they lead to changes in their internal organization and, second, they interfere with their external activities, the scope of their involvements, i.e. the value and composition of bank assets.

In the first of these spheres, banks, while their activities are not perceived as particularly burdensome to the environment, implement environmental policies within the framework of their own operations. They perceive, develop and use those solutions that contribute to their compliance with environmental sustainability requirements. Such activities include, but are not limited to, the use of electronic documentation to the fullest extent possible, the operation of offices in environmentally friendly buildings using so-called "green energy," the use of low-energy-consumption equipment, the education of employees and contractors from a sustainability standpoint, the development of online meetings that reduce commuting and associated pollution, or selective waste management. These types of activities, using technologies that ensure the security of, for example, data, should be considered as a matter of course. They are being implemented both in developed economies and in countries on the development path like India and Bangladesh [Meena 2013; Nath, Nayak, Goel 2014; Lalon 2015]. It was the central bank in Bangladesh that was the first to introduce regulations related to "green banking" as early as 2011, setting a short time for their implementation [Lalon 2015: 34].

The second sphere, more important from the point of view of this study becomes the banking core business, i.e. banking market activities and services. Here banks seem to collide with at least three intervening forces. The first are pro-environmental political and legislative changes, the second are self-imposed obligations, and the third is social pressure.

In the context of the first scope, i.e. legal regulation within the EU, there are at least two main centers of normative regulation affecting green banking. These are the institutions of the European Union according to their competencies[1], and the authorities of the member states taking care of their energy, economic, fiscal or social stability. These two centers of regulation, while agreeing on the goal of climate protection, often have different approaches to the pace of change and the way to achieve it. Against this background, disputes arise. Climate goals, while important, are not an overriding value, prevailing over other values deserving protection such as energy security, economic security, or social security of the

[1] It should be emphasized that environmental issues are a shared competence between the Member States and the EU pursuant to Article 4(2)(E) of the TFEU.

states. Several of the international conventions already cited above contain phrases and statements indicating an obligation to respect, in pursuit of a common goal, the different backgrounds, economic positions and degrees of development of individual countries. Commitment to climate goals comes at varying degrees of cost to different actors in international law. The path to their implementation should therefore consider the specifics of each of them. Meanwhile, within the European Union, one gets the impression that this aspect is being forgotten.

Another factor influencing the implementation of green banking is the banks' self-imposed environmental policies. They are introducing the implementation of climate goals into the documents that shape their missions. Many financial institutions are making commitments to move away from financing traditional coal-based energy-intensive industries. Each of Poland's five largest banks has made a similar move away from financing coal mines[2]. Such practices raise legal questions about the conflict of normatively guaranteed values. On the one hand, the right to the operation of legally established and important for the security of the state enterprises, the right of access to financial instruments within the financial system that co-creates the economic conditions of activity and, on the other hand, the right to a clean environment. It is incorrect to put one goal as superior to the other. Both seem to be equally important and in case of their conflict, violation of one cannot be justified by protecting the other. The financial exclusion experienced by the mining and energy-intensive industries should be considered questionable from the legal point of view. This raises the question of the limit of banks' freedom in the modern financial system. Do these institutions, operating under a license, have the right to choose for themselves industries that they exclude from offering financing? The issue is one of exclusion ideologically, not dictated by considerations of economic viability.

In Polish conditions, the situation is complex. The authorization to establish and operate a bank and, in the case of older banks, the statutes, outline among others, the banking activities and services that banks are authorized and obligated to provide at the same time. Their operation should therefore be in accordance with the scope adopted and accepted by the banking supervision. Restricting it, without the approval of the supervisor, seems to introduce unacceptable exclusions, leading to tensions in the financial market. Obtaining a

[2] PKO BP Bank pledges to eliminate exposure to coal mining industry by 2030 see [PKO BP coal policy]; Bank Pekao will discontinue financing coal mining and power industry in 2021-2024, see: [Pekao coal policy]; Santander Bank Polska assumes by 2030 to reduce its exposure to hard coal producers completely, see: [Santander coal policy]; ING Bank Slaski does not finance the coal mining industry and will end lending to coal-fired power plants by 2025, see: [ING coal policy]; mBank does not finance the construction and expansion of mines, see: [mBank coal policy].

banking license cannot be considered a bank's right to act arbitrarily, but as a bank's right and duty to carry out its assumed mission also social and economic. In confidence in it, with a view to the interests not only of the entire financial market, but also of the real economy, the bank's license was granted. Violating it by excluding certain entities raises the question of violating the banking license. The banking license is, among others, an expression of confidence in the regularity of operation in a given market, regularity understood not only as adherence to legal norms, but also the obvious idea of access to financing for any legitimate business. The exclusion of these or other branches of the economy from credit support, dictated by the realization of another value that is not mentioned in the banking license or the statute, should be considered questionable. In addition, such behavior raises the question of a violation of antitrust rules of distortions of competition by discriminatorily excluding from financing certain traditional industries, e.g., the fossil fuel-based energy industry, while supporting other technologically competitive energy industry solutions. It should therefore be emphasized that the realization of the goals of green banking cannot be achieved by circumventing legal regulations, including the free, nonnormative exclusion from financing of legitimate entities whose operation is burdensome to the environment.

The third force to which the banking business is subjected is social pressure co-created by NGOs, which stigmatize, for example, the financing of fossil fuel activities destroying the hard-built image of financial institutions.

5. Green banking as a clever weapon

It is hard not to get the impression that the idea of climate protection has become a clever economic weapon in the hands of various stakeholders. The nature of this weapon is that the justification for its use is the legitimate goal of protecting the environment, including the climate. It is enough to ascribe to this goal, through social and media pressure, an implicit though non-normative primacy, and any action contrary to it, regardless of social, economic, fiscal costs, can be challenged or stopped. The functioning of this weapon works in several ways, discernible from the point of view of financial institutions, economies, or countries. These are: enacting regulations relating to greenhouse gas emissions so restrictive that they result in the abrupt (even within several months) closure of entire industries; introducing a higher risk weighting to bank assets involved in mining industries; assigning reporting obligations to the realization of exposures to non-environmental industries; downplaying the importance of banks' capital (prudential) requirements when lending to the so-called green transition[3] [Stefaniak 2022].

Because the EU is entrusted, on a shared competence basis, with the implementation of environmental goals, it appears that with its use it is easy to influence the economies of individual nations. If to this is added the circumstance that many banks operate within capital groups whose headquarters and source of capital are in countries whose policies are contrary to the policies and interests of the country in which the bank's branch or subsidiary operates, the question arises about the security not only of energy, but also of the economic security of individual mostly economically weaker countries.

Illustrating, by way of example only, the first method of influence, i.e. the enactment of regulations leading to the closure of entire branches of the economy, one can cite the so-called "methane regulation" that has just been debated for days [Regulation of the European Parliament and of the Council on reducing methane emissions in the energy sector and amending Regulation (EU) 2019/942]. Its adoption in its original version could result in the complete paralysis of the Polish energy sector in as little as a dozen months. The energy, industrial, social, financial security of a European country is sacrificed to the idea of climate change, introducing the risk of a difficult-to-manage economic, social, fiscal crisis, and this at a time of an ongoing war abroad or problems with access to energy resources. It is overlooked that from the point of view of the planet, with a total of more than 8 billion tons of coal mined in 2022 [International Energy Agency data for 2022,], annual coal mining in Poland is only about 52 million tons [Coal Production Aggregate]. The goal of reducing methane emissions from coal mining is therefore a negligible value in Polish conditions if one pays attention to the world scale. In addition, the demand for coal will not disappear and costly imports from jurisdictions without such restrictions will continue. Furthermore, from the point of view of the stability of the banking system, the closure of mines within several months due to failure to meet methane requirements will create a risk of so-called stranded assets. This means that bank assets, such as loans granted to the mines or their bonds purchased, will suddenly lose their value as a result of the artificially forced closure of the mines. Banks will not be able to recover the funds currently committed to mining activities, but also to related industries including machinery or coal processing. Entrepreneurs losing their ability to function in the short term will not be able to repay their long-term liabilities, and as a result their bankruptcy will cause problems for subcontractors, and this will

[3] As a result, changes to the CRR regulation are being discussed, which will direct banks to treat fossil fuel investments as higher-risk exposure. This will effectively reduce the already reluctant financing of this activity.

exacerbate problems for banks, creating another systemic risk factor. The scale of the problem cannot be precisely estimated today. On the one hand, one can find studies showing that the introduction of early changes will be more beneficial in the long run than the consequences of climate change [Alogoskoufis, Dunz, Emambakhsh, Hennig, Kaijser, Kouratzoglou, Muñoz, Parisi, Salleo 2021]. It is therefore important to implement climate policies early enough. Another report indicates that a too-late-too-sudden tightening of carbon policies could cause a risk of economic crisis due to changes in fossil fuel prices and, consequently, the biggest losses for financial institutions [Beyene, Delis, Ongena 2022]. The risk of a very dangerous commodity price swing and its impact on both the real economy and the financial market engaged in speculation on commodity-based financial instruments is therefore recognized. Attempts are being made to capture in monetary sums the impact of climate policy on the economic and financial sphere. It is estimated that the direct exposure of the eurozone economy to fossil fuels is about 1.5%, and to all climate-sensitive sectors about 50% of total eurozone assets [Stolbova, Battiston 2020]. You can find studies showing little risk for banks in Poland, because the total exposure of banks to fossil fuels is 21 billion PLN (in the methodology adopted by the author) [Stefaniak 2020].

In order to properly assess the scale of stranded risks, banks are ordered, among other obligations, to publish data on engagements in environmentally burdensome activities, to align their reports with taxonomy and thus assess which activities are actually beneficial or detrimental to the environment. In accordance with Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on sustainability-related disclosures in the financial services sector, financial market participants shall publish and maintain on their websites, a statement on due diligence strategies with regard to the effects of investment decisions on sustainability factors, possibly the reasons for not considering such effects. Similarly, these factors are taken into account and disclosed when preparing so-called financial products or when shaping remuneration. In turn, Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 harmonizes the criteria used when determining whether an economic activity qualifies as environmentally sustainable.

Finally, a number of NGOs, through social activism and monitoring of extractive industry engagements and financings, stigmatize institutions that do not put the environmental goal at the top of their agenda, thus damaging the institution's hard-won image.

Banks choosing to engage in so-called "green banking" face challenges such as fewer customers and profits, problems during a recession or higher operating costs [Biswas 2011, 34-35]. In all the thicket of dependencies, banking institutions are beginning to take on the role of juror in disciplines they don't know about. They are being forced to screen the business processes of those who have applied for credit for their compliance with environmental policies. Banks have become a tool for influencing the behavior of business partners, forcing them to make changes that benefit sustainability. The financial activities of banks, through the demands they make on potential counterparties, are becoming a tool for change throughout the economy. The role of banks as traditional intermediaries between those with excess spare cash and those in need of such funds is gaining new functions - to support sustainable initiatives and exclude the rest. This results in a number of consequences. On the one hand, it forces a transformation among entrepreneurs, who, in order to obtain funds from banks to finance their ventures, must transform their activities in accordance with the indications of sustainable development, e.g. undertake pro-environmental activities. On the other hand, banks embracing the challenges of sustainable development are beginning to finance pro-environmental investments despite often riskier, more costly, and less efficient solutions than traditional ones. In view of this, for banks as lenders, are less attractive carrying more risks. It becomes the role of banks to find ways to support those activities that co-create environmentally sustainable solutions, albeit less predictable than traditionally known industries or services.

An approach that assumes a rapid, top-down, centrally planned transition of European economies toward full implementation of sustainable development principles is extremely costly. The assumptions of the EU's "Green Deal" point to sources of its financing, including, among others, funds from the EU's Multiannual Financial Framework, the commitment of cash from member state budgets, the use of funds from the Co2 border price adjustment mechanism, or loans from the European Investment Bank[4]. It is expected to raise 10 trillion euros over 10 years. Meanwhile, the European Union's budget is based primarily on tax revenues (VAT), GDP-dependent contributions or customs [Council Decision (EU, Euroatom) 2020/2053 of December 14, 2020 on the system of own resources of the European Union and repealing Decision 2014/335/EU, Euroatom]. As a result, its revenues depend on strong European economies and these are struggling with huge problems including the war in Ukraine, the loss of capital invested in Russia, inflation, shortages of energy resources, broken supply chains, protectionist and deglobalization processes, or the problem of internal divergences about Europe's geopolitical position. It is difficult to consider that at the current level of indebtedness of member states, high budget deficits, to be able to finance this

[4] More widely: [European Green Deal].

transformation of individual countries. In turn, the financial resources of EU citizens with increasing uncertainty in the real economy, high inflation, destabilization of the banking sphere, it will be difficult to engage in a risky transformation. For the sake of realizing the idea of green transformation, the European Union seems to be unwisely opening a number of battle fronts. It is fighting its extractive industries without recognizing that cheap and stable energy in a post-pandemic and difficult geopolitical reality makes it easier to achieve Europe's energy security and the price attractiveness of its manufactured goods. It is considering changing the legislative framework causing a higher risk of a banking crisis in the European financial system. Announces a change in trade policy with global partners, including charging additional fees at the borders (CBAM- Carbon Boarder Adjustment System) on imports of certain energy-intensive goods that will be produced in residences that do not take climate targets seriously enough[5]. A belated climate policy with the European Union's orthodox approach to the targets set and the lack of full parallel involvement of the world's key economies in it is very likely to bring Europe many unintended negative consequences.

This makes it more puzzling how few voices there are pointing to the price of a rapid adaptation of a united Europe to the principles of sustainable development. In European Union documents, emanating ambitious environmental intentions and goals, it is hard to find equally ambitious analyses of the risks involved in a top-down transformation. The price of a green transformation could turn out to be the ruin of European economies, rising unemployment, poverty, social unrest and, ultimately, the abandonment of sustainable development plans for an unknown period. Already a May 2023 World Economic Forum report indicates that over the next four years, due to the changes taking place in economies, including the development of artificial intelligence, there will be significant disruptions in employment and some 14 million people will lose their jobs [Future of Jobs Report 2023].

6. Conclusion

At the center of today's pro-environmental changes, banks have been entrusted with new tasks – the transmission of climate policy goals to the economy. The assessment of environmental risks is becoming the responsibility of banks, while the mission to exclude environmentally burdensome entrepreneurs is becoming a way to achieve environmental

[5] See draft of 14.07.2021 COM (2021) 564 final, Regulation of the European Parliament and of the Council establishing a mechanism for adjusting prices at the borders taking into account CO2 emissions.

goals (raising legal questions). Climate goals, while important, are not an overriding value above other values worthy of protection such as energy, economic or social security. The pursuit of a common goal should take into account the different energy and economic peculiarities and the degree of development of each country.

The banks' taking up of the challenges of green banking in the internal sphere of the organization should be evaluated positively. The implementation of this idea in external activities is questionable. While the idea of green banking should be considered a step in the right direction, the question arises whether it is not too big and too abrupt step. The belated climate action, both political and legal, in the zero-carbon direction, with the current state of technology, is not possible to catch up quickly, without triggering the risk of economic and financial catastrophe.

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