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Call for Papers
Sustainable Financial Innovation Research Centre- SFiC
Annual Conference

Sustainability, Climate Change and Financial Innovation

Special Issue Conference Sponsored by

The University of Birmingham
College of Business, Florida Atlantic University
and
European Financial Management



November 25-26, 2022
Dubai, United Arab Emirates

Two Best Paper Prizes:
£500 Best Paper Prize
£300 Best PhD Student Paper

Keynote Speaker:

- Professor Marcin Kacperczyk, Professor of Finance, Imperial College, London

Organizers and Guest Editors:

- Douglas Cumming, Florida Atlantic University
- Hisham Farag, University of Birmingham
- Sofia Johan, Florida Atlantic University



RATIONALE:

In 2015, the UN adopted the Sustainable Development Goals (SDGs) as a universal call to protect the planet, end poverty and hunger and promote equality and diversity among other goals by 2030. The recent episodes of environmental disasters due to climate change coupled with Covid-19 crisis, have raised key policy questions on how sustainable the SDGs are and how technology and innovation may help achieve the SDGs. According to The World Bank, the annual cost of the devastating impact of climate change is about \$18 billion in low- and middle-income countries and \$390 billion to companies and households. Different countries across the world have adopted new initiatives aiming at a gradual transformation to greening their financial systems by repositioning their investments towards an inclusive, net-zero carbon and resilient economies. There is no doubt that funding the transition to a green, sustainable low-carbon economy is a major challenge. Although the annual climate finance flows exceeded US\$ half-trillion for the first time in 2018, this is incomparable with the volume of US\$ 3.8 trillion allocated by top 60 banks worldwide devoted to fossil fuel-based projects over the five years following Paris Accord.

Financial innovation has changed the landscape of capital market structures and plays a fundamental role in developing new instruments that could have potential in funding critical sustainability solutions e.g. Green and Blue Bonds and Social/Sustainability-based Bonds. For instance, the cumulative market value of Green Bonds issuance to date is US\$1.185 trillion. On the other hand, there has been an increasing pressure from stakeholders on greater transparency on climate risks towards a policy intervention to make climate risk-related disclosure mandatory. Therefore, climate change has indeed implications for financial markets. On the other hand, the rise of financial technology gives a greater scope for financial innovation leading to a rise in regulatory technology and, carbon pricing and surveillance systems. The interaction between regtech and fintech gives rise to new research areas to better understand the causes and consequences of sustainability-innovation nexus around the world. This international conference will provide a timely debate on sustainability and financial innovation in financial markets.

The literature on financial innovation-sustainability nexus is evolving. More work is needed for instance, on the motivation for companies to issue innovative financial instruments and making socially responsible investments (SRI) decisions, pricing and hedging for climate risk and its impact on the cost of capital of companies with high level of carbon emission, the impact of incorporating Environment, Social and Governance (ESG) criteria into fund managers’ portfolios the influence of sea-level rise and flooding risk on real estate sector, and the unintended consequences for energy sector e.g. fossil fuel stranded assets.



Research Questions:

Some research questions that contributors to the conference might address are:

- How do sustainability issues affect different forms of finance for publicly traded firms versus privately held firms (including venture backed, crowdfunded, etc)?
- In what ways do FinTech innovations enable sustainability issues to be addressed in financial disclosure and financing strategies?
- How should Board of Directors strategically think about their wider stakeholders to align shareholder value with stakeholder value?
- What is the alternative pricing and hedging mechanisms for climate risk and its impact on the cost of capital?
- What is the influence of incorporating Environment, Social and Governance (ESG) criteria into fund managers’ portfolios?
- Has the growth of crypto currencies/assets exacerbated climate crisis?
- Can regulations be designed to improve the sustainability of ethical standards?
- How could regulations raise the disclosure bar leading to a mandatory disclosure on climate related risk?
- What is influence of sea-level rise and flooding risk on the real estate sector?
- What are the unintended consequences for energy sector e.g. stranded assets?
- How corporate culture may impact sustainability-innovation nexus?
- Is climate crisis exacerbated or mitigated under different types of ownership, such as government, institutional, or family ownership?
- What is the role of shareholders activism in combating climate crisis?

Related research questions on both publicly traded and privately held institutions are welcome.

Paper Submission Procedure:

Papers are to be submitted to:

CONTACT: Sustainable Financial Innovation Research Centre-SFiC

Email: sficefmconference@contacts.bham.ac.uk

With the subject heading: "Dubai Conference on “Sustainability, Climate Change and Financial Innovation” in your submissions, please indicate whether you want your paper to be considered for publication in the European Financial Management (EFM).

Conference Registration fees:

- Early bird registration by 31st August 2022: £350
- Regular registration fee: £450

PhD students

- Early bird registration by 31st August 2022: £150
- Regular registration fee: £250

Special issue of European Financial Management (EFM)

A special issue of the EFM will be published on Sustainability, Climate Change and Financial Innovation. Guest Editors are Douglas Cumming (Florida Atlantic University, USA), Hisham Farag (University of Birmingham, UK); Sofia Johan (Florida Atlantic University, US). The Special Issue will consist of select and extended papers presented at the conference. Authors are invited to submit research papers electronically via the EFMA website indicating if your paper should be considered for



the EFM Special Issue in 'Sustainability, Climate Change and Financial Innovation'.

To submit your paper to the EFM journal please go to:

<https://efmaefm.org/OEFMJOURNAL/submissions/submissions.php>

Papers will be reviewed following normal EFM standards.

Key Dates:

To aid in the development of papers, a two-day conference will be held at Birmingham Business School, University of Birmingham, Dubai, United Arab Emirates on November 25-26, 2022. The conference will feature an evening reception on November 25 with a Panel session. Conference paper presentations will be on November 25 and 26 at the newly constructed Birmingham Dubai campus. Deadline for submission to the conference is July 15th, 2022. Authors will be notified about acceptance to conference by August 1st, 2022. Acceptance to the conference does not guarantee acceptance into the European Financial Management.

