



Contributions to the **Palgrave Handbook of Sustainable Finance**

An edited collection to be published by Palgrave Macmillan

The John Molson School of Business, the Emerging Risks Information Center (ERIC), the Jacques Ménard - BMO Center for Capital Markets at Concordia University, and the Baden-Württemberg Cooperative State University kindly invite accepted authors to submit their papers to the edited book collection *Palgrave Handbook of Sustainable Finance* to be published by Palgrave Macmillan.

Co-edited by

Thomas Walker, PhD

Dieter Gramlich, PhD

ABOUT THE BOOK

Sustainability in finance is a forward-looking concept integrating economic, social, and ecological factors into funding and investment decisions. It creates and protects long-term financial value, and it positively feeds back on the surrounding system. The increasing challenges from economic growth, environmental degradation, and socio-political frictions demand a higher consciousness of the connectivity of these factors and their relationship with the financial markets. Effects materialize in a physical dimension, where environmental disasters cause material damages with subsequent losses for the financial system, and/or in a regulatory dimension, where policy makers intervene in the markets to enhance the stability of the financial system.

The proposed *Palgrave Handbook of Sustainable Finance* aims to address the integration of economic, social, and ecological factors to achieve balanced and enduring financial decisions. The concept of sustainable finance has two main implications:

- Because it involves a larger set of decision factors, sustainable finance tends to be more complex than traditional finance. Evidence from the past cannot adequately guide the sustainable transformation of our financial system. A major challenge is that data and expertise is sparse in many areas, requiring the development of new evaluation models and risk management techniques. Sustainable finance therefore both demands and provides major opportunities for research and innovation.
- Sustainable finance is also an emerging concept offering multiple opportunities for and evidence from practical applications. Developing techniques to assess drivers of sustainability in financial investments is a new dimension of financial engineering as is the combination of financial instruments with elements of sustainability. The creation of relevant datasets and models and the use of machine learning techniques offer further opportunities for innovative applications in this area.

The proposed handbook will focus on the challenges and opportunities in sustainable finance as well as the interplay between sustainable finance research and applications. In addition to assessing most recent work in this area, the book will feature innovative articles that offer insights into ground-breaking academic, practical, and regulatory advancements in the field.

This edited collection will explore new developments in sustainable funding and investment strategies, sustainable risk-return management, and digital sustainable finance. Whenever possible, the book will take a forward-looking and future-oriented perspective to accompany the process of sustainability transformation. As the global economy and its participants try to navigate and address growing concerns relating to climate change, a detailed understanding of the current research and practical advances in the field is of utmost importance.

POTENTIAL TOPICS FOR CHAPTERS

The handbook will include contributions from theory and practice, i.e., a combination of conceptual and applied models. More specifically, both an academic discussion of sustainable finance directions and strategies as well as a collection of case studies and practical instruments to create, manage, and regulate sustainable investments. It will also include forward-looking and innovative approaches to current advances in the field, as well as contributions integrating sustainable finance and digitalization, regulation, reporting. We envision the following structure:

- 1. CONCEPTS OF SUSTAINABLE FINANCE – AN INTRODUCTION**
 - a. Overview of the topic and the book, basic concepts and research directions
 - b. Challenges in the field and first steps undertaken
 - c. Political and macroeconomic context – The European Union (EU) Green Deal, EU Sustainable Finance Initiative, and similar global developments
 - d. Sustainable finance and management strategies
- 2. THE MARKETS FOR SUSTAINABLE FINANCE**
 - a. Opportunities and directions
 - i. Clean energy, recycling, regenerative resources, water infrastructure, emissions trading
 - ii. Impact investing
 - b. Country-specific and regional challenges
- 3. SUSTAINABLE FINANCE INSTRUMENTS**
 - a. On-balance sheet instruments
 - i. Green bonds, blue bonds
 - ii. Sustainability-linked loans
 - b. Off-balance sheet instruments (sustainability derivatives)
 - i. Water and weather futures
 - ii. Markets for water rights
- 4. RISK-RETURN MANAGEMENT IN SUSTAINABLE FINANCE**
 - a. Assessing Sustainability: A review of the taxonomy in the field
 - b. Physical risks, transition risks, reputational risks
 - c. Concepts of sustainability-specific risk-return management
 - d. Sustainable finance regulations and reporting
- 5. INFRASTRUCTURE OF SUSTAINABLE FINANCE AND SUSTAINABLE INVESTMENTS**
 - a. Marketplaces, exchanges, platforms
 - b. Sustainability indexes
 - c. Digital sustainable finance, machine learning
 - d. Sustainability knowledge: education, knowledge platforms

Submitted chapters must be original and exclusively prepared for the book, with no part of the article having been published elsewhere.

IMPORTANT DATES

- Full chapter submission no later than – **August 31, 2024**
- Feedback to the authors no later than – **October 14, 2024**
- Revised chapter submission – **November 30, 2024**
- Manuscript delivery – **February 25, 2025**
- Publication (tentative date) – **Summer 2025**

GUIDELINES FOR CONTRIBUTORS

Submissions should be written in English using a non-technical writing style. The contributions may include diagrams/illustrations to present data, or photographs/figures (all in black & white) to better illustrate the topic of discussion. Submitted chapters should be original and exclusively prepared for the present book. **No part of the article should be published elsewhere.** Chapters must not exceed 7,000 words (word count includes body text and references but does not include the abstract and a possible small appendix), must use 1.5-line spacing and 12 pt. Times New Roman font, and must use the APA 7th edition reference style. Specific formal guidelines are provided.

Drafts should be sent via email to: sustainablefinance@concordia.ca.

Authors will be notified about the status of their drafts.

CONTACT

For inquiries, please email sustainablefinance@concordia.ca.

ABOUT THE EDITORS

Thomas Walker

Thomas Walker holds an MBA and PhD degree in Finance from Washington State University. Prior to his academic career, he worked for several years in the German consulting and industrial sector at such firms as Mercedes Benz, Utility Consultants International, Lahmeyer International, Telenet, and KPMG Peat Marwick. His research interests are in emerging risk management, corporate finance, venture capital, sustainability & climate change, Fintech, corporate governance, securities litigation, and institutional ownership, and he has published over eighty articles, book chapters, and edited books in these areas. He is the lead editor of ten books on sustainable financial systems, sustainable real estate, sustainable aviation, environmental policy, emerging risk management, innovations in social finance, and water risk management. In 2018, he founded the Emerging Risks Information Center (ERIC, <https://emerging-risks.com>) which conducts targeted research on environmental, technological, and societal risks that affect our world today. In 2021, he became the inaugural director of the Jacques M  nard/BMO Center for Capital Markets at Concordia University and the Concordia University Research Chair in Emerging Risk Management (Tier 1).

Dieter Gramlich

Dieter Gramlich is a full professor and the head of the banking department at Duale Hochschule Baden-W  rttemberg (DHBW) Heidenheim, Germany. He received his PhD from the University of Mannheim and his Habilitation degree from the University of Halle. His main research focuses on financial risk and return management, systemic financial stability, and sustainable finance. He has published widely in these areas and recently has co-edited the books *Water Risk and Its Impact on the Financial Markets and Society* (2021) and *Water Risk Modeling – Developing Risk-Return Management Techniques in Finance and Beyond* (2023). He was the deputy chair of banking and finance at the University of Halle, a visiting professor at Cleveland State University and the Cleveland Federal Reserve Bank and is a recurring visiting scholar at Concordia University, Montreal, where he recently co-founded the Emerging Risks Information Center.