

Research on the Innovation Path of China's Green Financial System

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Abstract: With the depletion of energy sources and the gradual shortage of various natural resources, individuals and societies are becoming increasingly aware of the significance of energy conservation and environmental protection. It is now widely accepted that economic development should be based on the principle of environmental sustainability. With this in mind, the concept of green finance has emerged as a potential solution for aligning the financial system with ecological goals. This paper aims to provide a concise introduction to the concept of green finance, focusing on its relevance in the Chinese context. In addition, it explores the innovative strategies and practices adopted by China in developing its green financial system, highlighting its role in facilitating the transition to green and sustainable economic development. Finally, the paper offers recommendations for strengthening and improving China's green financial system. In doing so, the paper contributes to the broader discussion on environmental finance and sustainable development.

Keywords: Green Finance; Economic Market; Energy Conservation; Environmental Protection

Introduction

With the development of economic and social modernization, the destruction of natural resources is becoming more and more serious, and the problem of environmental pollution is gradually emerging. Based on this, China's economic development should transform to green and sustainable, and promote the development and reform of green financial system. Through the system to maintain the quality of environmental management, complete the transformation of financial economic market to ecological environment protection.

1. Introduction to the concept of green finance

In the guidance on building a green financial system issued in 2016, the concept of green finance is clearly indicated: in order to support environmental improvement, cope with the impact of global climate change, carry out economic activities of resource saving and efficient use. In the macro sense, green finance is the financing behavior of energy conservation and environmental protection projects, and it is an important means to transform green mountains and green waters into economic resources. Only by giving full play to the maximum effect of natural advantages, can we effectively complete the work of environmental governance, guide high and new technology into high pollution industries, carry out technological reform, and promote the sustainable development of society. The core function of green finance is to carry out the reform of market capital mode, and guide its investment center to resource saving technology development and ecological environment protection industry. Green finance emphasizes green consumption, sets up the concept of green environmental protection, and resolutely resists the speculation caused by excessive attention to short-term interests [1].

2. China's green financial system innovation practice strategy

2.1 Green financial development incentives

Under the management system of green finance, governments at all levels should establish a multi-dimensional collaborative incentive framework system including green industry and environmental economy, optimize the green allocation of finance, and increase the proportion of financial expenditure on green infrastructure. Through the incentive policies in investment promotion,

technological innovation and tax preferential treatment, we can improve the incentive effect of green financial development, effectively reduce the risk weight of green assets, reduce the cost of financial instruments, improve the risk sharing mechanism of income and cost, complete the enthusiasm of financial institutions and investors in the green financial market, and attract more investors into the green financial industry. The government should realize the differentiated management of the industry standards, take the technical characteristics of the industry and environmental risk assessment as the main evaluation criteria, and use this to complete the operation guidelines, realize the quantification of green financial risk management, adapt to the speed of market development, and promote the innovation and development of green financial instruments. It should be noted that although emissions trading can bring significant environmental benefits, it does not apply to all pollution control work, and its policy applicability should be judged according to the actual payment request.

2.2 Improve legal and regulatory measures

It is often the most direct and effective green financial innovation strategy to construct the system through the legal system, and complete the green financial market reform by clarifying the legal responsibility of environmental protection that enterprises and social institutions need to bear when they obtain economic benefits. Taking the Superfund act of the United States and the Grenell act of France as examples, it is clear that the lender should bear the legal responsibility for environmental pollution in the process of economic transaction, and act the external environmental risk on the decision-making process of enterprises and social institutions. Through the improvement of legal supervision measures, we can effectively protect the legitimate rights and interests of pollution victims, strengthen the punishment of pollution project responsibility, and improve the responsibility consciousness of financial institutions in the development of green financial system through economic measures. Strengthen the supervision of financial institutions, establish the reputation evaluation mechanism of financial market subjects, clarify the environmental pollution and energy consumption responsibility of social financial subjects in daily operation, refine the social environmental protection responsibility, and rely on financial institutions to participate in green financial activities.

2.3 Build green financial markets

A sound green financial management market can create good conditions for the development of the green financial system and speed up the scientific and modern industrial construction. With the improvement of the national green financial market and the continuous expansion of the scale of financial products, the realization of unified market standard system is the prerequisite for the reform of the green financial system. Improve the management policy of economic development, improve the information circulation channels of green finance, and help managers grasp the basic information of green finance development in the first time. Regularly carry out knowledge lectures to provide theoretical basis for enterprise managers, analyze the problems encountered in the actual process, and help them make green development decisions. Strengthen academic exchanges between different regions, seek deep exploration of green financial management technology, pay attention to the practical application of theoretical knowledge, and ensure the rationality of the development of green financial market through rich practical experience. Financial institutions should define the risk management standard of investment and financing in a unified way, ensure that the standard covers the whole process of green industry investment and financing project construction, solve the practical problems of market reform in the first time, and realize the green financial market risk management and environmental risk management through the integration of relevant resources and talents, and refine the work rules of project approval, implementation audit, monitoring and supervision. The evaluation criteria are quantified. Pay attention to the protection of scientific research achievements, improve the quality of scientific research personnel, and constantly explore the green financial technology. Fundamentally reduce the damage to the natural environment in the process of social and economic development, combine intelligent technology with green environmental protection technology, improve the efficiency of green financial management, and realize the common progress of production efficiency and environmental protection^[2].

2.4. Adhere to the sustainable development policy

No matter what kind of green finance comprehensive management plan, its actual treatment effect is "temporary but not permanent". If we want to solve the problem of innovation and development of China's green finance system, we should promote the sustainable development policy and implement the economic concept of resource-based cities. With the continuous expansion of the concept of green finance, its position in the economic market development is gradually rising, and the effect of becoming the core

concept of urban economic transaction development is more obvious. In this mode, it promotes other industries to gather green production factors, and improves the development level of market economy. In this process, we should strengthen the leadership and management functions of the government, and build a systematic management system of sustainable development of resources. We should give proper financial support, especially for some green economic development projects with large scale, high income and good environmental protection effect, and strengthen the application of sustainable development ability. As far as the sustainable development of green finance is concerned, we should combine with the law of market economy, guide the redistribution of financial market interests, coordinate the relationship between the development of natural resources and economic development, and create a good atmosphere for the sustainable development of green finance system.

Conclusion

To sum up, China's green financial system has a broad development. With the continuous practice of green financial policy by relevant subjects in China, some scholars began to make qualitative and quantitative analysis on the effect of green financial policy. Staff should be aware of the importance of green finance development and participate in vocational training regularly. In order to improve the overall quality of green financial system under the premise of energy conservation and environmental protection, we should strengthen the emission monitoring of financial institutions and summarize the experience in the process of practice.

References

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