The Impacts of Sustainable Banking on Deposit Money Banks in Nigeria: A Critical Analysis

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Abstracts: **Majority of Banks all over the world are resolute, resilient and consistent in the adoption of sustainable banking as a tool to achieve significant boast in certain banking parameters such as: comparative edge over other banks that are reluctant to adopt and practice sustainable banking, application of positive risk management framework, increase in profitability, and deepening the marketing segments to increase sales etc.**

Nevertheless to state that a typical example in Nigeria is Access Bank PLC which has adopted sustainable banking as a core value, making it possible for the bank to consistently posting impressive profits after tax, translated into increase in earnings per share for the benefit of the stakeholders and maintaining a stable capital base. This is due to its consistent growth, triggered by its adoption of sustainable banking.

It is imperative to point out that sustainable banking has positive impacts on the banking industry in particular as noted above and on the economy in general because of its ability to boast the critical sectors of the economy, thereby engineering economic growth and development. In view of the above, the Central Bank of Nigeria (CBN)being on the driver's seat of formulating Monetary Policy has to propel the banks to adopt and implement sustainable banking through the issue of circle on the Principles of Sustainable Banking in September 2012, which are to be aligned with the goals and objectives of each bank.

The paper will therefore deeply analyze the advantages of Social Responsibility, critically examine the principles of sustainable banking, strategically undertake robust appraisal of the positive and the negative impacts of the sustainable banking on the banking industry and the economy as well and will highlight some important recommendations which will put the principles of the sustainable banking on spotlight for policy formulation and adoption by the banks.

I. INTRODUCTIONS

Succinctly stated that no organization exists in isolation of its environment and the society in which it operates, which is inclusive of Deposit Money Banks (DMBs), DMBs are deposit taking Institutions and active in the creation of loans through lending. In the performance of these critical functions they interact with the Environment and the Society (E&S) in which they are operating. Specifically stated, the Banks, interact with the E&S, through the process of offering them their products and financial services, through Social Responsibility, and in the application of local law.

Sustainability is very crucial in maintaining balance in the environment in order to ensure harmony in the E&S with the industries that operate within them. Sustainability is critical in maintaining institutional changes in the subset of the technological changes, economy and even the social and political landscape which may inter face with the cultural set up. The view is clearly illustrated by James, Paul et al when they pointed out that sustainability through also; cultural, politically and technologically without taken considerations of the social angle, Wandenberg, J.C defined sustainability as a socio-ecological process characterized by the pursuit of a common ideal. Shaker, R.R. (2015) opined that the term 'sustainability' should be viewed on humanity's target goal of human-ecosystem equilibrium (homeostatatis) while sustainable development refers to holistic approach and temporal approach that leads us to the end point sustainability. However, there is a doubt if human society will achieve environmental sustainability, due to continuous environmental degradation, climate change, over consumption, population growth and the society pursuit of unlimited economic growth in the closed system. "More than that, sustainability implies responsible and proactive decision-making and innovation that minimizes negative impact and maintains balance between ecological resilience, economic prosperity, political justice, and cultural vibrancy to ensure a desirable planet for all species now and in future" liam Magae (2013) et al.

The 2005 World Summit on Social Development identified Sustainable Development goals, such as economic development, social development and environmental development; these are sometimes referred as the three pillars of sustainability. It should be noted that the three dimensions reinforces each other and therefore are not mutually exclusive. However, none canbe taken in isolation. UCN/UNEP/WWF (1991) viewed sustainability as something that improves quality of human life while living within the capacity of supporting eco-system. It must be mentioned that sustainability is a process and founded on global society in respect of nature, universal human right, economic justice and even cultural peace. However, we need to mention that sustainability is based on seven modalities: Resiliency in ecology is the capacity of an ecosystem to absorb disturbances and still retain its basic structure and viability, History of sustainability traces human-dominated ecological system from the earliest civilization to the present day. Circularity: is the fact that resources are continuously being recycled and the most prominent among that is the circular economy, Measurement: measurement is the quantitative basis for the informed management of sustainability.

Therefore, Deposit Money Banks in their interaction with E&S in pursuit of their business must adopt the three pillars of the sustainability namely: environment, social and the economy which are assumed to constitute sustainable banking. The Banks like any other profit making organization is in business to make profit. It is clear and logical that banks in the pursuit of such profit must ensure that they adopt and operate within the society in which they exist, who should also benefit from their operations. . The banks must been couraged to develop business that impacts positively on the society; such critical action is regarded as Social Responsibility. That is why the International Organization for Standardization (ISO) emphasis that a business's relationship to its society and environment is a critical factor in operating efficiently and effectively.

Accordingly to Investopedia Social Responsibility means that individual and companies have a duty to act in the best interest of their environment and the society as whole. Social responsibility should not be taken in isolation from the sustainable banking; it is just a subset of sustainable banking. Banks that adopt sustainable banking must voluntarily invest in Social Responsibility which may in future impact positively on their key financial metrics, enhancing their credibility and reputation within its environments. Therefore, Social Responsibilities which may be in form of philanthropic undertaking by the bank, promoting and volunteering environmental changes are fundamentals to sustainable banking. International Organization posited that "Social Responsibility of an organization for the impact of its decisions and activities on society and the environment, through transparent and ethical behavior: contribute to sustainable development, including the health and the welfare of the society, and to take into account the expectation of the stakeholders." ISO 2600 (20100

Not all the sustainable critics believe in social responsibility, Economist Milton Friedman stated that "Social Responsibility of business is notable for analytical looseness and lack of rigor" while freedman is of the opinion only individual can have Social responsibility, business by their very nature cannot. The above perception has been given impetus by some critics that argued that Social Responsibility distract from the fundamental economic role of business: others argue that is nothing more than superficial window dressing or 'greenwashing'

But it must be pointed that sustainable banking strategy must be, according to Alejos Gongora (2013) "Any organization inclusive of banking sector has an obligation to act for the benefit of the society and this crucial task may be regarded as Social Responsibility. It is a new business paradigm for business organizations which creates positive impact on their environment and the society while performing business; it must mention that banks have to key into this ideology which leads to sustainable banking." However, sustainable banking strategy to be more effective and robust must be undertaken voluntarily by the management of the Banks. Banks should proactively make sustainability to be a part and a parcel of their mission goal to integrate more effectively the objectives of the banks with sustainability and that will make the banking services and their products to be environmentally and socially sustainable friendly. However, such critical sustainable strategy will position the bank positively to the society and creating possible drivers to attract more customers.

While sustainable development is the process of strategic changes in our social system and institutions that is needed to achieve sustainability. However, sustainable banking includes three components: Environment and Social risk in investment and lending processes. Lending and investment to green industries/projects and finally how bank manage their own Environment and Social footprints such as undertaken Corporate Social Responsibility initiatives. In view of the above fact that is enunciated by Gelder (2006) when he pointed out that in finance and in banking Industry, sustainability is also about how we design, build and execute our banking businesses for the long run that is taking holistic view of resources. Sustainability in banking should be seamless blend of corporate culture, an endeavor for business and operational innovation and excellence along with socially responsible and customer-focused attitude which go beyond the basic compliance requirement of being a sustainable bank: example of sustainable banking products: employment of ATM for balance enquires, mini-statement and even receipt, E-Statement, Green loan for corporate and green loan for individuals.

Therefore, "sustainable banking is an approach that recognizes not only that banks are the pillars in driving long-term economic development and economically viable, but also environmentally responsible and society relevant. "(United Nations Environment Program Finance Initiative.)

II. CRITICAL ANALYSIS OF SUSTAINABLE BANKINGPRINCIPLES

The principles have been developed by and for the banking sector in Nigeria to signal their commitment to economic growth that is environmental responsible and socially relevant. As financiers and business leaders, the banks recognized the role that they can play to deliver positive development impacts to society whilst protecting the communities and environment in which they operate. The principle is the guiding parameters by which individual banks has to operate which will be aligned to their goals and objectives to achieve maximum implementations. Such positive implementation of the principles will act as powerful tool to drive the kind of profitable and sustainable economic growth the banking sector needs and wants to see in Nigeria. Specifically three sector guidelines have been developed for the role of banks with regard to driving sustainable investment in the lending to three sectors critical to Nigeria's continued growth, namely: agriculture, power and gas.

In September 2012, CBN issued a circular directing banks, discount houses and development finances institutions to implement Nigeria Sustainable Banking Principles. The Nigeria, Sustainable Banking Principles are a set of doctrines or principles that CBN issued to banks in form of circular to comply. It must be noted these principles were previously approved by the Bankers' Committee for adoption by the Banks. The CBN Principles are based on International Sustainable Financial Standard and which was established by introducing best practice, but are developed in line with the Nigerian context and developmental needs.

The principles specify actions to be taken and they are as follows:

1. *Our Business Activities: Environment and Social Risk Management:*

The banks will integrate environment and social (E&S) consideration into decision making processes relating to the business activities of the banks to avoid, minimize or offset negative impacts:

In the application of this principle it calls to reason for the banks to incorporates its decision- making objectives mechanism for identification of potential risks, how to access the extent of the risk and how to mitigate the risk and the impacts on the business of the customers arising from the E&S impacts. The banks must help the customers to mitigate the risk where it is possible. The extent of the banks risks exposure will be classifies as low, medium or high risk based onthe funding of the customers businesses, tenor, including the cases where the banks take up the ownerships of company or has equity on the businesses.

The banks can take the under listed approach to mitigate the risk arises from E&S:

Developing of appropriate E&s polices which applies how to integrates and mitigate the risk s through the dev3lopment comprehensive of risk formwork or enterprise risk management framework

Development of appropriate E&S procedures: A bank should develop appropriate E&S management procedure as a formal part of its client engagement d approval process.

I. Categorization of potential ES risk.
II. Development of appropriate E&S reporting criteria.

2. *Our Business Operation : Environment and Social Footprint:*

The banks will avoid, minimize or offset the negative impacts of their business operations in the environment and local communities in which they operate and, which possible, promotes positive impacts.

Bank will consider the direct impact on the environment and the society arising form its own Business Operations. A bank should be the driving force in the community by finding ways to avoid, minimize, or offset negative impacts while innovating new means to achieve positive gains. The bank should establish its (E&S) footprints through: efficient use of materials and resources, compliance with applicable labor, social standard, and Alignment of a Banks community investment programs.

In implement this this principle the Bank should take particle approach in the management of negative impacts on its business approach by:

I. Developing environment management program which will address the following climate changes, water efficiency, waste management, and environmentally friendly facilities.
II. Compliance with relevant labor and social standard
III. implementation of a community program
IV. Application of E&S standard to relevant third parties.

3. *Human Rights:*

The bank will respect rights in their Business Operation and Business Activities.

This goes to show that sustainable banking approach recognizes and respects human and labor rights in a Banks's Business Operations as well as Business activities. Good labor and human resources practice are important partners and clients with good human right records which ensure that they retain talented and productive workforce.

I. The implementation of this principle requires the followings:
II. Development and implementation of a human rights policy
III. Integration of human rights due diligence into E&S procedures.
IV. Investment in resources and training of staff rights issues.

4. *Women's Economic Empowerment:*

The Banks will promote women's economic empowerment through a gender inconclusive workplace culture in their Business Operations and seek to provide products and services designed specifically for women through their Business activities.

Therefore, women economic empowerment refers to the ability of women to participate in, wholly contributes to, and fully benefit from, the Nigeria economy without prejudice and in a way that recognizes the value of their contributions respects their dignity, creates a faire distribution of income. it must be pointed out Economic Empowerment increases women's access to economic resources and opportunities including jobs, financial services, property and other productive assets, skill development and market information. By catering through the delivering of the financial services to the marginalized population of the economy who needed financial service and products they will be integrated to the mainstream of the economy which will improve their standard of living and making it very resilient to any hash economy

I. Implementation of the principles involves the followings:
II. Developing and implementing a women's economic empowerment policy.
III. Establish a Women's economic empowerment committee
IV. Develop initiatives and programs to promote and celebrates women empowerment
V. Invest and dedicate resources for women talent.
VI. Support the establishment of a sector-wider women empowerment fund.

5. *Financial Inclusion:*

Banks will promote financial inclusion, seeking to provide financial services to individuals and communities that traditionally have had limited or no access to the formal financial sector.

Banks should design a strategy that will make financial service and product accessible and at affordable costs to the disadvantage group who are not currently having access to financial sector by aggressively adopting the policies of financial inclusion as stipulated by the CBN. The financial inclusion will bring the marginalized group into the mainstream economy which will make them resilient for any hash economic situations and offering them some financial stability. Financial inclusion is a critical instrument for reducing poverty by making it possible for the poor and the disadvantaged group to access banking services inclusive of loans,

Implementation of these important principles involves the following:

I. Developing and implementing financial inclusion policy
II. Providing development and growth support to SMES
III. Improving financial literacy and providing institutional practice
IV. Improving access to bank facilities and services.

6. *E&S Governance:*

The Bank will implement robust and transparent practice in our respective institutions and access the governance practices of our clients.

It must be mentioned that the way an organization is governed provides an insight into the organization's business practices and accountability and defined the extent of its credibility and transparence before the stakeholders. A client with sustainable commitment but poor E&S governance practices can presents a serious business problems to the bank.

Implementation of the principles involves the followings:

I. Establish E&S governance responsibility.
II. Develop institutional E&S governance practices
III. Activity support key industry initiatives that aim to address E&S governance with clients operating in sensitive sectors.
IV. Implement E&S performance –linked compensation and incentive schemes.
V. Establish internal and, where appropriate , external E&S audit procedu4s
VI. Increase public disclosure and dialogue.

7. *Capacity Building:*

The bank will develop individual institutional and sector capacity necessary to identify assess and manage the environmental Business Activities and social risks and opportunities Banks' associated with their Business Operations.

Bank employees must be able to understand how and when E&S issues may be associated with the capacity relating to Banks business Activities and Business Operations and what are consequent implications for the bank. Therefore knowledge, skills and capacity relating to Sustainable Banking must be built from top levels of management to all relevant employees.

Implementation of the principles involves developing appropriate institutional capacity and the under listed:

Identify relevant and responsibilities for delivery against Sustainable Banking commitments.

I. Provide Sustainable Banking training sessions
II. Create practical E&S training tools and resources
III. Multi-stakeholder capacity building.

8. *Collaborative Partnership:*

Collaboration Partnership will be encourage across the sector and leverage international partnership to accelerate our collective progress and move the sector as one , ensuring our approach is consistent with international standard and Nigeria development.

Collaborate partnership recognize and support only the banks can play in further developing Nigeria's economy whilst acknowledging that Banks can do more together than acting alone. In applying these principles, the banks should collaborate in a sector –wide effort to drive improved standard and the progress and Sustainable Banking in Nigeria consistent with International Standards and emerging industry best practice.

I. To implement this principle, a Bank should:
II. Collaborate and coordinate with other banks.
III. Convene sector-wide workshop and events
IV. Commit to international standard and best practice imitative
V. Establish and participate in Nigeria sector level initiatives.

9. *Review and Report progress*

We will regularly review and report on our progress in meeting theirs Principle at individual institutions and sector level:

The banks should develop and apply metrics for monitoring, measuring and reporting implementation progress. In applying this principle, a Bank commits to continuously monitor and measures performance against each of the Principle and will report progress against targets to it relevant internal and external stakeholder.

I. Establish a Sustainable Banking reporting template
II. Set clear targets and relevant performance indicators
III. Ensure the necessary systems are in place to collect data
IV. Agree the frequency, nature and format and external reporting.

III. POSISITVE IMPACTSOF SUSTAINABLE BANKING

i) A comparative advantage over others: On September 24, 2012, the CBN introduced sustainable banking principles under the aegis of the Banking Committee for the adoption and implementation by the Banking Industry. The principles were made compulsory for all banks for adoption and involve an organization taken care of its environment and the society it operates, in the process the bank seems to market its products to the society through social responsibility paradigm which is envisage to contribute positively to the life of the stakeholders and organization as well. The Banks that inject fund to Social Responsibility projects are bound to recover such outlay through greater products delivery, which impact positively on its profitability. Therefore, there is obvious comparative advantage to such banks that adopt sustainable banking as a core banking processes because of strong marketing strategy it confers on them. Emphatically stated, there is strong nexus between sustainable banking and increase in sales of the financial services, many banks budgeted greater part of their overall expenditure toward social development, this is glaring when one analyses their annual financial statements. Moreover, it gives credence to the potent reason that such bank that adopts sustainable banking seems to inject both accountability and transparency in their business processes than other banks.

ii) Sustainable banking improves the welfare of the stakeholders and the society at large: "Banks expect to be involved and promote sustainable development through corporate social responsibility though which the organization will behave ethically, contribute positively to the society welfare and improve the quality of life local community and community society at large." Odetayo, T.A. et. al (2014). The bank through sustainability will increase its goodwill tremendously which boost their external image attracting more customers to them by way of word of mouth advertisement which is very effective in Nigeria to be one of the potent tools to penetrate and retain market share in the banking landscape. According to Herbert Wigwe Managing Director Officer of Access Bank,(2018) sustainability to us is responsible business practices and community investment. Our work in sustainable development primarily focuses on health, arts, spots, education gender empowerment and environment of the bank.

iii) Sustainable banking is a driver to economic growth: There is no doubt that sustainable banking can be a positive factor to drive the growth of the economy, that is the main reason the CBN continues to establish and improves the existing framework , guidelines and regulations which mandates banks to implement sustainability in their business operations and activities . "Sustainable businesses are the ones that are able to ensure their future. They are able to cut down on energy and waste costs, which will in turn, have a positive impact on their bottom lines. Ignoring the relevance and importance of suitability is foolhardily" said Herbert Wigwe (2018). This goes to support the view that sustainability is of utmost importance for the growth of banking sector and considering the critical importance of banking sector in the economy, the growth of banking sector is actually the driver for the growth and development of the economy. It is imperative that sustainable banking is consistent with the individual and collective business objectives, and can stimulate further growth and opportunities as well as enhance innovation and competiveness. It must however, be noted that one of the major reasons for adopting sustainable banking are both the communities and environment in which they operate tend to gain tremendously. There is solid and in-depth understanding that it will deliver positive development impacts on the society whilst protecting the community in which they operate. More especially the sustainable banking if effectively adopted by the bank, becomes a strategic weapon to foster the business objectives of the banks and to stimulate farther economic growth. Sustainable banking is a vehicle for growth enhancement, and reinforces product and process innovation, and providing a strategic lead in developing new markets, and increasing sales of the existing products, all these are critical components in generating economic activities.

According to Collins Nweze the Nigerian Sustainability Business Principle (NSBP) , which was established to reverse the trend and bring better life to Africans, has bought stakeholders in the financial sector together to enhance economic growth and promote common good through sustainable banking practices. He went further to advocate that to reduce poverty rate in the region equities collective action from financial institutions and implementation of sustainable banking principles that promote financial inclusion and Corporate Social Responsibly should be applied.

iv) Sustainable banking is a key to management of risks by thebanks. The banks in their interaction with community through delivering banking services and marketing their products are bound to encounter many risks such as credit risk, market risks, legal risks and operational risks etc. it is however, noted that any bank that strictly adopts the sustainability will be able to mitigate and reduce to its barest minimum any risk it may encounter. Therefore, operate within its risk appetite. Banks must be prudent to manage its environment that in the new era of mental and social risks and seek out new opportunities in the financial sustainable banking. That goes to support the fact that Banks understand the fact that sustainable banking is a central pillar in management of (E&S) risks and by seeking new opportunities.

Nevertheless to state that investment climate is changing and banks must adopt some strategies to manage their investment decisions, while capital market decision has to be based on purely two-dimensional risk analysis, however a 2017 report by Deloitte of sustainable banking, posited that decisions are based on three dimensions: risk, return, and impacts. In other words sustainability helps to tackle the dimensional environment problems by aiding the management of the banks to identify the problems and formulate and implement policies that are necessary for strategic investments in the economic landscape. Sustainable banking is critical to understanding, managing and mitigating risks and enables the banks to operate within their risks appetite. Sustainable banking therefore can reduce both financial risk and protect corporate and brand reputation though actions that create positive stakeholders relationships, generate community support and increase employee loyalty, thereby reducing the risk of delay in new product introductions and negative share holders re solutions.

v) Sustainable Banking is a key to increase the profit of the banks: There is no doubt that any bank that is dedicated to sustainability will safely project a steady increase in their profit accumulation and earning per share percentage for the benefit of the shareholders and other stakeholders. It is noted that banking thrives in an environment where lenders promote activities that make life better for the people. Indeed, banking should strive to meet the triple bottom line: People, Planet, and Profit beyond the profit motive, banks should ensure that the people and the environment where the business is done are beneficiary of their business operations. International Finance Corporation has shown through many studies there is a direct link between a company's (E&S) practices and higher stable profits, as well as stronger growth compared with other banks, what is more , the benefits extended beyond the balance sheet by improving an institution reputation and building investors' confidence. "Sustainable business is ones that are able to ensure their future. They are able to cut down on energy and waste costs, which will in turn have a positive impact on their bottom lines. Ignoring the relevance and importance sustainability is foolhardy" Hebet Wigwe.(2018). Therefore sustainable banking is of great importance in increasing financial stability and performance of Banks. That is central reason that Elkington (1998) pinpointed that companies should not only focus on enhancing its value through maximizing profit and outcome but concentrate on environmental and social equality. However, it must be stressed that will inturn enhance the profit of the company or material, through ensuring capital efficiency, return on investment can be improved by reducing working capital and replacing product. To this end, Nigeria banks adopting the principle of sustainability have to focus on government agencies, healthcare, security, housing agriculture arts, and tourism, charity organization, religion social clubs and youth development**.**

IV. NEGATIVE IMPACTS OF SUSTAINABLE BANKING

i. The operation of the Business Corporation who are customers to the banks can Impact negatively on the society and environment; such as air and water pollution, threats to human health and safety, violations of labor rights, or displacement of livelihoods. Each of the impact as mentioned above may have hidden external costs which may yield a negative shock on the overall economic growth and development. When banks provide financial products and services to the customers more especially cooperate ones with poor (E&C) performance, these will impose negative impacts on the society and the environment. More especially it will expose the banks to risks in the form of operational risks, legal risks, reputational risks, etc. Nevertheless, banks business operation may have negative impacts also both on the environment and the society and the efforts to ameliorate such negative impacts may constitute huge costs on the banks.

ii. Money Deposit Banks in their quest in delivery financial services and other products to their customers, invariably are exposed to both E&S risks. These constitute negative impact on such banks as we have already pointed out. The bank must be proactive and adopts a positive Risk Management Framework which will be a footprint to plan how to copy up with the risks. The bank in taken such approach, there will involve a huge cost implication which may however impact negatively on the profit potential of the bank.

However, the extent of the Banks' exposure to the risks depends on the type of products and services the bank provides and the nature of the banks involvement with a particular customer and the likelihood and/or severity of potential E&S impact. "The financial product or services will be associated with high, medium and low levels of potential exposure to risks based on funding, tenor, including cases where the bank takes an ownership of stake in equity or commodity, a context, industry sector, and the type of transaction: corporate, housing" Guidance Note (2012).

Emphatically, the type, quantity and the severity of environmental and social issues that present a risk to financial institution for any given transaction depends on variety of factor, including geographic context, industry sector, and the type of transactions: corporate, housing, insurance, leasing, microfinance, project finance, retail, short term finance, small and medium enterprise and trade.

iii) Sustainability can impact negatively on human consumptions. It is noted that the underlying factor of direct impacts on the environment is human consumptions. This impact is reduced not only consuming less but also making the full cycle of productions, use and disposal more sustainable. Consumption of goods and services can actual be analyzed and managed by all scales through chain of consumptions, starting with effects of individual's lifestyle choices and spending patterns, through the resources demand of specific goods and services, the impacts on economic sectors though national economics to the global economics. Nevertheless, the impact on the consumption and therefore on marketing landscape, will actually hurt the exponential growth of the economy because of the direct negative effects on the metrics of the economy of the country which may have direct negative impacts on the banks operating within the economy. This may affect the ability of the bank to deliver their services to their customers seamlessly. In view of the above, Brower, M. et al (1919) argued strongly that "A major driver of human impact on Earth system is the destruction of biophysical resources, and especially, the Earth ecosystem. The environmental impact of community or of humankind as a whole depends both on population and impact on per person, which in turn depends on complex ways on what resources are being included. Whether or not those resources are renewable and scale of human activates to the caring capacity of the ecosystem involved."

Ehrtich, P. R et al attempted to express environmental human impact mathematically which he developed in the 1970s and is called 1 pat formula. The formulation attempts to explain human consumptions in terms of three components: population numbers, levels of combustions, (which it terms "affluence", although the usage is different) and impact per unit of resources (which is termed "technology" because this impact depends on the technology used) the equation is expressed

1 = P*A*T. where 1= Environmental impact, P= Population, A= Affluence, T= technology.

It is hoped that banks operating within sustainability should use this formula to know the extent of its involvement and cost implication on sustainability banking because of its implication on budget proposals.

iv) Policy continuity and implementations may constitute a major problem; One of the major problems that bedevils the sound and strategic implementation of economic projects is continuity, therefore fears has been expressed that in the event the present Governor of Central Bank is retied that the sound policy of sustainability banking may not continue in the same tempo of pursuit and implementation. The main source of uncertainty and doubt is due to Nigeria business environment and the possible reversal of the policy and the principle by the incoming Governor of CBN. It is opined that sustainability banking may take a back sit or even be completely abandoned.

In addition, some critics are of the view that sustainability agenda is subtle ploy by western institutions to make emerging markets firms(Nigerian Banks included) uncompetitive. This view tends to position commitment to sustainability as a strategy that could be dropped when enabling conditions are no longer feasible.

V. Lender's liability is associated with the financial risks banks face when granting loans, this is charged on the overall financial position. Banks in taken decisions on extending loans to their customers and other lenders rely on financial statement of companies in making important decision to extend credit or not. It is instructive for Banks to be fully and accurately informed about decommissioning liabilities to avoid unacceptable high financial risks. There are certain hidden liabilities under the current reporting requirements; potential environment liabilities can easily remain undiscovered unless a lender can end up spending the money on clean- up sites contaminate through their clients activities.

The borrower ability to meet financial obligations to clean up contaminated sites might impair his or he ability to repay a loan. .The contaminations mighty also reduce the value of the collateral. Prudent lenders are following the environmental trends and changed in regulatory framework, to assess the possible implications of these changes on their overall client's financial positions.

V. RECOMMENDATIONS

It is a truism that banking business is established to make profit both for the benefit of the stakeholders and also for the society in which they operate. Therefore, banking business should be value focused as must be operated with Social Responsibility possibilities in mind. in order words, the bank must use a part of its profit to undertake Social Responsibility for the benefit of the society and the environment in which it operates. It must be opined that the CBN, the Nigeria Deposit Insurance Corporation (NDIC), Deposit Money Banks (DMBs) are of the opinion that banking business can only thrive positively in an environment (E&S) and commitment to communities where the business is done, are made the central pillar of the business. The Banks should therefore be encouraged to adopt sustainable banking as an important component of their critical strategy for their long term goals and sustainability. According to Collins Nweze (2018) banking thrives in an environment where lenders promote activities that make the life better for the people indeed, banking should strive to meet the triple bottom line: People, Planet and Profit. Beyond the profit motive, banks should ensure that the people and the environment where the business is done have something to cheer.

DMBs have to establish a Sustainable Committee at executive and Board level, taken with the responsibility of steering the banks' sustainability strategy. The committee will be charged with the responsibility for the supervision of the banks' sustainability activities. This includes monitoring performance and producing public reports of the bank's sustainability.

Banks must strive to establish culture of sustainability among the staff from top to bottom, and should make sustainability banking and its observance by the staff as an important component of the assessment in the performance evaluation process. This process will make the staff to imbibe the philosophy of sustainability banking for the benefit of the banks and the E&S in general. It will act as a catalyst in introduction of Employee Volunteering Scheme which is crucial of making the bank to be committed to empowering people, engineer the growth of the community and will also provide the platform for the employees to give feedback to the Society. The cumulative impact of the whole strategies will be captured by the footprint of the banks in the delivering sustainable banking across the country which is located in four pillars: economic responsibility, sustaining societies, collaborating and partings. These are the sustainability strategies adopted by the by ACCESS bank who has won a lot of prices for its commitment in sustainable banking as demonstrated by its quantum growth and expansions.

The Nigeria Banks like the International counterparts should adopt the strategy of innovation, and being proactive in capturing the opportunities associated with sustainability banking, instead of staying at the back seats and waiting for opportunities that may not materialize. The banks should look critical into their own environment and the society to develop new products such as loans specifically designed for environmental businesses to capture new market and opportunities associated with sustainability. This will surely expand their market segment and create more key drivers of delivery their financial products and services to the communities and the society at a reasonable profit.

The banks need to develop Environmental and Social Risk management system which must incorporates the principles and key drivers in the identification of (E&S) risks and opportunities, according to CBN the degree and level of (E&S) management should compete with scale and scope of the Banks's business opportunities and stimulate and give a critical direction for the banks to establish its risks outlay accurately. Therefore, its recommended for each bank to apply the principles for its utmost advantages.

Capacity building must be taken seriously by the banks in their quest to apply and implement successfully the sustainable banking framework. Banks' employees should be in the position through acculturation of the sustainability to be able to understand the implication of E&S issues on the Banks business activities and operations and the ability of the banks to drive their business process for the optimum performance. Therefore, knowledge, skills and capacity relating to Sustainable Banking must be built from top levels of management and to all relevant employees. This will involve not only the attending of Seminars and Courses but encouraging the interaction of the staff with the other staff of other banks on the sustainable banking.

The banks to achieve very efficient application of sustainable banking should develop and apply metrics for monitoring, measuring and reporting implementation progress. In applying these principles, a Bank commits to continuously monitor and measures performance against each of the Principle and will repot progress against targets to it relevant to internal and external stakeholders.

VI. CONCLUSION

In finality, despite the positive impacts of the sustainable banking on the banking industries, and the enthusiasm by which the principle of sustainable banking was launched and welcomed by the banking institutions in Nigeria, unfortunate only very few banks are adopting the principles of the sustainable banking to drive their banking processes.. The majority of the banks are paying lip services on its adoption and implementations. This is quite unfortunate. The Access bank that is in the forefront of implementing the principles of sustainability has been reaping the fruits in terms of quantum growth of its profit potential and with appreciable increase in customers followed by constantly introduction of new products in the financial market as well.

However, it must be stressed conclusively that sustainable banking triggers a lot of positive impacts on the Deposit Money Banks specifically by ensuing continuous growth and expansion of the banks, increase in their profit base and capital accumulation and ensuring that the customers are satisfied with divergent financial products and services. Sustainable banking stimulates growth and development of the Nigeria Economy while fostering a sound and amicable society in the environment within the ecosystem. To this end, the CBN must compel all the banks in Nigeria to adopt as culture the application of the sustainable banking and each management of the bank to set up administrative mechanism by which all staff must be a participant in the promotion and application of the sustainable banking. Nevertheless, monitoring, evaluation and feedback as pointed out above must be a part and a parcel of the scheme to ensure efficient and effective application and the implementation of the enunciated principles of sustainable banking. This will enable the management also to take corrective measures when there is a shift from the major objectives of the scheme.

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