



## **Circular Economy and Green Bonds in Europe: Bank Sector Implications**

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### **Abstract**

Investigation regarding the development action tool of the circular economy and green finance is of great importance for the growth of the social economy. Green bonds are becoming an important part of sustainable development due to their capacity to finance environmentally friendly projects. Previous studies have analysed the role of financial institutions in the circular economy. However, most of them have been limited by the lack of available data. Our research compares four European banks in terms of green bond issuance and describes the most significant projects financed through green bonds. Our findings show the green sectors with a higher growth and the marked rise in green bond issuance, especially in 2021 in the energy efficiency sector. Our work has a large potential impact on the effect of climate change, as we underline the enormous efforts and implications of the financial institutions in the development of sustainable financial products, especially in green bonds.

**Keywords:** Circular Economy, Environmental impact, Green Bond, Green Sectors, Sustainable financial products.