

Analysis of Developing Commercial Bank Green Finance Programs

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Abstract. Contemporarily, global climate change and the depletion of traditional resources have fueled the rise of environmental awareness, making environmental protection and sustainable development an international trend. The active participation of commercial banks in green finance not only enhances their reputation but also helps to gain social support. The study discusses the importance of commercial banks' active participation in green finance in the context of global environmental protection and sustainability trends. The study highlights the theoretical and practical significance of Chinese commercial banks in green financing, and introduces the policy measures and innovative products of ML City Agricultural and Commercial Bank in promoting green finance in the region. In addition, the article mentions an innovative rural insurance product called "Green Farmer Insurance", which aims to help farmers cope with weather- and environment-related risks and promote sustainable agricultural practices. Theoretically, the green financial business of Chinese commercial banks is relatively lagging, and more relevant theories are needed to enrich and improve it. In fact, under the national strategies of peak carbon and carbon neutrality, green development has become an important theme that requires a large amount of green investment, and financial institutions are the main driving force of green finance.

Keywords: Green finance; sustainable development; commercial banks.

1. Introduction

Against the backdrop of the financial sector and the increasing emphasis on sustainability, green finance, as a financial practice that responds positively to the need for environmental protection, is gradually gaining widespread attention. As a core component of the financial system, commercial banks are key players in the promotion of green finance. However, although the value of sustainable development and green finance development has been widely recognised, its specific impact on the development of commercial banks and their role in this area have not been fully elucidated. The purpose of this study is to delve deeper into the "Study on the Design of Green Finance Development Programmes for Commercial Banks" to explore how commercial banks are responding to the growing environmental pressures and their role in promoting sustainable finance. Under this research framework, the author will combine literature review, empirical case studies and other research methods to fully understand the interrelationship between green finance and commercial banks.

In the course of the study, the design of a green financial product, which aims to introduce sustainability elements into the business model of commercial banks in order to achieve both environmental and economic benefits, will also be introduced. This green financial product will be included in the study to examine its practical application and effectiveness in the sustainable development of commercial banks. Through an in-depth analysis of the intertwined relationship between commercial banks and green finance, this study aims to provide empirical support for the development strategies of commercial banks in the field of sustainable finance, as well as to demonstrate the potential of the designed green financial product in practice. In order to avoid the financial risks associated with environmental problems, the concept of green finance was first proposed. In recent developed countries, the time of economic take-off is early, and the time of concentrated outbreak of environmental pollution is also early, so the phenomenon of environmental risk triggering financial risk also appeared in developed countries in Europe and the United States first. In 1998, the World Bank began to formulate the "Pollution Prevention and Abatement Handbook" to improve the environmental evaluation procedures. In 2002, the International Finance

Corporation organised a seminar on the assessment of the environmental and social impacts of financial institutions in London. After the meeting, the participants actively supported the preparation of a framework platform for environmental and social impact assessment in project financing, and the Equator Principles (the Equator Principles) came into being.

Salazar argues that green finance is a crucial bridge between the environmental industry and the financial industry, and that green finance links finance and the environment in order to achieve resource conservation [1]. Scholtens argues that the Equator Principles emphasise the concept of coordinated and sustainable development of the economy and the environment [2]. Chami states that the development of green credit business has a positive impact on commercial banks in terms of creating a good social image and practicing more economical decision-making behaviour [3]. Robert suggests that commercial banks carrying out green financial business will enhance their operational efficiency, thus further promoting their own sustainable development [4]. According to Simon, commercial banks initially engaged in green finance in response to central bank regulatory requirements, but over time, commercial banks have been able to obtain financial support from central banks to engage in green finance operations [5].

In addition, Gao argues that taking environmental protection as an inseparable element of the operation of the financial industry is of strategic significance as it is the basis for protecting the sustainable development of the financial industry [6]. Zhang suggests that the financial industry has a significant relationship with sustainable development, and that the financial sector in developed countries has already paid attention to sustainable development, but China's financial industry has not yet fully recognised it. It is suggested that China actively conducts research, incorporates the concept of green finance, guides the actions of financial enterprises, and formulates guiding principles and environmental standards [7]. Ba et al. argued that China's low-carbon industry needs green financial support to solve financial needs, reduce environmental risks, and promote sustainable development [8]. Yao pointed out that green economy promotes green financial innovation, including green credit, green securities and green insurance. The carbon financial system has gradually emerged with the establishment of international conventions, covering areas such as carbon emissions trading and carbon funds. These trends have promoted the establishment of a global green and carbon financial system [8]. Gao mentioned that the introduction of green finance will help improve the safety of Societe Generale's assets and contribute to the stability of the bank's development [9]. Xue found that China's green finance and rural revitalisation development show a positive spatial correlation, and the role of the effect is significant, the development of green finance directly led to the development of local rural revitalisation, but also promote the level of rural revitalisation development in surrounding areas [10]. Against the backdrop of the financial sector's increasing emphasis on sustainable development, green finance, as a financial practice that responds positively to the need for environmental protection, is gradually gaining widespread attention. As a core component of the financial system, commercial banks play a key role in promoting green finance. However, although the value of green finance in sustainable development has been widely recognised, its specific impact on the development of commercial banks and their role in this area have not been fully elucidated.

The purpose of this study is to delve deeper into the "Study on the Design of Green Finance Development Programmes for Commercial Banks" to explore how commercial banks are responding to the growing environmental pressures and their role in promoting sustainable finance. Under this research framework, the author will combine literature review, empirical case studies and other research methods to fully understand the interrelationship between green finance and commercial banks. In the course of the study, the design of a green financial product, which aims to introduce sustainability elements into the business model of commercial banks in order to achieve both environmental and economic benefits, will also be introduced. This green financial product will be included in the study to examine its practical application and effectiveness in the sustainable development of commercial banks. Through an in-depth analysis of the intertwined relationship between commercial banks and green finance, this study aims to provide empirical support for the development strategies of commercial banks in the field of sustainable finance, as well as to

demonstrate the potential of the designed green financial product in practice. The innovation of the article lies in the fact that most of the current domestic research on green finance is based on macro research, with less research on specific regions; research on the impact of green finance on commercial banks is also mostly in the exploration of the impact of green credit business on the performance of commercial banks, and relatively little research on the proposed innovative financial products. Therefore, to a certain extent, this paper has, regional and innovative.

2. Basic Theory

Green finance refers to financial practices that promote sustainable development by taking environmental sustainability and social responsibility into account in financial operations. It covers a wide range of areas such as investment, financing, and insurance, and aims to support the direction of sustainable development such as environmental protection, low carbon, and clean energy, while reducing the risks associated with the environment and society. This includes investment in environmentally friendly projects, green bonds, sustainable corporate financing, etc. The 2016 Guiding Opinions on Building a Green Financial System provides a clear definition of green finance: green finance represents those financial services that comprehensively support environmental improvement activities, mitigate climate change, and promote the efficient use of resources in economic activities. Compared with traditional finance, the most prominent feature of green finance is that it places more emphasis on the interests of the living environment of human society, takes the level of environmental protection and the effective use of resources as one of the criteria by which the effectiveness of its activities is measured, and business management skills entities watch out for the balance of the natural ecology through their own activities. It aims to achieve coordinated financial activities developed and environmental protection, ecological footprint, and ultimately achieve sustainable economic and social evolution. Green finance and traditional finance policy-based finance have something in common, This means that its implementation needs to be supported by government policies. The traditional financial sector, in line with current policies and the idea of the "economic man", the aim is economic benefit, or takes the fulfilment of policy tasks as its duty, the latter of which is policy-driven financing. In the absence of policy, environmental resources are public goods, financial institutions are unlikely to take the initiative to consider whether the lender is producing or providing an environmentally efficient service.

The emergence of the philosophy of sustainable development is a result of a gradual and in-depth study of nature environmental protection issues are affecting nations around the world. In particular, the Human Environment Declaration was adopted by the first Conference on the Human Environment held in Stockholm in 1972, requires human beings to take timely and large-scale measures to protect the environment, not only to protect the present generation's survival is dependent on the natural environment, but also to meet the needs of natural development of future generations. The concept of sustainable development, which requires coherent development encompassing environmental protection and economic and social development, was first put forward at the United Nations Conference on Environment and Development in Rio de Janeiro in 1992, where sustainable development and a programme of action were proposed. The Conference called on the world to adopt economic and social development strategies that are in harmony with ecological and environmental development, and further developed the issue of sustainable development from its earlier conceptual theories into concrete programmes of action, while the United Nations Conference on Sustainable Development held in Johannesburg in 2002 stated that development remains the common theme of humankind. Sustainable development is inextricably linked to the environment, the economy and society, and it is necessary to promote the overall development of society through a sustainable and favourable ecological environment and sustainable economic growth. The core of green finance is to reflect the strategy of sustainable development through the operation of financial business. Green finance introduces the concept of ecology into financial enterprises, making the concept of ecology the core concept of their business activities, so as to achieve sustainable financial development.

Corporate Social Responsibility (CSR) refers to the total value that an enterprise creates or pays for the country or society, and the responsibility that an enterprise is committed to ensuring that it operates. The idea that business operations must be consistent with sustainable development is at the heart of the concept of CSR, and to look beyond its own financial and operating performance to its social and environmental impact. CSR can be reflected in the use of green finance to support environmental protection and sustainable development projects. By purchasing green bonds, obtaining green loans or investing in green projects, enterprises can fulfil their commitments in environmental protection. Green finance can also encourage enterprises to adopt more environmentally friendly and socially responsible strategies, thereby promoting the realisation of sustainable development goals. Thus, CSR and green finance are mutually reinforcing and together play an important role in building an environmentally friendly and socially sustainable future.

Table 1. Policies related to green finance in the People's Bank of China and the interbank market

Times	Formulation
22nd Dec 2015	Announcement from the People's Bank of China [2015] No. 39 (Central Bank Green Financial Debt Report)
31st Aug 2016	Guidelines for the development of a green financial system
22nd Mar 2017	Business Guidelines on Green Finance Instruments for Non-Financials
25th Sept 2017	Issues relating to the implementation of credit policy and the improvement of environmental protection
13th Dec 2017	Guidelines for assessing and certifying environmental bonds (preliminary)
5th Feb 2018	People's Bank of China Notice on Matters Related to Strengthening Supervision and Management of Green Financial Bonds During Term
20th July 2018	Notice of the People's Bank of China on Matters Relating to Strengthening Supervision and Management of Green Financial Bonds during their Duration.
13th May 2019	People's Bank of China supports green bond issuance in green finance reform and innovation pilot zones
18th March 2021	Circular clarifying mechanisms related to carbon neutral debt
2nd April 2021	Catalogue of projects supported by green bonds (2021 issue)
27th May 2021	Green finance evaluation programme for banking institutions
28th April 2021	Ten questions and answers on sustainability linked bonds (SLBs) from CMA
10th Jan 2022	Notice on the strengthening of self-discipline management of credit disclosure during the survival period of green financial bonds

3. Feasibility of Green Finance for Agribusiness Banks

In order to implement the national major strategic plan on carbon peak and carbon neutrality, ML Farmers and Merchants Bank has taken the initiative to explore the regional green financial development mode and path, increased green financial product innovation, actively created a green financial environment, strengthened the coupling degree between financial policies and green industries, and promoted green financial work to a new level. As can be seen from Table 1, the Chinese government has attached great importance to green finance in recent years, including policy guidance, standardised development, credit support, green bonds and carbon finance promotion, aiming to promote environmental protection projects and sustainable development. For green finance business, the government has formulated a series of business guidelines and codes of conduct, such

as the Business Guidelines on Green Debt Financing Instruments for Non-Financial Enterprises and the Guidelines on the Conduct of Green Bond Evaluation and Certification to ensure that green finance business is carried out in a standardised manner. The linkage between credit policy and environmental protection is mentioned in a number of documents, emphasising the need for financial institutions to take environmental factors into account when granting credit and encouraging support for green industries and environmentally friendly projects. The documents cover the issuance, assessment and certification of green bonds and green debt financing instruments, which provide financing support for green projects and are conducive to the financing and development of environmental protection projects.

Climate change has led to more frequent natural disasters, such as droughts, floods and storms, which create uncertainty for agriculture. Farmers need green insurance to address these risks and protect crops and incomes. More and more farmers are adopting sustainable agricultural practices, such as organic and ecological farming. Green insurance can provide specific coverage for these farms and encourage the growth of sustainable agriculture. Consumers are increasingly concerned about health and the environment, which has led to an increase in demand for organic and eco-friendly agricultural products in the agricultural market. Farmers can use green insurance to ensure that their production meets these market demands and to reduce the risks associated with sustainable agriculture. At the end of June 2023, the balance of green loans of ML Farmers and Merchants Bank reached 89.59 million yuan, a net increase of 11.09 million yuan from the beginning of the year. And it has initially drafted documents and programmes, actively explored the formulation of policies to support the environmental protection, energy conservation, clean energy, green transport, green building and other green and low-carbon industrial sector access policies, and actively publicised the implementation of green credit.

4. Policies Related to the Development of Green Finance at ML City Farmers and Merchants Bank

First, it builds the whole process green credit management. Throughout the business process, the concept of green credit is applied, requiring all departments and branches to strictly abide by national environmental protection laws and regulations, earnestly implement industrial policies and industry access policies formulated by the bank management and supervision, and strictly control the access gate at the stage of business acceptance and due diligence investigation; on the review of credit, the customer's environmental protection information is taken as an essential element of the credit review, and is included as an important content of the credit review, and the implementation of environmental protection requirements is carried out. "one-vote veto system"; on post-credit management, it understands the borrowers' environmental protection compliance in accordance with the law by communicating with environmental protection departments, paying attention to media reports, making on-site visits and other means, and carries out timely risk warnings for customers with large environmental protection hidden dangers or those who have committed major environmental violations and, if necessary, implements credit compression and exit strategies (COSCO Concrete).

Second, optimise the approval process of green credit issuance. Implementing the time-limited approval requirements, it is clear that the approval process for credit support to key enterprises with loans of less than RMB 3 million will take no more than 3 days, and no more than 7 days for loans exceeding RMB 3 million. For eco-agriculture, energy saving and emission reduction, green and low-carbon transformation enterprises, water conservation and prevention, ecological protection, safety production, cultural relics protection and other industry sectors, optimise the service process, establish a green channel, improve the quality and efficiency of the business, and realise the enhancement of green loans.

Third, increase green credit investment. ML Farmers and Merchants Bank closely around the municipal party committee and the municipal government's work deployment, focusing on public transport, water conservancy and hydropower, clean energy, energy-saving transformation, ecology

and environment and other key areas, and continue to increase credit support, helping to develop green industries in the city of ML. As of the end of June, 54 farmland construction loans were issued to support the project of "converting small fields into large fields", amounting to RMB 224 million; RMB 1.251 billion of private enterprise loans were issued, a net increase of RMB 267 million compared with the beginning of the year; RMB 82 million of credit loans for knowledge value was issued, a net increase of RMB 82 million compared with the beginning of the year; and RMB 741 million of loans for the manufacturing industry was issued, a net increase of RMB 153 million compared with the beginning of the year. manufacturing loans of 741 million yuan, a net increase of 153 million yuan from the beginning of the year.

Fourth, actively promoting green office. The Bank actively advocates "green office and low-carbon life", vigorously advocates thrift and frugality, deepens the dissemination of green office concepts, and comprehensively creates an atmosphere of green and low-carbon development. One has launched the creation of green branch demonstration outlets in all of the outlets, and gradually built with a good environment for green credit development, perfect hardware facilities, and a solid management foundation.

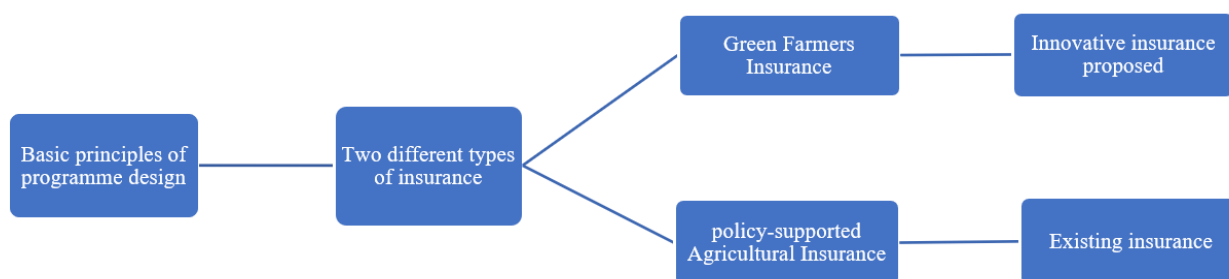


Fig. 1 A sketch of the basic principles of programme design.

Table 2. Basic principles of programme design

Operational principles	Beneficence Principle
<p>Personalised Pricing: Green Farmers Insurance uses an accurate pricing model based on data analysis to set personalised premiums based on farmers' farming practices, historical risks, geographic location and weather data, which makes the product more actionable.</p>	<p>Risk management: Green Farmers Insurance helps farmers effectively manage weather and environmental risks, reducing the losses they may face. This contributes to the maintenance of rural livelihoods and sustainable agricultural development.</p>
<p>Automated Claims: The automated claims system triggers claims based on weather data and losses, simplifying the claims process, reducing the administrative burden on farmers, and improving operational efficiency.</p>	<p>Sustainable agriculture: By providing support for sustainable agriculture, the product helps to improve agricultural practices and increase the yield and quality of agricultural products, thereby enhancing profitability.</p>
<p>Additional services: Sustainable agricultural support and specialised insurance options provide added value to farmers, helping them to improve their productivity and resilience to risk.</p>	<p>Reduced financial risk: Farmers can choose the right amount of coverage and premiums according to their needs, which helps reduce financial risk and ensures that they remain financially stable in the face of unpredictable risk events.</p>
<p>Flexible contract terms: Flexible contract terms can be adjusted to farmers' needs and agricultural cycles, enabling farmers to choose the coverage period that best suits them.</p>	<p>Social and Economic Stability: The Green Farmers' Insurance contributes to the stability of rural communities as it reduces the risk of poverty for rural households in the face of disasters or unfavourable conditions, contributing to social and economic stability.</p>

5. Design of Green Finance Development Programme for ML Farmers and Merchants Bank

The Fig. 1 and Table 2 list the basic principles of programme design. Policy-supported agricultural insurance is a form of agricultural insurance that is supported and administered by the government or a government agency to help farmers and the agricultural sector manage agricultural risks. Here is some important information about policy-supported agricultural insurance:

Government-backed: This type of insurance is usually funded or partially funded by the government to ensure that farmers have access to insurance coverage that mitigates the risks they face.

Risk Coverage: Policy-supported agricultural insurance usually covers agricultural losses due to natural disasters (e.g., floods, droughts, storms) as well as market fluctuations (e.g., price drops).

Pricing and Costs: Premiums are usually set by the government or a government partner based on the specific circumstances of the agricultural product, the region, and the farmer. The government may subsidise a portion of the premium.

Beneficiary Farmers: This type of insurance helps to protect farmers' income and agricultural assets, thereby improving their livelihood stability.

Promoting agricultural development: Policy-supported agricultural insurance helps to encourage farmers to adopt more advanced agricultural practices, knowing that even in the event of uncontrollable risk events, they will be compensated to a certain extent for their losses.

Managing Risks: Through policy-supported agricultural insurance, governments can better manage agricultural risks and reduce the financial impact in the event of a disaster.

Overall, policy-supported agricultural insurance is an important tool that can help preserve rural livelihoods and promote sustainable agricultural development by providing farmers with a certain safety net against unpredictable risks. Different countries may have different policy-supported agricultural insurance schemes and implementation modalities.

As for Green Farmers Insurance, the key issues are listed as following:

Scope of insurance: This insurance product covers agricultural and rural economic activities such as farming, livestock and forestry, and aims to help farmers cope with issues such as environmental risks and climate change.

Regional Scope: Different insurance policies are formulated according to the meteorological and environmental risks in different regions, ensuring that the insurer provides targeted coverage for farmers in different regions.

Contract term: flexible contract terms that can be adjusted to farmers' needs and agricultural cycles, ensuring that insurance products are practical and adaptable.

For insurance products, it includes:

Insurance coverage: including meteorological and environmental related risks such as extreme weather events (e.g. drought, flood, heavy rainfall, freezing), disease outbreaks (livestock and crops), and ecosystem damage.

Sum Insured: Based on the size of the farmer's farmland, type of agricultural products, historical risks, agricultural practices, etc. The sum insured can be individualised to ensure that farmers are adequately covered when exposed to risks.

premiums: based on farmers' agricultural practices, historical risks, geographic location and weather data, an accurate pricing model is used to provide lower premiums for low-risk farmers to encourage sustainable agricultural practices.

Regarding to deductibles:

Deductible Setting: based on the extent of the loss and the size of the farmland, which can be adjusted for different risk events to reduce the burden on farmers.

Partial Deductible: for small scale losses, the deductible may not be required to be paid to reduce the financial pressure on farmers.

Insurance terms and conditions:

Validity period: Covering the whole agricultural cycle from planting or breeding, including planting, growing and harvesting stages, to ensure that farmers are covered throughout the production process.

Cancellation policy: Farmers can cancel the contract at any time with prior notice so that the insurance company can adjust accordingly.

Risk assessment: Risk assessment is carried out several times a year to adjust premiums and coverage to ensure that the insurance company is able to keep abreast of changes in the risks of agricultural production.

Claim payment method:

Payout amount: Calculated based on factors such as severity of loss, farmland area, type of agricultural products and production costs to ensure fair payout.

Automatic Claims Payment: Based on meteorological data and losses, the claims payment process is automatically triggered to reduce the claim time and improve the efficiency of claims settlement.

Claims Procedure:

Reporting Loss: Farmers need to report the loss as soon as possible after it occurs and provide relevant evidence so that the insurance company can process it as soon as possible.

Fast processing: The insurance company will process the claim request within a short period of time to ensure prompt payment, so that farmers can receive timely support when facing risks.

Additional terms and options:

sustainable agriculture support: agricultural technology, planting advice and training are provided to help farmers improve their productivity and resilience to risks, and realise the development of green agriculture.

Specific insurance: Farmers can choose specific insurance, such as agricultural harvest insurance or disaster recovery insurance, to meet their specific needs.

As for advantages of Green Farmers Insurance, it is listed as following:

Innovative: Green Farmers Insurance is an innovative green finance product that focuses on environmental risks and climate change issues, including extreme weather events and ecosystem damage. This makes it more responsive to today's global climate challenges.

Personalised insurance: The Green Farmers Insurance offers personalised insurance coverage and premiums, adjusted to the farmer's agricultural practices, historical risks, geographic location and meteorological data, among other factors. This helps ensure that farmers have access to insurance coverage that is tailored to their specific needs.

Low Risk Bonus: The product sets lower premiums for low risk farmers to encourage sustainable agricultural practices. This helps drive farmers to adopt more environmentally friendly and sustainable farming methods.

Automated Claims: Green Farmers Insurance uses an automated claims process that is triggered based on weather data and loss conditions to reduce claim time and increase efficiency.

Riders and Options: The product provides support for sustainable agriculture and specialised insurance options to help farmers improve their productivity and resilience to risk.

Overall, the Green Farmers Insurance product's strengths lie in its innovative, personalised, environmentally friendly propensity and automatic payouts, making it more adaptable to today's complex climate and environmental challenges. Provides farmers with more stable income security, enabling them to experiment more boldly with sustainable agricultural practices. Enhancing farmers' risk management capabilities increases their resilience to risk.

Regarding for ML Farmers and Merchants Bank's Guarantee Mechanism for Green Insurance Development, the descriptions are given as follows:

Partnerships: Build strong partnerships with stakeholders in the agricultural sector, including government departments, agricultural associations, agricultural research institutes, etc., to ensure that green insurance meets the needs of and is supported by farmers.

Client training: Provide farmer training to help them understand the importance of green insurance, how to purchase and use the insurance, and how to file a claim in the event of a disaster.

Industry Knowledge Sharing: ML Farmers and Merchants Bank can work with agricultural experts to provide information on sustainable agricultural practices and risk management to help farmers better manage their farming operations.

Financial support: Provide financial support to farmers, including loans and lines of credit to help them purchase green insurance and provide financial support in the event of a disaster.

Social Responsibility: Actively participate in social responsibility activities to support the sustainable development of rural communities, such as promoting rural education, infrastructure development and environmental protection projects.

For product deficiencies

Data accuracy and availability: The effectiveness of the Green Farmers Insurance depends on accurate meteorological and environmental data. Improve data collection and analysis methods to ensure data accuracy and timeliness to improve product prediction and payout accuracy.

Education and training: Provide wider farmer training to help them understand the benefits of Green Farmers' Insurance and how to use it effectively. Farmers need to know how to report losses and understand concepts such as deductibles and premiums.

Marketing: Increase marketing and awareness-raising to attract more farmers to participate. This could include partnerships with governments, agricultural associations and agri-technology providers to raise awareness of the product.

More added value: Consider offering more added services and value, such as providing agricultural technical support, weather information, planting advice, etc., to help farmers improve productivity and agricultural sustainability.

Risk assessment improvements: Regularly review and improve risk assessment models to ensure a more accurate reflection of the risks to farmland and agricultural products. This can help to more accurately price insurance and determine deductibles.

6. Conclusion

This study selects ML City Agricultural and Commercial Bank to develop green finance related policies as a case study, firstly, it introduces the relevant background as well as theories, secondly, it compares the policy agricultural insurance with the innovative agricultural insurance, and through the comparison, it analyses the advantages of the innovative agricultural insurance compared with the traditional agricultural insurance, and finally, it puts forward the suggestions for the improvement of the green financial business operation of the Agricultural and Commercial Bank based on the problems. Active participation in green finance contributes to the bank's social reputation, and showing its concern for environmental protection and sustainability helps the bank to build long-term and stable customer relationships, as sustainable projects usually have a long lifecycle and provide the bank with predictable cash flows.

As this paper is based on the ML City Agricultural and Commercial Bank as the research object, and the development of green finance in ML Agricultural and Commercial Bank is currently in its infancy, the difficulty of obtaining its data is high, and the paper lacks data support to a certain extent, and there is less data on specific green finance. Innovative green finance insurance can help agribusiness banks manage environmental and climate-related risks. Through green finance insurance, banks help farmers and rural businesses to cope with unpredictable risks and reduce the risk of default and loan defaults; they also provide farmers with more confidence and increased adoption of sustainable agricultural practices, thus contributing to the sustainable growth of rural economies.

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