

Impact of Climate Finance Literacy on Investment Decisions among Organizations and General Public in Sri Lanka

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ABSTRACT

Purpose: Climate change mitigation and adaptation play an important role in overcoming the climate change challenges faced by Sri Lanka today. But the major issue is the concept of Climate Finance and the importance of investing in Climate Finance is not popular among Sri Lankan people. Proper awareness about Climate Finance should take place to make climate finance an alternative investment source among people in Sri Lanka. So that they could contribute to saving the environment and mitigating climate change. Thus this research examines the literacy and awareness of Climate Finance and Climate finance sources in Sri Lankan people. Additionally, this study hopes to increase Sri Lankans' awareness of climate finance and sources and encourage them to invest in Climate Finance.

Design/methodology/approach: The quantitative research approach and deductive design were used in this study by surveying Sri Lankan bank personnel and the general public. sample of 100 people from locally incorporated banks and financial institutions, a proportion of the general public was chosen for the survey. Investing or not in climate finance is identified as a dependent variable and awareness of climate change, resources, environment, and social impact is included as independent variables. The IBM SPSS Software was used to analyze the data using correlation and regression methods.

Findings: According to the objectives of the study Climate finance literacy on investment decisions is examined based on awareness respondents have about climate finance due to personal opinion, awareness of climate change due to environmental and social aspects, awareness of climate finance and climate finance sources has a positive relationship in investing in climate finance.

Originality: Despite there being studies focusing on climate change and related policies as well as mitigating and adapting to climate change, limited research has been carried out regarding awareness of climate finance and investing in climate finance sources. Within this context, this study makes an original contribution to the area of climate financing with reference to a developing country like Sri Lanka.

Keywords: *Climate Finance, Investing, Finance Sources, Change Policy Implementations, Environment*