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Unlocking SDG Progress: The Role of Governance Quality in Leveraging Financial Flows: Policy Insights from Emerging Asian Economies

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Abstract
Green finance has gained increasing popularity as governments and institutions seek ways to address climate change, making it a priority for both domestic policy reforms and international cooperation. A major challenge for many Asian countries is the lack of funding for sustainability projects and the difficulty in mobilizing sufficient financial resources to meet the 2030 Agenda targets. The study investigates the relationship between SDGs, International finance flows, and Governance, with some controlled variables: GDP, Urbanization, Renewable Energy, Trade Openness, and FDI (inflow). This study has included 25 emerging economies of Asia, over the period of 23 years (2000- 2023). The study has applied a series of diagnostic tests before applying the fixed effect and Driscoll-Kraay SEs to check the standard error. The findings of this study are important from a policy point of view. Governance and IFF consistently emerge as a critical determinant of SDGs, which shows that the rule of law demonstrates that the presence of transparent, accountable, and effective institutions directly enhances sustainability outcomes. The study contributes to the growing debate on sustainable development by integrating Good Governance Theory and Institutional Theory into the analysis of how financial flow, governance, and other economic factors can set the path for the achievement of SDGs. The results of this study confirm that governance and institutions are an essential part of the discussion in achieving sustainability and are not peripheral to sustainability discussions.
Keyword: SDG; Green Finance; Governance; Emerging Economies; Financial Flows**.**

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1. Introduction

The concept of sustainable development was first highlighted in the United Nations (UN) Brundtland Report in 1987, also known as "Our Common Future," and since then, it has become a key point of attention for researchers, policymakers, and international legal frameworks. Over time, sustainability has turned into one of the central debates, as issues like overpopulation, depletion of natural resources, and climate change are becoming more pressing (Dilanchiev et al., 2024). South Asian economies play an important role in this debate because of their control over critical natural resources, their large and concentrated populations, and their geo-strategic importance (Arif et al., 2022). The Asian region in particular faces severe climate challenges and, as highlighted by World Bank reports, is both among the most polluted and one of the largest contributors to global environmental degradation (Shi et al., 2024).

A major challenge for many Asian countries is the lack of funding for sustainability projects and the difficulty in mobilizing sufficient financial resources to meet the 2030 Agenda targets (Prakash et al., 2022). Recently, green finance has gained increasing popularity as governments and institutions seek ways to address climate change, making it a priority for both domestic policy reforms and international cooperation (Mavlutova et al., 2023). Yet, if the economic activities of countries continue without considering their impact on the environment, the risks of climate change will only worsen. Therefore, transformation away from fossil fuels toward renewable energy sources is urgent, and financial as well as economic institutions are at the central point to support this transition (Arif et al., 2022).

Climate change today is a global threat, and it requires joint efforts by the international community. Financial support from developed economies is critical in building climate resilience and addressing issues such as greenhouse gas (GHG) emissions (Lyeonov et al., 2023). For the first time, the World Investment Report (2014) assessed the gaps in investments required for the adoption of the SDGs, while more recently, the SDGs have been widely accepted as benchmarks of sustainability. Over time, they have also been integrated into corporate sustainability policies and reporting systems (Zhan et al., 2021). With their broad coverage—ranging from environment to society to economic concerns—the SDGs are now the most commonly used framework for sustainability measurement (Yap et al., 2023).

Still, financing SDGs remains one of the toughest challenges, particularly for developing countries where economic growth often becomes the main source of funds (Bhat et al., 2024). Achieving the 2030 targets, therefore, requires balancing economic growth with environmental sustainability (Kimuli et al., 2021; Shi et al., 2024). This balance depends heavily on how effective government institutions are in enforcing regulations and managing resources, since both economic and institutional factors directly affect SDG performance (Kálmán et al., 2024). For example, while Sachs et al. (2019) identified limited investment as a key barrier to renewable energy, the IEA (2025) reported that global capital flow in 2025 rose to USD 3.3 trillion, of which USD 2.2 trillion went into renewables, efficiency, and electrification, although USD 1.1 trillion still supported non-renewable energy sources. Expanding the scope of green finance and attracting more climate-related investments can therefore directly and indirectly improve SDG outcomes (Hesary et al., 2021).

2. Literature Review and Theoretical framework

2.1 Literature Review

Currently, the world has advanced financial instruments for SDGs, but in recent years, green bonds, social bonds, and sustainability bonds have become particularly popular (Prakash et al., 2022). While climate change and environmental degradation continue to agonize the world, green finance is emerging as a critical issue in the development of sustainable economic and financial systems (Ravichandran & Roy, 2022). (Malatyinszki et al., 2024) highlighted that sustainability is closely linked to financial systems, regulatory policies, and institutional efficiency. Strong institutions play an important role in advancing environmental sustainability; effective laws, regulations, and enforcement can ensure significant use of financial resources and support the green transition by allocating funds to renewable energy, conservation, and waste management.

With its focus on aligning financial operations with ecological requirements, green finance stands out as a crucial instrument, and the effectiveness of governance shapes its impact on SDGs (Kwilinski et al., 2023). Green finance also plays a vital role in generating funds for sustainability, enhancing the flow of resources through credit, loans, insurance, and investments from private, public, and non-profit organizations to green or sustainable projects (Sadiq et al., 2023). In developing countries, preservation of biodiversity, transition to renewable energy, and improvements in energy efficiency require international assistance through bilateral and multilateral climate financing mechanisms (Adepoju, 2021; Khalatur & Dubovych, 2022). Although terms such as “green finance” and “green economy” are relatively new in the global economy (Ye et al., 2022), they can foster sustainable development and eco-friendly practices, leading to positive outcomes.

The development of green finance also creates opportunities to adopt clean technologies, enabling environmentally friendly innovations and contributing to regional development and sustainability (Dang, 2025). Green finance delivers twofold benefits: environmental sustainability and economic progress, as it generates financial flows for sustainable projects (Chin et al., 2022). However, (Leckie et al., 2021) observed that providing infrastructure alone cannot solve sustainability challenges, since low levels of capital investment often result in underperforming facilities and systems.

Governance plays a critical role in achieving SDGs, as (Bhat et al., 2024) found that institutional effectiveness can help redirect funds, including FDI, toward sustainable development. Similarly, Shi et al. (2024) emphasized that environmental sustainability depends not only on green finance but also on how strategically funds are allocated and invested. Over the past decade, developed countries have committed to mobilizing resources to help developing countries adapt to climate change and address emission challenges (Lyeonov et al., 2023). More than 150 countries have now adopted national strategies for sustainable development (Zhan et al., 2023). The financial sector plays a central role in achieving the SDGs by 2030. Advanced economies, with their higher income levels, have greater options for financing and investment (Anantachoke, 2018). To mitigate climate change and sustain global growth, more funds and investments are required in low-carbon infrastructure within a short timeframe (Butler et al.,

2022). Attracting private sector investment for large-scale projects, however, often depends on reputational concerns and compliance requirements, as private investors generally avoid economies with governance challenges (Butler et al., 2022). The quality and effectiveness of governance directly affect economic growth, the green economy, and sustainable development (Azwardi et al., 2025). Weak environmental regulations and corruption may not directly stop pro-environmental activities but indirectly harm progress by misusing funds and reducing revenues available for the environmental sector.

The government and regulatory authorities are therefore responsible for overseeing the development of green finance, while financial institutions provide assistance and evaluate risks (Mustaffa et al., 2021). Two major international agendas adopted in 2015, the Agenda 2030 for SDGs and the Addis Ababa Action Agenda on financing development, further reinforce this connection (Gnangnon, 2020). (Habib et al., 2024), studying OECD countries, stressed the role of governments in revising policies, increasing climate fund utilization, and mobilizing resources to accomplish the SDGs effectively. Despite these efforts, (Haun et al., 2019) observed that overall SDG performance in Central Asia remained underwhelming, suggesting that further work is required to collect diverse indicator data and strengthen sustainability performance.

The challenges of environmental pollution and resource depletion can only be effectively addressed by implementing the SDG principles embedded in policies (Shi et al., 2024). However, a key gap in existing research is that while most studies link governance with SDG performance through the lens of corruption control, very few examine the role of the rule of law as a governance proxy. By addressing this gap, the present study brings new insights into how legal and institutional enforcement affects the achievement of SDGs, opening debate on the effectiveness of policy and regulatory structures in this context.

2.2 Theoretical framework

2.2.1 Good Governance Theory

Good governance theory emphasises that quality of governance, such as participation, Transparency, Rule of Law, responsiveness, Consensus, consensus-oriented Equity and inclusiveness, and Effectiveness and efficiency (UNEP). The good governance theory emerged in early 1990 through the World Bank's 1989 report "Sub-Saharan Africa: From Crisis to Sustainable Growth." In the report World Bank emphasised good governance for public service, strengthening accountability, and Governance for development. The theory suggests that a well-governed institution can create an inclusive environment for effective policy implication with the rule of law. In this study the good governance can help to ensure the flow of funds in the correct path and reduce corruption through strict rules and regulations, while reducing inefficiencies and aligning with the long-term sustainability goals.

2.2.2 Institutional Theory

Institutional Theory posits that organizations are shaped by the norms and structure. The theory

was developed by (Meyer & Rowan, 1977), and they emphasised the rationalized institutional rules. The financial and economic conditions of an organisation or economy are not governed in a vacuum; they are governed by the institutional environment that governs their use. The strong and stable institution provides a base for policy implementation, reduces uncertainty, and facilitates a path for development goals. In this study, Institutional Theory explains how governance structures and institutional quality mediate the relationship between international financial flows, ultimately influencing SDG performance.

The efficiency of the government system is crucial for governments to moderate climate change and provide better human development through reducing emissions and achieving better development goals.

The study of (Omri & Mabrouk, 2020) has found that there is a positive relationship between good political and institutional governance and environmental enhancement, and will further lead to sustainable development. Similarly, the study of (Güney, 2017) also focused on the role of governance in achieving the SDGs. The better the governance, the lower the risk appears to secure a sustainable path to achieve the SDGs, the long-run sustainable goals and environmental objectives can be achieved by good governance and institutional effectiveness (Barbier & Burgess, 2021). Governments worldwide still search for solutions to advance sustainable development, and the importance of good governance as a critical tool for achieving this objective has recently become a popular subject in policy and academic circles (Bos and Gupta, 2019)

3. Research Methodology and Data

3.1 Data and Data sources.

The study investigates the relationship between SDG, International finance flow, and Governance with some controlled variables: GDP, Urbanisation, Renewable Energy, Trade Openness, and FDI (inflow) highlighted in Table 1. To conduct the analysis, the data have been collected from different reliable sources. SDG and IFF data are extracted from the UN's SDG portal, GOVRL, FDI, TO, and GDP data are extracted from the World Bank Development indicators, and RE data is collected from ourworldindata.

The study has collected the data of Asian economies a total of 30 countries were selected for the study, but due to data availability issue with some countries finally we have included 25 countries (Armenia, Azerbaijan, Bangladesh, Bhutan, Cambodia, China, Georgia, India, Indonesia, Jordan, Kazakhstan, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Malaysia, Mongolia, Nepal, Pakistan, Philippines, Sri Lanka, Tajikistan, Thailand, Türkiye, Uzbekistan and, Viet Nam) in the study, the time frame of this study is 23 years (2000-2023).

Table 1. Variables and functions with Description.

Sl. No	Function	Variable Type	Variable Specification
1	SDG	Dependent Variable	Sustainable Development Goals (Overall Score)

2	IFF	Explanatory Variable	International finance flow
3	GOVRL		Governance Rule of Law
4	GDP	Controlled Variable	GDP per capita
5	U		Urbanization
6	RE		Renewable Energy
7	TO		Trade Openness
8	FDI		Foreign Direct Investment (Net Inflow)

Source: Authors' Compilation.

3.2 Model specification

The current study employs an econometric model with the variables. Before starting to apply the econometric model, this study will test the stationary test by employing the panel unit root test. (Haini,2021). The variables employed in Equation 1 are highlighted in Table 1.

$$SDG_{it}=\alpha+\beta_1 IFF_{it} + \beta_2 GOVRL_{it} + \beta_3 RE_{it} + \beta_4 GDP_{it} + \beta_5 Ui_{it} + \beta_6 TO_{it} + \beta_7 FDI_{it} + \mu_i + \lambda_t + \epsilon_{it} \quad \textbf{Eq 1}$$

Equation 1 shows the baseline model without interaction term GOVRL with IFF. Equation 2 of the study shows the interaction term ((IFF×GOVRL) testing moderating role of governance

$$SDG_{it}= \alpha + \beta_1 IFF_{it} + \beta_2 GOVRL_{it} + \beta_3 (IFF\times GOVRL)_{it} + \beta 4 RE_{it} + \beta 5 GDP_{it} + \beta 6 U_{it} + \beta 7 TO_{it} + \beta_8 FDI_{it} + \mu_i + \lambda_t + \epsilon_{it}$$

Eq 2

Equation 2 tests whether governance strengthens or weakens the relationship between international financial flows and sustainable development outcomes.

Where i is the country, t is the time and ϵ *is* the error term. βo = Intercept term, β is used to designate the coefficient value.

For this study we have first used the Descriptive analysis of data representing its mean and standard deviation, after that Correlation matrix test, the study used the panel unit root test, to check the stationarity of the time series, the study employed ADF and PP tests to examine the stationarity of variables, then we have used heteroskedasticity test to check whether the variance of the error terms is constant in the regression model. We have used the Hausman test to choose between the FE and RE tests. VIF for multicollinearity and Pesaran CD test for cross-sectional dependency. Finally, the Driscoll-Kraay SEs test due to autocorrelation and the presence of heteroskedasticity in panel data.

4. Results and Findings

Table 2: Hausman Test

Test	χ^2(df)	p-value
Hausman	85.02 (8)	< .001

Source: Authors' Compilation.

To check whether the Fixed Effect (FE) model or Random Effect (RE) is consistent, the Hausman test is conducted. The null hypothesis that the RE estimator is consistent and FE is inconsistent

due to correlation between the regressors and the unobserved individual effects. The findings of the test ($p < .001$) strongly reject the null hypothesis, and suggesting that FE model is more appropriate for the analysis.

Table 3: Heteroskedasticity Test

Test	χ^2(df)	p-value
Breusch–Pagan (BP)	48.83 (8)	< .001

Source: Authors' Compilation.

To check the presence of heteroskedasticity in the fixed effects model, Breusch–Pagan test is applied. The test evaluates the null hypothesis of homoskedastic residuals against the alternative of heteroskedasticity. The results of this test ($p < .001$) reject the null hypothesis and confirm the existence of heteroskedasticity in the error structure. The presence of heteroskedasticity also highlighted that conventional standard errors may be biased and inconsistent.

Table 4: Serial correlation Test

Test	χ^2(df)	p-value
Wooldridge test (serial correlation)	418.06 (24)	< .001

Source: Authors' Compilation.

To test the presence of autocorrelation in the model, the Breusch–Godfrey/Wooldridge test for serial correlation was conducted. The null hypothesis assumes that there is no serial correlation is present, whereas the alternative hypothesis assumes the presence of autocorrelation. The results of the test ($\chi^2 = 418.06$, $df = 24$, $p < .001$) show that we can reject the null hypothesis and confirm the presence of serial correlation in the model residual.

Table 5: Multicollinearity test

Variable	GVIF	Df	GVIF^(1/(2*Df))
IFF	2276.74	454	1.01
GOVRL	4.68	1	2.16
RE	5.66	1	2.38
GDP	7.80	1	2.79
U	9.07	1	3.01
TO	4.94	1	2.22
FDI	2.31	1	1.52

Source: Authors' Compilation.

To confirm and check the issue of multicollinearity in the model. The researchers have conducted a Variance Inflation Factor (VIF). The results of the test show that there is no serious issue of multicollinearity present in the model. While IFF shows a high raw GVIF due to multiple degrees of freedom, the adjusted GVIF^(1/(2*Df)) remains low (≈1.01), confirming no significant multicollinearity issues.

Table 6: Fixed Effects Regression Results

(Dependent Variable: SDG)

Variables	**Model 1 (FE, No Interaction)**	**Model 2 (FE)**	**Model 3 (FE, Driscoll–Kraay SE)**
IFF	0.00141*** (0.00035)	0.00106* (0.00047)	0.00106* (0.00051)
GOVRL	1.668*** (0.439)	1.705*** (0.440)	1.705* (0.808)
IFF × GOVRL	—	-0.00091 (0.00080)	-0.00091* (0.00044)
RE	0.0163 (0.0128)	0.0168 (0.0128)	0.0168* (0.0066)
GDP	0.00037*** (0.00007)	0.00037*** (0.00007)	0.00037*** (0.00009)
U	0.512*** (0.0342)	0.513*** (0.0342)	0.513*** (0.0475)
TO	-0.00661 (0.00546)	-0.00648 (0.00546)	-0.00648* (0.00294)
FDI	0.00471 (0.0193)	0.00400 (0.0193)	0.00400 (0.0190)
N	600	600	600
R^2	0.626	0.627	—
Adj. R^2	0.606	0.606	
F-stat	136.01***	119.23***	—

Note: *p < .05, **p < .01, ***p < .001. () shows Standard Errors.

Source: Authors' Compilation.

The results of empirical analysis provide strong evidence on the determinants of Sustainable Development Goals (SDGs). The results are divided into three models, Model 1 is a baseline model of FE without the moderating effect of GOVRL on IFF, Model 2 is a FE model with moderating effect of GOVRL with IFF and model 3 is a FE model with (Driscoll–Kraay SE estimate), the FE, Driscoll–Kraay SE is applied due to presence of the heteroskedasticity, autocorrelation, and cross-sectional dependence in above diagnostics test.

Model 1 of the table shows the impact of determinants on SDG without the moderating effect of GOVRL. The results of this model show that IFF, GOVRL, GDP, and U are the determinants of SDG that drive the SDGs. The results further show that IFF, GOVRL, GDP, and U are positive, which shows that improvement of these determinants can help to achieve the SDGs, and better governance quality enhances the SDGs score. while the TO, RE, and FDI are statistically insignificant, and there is no significant impact of these variables on SDG in this study.

Model 2 of the study shows the determinants of SDG with the moderating effect of GOVRL with IFF (IFF*GOVRL). The results show that IFF and GOVRL are positive and significant individually, and reveal that increasing the financial flow can help to improve the SDGs, and good governance quality can improve the SDGs achievement, underscoring the role of institutional capacity in advancing sustainability. However, when we moderate the IFF with GOVRL (IFF*GOVRL) the impact turns negative and statistically insignificant, indicating that governance does not consistently strengthen the effect of IFF on SDG. This finding is noteworthy, as it highlights that while governance independently matters, it does not necessarily mediate the financial flows–sustainability nexus in a uniform way.

Model 3 of the study e-estimated the model with Driscoll–Kraay robust standard errors model 2 of the study due to the presence of potential heteroskedasticity, autocorrelation, and cross-sectional dependence. The results of model 3 confirms the findings of baseline model (model 2), but this study has witnessed an important shift in the result of moderating terms (IFF*GOVRL) from statistically insignificant to significant at 5% level. In model 3 results also highlighted that IFF, GOVRL, RE, GDP, U and TO became statically significant and the interaction of IFF*GOVRL, which was in insignificant, in baseline model becomes significant when the robust corrections are applied, governance moderates the relationship between IFF and SDG. The findings of this study align with the results of (Bhat et al., 2025; Kwilinski et al., 2023). (Abidin et al., 2015) Their study also confirmed that strong governance can have a positive impact on environmental management, as compared to countries with low-level control on governance or where the governance institutions are not strong. The study of (Tawiah et al., 2024) also focused on a roadmap for implementing governance and anti-corruption policies to achieve sustainability.

This finding reinforces the institutional theory perspective, where governance mechanisms can condition the effectiveness of external financial flows in promoting sustainable outcomes. The negative effect of governance on SDG suggests that the tight regulations and directions hinder the SDG progress in the short run, but may give sustainable benefits in the long run.

5. Discussion

The empirical results across all three models provide strong evidence of determinants of SDGs and the role of Governance on SDGs and financial flows, and institutional structures in shaping progress toward the Sustainable Development Goals (SDGs).

The findings of this study focus on the role of governance and international finance flow in shaping the SDGs overall core in Asian economies. The study put special attention on Good Governance Theory; for this study, we have taken the Rule of Law as a proxy for Governance. The results show that IFF and GOVRL are positive and significant across all the models, which indicates that the effect of better governance shows that countries with stronger institutional systems are better equipped to translate financial and economic resources into sustainability outcomes. This also aligns that good governance provides an enabling and inclusive environment, in which policy can be implemented effectively.

The study also provides a strong argument on Institutional Theory, which emphasizes that organizational and national responses to global challenges are embedded within institutional norms, rules, and practices. The role of IFF while moderating GOVRL is significant, which suggests that financial resources alone are not sufficient for sustainability transition or achieving the SDGs. The Governance through the rule of law plays an important role in regulating and directing these financial resources, and provides a meaningful financial inflow in SDGs progress. There may be chances in weak governance structures that funds for sustainability may be diverted or remain underutilized, which reflects the institutional gaps that hinder sustainable outcomes.

The importance of economic growth and trade openness cannot be ignored in the study; the economic factors play a crucial role in shaping the SDGs. The results of this study also provide strong evidence, and the presence of good governance further magnifies the impact of economic growth on SDG. Renewable energy and Urbanisation also emerge as a positive factor, though their effectiveness relies on long-term governance commitments that secure investment, ensure policy continuity, and integrate sustainability into development planning.

The findings of this study highlight a fresh debate on the path to achieving the SDGs. In emerging economies, the growth of SDGs is not solely dependent on generating and mobilsing the funds, but also on embedding these resources within institutional frameworks that can ensure their effective utilisation. The findings of the study confirm that governance and institutions are not fringe to sustainability, but they can be the fundamental mechanisms through which sustainability paths are shaped and formed.

6. Conclusion and Policy Implications

Over the last few decades, achieving sustainability has become the buzzword across the globe, have initiated diverse strategies have been initiated to achieve sustainability. This study investigates the impact of international financial flows (IFF), governance, renewable energy, GDP, urbanization, trade openness, and foreign direct investment on Sustainable Development Goals (SDG) performance of 25 Asian countries, over the time period of 23 years (2000- 2023), drawing on both Good Governance Theory and Institutional Theory. The study has applied a

robust econometrics technique. The study used various analyses, starting with Descriptive Statistics, Normality test, correlation matrix, Multicollinearity, Stationarity test, and finally the Hausman test for selecting the best model for the econometrics equation.

The results from the panel data revealed some of the important findings for the emerging economies of Asia. Governance and IFF consistently emerge as a critical determinant of SDG, which shows that the rule of law demonstrates that the presence of transparent, accountable, and effective institutions directly enhances sustainability outcomes. The study also highlighted that international financial flows are shown to positively affect SDG performance, but their effectiveness is contingent upon the quality of governance. The role of economic growth and urbanization plays a significant role in achieving the SDGs, but their role can be maximized by making strong institutional and governance structures.

The study contributes to the growing debate on sustainable development by integrating Good Governance Theory and Institutional Theory into the analysis of how financial flow, governance, and other economic factors can set the path for the achievement of SDGs. The results of this study assert that governance plays an important role in shaping the sustainability outcomes, consistent with the good governance theory, which highlights that transparency, accountability, and the rule of law are needed for effective outcomes. The institutional theory emphasizes how institutions, regulations, and regulatory frameworks mediate the relationship between financial flows and sustainability performance. The theoretical perspective shows that achieving sustainable development goals does not solely depend on economic or financial flows, but it is also embedded in the governance and institutional environment.

The findings of this study hold important policy implications. For policymakers, whose focus is on emerging economies in the Asian region. As per the findings of this study, the governments must focus on strengthening governance through the rule of law to ensure the financial inflows and give them the right path and channel them towards sustainability. Reforms focused on improving regulatory quality and enhancing government effectiveness are important for converting economic and financial inputs into meaningful sustainability outcomes. As a result of the study, when we interacted with the governance, finance did not give positive results. Policies should focus on building absorptive capacity and institutional mechanisms that align financial inflows with long-term sustainability strategies. These findings reinforce the broader global policy discourse that sustainable development is as much about strengthening institutions and governance frameworks as it is about mobilizing resources.

Some of the past studies have also provided strong policy suggestions based on similar studies. The government can maintain sustainability by accelerating economic growth and enforcing the release of a social corporate report on a regular basis (Ye et al., 2022). The study of (Leckie et al., 2021) has given some suggestions to increase the transparency in the commercial investment in green finance, need to make policy-level coordination and cooperation for finance. The study of (Anantachoke, 2018) in ASEAN region has provided some valuable suggestions, countries need to integrate the SDGs into long term plans rather on focusing short term goals, there is a need of promotion of green finance from private sector and international corporation is much needed, one of the most important suggestion is take a holistic approach inclusive approach that must include all the stakeholders of society, the governments of the studied countries need to blend

the private sector with the international organisations. (Butler et al., 2022) have suggested some measures for the improvement of green finance, there must be a transparent governmental approval system for projects, and there must be monitoring of these projects. There must be a transparent process for procurement process and ensure a competitive environment, one of the most important parts can be the protection of whistleblowers and engaging the stakeholders in policy formation.

The results of this study imply that governance and institutions are an essential part of the discussion in achieving sustainability and are not peripheral to sustainability discussions.

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