



FINANCING SUSTAINABLE DEVELOPMENT AND THE ROLE OF LEGAL EDUCATION: NIGERIA AND CHINA AS CASE STUDIES

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This article provides an appraisal of the Sustainable Development Goal and how they can be financed, showing how these goals can be imbedded in the legal education system of Nigeria. It is essential for legal educators and students to grasp the complex relationship between the Sustainable Development Goals (SDGs) and the law, as the SDGs encompass a wide range of legal issues extending beyond environmental matters to include economic, social, and human rights concerns. The effective implementation of many SDGs relies heavily on a sound legal framework, thereby requiring legal education to address both the direct and indirect linkages between law and sustainable development. Furthermore, the pursuit of these goals necessitates sufficient financial capacity; without adequate funding, the SDGs risk remaining aspirational and unfulfilled. This Article navigates through the study of specific Sustainable Development Goals, how they have been financed, using China as a case study and the economic benefits the actualization of these goals in this country, putting them in contrast with the progress Nigeria has made towards achieving these goals and how they can be financed. In the same vein, the article emphasizes the importance of integrating the Sustainable Development Goals (SDGs) into legal education. The objective is to equip both law students and educators with a comprehensive understanding of the principles, challenges, and practical significance of the SDGs, thereby preparing them for future legal practice in a sustainability-focused world. Furthermore, it proposes means and strategies for the coherent and uninterrupted integrating of the knowledge of Sustainable Development Goals into the law curriculum without causing a disruption to the existing syllabus and emphasizes the crucial influence of SDGs on legal education.

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1. INTRODUCTION

The concept of sustainable finance was first introduced in academic literature by Ferris and Rykaczewski in 1986, with a focus on the advantages of incorporating social investments into portfolio management. Since that time, sustainable finance has continued to develop as a dynamic and complex subject within financial scholarship.¹ The way of thinking about sustainable finance has evolved over the years, passing through different stages, its main benefits ranging from focusing on achieving short-term profit to long-term value creation.² In earlier economic models, environmental considerations were largely absent, primarily due to the perceived abundance of natural resources. As a result, both economic and financial theories focused exclusively on labor and capital, neglecting the need for prudent resource management to mitigate potential environmental risks.

To achieve sustainable outcomes, there is the need to incorporate sustainable value into all practices and outcomes, by considering government and social problems and accounting for all benefits and costs.³ Premised on the above, the United Nations (UN) adopted the 2030 Agenda for Sustainable Development which includes seventeen Sustainable Development Goals (SDGs), as a plan of action for people, planet and prosperity.⁴ The Agenda also strives to strengthen universal peace in larger freedom.⁵ The SDGs cover many economic, social, and human rights challenges. Many areas of law are relevant to the SDGs, and knowledge of the SDGs will be invaluable for the legal profession, and for the diverse career paths of law graduates.⁶ Simultaneously, law and legal

¹ Rambaud, A., Richard, J., 'Towards a finance that CARES' (2016): HAL Id: halshs-01260075.

² Schoenmaker, D., 'Erasmus Platform for Sustainable Value Creation' (2019) Working paper A Framework for Sustainable Finance.

³ Fatemi, A.M. and Fooladi, I.J., 'Sustainable finance: A new paradigm' (2013) 24 (2) Global Finance Journal 101-113, <<https://doi.org/10.1016/j.gfj.2013.07.006>> accessed 30 June 2025.

⁴ G.A. Res, 'Transforming Our World: The 2030 Agenda for Sustainable Development' (2015) 70(1) 1.

⁵ Ibid

⁶ Ruth Morgan and Sarah Bartholomeusz, 'Choosing a Law Career, in Careers in Law: A Guide For Students, Graduates, And Professionals' in M. Raz and others. (eds.) (2020) 143,

institutions play a vital role in the realization of the Sustainable Development Goals (SDGs). The successful attainment of many of these goals is contingent upon the existence of robust legal frameworks at both the international and national levels. Several SDGs are inherently linked to legal principles and must be prominently addressed within legal education. This recognition has prompted legal scholars across the globe to produce extensive academic literature exploring the intersection of law and the SDGs.⁷ However, similar enthusiasm has thus far not been seen for integrating the SDGs into the law curriculum in a comprehensive way.

Several research papers highlight the need for integrating environmental sustainability education into the law curriculum.⁸ This article primarily focuses on Sustainable Development Goals 7 and 13, emphasizing the critical need for financing sustainable development and integrating the SDGs into the legal curriculum. It explores how legal education can serve as a platform to acquaint students with the core concepts, guiding principles, and practical challenges associated with achieving the SDGs, thereby fostering a legal foundation for promoting a sustainable future. The article takes a cue from China's efforts in financing sustainable development with respect to its investment in clean energy and effort to mitigate climate change, showing how these can positively influence Nigeria's in making progressive efforts towards achieving the same. The article shows that the awareness of the relevance of the SDGs for substantive areas of legal practice is vitally important for future lawyers. This article shows how knowledge of the SDGs can be embedded in the core curriculum without any significant disruption to the existing curriculum. It discusses how the law curriculum can integrate the SDGs

143–174; see also James Miles, 'New Career Paths: From Computing Services to Library Director' (2002) 14 AALL SPECTRUM 14.

⁷ For example, Duncan French and Louis J. *Sustainable Development Goals: Law, Theory and Implementation* in Kotzé (eds.) (Edward Elgar Publishing, 2018); Jones Ebbesson, *The Cambridge Handbook of The Sustainable Development Goals and International Law* in Ellen Hey (eds). (Cambridge University Press, 2022);

⁸ David Mohan Ong, 'Prospects for Integrating an Environmental Sustainability Perspective within the University Law Curriculum in England' (2016) 50 LAW TCHR. 276–299; Peter Doran, 'Head, Hand and Heart: Immersive Learning for a Demanding New Climate at Queen's University Belfast's School of Law' (2016) 50 LAW TCHR 341–51.

and also showing how knowledge of the SDGs will shape the development of curriculum for professional law degrees.

2. THE CONCEPT OF SUSTAINABLE FINANCE: A LITERATURE REVIEW

Wafaa⁹ highlighted the history of financial sustainability, stating that the continuous use of natural resources without caution in recent times has led to the long-standing effect on the society, causing deterioration in the environmental health. He mentions that the financing of sustainability is not just to correct the damage the exploitation of natural resources has caused, but to give a long-term effect towards saving the society. He mentions that the essence of his research shows that the main role of sustainable finance is to support the move to a sustainable economy, which further contributes to the achievement of SDGs by acting as an effective tool in this transition to a green economy and promoting development in renewable and clean energy, while at the same time enhancing social and economic sustainability. The impact of the work to this article will help to show that the essence of financing sustainable development is to promote a perpetually safe environment for not just ourselves but for the future generations and why it is necessary to safely exploit natural resources.

Chen and Lu¹⁰ in their work explain the consumption of energy in China. They mention that despite China's transitioning to renewable energy, the country still remains one of the countries with the highest fossil fuel consumption which in turn plays a vital role in affecting the climate negatively. The authors give an analysis of the how much the country aim to invest in cleaner energy to reduce the negative climate impact, showing an analysis of the reduction of China's dependence on fossil fuel in previous years, showing Energy Corporation as a major contributor to the increase in the use of renewable energy.

⁹ Wafaa SHABBAN, 'What Role Does Sustainable Finance Play in Achieving Sustainable Development Goals?' 2023 Sciendo 734-746.

¹⁰ Chen Han and Lu Yang, 'Financing and Management Strategies for Expanding Green Development Projects: A Case Study of Energy Corporation in China's Renewable Energy Sector Using Machine Learning (ML) Modeling' (2024) 16 Sustainability 4338. <<https://doi.org/10.3390/su16114338>> accessed 30 June 2025.

The authors, from the case studies of the Energy Corporation and other prominent renewable energy companies, showcased a range of demonstration projects, financing models, and management technologies that have the potential to accelerate the growth of sustainable initiatives. Recommendations from expert interviews are also provided, covering areas such as optimizing investment, monitoring distributed assets, and balancing social and environmental impacts. The study adds to this work in how this Article offers recommendation on how the Nigerian government can invest in renewable energy, seeing fossil fuel is a major means of energy production in the country, in a bid to achieve the Sustainable Development Goals.

Kripa¹¹ opines that sustainable development goals aim at making obvious, the importance of development in every aspect of human life which is inclusive of education. He adds that SDG16 emphasis on the need of access to justice and to promote peaceful and inclusive society will lead to the creation accountable institutions at all levels. The author suggests measures for making legal education more effective to end of achieving SDG16. Furthermore, he mentions that the access to Justice can only be community that is well informed and so it becomes inevitable to acquire proper awareness through legal education.

Also, he mentions that legal education aims at developing lawyers who will possess social vision and an ambition to be a thriving force for social change as well individuals who understand societal issues, provide skills and knowledge to proffer solutions the issues in society.

The author in his work analyses the role legal education in India for achieving justice for all marginalized people in India and also focused on the challenges faced in field of legal education in accessing justice by marginalized communities. This role this work plays in this article is that it influences the recommendation on how the means of achieving the Sustainable Development Goals can be fused into Nigeria's legal education.

¹¹ Kripa Prasad, 'Role of Legal Education in Advancing Sustainable Development Goals' (2025) 12 (2) Journal of Emerging Technologies and Innovative Research (JETIR) 551-560.

Saiful, Felicity and others¹² highlight the benefit of integrating sustainable goals into the legal profession. Their work shows the historical background of sustainable development as well as the Sustainable Development Goals. Their work introduces the seventeen SDGs in a legal context. Furthermore, the authors elaborate the relationship between the Sustainable Development Goals and the legal system as well as presenting several case studies that covers various areas of legal education that showcase how the Sustainable Development Goals can be infused into both vital and optional law subjects. The authors conclude their work by providing some recommendations for integrating the SDGs into the law curriculum without tampering with the existing syllabus.

Sustainable finance plays a pivotal role in directing financial resources toward more sustainable sectors by examining the interplay between financial activities and environmental, social, and governance (ESG) considerations. It involves the use of financial instruments that not only facilitate economic growth but also promote financial development through more responsible and forward-looking investment practices.¹³ Thus, it will lead to more achievements in terms of sustainable development towards saving our planet.

Generally, traditional finance looks for optimal financial returns with less risk to maximise shareholder value.¹⁴ In conventional practice, the financial sector is often viewed as operating independently of social and environmental concerns, with its primary focus placed on maximizing returns. In contrast, sustainable finance adopts a more integrated approach by taking into account social and environmental considerations alongside

¹² Md Saiful Karim, Felicity Deane, Abdullah-Al Arif, Andrew Garwood-Gowers, Fran Humphries, Md Mahtab Uddin, Afshin Akhtar-Khavari, Rowena Maguire, Bridget Lewis, Lucy Craddock, Lachlan Robb, Tina Cockburn, Kelly Purser, Sam Boyle, Anne Matthew, Brydon Wang and Alex Deagon, 'Integrating Sustainable Development Goals in The Law Curriculum: Legal Education For "People, Planet and Prosperity"' (2024) 12 (196) Belmont Law Review 197-232.

¹³ Mahesh, K., Aithal, P.S. and Sharma, K.R.S., 'Impact of Sustainable Finance on MSMEs and other Companies to Promote Green Growth and Sustainable Development' (2022) 6 (1) International Journal of Applied Engineering and Management Letters 60-76. <<https://doi.org/10.47992/ijaeml.2581.7000.0120>> accessed 30 June 2025.

¹⁴ Schoenmaker, D., 'Erasmus Platform for Sustainable Value Creation' (2019) Working paper A Framework for Sustainable Finance.

financial performance.¹⁵ Accordingly, sustainable finance is defined as a form of financing that supports activities and sectors which generate positive impacts or contribute meaningfully to progress in at least one dimension of sustainability, such as environmental preservation or the fight against climate change.¹⁶

The World Economic Forum defines sustainable finance as a series of financial activities that begin with investors choosing to direct their capital exclusively toward green projects and institutions that prioritize social values and sound governance practices. Under this model, investment decisions are guided by Environmental, Social, and Governance (ESG) considerations, eliminating the perceived conflict between generating profit and protecting the planet. Consequently, investors are encouraged to uphold ethical business standards and promote inclusion, thereby contributing to the advancement of a more sustainable and equitable world.

The sustainable financial system caused non-stability in the traditional financial system and opened the way to creating suitable innovations.¹⁷ Today, the current international discourse on sustainability is focused on the environment, especially climate change. However, the concept of sustainable finance is wider, including Green Finance, as well as social and governance-related aspects.¹⁸ Certain aspect of academic literature seek to establish a causal link between various forms of sustainable finance, such as green finance, clean energy investments, environmental responsibility, and green technology. These studies aim to demonstrate how these components interact and contribute collectively to advancing

¹⁵ Schoenmaker, D., 'From Risk To Opportunity' (2017) Rotterdam School of Management 74.

¹⁶ Migliorelli, M., 'What do we mean by sustainable finance? Assessing existing frameworks and policy risks' (2021) 13 (2) Sustainability (Switzerland) 1-17. <<https://doi.org/10.3390/su13020975>> accessed 30 June 2025.

¹⁷ Ryszawska, B., 'Sustainability transition needs sustainable finance' (2016) 5 (1) Copernican Journal of Finance & Accounting 185. <<https://doi.org/10.12775/cjfa.2016.011>> accessed 30 June 2025.

¹⁸ Sommer, S., 'Sustainable finance. Essential Concepts of Global Environmental Governance' (2020) 253-254, <<https://doi.org/10.1515/zgr-2019-0022>> accessed 30 June 2025.

sustainability objectives.¹⁹ Clean energy, green financing, development of green economy and green bonds represent sustainable practices that can be measured by the ESG pillars.²⁰ While the financial market offers a wide range of sustainable financial products, services, and securities, guidelines issued by international institutions, such as the International Capital Market Association (ICMA) and the European Commission have primarily outlined the main categories. In doing so, they have grouped together several instruments, including green bonds and social bonds, under broader classifications.²¹

In order to meet the European Union's climate and energy targets, as well as the objectives of the European Green Deal by 2030, the European Commission introduced the EU Taxonomy for Sustainable Finance. Published in the Official Journal of the European Union in 2020, this taxonomy serves as a foundational element of the EU's sustainable finance framework, providing clear criteria for determining which economic activities can be considered environmentally sustainable.²² It represents a valuable tool for achieving a green financial system, with the aim of translating the ambitious EU climate and environmental goals into clear criteria for economically green investments / projects or environmentally sustainable. According to the EU taxonomy, the green economic activities criteria also include a series of EU environmental objectives:

¹⁹ Madaleno, M., Dogan, E. and Taskin, D., 'A step forward on sustainability: The nexus of environmental responsibility, green technology, clean energy and green finance' (2022) 109 *Energy Economics* 105945. <<https://doi.org/10.1016/j.eneco.2022.105945>> accessed 30 June 2025.

²⁰ Zhang, X., Wang, Z., Zhong, X., Yang, S. and Siddik, A.B., 'Do Green Banking Activities Improve the Banks' Environmental Performance? The Mediating Effect of Green Financing' (2022) 14 (2) *Sustainability (Switzerland)* 1-18. <<https://doi.org/10.3390/su14020989>> accessed 30 June 2025.

²¹ Migliorelli, M., 'What do we mean by sustainable finance? Assessing existing frameworks and policy risks' (2021) 13 (2) *Sustainability (Switzerland)* 1-17. <<https://doi.org/10.3390/su13020975>> accessed 30 June 2025.

²² European Commission (2022). Delivering on the EU Green Deal. May.

- i. generating a positive effect on climate change mitigation and adaptation;
- ii. protection of the resources of water and making efforts for its sustainable use;
- iii. control and prevention of pollution;
- iv. protection and restoration of biodiversity and ecosystems.

The conditions that have to be achieved to categorise an activity as an environmental one includes:

- i. exerting a sustainable effect for at least one environmental objective;
- ii. do not do any significant harm to any environmental objectives;
- iii. complying with the social safeguards and technical criteria.²³

In support of the European Union's efforts to establish a universally recognized taxonomy for sustainable finance, the International Capital Market Association (ICMA) has issued targeted guidelines for capital market participants. These include the Social Bond Principles and the Green Bond Principles, which offer clear frameworks for the issuance of bonds aimed at financing projects with social and environmental benefits. In the acceptance of ICMA, impact bonds may be classified into three main categories:

1. Green Bonds

The concept of green bonds originated in the early 2000s, with the European Investment Bank (EIB) first issuance in 2007.²⁴ Since their introduction, the green bond market has witnessed rapid and exponential

²³ European Commission (2021). EU taxonomy for sustainable activities. European Commission, 1-1, <https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities_en> accessed 30 June 2025.

²⁴ Cantell, H., 'Developments in the Labelled Bond Concept: More than just Green In Funding International Development Organizations' (2022) Brill Nijhoff 224-245; see also Laskowska, A., 'The green bond as a prospective instrument of the global debt market' (2017) 6 (4) Copernican Journal of Finance & Accounting 69-83.

growth, fueled by rising investor interest in socially responsible investments and the pressing global imperative to combat climate change. Today, green bonds constitute a substantial portion of the global bond market, with issuances extending across multiple sectors and regions worldwide.²⁵ It represents any kind of bond instrument that provides finance or re-finance in part or full, related only to new or existing green projects.²⁶ These low-carbon investments and projects have impacts on climate change mitigation or adaptation, of natural resources, by saving biodiversity and reducing pollution.²⁷ The core principle of green finance is that the proceeds from green bonds must be used exclusively to fund green projects. These projects are assessed in accordance with the Green Bond Principles, which outline specific eligible categories. Examples include renewable energy, energy efficiency, pollution prevention and control, sustainable management of natural resources and land use, clean transportation, sustainable water and wastewater management, climate change adaptation, circular economy initiatives, environmentally friendly production technologies, and green buildings.²⁸

2. Social Bonds

Social bonds are designed to finance projects that directly address or mitigate specific social challenges and aim to deliver positive social outcomes, particularly but not exclusively for defined target populations. It is important to note that the definition of target populations may vary based on local contexts and, in certain cases, may include the broader public. Eligible social project categories typically include the provision or promotion of affordable basic infrastructure, access to essential services, affordable housing, job creation, food security, and the advancement or empowerment of disadvantaged or underserved groups.²⁹ It represents a

²⁵ Ajayi, F. A., and Udeh, C. A., 'Innovative recruitment strategies in the IT sector: A review of successes and failures' (2024c); see also Igbinenikaro, E. and Adewusi, A. O., 'Developing international policy guidelines for managing cross-border insolvencies in the digital economy' (2024a) 6 (4) *International Journal of Management & Entrepreneurship Research* 1034-1048.

²⁶ ICMA (2022). Introduction, 2021, 1-10.

²⁷ Madaleno, Dogan and Taskin (n 21)

²⁸ Ibid (n 28).

²⁹ Social Bond Principles 2018.

type of security whose proceeds may be further used for providing financing toward new or existing social projects or investments like providing or/and promoting access to basic services, affordable basic infrastructure, programs designed to support the unemployed from social or economic crises, sustainable food system and food security, empowerment and social improvement.³⁰

3. Sustainable Bonds

Sustainability bonds are a category of bond instruments in which the proceeds are used exclusively to finance or refinance a combination of both green and social projects. These bonds integrate the objectives of environmental sustainability and social impact, thereby supporting initiatives that address ecological concerns while simultaneously advancing social development goals.³¹

3. THE ROLE OF SUSTAINABLE FINANCE IN ACHIEVING THE SUSTAINABLE DEVELOPMENT GOALS (SDG) AND CLIMATE NEUTRALITY

Transitioning to a circular economy with low carbon emissions is a fundamental goal in the effort to preserve the planet and safeguard human well-being. At its core, the primary function of sustainable finance is to identify and direct financial resources toward sectors that are both productive and environmentally sustainable.³² Currently, the incorporation of financial factors with nonfinancial factors (ESG factors) is responsible for shifting to a sustainable financial system.³³

³⁰ ICMA (2020a). The Social Bond Principles (2021) 1. <[https://www.icmagroup.org/green-social-and-sustainability-bonds/social-bond-principles-sbp/%0Ahttps://www.icmagroup.org/assets/documents/Regulatory/Green Bonds/June-2020/Social-Bond-PrinciplesJune-2020-090620.pdf](https://www.icmagroup.org/green-social-and-sustainability-bonds/social-bond-principles-sbp/%0Ahttps://www.icmagroup.org/assets/documents/Regulatory/Green%20Bonds/June-2020/Social-Bond-PrinciplesJune-2020-090620.pdf)> accessed 30 June 2025.

³¹ Ibid.

³² Schoenmaker, D. and Schramade, W., 'Principles of sustainable finance' (2020) 10 (3) *Journal of Sustainable Finance & Investment* 311-313. <<https://doi.org/10.1080/20430795.2020.1717241>> accessed 30 June 2025.

³³ Ziolo, M., Bak, I., Cheba, K., Spoz, A. and Niedzielski, P., 'Sustainable financial systems toward sustainability in finance: Institutional and managerial approach' (2021) 192 *Procedia Computer Science* 4237-4248. <<https://doi.org/10.1016/j.procs.2021.09.200>> accessed June 2025.

The role played by sustainable finance is important in achieving the Sustainable Development Goals. First, it supports the creation of safe, inclusive, and resilient cities and human settlements, while also encouraging sustainable consumption and production patterns. Additionally, it enables the implementation of urgent measures to combat climate change and its effects. Furthermore, it contributes to the protection, restoration, and sustainable use of terrestrial ecosystems, promotes responsible forest management, combats desertification, prevents land degradation, and works to halt the loss of biodiversity. Second, sustainable finance promotes sustained inclusive and sustainable economic growth; full and productive employment and decent work for all; resilient infrastructure; promote inclusive and sustainable industrialisation. Furthermore, there are scholarly opinions showing that the development of sustainable finance and renewable energy plays a fundamental role in achieving carbon neutrality goals (it can facilitate its achieving).³⁴ The findings indicate that in the short term, there is a negative effect of renewable energy on CO₂ emissions, so increasing renewable energy seems to generate a greater effect on CO₂ emissions than reduce it. Another study examined the causal relationship between green finance and sustainable finance; the results show that green finance produces positive impacts on sustainable finance in multi-subperiods.³⁵ Green finance and green technologies have demonstrated significant roles in advancing carbon neutrality over both the short and long term. Their promotion contributes meaningfully to reducing carbon emissions and fostering environmental sustainability. To ensure a successful energy transition and the achievement of sustainable development goals, it is essential to implement policies that enhance green finance and environmental responsibility, particularly by directing funding toward the development and deployment of green technologies.³⁶

³⁴ Qin, M., Su, C.W., Zhong, Y., Song, Y. and Lobont, O.R., 'Sustainable finance and renewable energy: Promoters of carbon neutrality in the United States' (2022) 324 *Journal of Environmental Management* 116390. <<https://doi.org/10.1016/j.jenvman.2022.116390>> accessed 30 June 2025.

³⁵ Wang, K.H., Zhao, Y.X., Jiang, C.F. and Li, Z.Z., 'Does green finance inspire sustainable development? Evidence from a global perspective' (2022) 75 *Economic Analysis and Policy* 412-426. <<https://doi.org/10.1016/j.eap.2022.06.002>> accessed 30 June 2025.

³⁶ Madaleno, Dogan and Taskin (n 21)

3.1 NIGERIA'S EFFORT IN FINANCING SUSTAINABLE DEVELOPMENT

Sustainable development in Nigerian states is a multifaceted endeavor that requires integrating economic, social, and environmental strategies. Achieving the Sustainable Development Goals (SDGs) hinges on mobilizing financial resources beyond traditional funding streams such as federal allocations and oil revenues. Innovative financing mechanisms have the potential to fill these critical gaps. To achieve this, states must address transparency concerns, strengthen institutional frameworks, and foster an enabling environment for investors. These reforms, coupled with strategic partnerships and targeted capacity-building initiatives, can help Nigerian states tap into innovative financing sources, ultimately driving sustainable growth and resilience.

A. PUBLIC-PRIVATE PARTNERSHIPS (PPPs)

Public-Private Partnerships (PPPs) have been recognized as a sustainable financing solution to address Nigeria's significant lack of infrastructure. With limited fiscal capacity and fluctuating oil revenues, many Nigerian states have turned to PPPs to attract private sector investment and technical expertise to finance and manage critical projects such as roads, hospitals, schools, and power plants. This model enables states to share the financial and operational risks of large-scale projects with private partners, fostering innovation and efficiency in project delivery while easing the financial burden on public budgets.³⁷

However, the effectiveness of PPP depends on several factors, one of which includes a clear and supportive regulatory framework to ensure transparency, accountability, and alignment of interests in existence between the public and private sectors. In Nigeria, the Infrastructure Concession Regulatory Commission (ICRC) has a crucial role to play in standardizing PPP agreements and ensuring compliance with international best practices.³⁸ Also, for successful PPPs, there is the need of a balanced

³⁷ World Bank. (2021). *Private Participation in Infrastructure (PPI) Annual Report 2021*. Washington, D.C.: The World Bank Group.

³⁸ Infrastructure Concession Regulatory Commission (ICRC). (2022). *Annual Report: Regulating PPPs for National Development*. Abuja, Nigeria.

risk-sharing mechanisms. For instance, while private partners typically assume construction, operational, and financial risks, governments must address external risks such as land acquisition, community resistance, and macroeconomic instability.³⁹

The Lekki Toll Road in Lagos and the Azura-Edo Independent Power Plant for instance are landmark PPP projects that highlight the ability of this model to deliver critical infrastructure with long-term benefits. Such projects highlight the importance of rigorous project selection, feasibility studies, and robust contractual agreements in achieving sustainable outcomes.⁴⁰ By making these factors a priority, states can maximize the benefits of PPPs, unlocking much-needed infrastructure development while minimizing fiscal and operational risks.

B. GREEN AND CLIMATE BONDS

The effectiveness of Green and climate bonds is seen as they are a transformative financing instruments for supporting environmentally sustainable projects and fostering climate resilience.

The first issuance of sovereign green bonds in Africa was pioneered by Nigeria in 2017, raising \$29.7 million to finance afforestation, renewable energy, and other climate-related initiatives.⁴¹ This achievement established a framework for state governments and private actors to become a part of the arising demand for sustainable investment products. The second tranche of Nigeria's green bond program actualized \$41 million in 2019, focusing on projects such as solar electrification and flood control measures.⁴² These successes underscore the potential of green bonds to bridge funding gaps in crucial sectors while addressing environmental challenges.

³⁹ Aruwa, T., & Ogwumike, O. (2023). Enhancing Infrastructure Financing Through Public-Private Partnerships in Nigeria: Challenges and Prospects. *Nigerian Economic Journal*.

⁴⁰ United Nations Development Programme (UNDP). (2022). *Capacity Building for Effective Development Financing in Africa*. UNDP Publications.

⁴¹ World Bank. (2023). *Green Bonds: Financing Climate and Environmental Solutions in Emerging Economies*. Washington, D.C.: The World Bank Group.

⁴² Central Bank of Nigeria (CBN). (2020). *The Role of Green Finance in Nigeria's Development Agenda*. Abuja, Nigeria.

The global market for green bonds continues to grow, reaching over \$600 billion in issuances in 2022, driven by rising demand for ESG investments.⁴³ For Nigerian states, this presents an unprecedented opportunity to position themselves as leaders in sustainable development financing while addressing local environmental challenges. By capitalizing on green and climate bonds, states can unlock a pathway to sustainable growth that benefits communities, ecosystems, and the broader economy

C. FOREIGN DIRECT INVESTMENT (FDI)

Foreign Direct Investment (FDI) is a vital source of development financing for Nigerian states, offering a pathway to economic diversification, infrastructure development, and job creation. FDI involves the injection of capital by foreign entities into a state's economy, typically through ownership or substantial participation in local businesses and industries. For Nigerian states, attracting FDI is critical to bridging financing gaps, particularly in agriculture, manufacturing, energy, and technology sectors.⁴⁴ FDI has played a transformative role in several Nigerian states. For example, Lagos, often referred to as the economic hub of Nigeria, has attracted significant FDI in real estate, fintech, and the entertainment industry. Similarly, Ogun State has leveraged its proximity to Lagos to attract foreign investors in manufacturing, establishing itself as an industrial corridor. On the other hand, states like Cross River and Ondo have attracted investments in agriculture and tourism, contributing to local economic development and job creation (Nigerian Investment Promotion Commission, 2023).

FDI's impact on development depends on its alignment with local priorities and the capacity of states to manage and maximize its benefits. States must ensure that FDI projects are inclusive, environmentally sustainable, and aligned with long-term development plans. Moreover, effective monitoring and evaluation systems are critical to tracking the

⁴³ Climate Bonds Initiative. (2023). Sustainable Debt Market Summary 2022. Climate Bonds Initiative Publications.

⁴⁴ World Bank. (2022). Enhancing FDI for Inclusive Growth in Sub-Saharan Africa. Washington, D.C.: The World Bank Group.

performance and impact of FDI projects, ensuring accountability and transparency.

D. COMMUNITY-BASED FUNDING AND CROWDFUNDING

Community-based funding and crowdfunding have emerged as impactful financing mechanisms for addressing grassroots development challenges. These approaches leverage collective contributions from individuals, businesses, and organizations to finance specific projects. By fostering community ownership and participation, these models ensure that development initiatives align with local priorities, fostering long-term sustainability. Crowdfunding, in particular, has gained traction in Nigeria as an innovative digital solution for raising funds, allowing states to tap into a diverse network of contributors to support local development projects.⁴⁵ For instance, FarmCrowdy connects smallholder farmers with investors who provide funding for agricultural inputs in exchange for a share of the profits. Such platforms can be replicated at the state level to address broader development needs, including the construction of rural health clinics, community schools, and small-scale renewable energy systems.⁴⁶

Community-based funding, often organized through cooperatives or local associations, also provides a viable mechanism for financing development. For example, community development associations in states such as Osun and Ekiti have historically funded local infrastructure projects, such as roads and markets. By formalizing and integrating these efforts into state development plans, governments can amplify their impact and leverage them to attract additional funding from external sources, such as NGOs and international donors.⁴⁷ Crowdfunding and community-based funding models also have the potential to address the persistent issue of trust in public financial management. Contributors are often more willing to fund projects when they can directly track the use of their resources and see tangible results. Platforms that provide real-time updates, transparency

⁴⁵ Nigerian Fintech Association. (2023). *The Role of Crowdfunding in Financing Small-Scale Development Projects*. Lagos, Nigeria.

⁴⁶ World Bank. (2021). *Mobilizing Community Resources for Development: Lessons from Global Crowdfunding Models*. Washington, D.C.: The World Bank Group.

⁴⁷ AfDB. (2022). *Annual Report*. African Development Bank.

reports, and community engagement tools can strengthen trust and increase participation.⁴⁸

4. LEGAL EDUCATION AND THE ROLE OF SUSTAINABLE FINANCING

In recent years, the connection between education, law, and sustainable development has attracted growing attention, particularly within the framework of the United Nations' 2030 Agenda for Sustainable Development. This agenda underscores the critical role of education in advancing various Sustainable Development Goals (SDGs), including the promotion of quality education, gender equality, and effective climate action.⁴⁹

Sustainable development, and the means intended to realize it, have been considered one of the most important areas of focus in contemporary society.⁵⁰ It is noteworthy that universities have a vital role to play in teaching students about the importance of the SDGs.⁵¹ This is particularly the case for educating law students because many of the world's legislators are lawyers or law graduates.⁵² This implies that the role of legal educators extends beyond merely explaining existing legal provisions. They are also responsible for teaching the foundational principles that constitute sound law—including those reflected in the Sustainable Development Goals (SDGs) and must be equipped to guide students on how law and policy can be effectively utilized to achieve meaningful and sustainable outcomes.

⁴⁸ United Nations Development Programme (UNDP). (2022). *Leveraging Digital Tools for Community-Led Development Financing*. UNDP Publications.

⁴⁹ United Nations. (2015). *Objetivos de Desarrollo Sostenible*. <<https://www.un.org/sustainabledevelopment/es/objetivos-de-desarrollo-sostenible/>> accessed 30 June 2025.

⁵⁰ Clara Vasconcelos and others, 'Teaching Sustainable Development Goals to University Students: A Cross-Country Case-Based Study' (2022) 14 (3) *SUSTAINABILITY* 1593-1594.

⁵¹ *Ibid.*

⁵² Devin K. Joshi, 'Lawyers and Law Graduates in Parliaments as a Consequence of SMD Electoral Systems: A Comparison of Japan, South Korea, and Germany' (2020) 21(1) *JAPAN. J. OF POL. SCI.* 19

Education aiming to achieve sustainability requires a transformative approach, moving beyond traditional teaching methods to foster critical thinking and interdisciplinary collaboration.⁵³ This reinforces the necessity of embedding sustainability principles within legal education curricula. The role of higher education institutions in advancing sustainability has been extensively explored in academic literature. Universities play a pivotal role in achieving the Sustainable Development Goals (SDGs) by incorporating sustainability into their teaching, research, and community outreach efforts.⁵⁴ There is also the importance of creating interdisciplinary programs that address the interconnected nature of sustainability challenges. In the context of legal education, this involves teaching environmental law and encouraging students to engage with broader social and economic issues that impact sustainability.

Although digital tools have enhanced the accessibility and flexibility of education, they have also exposed significant inequalities in access to technology and underscored the importance of adopting more inclusive teaching practices. These challenges have particular relevance for legal education, especially in ensuring that sustainability principles are effectively embedded within online and hybrid learning models. Moreover, sustainability in legal education is not limited to environmental concerns; it also encompasses broader issues of social justice and human rights. A truly sustainable approach demands a comprehensive, holistic perspective that addresses the underlying causes of both social and environmental challenges.⁵⁵ There is the importance of integrating social justice principles into legal education to ensure that future lawyers are equipped to address issues such as poverty, inequality, and discrimination.

⁵³ Sterling, S., 'A commentary on education and sustainable development goals' (2016) 10 (2) *Journal of Education for Sustainable Development* 208–213. <<https://doi.org/10.1177/0973408216661886>> accessed 30 June 2025.

⁵⁴ Wals, A. E. J and Benavot, A., 'Can we meet the sustainability challenges? The role of education and lifelong learning' (2017) 52(4) *European Journal of Education* 404–413. <<https://doi.org/10.1111/ejed.12250>> accessed 30 June 2025.

⁵⁵ Brugnach M., Craps M. and Dewulf, A., 'Including indigenous peoples in climate change mitigation: Addressing issues of scale, knowledge, and power' (2017) 140 (1) *Climatic Change* 19–32. <<https://doi.org/10.1007/s10584-014-1280-3>> accessed 30 June 2025.

This approach aligns with the SDGs, emphasising the interconnectedness of social, economic, and environmental issues.

Recent research has also focused on the use of technology in legal education. In the exploration of the impact of artificial intelligence and other digital tools on the legal profession, these technologies can potentially transform legal practice and education.⁵⁶ There is the urgent need for legal education to adapt to these changes by incorporating technology into the curriculum and preparing students for digital tools' ethical and practical challenges. This is particularly relevant in sustainability, where technology can be key in addressing complex environmental and social challenges.

4.1 Leveraging Sustainable Finance In Education: Examples From China

As the world's largest emitter of greenhouse gases, China is assuming a leading role in the global effort to combat climate change by prioritizing the expansion of renewable energy and gradually transitioning its power sector away from coal toward cleaner energy sources. Acknowledging the critical need to reduce carbon emissions, the country has introduced a range of initiatives and policy measures designed to encourage the adoption of renewable energy technologies and enhance overall energy efficiency, including in higher education institutions.⁵⁷ The country has become a global leader in installed wind and solar capacity, investing over USD 83 billion in renewables annually, more than any other nation.⁵⁸

Chinese renewable energy companies, such as the Energy Corporation, have played a key role in advancing the country's clean energy transition by implementing innovative projects and pioneering effective management models. Nevertheless, China continues to depend heavily on fossil fuels, which supply approximately 60% of its total energy needs,

⁵⁶ Susskind R., *Tomorrow's lawyers: An introduction to your future* (Oxford University Press, (2017)

⁵⁷ Zhang, L., Saydaliev, H.B. and Ma, X. 'Does green finance investment and technological innovation improve renewable energy efficiency and sustainable development goals' (2022) 193 *Renew. Energy* 991–1000.

⁵⁸ Sun, L., Yin, J. and Bilal A.R. 'Green financing and wind power energy generation: Empirical insights from China' (2023) 206 *Renew. Energy* 820–827.

with coal alone constituting more than half of its primary energy consumption.⁵⁹ Transitioning to a more sustainable energy system capable of powering the world's second largest economy will require massive additional investment and innovative solutions for managing dispersed renewable projects across different stakeholders, jurisdictions, and environmental conditions. This presents both opportunities and challenges for companies hoping to spearhead China's transition.⁶⁰

Additionally, the government has established a national emissions trading system covering the power sector and has promoted green investments through its Five-Year Plans, which serve as strategic blueprints for economic development.⁶¹ At the same time, technological innovation and economies of scale, largely driven by China's robust manufacturing sector, have led to a substantial reduction in the costs of key renewable energy sources, including wind and solar photovoltaics (PVs), with prices dropping by approximately 70% over the past decade. In several regions across China, wind energy has become the most cost-effective option for new electricity generation. Similarly, utility-scale solar power is now cost-competitive with, and in some cases more economical than, the development of new coal-fired power plants.⁶² Energy storage solutions like lithium-ion batteries are also improving economics for variable solar and wind power. These market dynamics are starting to pull China towards a cleaner energy mix independent of policy alone.

⁵⁹ Kylili, A., Thabit Q. Nassour A. and Fokaides, P.A. 'Adoption of a holistic framework for innovative sustainable renewable energy development: A case study' (2021) 43 *Energy Sources Part A Recovery Util. Environ. Eff.* 1–21.

⁶⁰ Abbas M.G., Wang Z., Bashir S., Iqbal W. and Ullah H, 'Nexus between energy policy and environmental performance in China: The moderating role of green finance adopted firms' (2021) 28 *Environ. Sci. Pollut. Res.* 63263–63277.

⁶¹ Li. C., Razzaq A., Ozturk I. and Sharif A., 'Natural resources, financial technologies, and digitalization: The role of institutional quality and human capital in selected OECD economies.' (2023) 81 *Resource Policy* 103362.

⁶² Feng H., 'The impact of renewable energy on carbon neutrality for the sustainable environment: Role of green finance and technology innovations' (2022) 10 *Front. Environ. Sci.* 924857.

Demonstration Projects And Models

The Energy Corporation has positioned itself as a leader in the renewable energy sector, spearheading innovative demonstration projects that offer critical insights into the effective management and financing of large-scale renewable energy expansion. Since its founding in 1994, the company has achieved significant growth, emerging as one of the world's top ten renewable energy providers through organic growth and strategic acquisitions. Through its pioneering initiatives, the Energy Corporation has played a key role in shaping models for scalable and financially viable renewable energy development.⁶³

Given the immense level of investment required to fully decarbonize China's energy system, it is clear that no single entity can shoulder the financial responsibility alone. As such, strategic partnerships that leverage both public and private capital will be essential to advancing this transition.

Considering their mandate and strong financial position, these companies are well-suited to absorb a significant share of the new renewable capacity directly from independent power producers (IPPs). By bundling projects coordinated at the provincial level by the Energy Corp and utilizing standardized power purchase agreements (PPAs), transaction costs can be reduced while ensuring a guaranteed offtake.⁶⁴

The Chinese government is also establishing a substantial USD 440 billion green investment fund, precisely designed to finance the transition towards carbon neutrality by 2025.⁶⁵ This fund exceeds the scale of most existing climate finance mechanisms worldwide. The Energy Corporation could position itself competitively by bidding for large-scale projects that align with the fund's strategic priorities, which include electrification,

⁶³ Ding X. and Liu X., 'Renewable energy development and transportation infrastructure matters for green economic growth? Empirical evidence from China.' (2023) 79 *Econ. Anal. Policy* 634–646.

⁶⁴ Hao, Fu and Albitar (n 48).

⁶⁵ Chen Han and Lu Yang, 'Financing and Management Strategies for Expanding Green Development Projects: A Case Study of Energy Corporation in China's Renewable Energy Sector Using Machine Learning (ML) Modeling' (2024) 16 *Sustainability* 4338 <<https://doi.org/10.3390/su16114338>> accessed 30 June 2025.

improvements in energy efficiency, and the integration of renewable energy into densely populated urban areas.⁶⁶ Co-investment during the commercial demonstration phase can play a vital role in de-risking assets before transitioning to fully independent operations. Additionally, international climate finance mechanisms such as the Green Climate Fund, now allocate billions of dollars annually to support emissions reduction initiatives in middle-income countries. With its extensive global experience, the Energy Corporation is well-positioned to tap into this funding through strategic partnerships, applying insights and best practices gained from other major emerging markets to maximize project success and impact.⁶⁷

Crowdfunding also presents potential opportunities, as retail investors increasingly seek sustainable investment options. The Energy Corp has already achieved successful crowd funding campaigns for pilot programs involving household solar installations and electric vehicle charging networks. Moreover, structuring large-scale renewable energy projects as green investment trusts, allowing individuals to directly invest in clean energy assets can unlock substantial pools of private capital that might otherwise remain untapped. By strategically integrating public, private, and citizen-based funding sources according to the specific needs of each development phase, it becomes possible to mobilize broader investment, protect ratepayers, and align the interests of all stakeholders in support of long-term, sustainable growth.⁶⁸

The Energy Corporation had a strategic opportunity to obtain direct financing for new renewable energy, grid infrastructure, and energy efficiency projects through the issuance of green bonds. This approach enabled the company to access the rapidly expanding global sustainable capital market, which saw extraordinary growth, quadrupling in size in over just four years and exceeding USD 1 trillion in outstanding bonds

⁶⁶ Li H., Chen C. and Umair M., 'Green finance, enterprise energy efficiency, and green total factor productivity: Evidence from China' (2023) 15 Sustainability 11065.

⁶⁷ Raihan A., Rashid M., Voumik, L.C., Akter S. and Esquivias M.A., 'The Dynamic Impacts of Economic Growth, Financial Globalization, Fossil Fuel, Renewable Energy, and Urbanization on Load Capacity Factor in Mexico' (2023) 15 Sustainability 13462.

⁶⁸ Pang. L., Zhu, M.N. and Yu H., 'Is green finance really a blessing for green technology and carbon efficiency?' (2022) 114 Energy Econ 106272.

worldwide in the mid-2022.⁶⁹ Investors, seeking climate-friendly and low risk assets insulated from the risks associated with the transition away from fossil fuels, have demonstrated a strong demand for these bonds.⁷⁰

By adopting a green bond framework that is widely recognized in major international markets, the Energy Corporation can broaden its investor base beyond China by collaborating with global green bond underwriters. This strategy ensures adherence to strict standards governing the use of proceeds and transparency, thereby enhancing credibility and making the bonds particularly attractive to sustainability-driven Environmental, Social, and Governance (ESG) investment funds. Independence further enhances the credibility of bonds making them an attractive investment option for investors interested for sustainability and responsible investment practices.

4.2 Lessons Nigeria Can Learn From China In Financing Sustainable Development

PPPs face challenges in Nigeria, which includes weak institutional capacity, governance issues, and the limited technical expertise of public officials. These challenges frequently result in project delays and cost overruns. A notable example is the Lagos-Ibadan Expressway, which was originally structured as a public-private partnership (PPP) but encountered substantial setbacks due to disagreements over risk allocation and contractual terms. Overcoming such obstacles necessitates robust capacity-building initiatives for government agencies, as well as the creation of a conducive environment that encourages the participation of credible and experienced private sector investors.

Also, leveraging green and climate bonds effectively requires careful planning and robust governance. Transparency in the use of proceeds is critical to maintaining investor confidence, as is compliance with international standards such as the Green Bond Principles. In response to these concerns, Nigeria's Debt Management Office has issued guidelines aimed at promoting accountability and ensuring alignment with the country's sustainability objectives. Furthermore, state governments must

⁶⁹ Chen and Lu (n 49).

⁷⁰ Ibid.

strengthen their technical capacity to effectively structure and manage financial instruments, while also engaging with multilateral organizations to improve project design, execution, and long-term impact.

Furthermore, attracting and sustaining FDI requires a conducive investment environment. States must address critical barriers such as inadequate infrastructure, policy instability, insecurity, and bureaucratic bottlenecks. For example, ongoing security challenges in the northern region have deterred potential investors, limiting economic opportunities. To address these challenges, state governments must prioritize infrastructure development, establish clear and consistent regulatory frameworks, and adopt investor-friendly policies such as tax incentives and simplified business registration procedures. Foreign Direct Investment (FDI) remains a vital source of funding for state-level development in Nigeria. By fostering an enabling environment and aligning with global investment trends, states can fully harness the potential of FDI to promote sustainable growth, economic diversification, and social advancement.

However, significant challenges hinder the scaling of community-based and crowdfunding models for state-level development. Key obstacles include limited digital literacy, poor internet access in rural areas, and the lack of regulatory frameworks to protect contributors. To overcome these barriers, Nigerian states should invest in digital infrastructure and financial literacy initiatives, while collaborating with regulatory authorities such as the Securities and Exchange Commission (SEC) to develop clear and protective guidelines for crowdfunding platforms. By integrating community-based funding and crowdfunding into the development financing strategies, Nigerian states can unlock a powerful tool for resource mobilization. These models broaden access to funding and promote inclusive, accountable, and sustainable development.

Another significant gap in the field is the limited availability of empirical research assessing the effectiveness of teaching methods and strategies for advancing sustainability within legal education. Although theoretical discussions on this subject are increasingly common, there remains a clear

need for more evidence-based studies that evaluate how specific educational interventions influence students' comprehension of sustainability principles and their capacity to apply this knowledge in real-world legal practice.⁷¹ This gap highlights the need for more research on the practical implementation of sustainability principles in legal education.

Furthermore, notable gap lies in the insufficient emphasis on the role of legal education in advancing social justice and human rights within the broader framework of sustainability. Although there is increasing recognition of the integral role that social justice plays in sustainable development, research remains limited on how legal education can effectively embed these principles into its curriculum and pedagogical approaches.⁷² This lacuna is particularly relevant in the context of the SDGs, which emphasise the importance of addressing inequality and promoting social inclusion. Addressing this gap will require a more holistic approach to legal education that incorporates social justice principles into teaching sustainability.

Finally, there is a pressing need for further research on the role of higher education institutions in advancing sustainability at the local and regional levels. While much of the existing literature emphasizes the global aspects of sustainability, there is a noticeable gap in understanding how universities, especially those in developing countries, can effectively contribute to local sustainability efforts and address region-specific challenges through education, research, and community engagement.⁷³ This shortcoming highlights the need for more context-specific research that explores the challenges and opportunities associated with integrating sustainability into legal education in different regions and cultural contexts.

⁷¹ Cotton D., Winter J. and Bailey I., 'Researching the hidden curriculum: Intentional and unintended messages' (2019) 43 (1) *Journal of Geography in Higher Education* 1–15. <<https://doi.org/10.1080/03098265.2019.1581729>> accessed 30 June 2025.

⁷² Brugnach, Craps and Dewulf, (n 63).

⁷³ Wals and Benavot (n 62).

5. CONCLUSION

This article has examined the objectives of the Sustainable Development Goals (SDGs), the financial mechanisms necessary for their realization, China's ongoing transition to clean energy, and the incorporation of sustainability into legal education. It highlights the challenges, opportunities, and best practices for aligning legal curricula with the United Nations' 2030 Agenda for Sustainable Development. The findings indicate that, despite growing awareness of the importance of sustainability in legal education, there remain considerable gaps in its practical application. Achieving the SDGs requires more than governmental action, it also depends on the role of educational institutions in shaping the perspectives of students and equipping them with the knowledge and values necessary to actively contribute to a sustainable future.