

Interim Report of HLEG on Sustainable Finance - main recommendations with special focus on energy

Dr. Mieczysław Groszek

**Financing Energy Efficiency in Poland, Czech Republic,
Slovakia and Lithuania
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EU High-Level Expert Group on Sustainable Finance

Established by the European Commission

Secretariat within the Directorate General for Financial Stability, Financial Services
and Capital Markets Union
(DG FISMA)
2017





GLOBAL CONSENSUS on the need to address climate change and to support transition to a low-carbon, more resource-efficient and sustainable economy



INTERNATIONAL POLICY FRAMEWORKS such as Paris COP21 agreement, EU 2030 Climate and Energy Goals, UN 2030 Sustainable Development Goals which have set ambitious objectives for significant, longer-term investments in sustainable projects

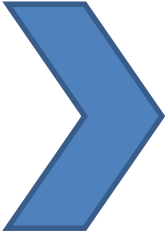


STRONG EUROPEAN COMMITMENT to Sustainable Investment and Finance, at the heart of the Capital Markets Union Reform: mobilizing capital in Europe for growth and development; building deeper and more integrated capital markets for all 28 Member States of the EU

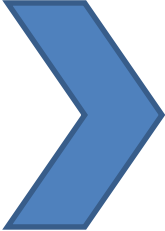
Shared vision and understanding of Sustainable Finance : what is at stake?

Vision for a sustainable financial system

Among the topics to be tackled:

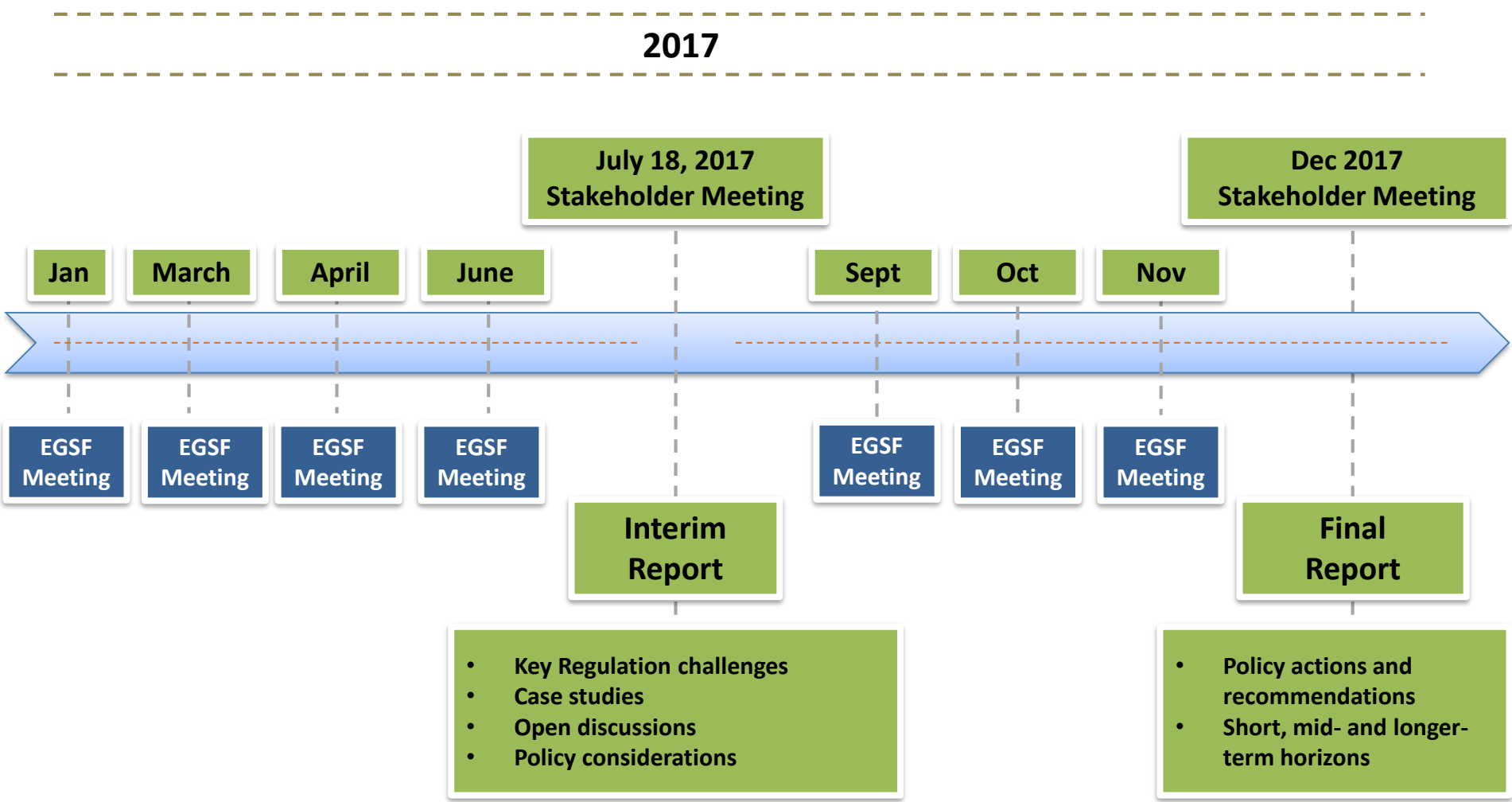
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- Capital Allocation
 - Cost of capital reflective of externalities
 - Consistency of intent across investment chain
 - Risk Management
 - Long-term horizons
 - Sustainable banking
 - Governance and accountability

Examples of what is missing in our current financial system?

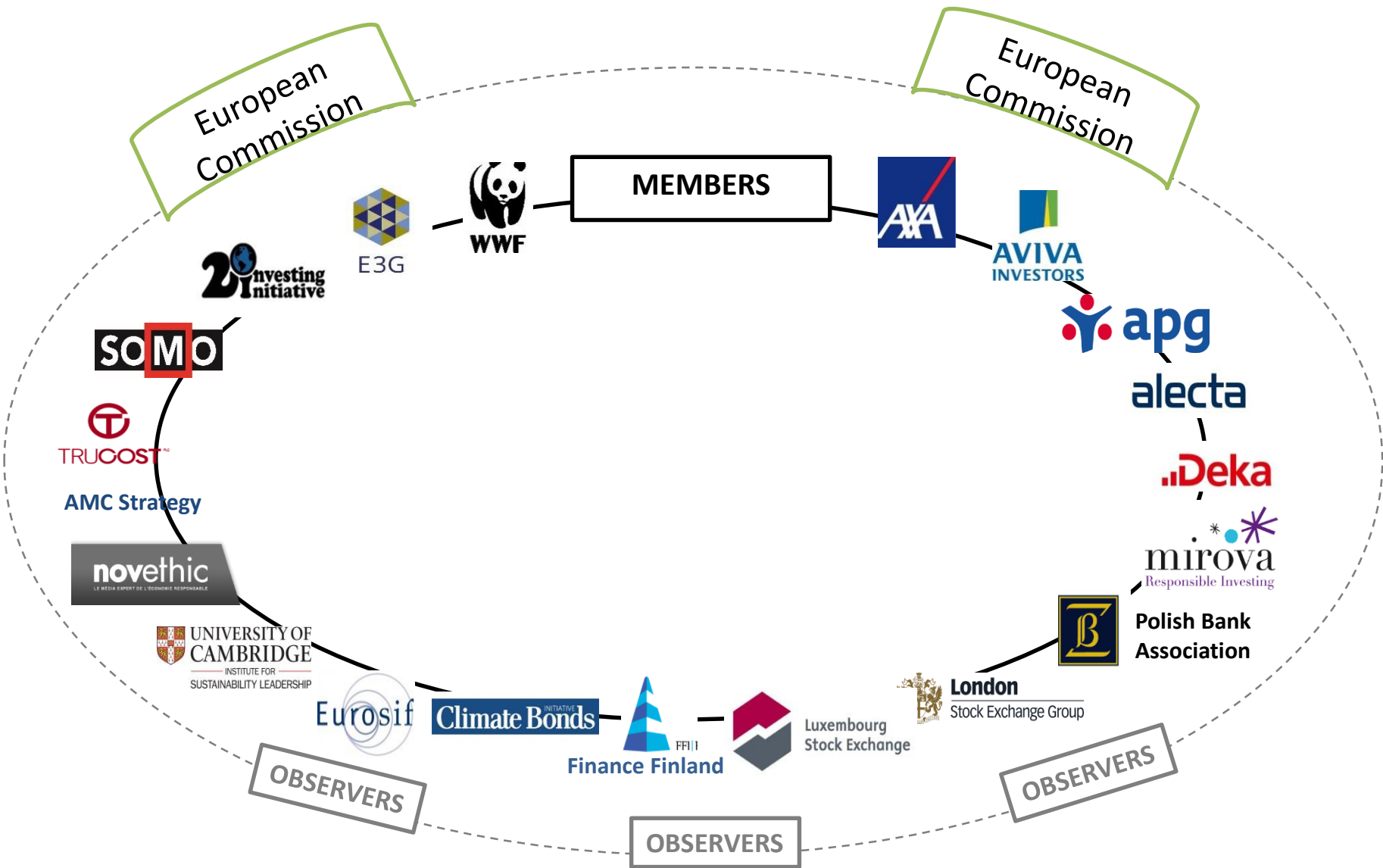
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- Aligning financial regulation with sustainable development goals
 - Time misalignments
 - Incentive structure and time horizons of intermediaries in the EU investor market
 - ESG vs sustainable investing
 - Cultural aspects



Expert Group on Sustainable Finance: Timeline 2017



Structure of the Expert Group on Sustainable Finance (EGSF)



Key issues 1/2

1. Climate Change Mitigation
Taxonomy
2. Sustainability Taxonomy
3. Green Bonds Standards and
Labels
4. Investor Duties
5. Disclosures
6. Social Dimension
7. Benchmarks



Key issues 2/2

8. Stock Exchanges and Green
Financial Centres

9. Credit Rating Agencies

10. ESAs and their role in
sustainability

11. Banking

12. Insurance

13. Asset Managers

14. Pension Funds





DZIĘKUJĘ ZA UWAGĘ

