



High-Level Expert Group on Sustainable Finance delivers early recommendations

Brussels, 13 July 2017

High-Level Expert Group on Sustainable Finance delivers early recommendations

The High-Level Expert Group on Sustainable Finance, established by the Commission, has published its first report setting out concrete steps to create a financial system that supports sustainable investments. The Commission will explore some key early recommendations to take further steps towards a low carbon, more resource-efficient and sustainable economy.

The report is part of broader efforts to map out an EU strategy on sustainable finance, a priority action of the Capital Markets Union (CMU) Action Plan. The first wave of EU reforms focused on making the financial system more stable and resilient. The Commission is now driving forward efforts to reorient the financial system so that it can support long-term, sustainable growth. The financial sector has a vital role to play in reaching the climate change goals of the Paris Agreement and the EU's 2030 Agenda for sustainable development. It is also vital that more private capital is mobilised towards green and sustainable investment so as to enable the transition to a low-carbon economy.

Valdis **Dombrovskis**, Vice-President for the Euro and Social Dialogue, also in charge of Financial Stability, Financial Services and Capital Markets Union said: *"Europe wants to look ahead to the low-carbon future. Strengthening the EU's global leadership on sustainable finance is one of the main priorities of the Juncker's Commission. I am very pleased with the outstanding work of this high-calibre High-Level Expert Group under the leadership of Christian Thimann. I now look forward to the Group presenting its final recommendations by the end of 2017."*

Jyrki Katainen, Vice-President responsible for Jobs, Growth, Investment and Competitiveness added: *"Mobilising finance from investors oriented to the long-term and from capital markets is vital for the transition to a low-carbon, more resource-efficient and sustainable economy. We know that investments of around €180 billion per year are needed to deliver on the EU's ambitious climate and energy goals. The High-Level Expert Group's report complements our efforts made in that direction under other parts of the Investment Plan for Europe, notably the European Fund for Strategic Investments."*

Today's interim report by High-Level Group maps out the challenges and opportunities that the EU faces in developing a sustainable finance policy agenda, identifying possible areas of reform in financial policy. It also presents a first set of early recommendations to the Commission. The expert group will further explore other policy areas to provide further recommendations in the final report, due at the end of 2017.

The areas on which the interim report proposes quick action include a classification system for sustainable assets, a European standard and label for green bonds, fiduciary duty that encompasses sustainability, better disclosure from financial institutions and companies on how sustainability is factored into decision-making and a 'sustainability test' for relevant EU financial legislation. The Commission will now start exploring these early recommendations as of now.

The High-Level Expert Group will continue examining other policy areas, such as: integrating sustainability considerations in ratings, improved transparency requirements for listed companies, as well as increasing the level of sustainable investments through stable long-term policy frameworks and a strong pipeline of sustainable projects.

The interim report will be discussed at a public hearing on sustainable finance organised by the European Commission on 18 July 2017 in Brussels. It will be accompanied by a public consultation that will help the group to deepen its analysis and shape its policy recommendations.

Background

The European Union has been at the forefront of efforts to build a financial system that supports sustainable growth. In 2015, landmark international agreements were established with the adoption of the UN 2030 Agenda and Sustainable Development Goals and the Paris Climate Agreement. The EU has set itself ambitious climate, environmental and sustainability targets, for instance through its 2030

Energy and Climate framework, the Energy Union and its Circular Economy Action Plan.

These commitments and the growing awareness of the urgency to address environmental challenges and sustainability risks call for an effective EU strategy on sustainable finance.

The High-Level Group was established in December 2016 as part of the Commission's commitment to the Paris Climate Agreement. It is made of 20 senior experts from civil society, the finance sector, academia and observers from European and international institutions. It's chaired by [Christian Thimann](#).

The High-Level Expert Group has taken into account relevant work on climate, environmental and sustainable finance, such as the [Guidelines on non-financial reporting](#) adopted by the European Commission on 26 June 2017 and the [final recommendations report published by the industry-led Task Force on Climate-related Financial Disclosures \(TCFD\)](#) on 29 June 2017.

For More Information

[High-Level Expert Group on Sustainable Finance](#)

[Sustainable Finance Interim Report](#)

IP/17/2022

Press contacts:

[Vanessa MOCK](#) (+32 2 295 61 94)

[Letizia LUPINI](#) (+32 2 295 19 58)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)