

Frequently asked questions: International Platform on Sustainable Finance (IPSF)

Why do we need an international platform on sustainable finance?

Climate change poses global challenges. Massive investments will be needed to transit to a low carbon economy. Public funding is vital for the transition but it will not be enough. A substantial part of the financial flows will have to come from the private sector. Trillions of investments will be needed in sustainable infrastructure over the next decades to reach the Paris Agreement commitments. The global nature of financial markets offers great potential in terms of helping countries on their transition path, by linking local financing needs to global sources of funding.

Many jurisdictions around the world have started developing environmentally sustainable finance tools to mobilise their financial sectors but action at national level will not be enough. We need greater international cooperation to better join up our efforts to scale up environmentally sustainable finance globally and promote the integration of markets for green financial products at international scale. To this end, the IPSF will act as a forum for facilitating exchanges and, where relevant, coordinating efforts on initiatives and approaches to environmentally sustainable finance, while respecting national and regional contexts.

The IPSF is part of the European Commission's ongoing work to support a global transition to a low-carbon, more resource-efficient and sustainable economy.

What is the scope and objectives of the IPSF?

The ultimate objective of the IPSF is to scale up the mobilisation of private capital towards environmentally sustainable investments. The IPSF will deepen international cooperation and, where appropriate, coordination on approaches and initiatives for the capital markets (such as taxonomies, disclosures, standards and labels), that are fundamental for private investors to identify and seize environmentally sustainable investment opportunities globally.

Operationally, the IPSF will pursue three objectives:

1. Exchange and disseminate information to promote best practices in environmentally sustainable finance;
2. Compare the different initiatives and identify barriers and opportunities to help scale up environmentally sustainable finance internationally;
3. While respecting national and regional contexts, enhance international coordination where appropriate on environmentally sustainable finance issues. In addition, where appropriate, some willing members could

strive to align initiatives and approaches.

Who are the members and observers of the IPSF?

The members of the IPSF are jurisdictions willing to advance on environmentally sustainable finance. The members are represented by public authorities in charge of developing environmentally sustainable finance policies and initiatives in their respective jurisdiction. To date, the members of the IPSF are the European Union and relevant authorities from Argentina, Canada, Chile, China, India, Kenya, and Morocco.

The IPSF includes, as observers: the Coalition of Finance Ministers for Climate Action, the European Bank for Reconstruction and Development, the European Investment Bank, the International Organisation of Securities Commissions, the Network for Greening the Financial System, the Organisation for Economic Co-operation and Development, and the United Nations Environment Programme – Finance Initiative.

Will the IPSF be open to other members/jurisdictions?

The IPSF is members-driven and open to those public authorities which are responsible of developing initiatives on environmentally sustainable finance and are willing to advance, promote international cooperation and, when appropriate, coordination in this area. To join the IPSF, the applicants should send their application to the IPSF secretariat (fisma.ipsf@ec.europa.eu), which will submit it to the members for approval.

Please see the [Joint Statement](#) of International Platform on Sustainable Finance.