

Sustainable Finance: High-Level Conference kicks EU's strategy for greener and cleaner economy into high gear

This event is an opportunity to maintain the momentum established at the [One Planet Summit](#), cementing the support and commitment of EU leaders and key private players for the changes needed in the financial system and the economy. The event is jointly hosted in Brussels by Commission President Jean-Claude **Juncker** and Vice-President Valdis **Dombrovskis**. High-level keynote speakers include French President Emmanuel Macron and Michael Bloomberg, the United Nations Secretary-General's Special Envoy for Climate Action. European Commission Vice-President Jyrki **Katainen**, Commissioner for Climate action and Energy Miguel Arias **Cañete** and Commissioner for Environment Karmenu **Vella** will also address hundreds of participants discussing how best to put the Commission's [Action Plan on Sustainable Finance](#) into practice. The Action Plan, launched on March 8, is part of the [Capital Markets Union's \(CMU\)](#) efforts to connect finance with the specific needs of the European economy to the benefit of the planet and our society. It is also one of the key steps towards implementing the historic [Paris Agreement](#) and the [EU implementation of the 2030 Agenda for Sustainable Development](#).

Jean-Claude **Juncker**, President of the European Commission said: *"Through the ambitious targets set in the historic Paris climate agreement, and the commitment to be a world leader in renewables, Europe is already leading the fight against climate change. But to get there, Europe's financial sector must lead the green transition and make our Union the global destination for sustainable investment. There is no greater return on investment than a healthy planet and economy."*

Valdis **Dombrovskis**, Vice-President responsible for Financial Stability, Financial Services and Capital Markets Union said: *"Europe is proud to be leading the global fight against climate change, just two years after the signature of the Paris Agreement. But to reach our commitments for emissions reductions, we are faced with a considerable task: we have a yearly funding gap of around 180 billion euros to fill. Public money alone will not be enough for this. The financial sector will have to throw its full weight behind the fight against climate change. This is a challenge, but also an exceptional opportunity."*

Key features of the Action Plan

- Establishing a common language for sustainable finance, i.e. a unified **EU classification system – or taxonomy** – to define what is sustainable and identify areas where sustainable investment can make the biggest impact.
- Creating **EU labels** for green financial products on the basis of this EU

classification system: this will allow investors to easily identify investments that comply with green or low-carbon criteria.

- Clarifying the **duty of asset managers and institutional investors** to take sustainability into account in the investment process and enhance disclosure requirements.
- Requiring insurance and investment firms to advise clients on the basis of their preferences on sustainability.
- Incorporating **sustainability in prudential requirements**: banks and insurance companies are an important source of external finance for the European economy. The Commission will explore the feasibility of recalibrating capital requirements for banks (the so-called green supporting factor) for sustainable investments, when it is justified from a risk perspective, while ensuring that financial stability is safeguarded.
- Enhancing transparency in **corporate reporting**: the Commission is proposing to revise the guidelines on non-financial information to further align them with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD).

Background

The EU and governments around the world committed to the objective of a more sustainable economy and society when they adopted the [Paris Agreement](#) on climate change and the UN 2030 Agenda for Sustainable Development. The EU is already making a difference thanks to the [EU 2030 Energy and Climate framework, the Energy Union](#), the [Circular Economy Action Plan](#) and the [EU implementation of the 2030 Agenda for Sustainable Development](#)

The Juncker Commission has pledged to lead the implementation of the Paris climate agreement and the transition to a low-carbon and resilient economy. To succeed, more capital for green and other sustainable projects is needed: the funding gap to achieve EU climate and energy targets by 2030 is estimated at €180 billion each year. Ultimately, sustainable finance is also crucial in order to boost the EU's long-term competitiveness and growth. With the United States withdrawing from the Paris Agreement, the EU should establish itself as the destination for low-carbon technologies and sustainable investments, securing a substantial competitive advantage.

For More Information

[Programme of the High Level Conference on Sustainable Finance](#)

[Webpage of the High Level Conference on Sustainable Finance](#)

[Factsheet](#)

[Webstream Recording of proceedings](#)

[Broadcast quality video footage of main speakers](#)

More information on [sustainable growth](#)