



The European Commission's Sustainable Finance Strategy

**Nikos ISARIS
Deputy Head**

Representation of the European Commission in Cyprus

**Green and Sustainable Finance Conference
Session 1: Raising Ambition while Undertaking
Policy Effectiveness**



The Importance of Sustainability and the nexus with Climate Change

- The existential threats of climate change and environmental degradation.
- Urgency to address these global challenges collectively.
- Decisions and investments now define our collective legacy and future generations.



EU's Leading Role in Climate Action

- The European Green Deal as the world's most ambitious green strategy.
- "Fit for 55" legislative package.
- Legally binding targets: 55% reduction of carbon emissions by 2030 and climate neutrality by 2050.



Steps Towards a Sustainable Future

- Achieving greater energy efficiency.
- Increasing the share of renewable energy sources.
- Becoming more energy independent.
- Establishing the EU as the ecosystem of green innovation.

Green and Sustainable Finance

- The EU's Sustainable Finance Strategy centres on **fostering confidence** in the private financing of sustainable investment opportunities. This includes ensuring greater **transparency**.
 - **Environmental considerations**
 - **Social considerations**
 - **Governance factors**
 - **Transparency**



Green and Sustainable Finance cont.

- Providing a **standardised common understanding and overview** of sustainability activities;
- Establish **reporting obligations** for various large financial and non-financial companies; and
- Setting up a diverse **toolkit** with which private stakeholders can raise funds.



EU Taxonomy Regulation

- The EU Taxonomy Regulation as a classification tool.
- Utilisation in providing clarity for companies, capital markets, and policymakers.
- How it supports the transformation of the EU economy.
 - **The Sustainable Finance Disclosure Regulation (SFDR)**
 - **The Non-Financial Reporting Directive (NFRD)**



Reporting Obligations Framework

- The Sustainable Finance Disclosure Regulation (SFDR)
- Corporate Sustainability Reporting Directive for comprehensive reporting.
- European Sustainability Reporting Standards and coverage expansion.

Further Strategies: Green Taxation

- Green taxation in support of a more sustainable future.
 - **EU Emission Trading System**
 - **Social Climate Fund**
- Better regulation, burden reduction and red tape cuts.
- Just Transition Fund



Delivering on our commitments

- European Green Deal: our growth agenda
 - **90% of commitments delivered by 2023**
- A fair, smart and inclusive green transition
 - **Citizens' dialogues**
 - **Industry consultations**
 - **Support to citizens and businesses**

Thank you



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