



# L'Unione Europea e la finanza sostenibile

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# Perchè la finanza sostenibile? (1)

L'utilizzo delle risorse naturali è più che triplicato dal 1970 ed è in continua espansione.



Fonte: Un Environment

# Perchè la finanza sostenibile? (2)

In assenza di azioni tempestive e concertate, la crescita rapida e l'uso inefficiente delle risorse naturali continuerà a creare una pressione insostenibile sull'ambiente.

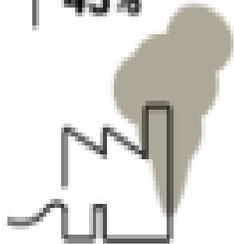
From 2015 to 2060, *Historical Trends*:

↑ more than  
**doubles**



Global material  
extraction

↑ increases by  
**43%**



Greenhouse gas  
emissions

↑ increases by  
more than **20%**



Area of  
agricultural land

↑ increases by  
**25%**



Global  
pasture land

↓ reduces by  
over **10%**



Forests

↓ reduces by  
around **20%**



Other  
natural habitat

Fonte: Un Environment

# Obiettivi dell'Unione Europea

L'Unione Europea si è impegnata a raggiungere tre obiettivi ambiziosi sul clima entro il 2030 in linea con l'Agenda 2030 delle Nazioni Unite, gli Obiettivi di Sviluppo Sostenibile (SDGs) e l'Accordo di Parigi sul clima. Entro il 2050 l'Unione Europea mira a raggiungere l'obiettivo di azzerare le emissioni di gas serra (GHG emissions).



Minimum **40%** cut in greenhouse gas emissions compared to 1990 levels



At least a **32%** share of renewables in final energy consumption



At least **32,5%** energy savings compared with the business-as-usual scenario

**Public money**

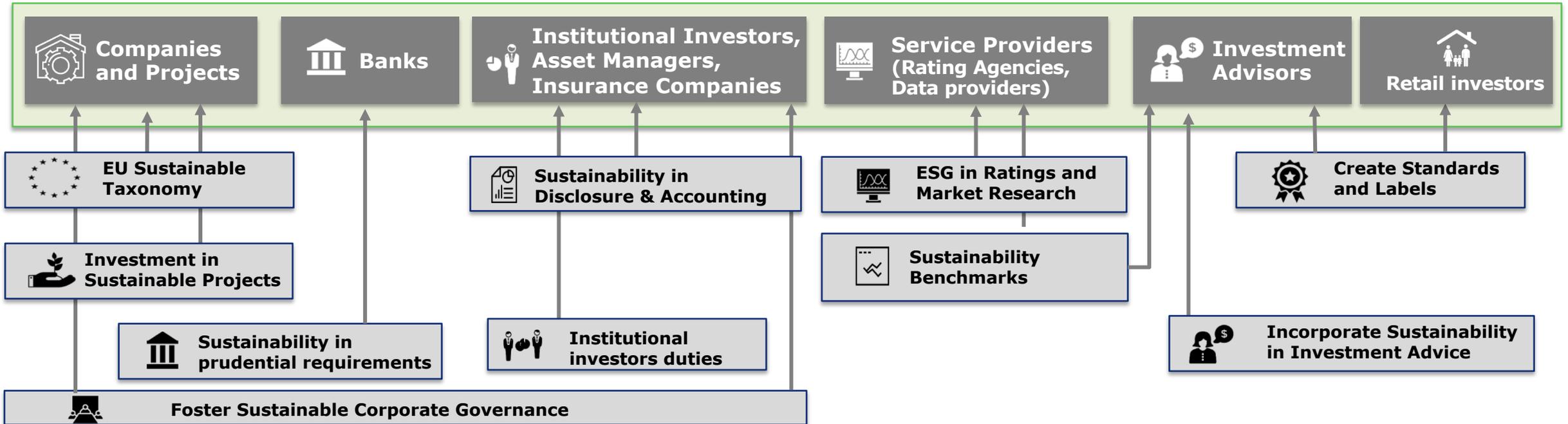
The yearly investment gap to meet these targets is estimated to be **between € 175 to 290 billion.**

**Private money**

Public supporting schemes alone will not be sufficient to meet those investment needs. The private sector will have to play a huge role and a smart policy framework is needed to incentivise private investment.

# Action Plan on Financing Sustainable Growth

## Mapping and links of the 10 actions along the investment chain



# The legislative proposals

The most urgent actions from the AP were taken forward as legislative Proposals in May 2018.



Improve sustainability-related disclosure in the financial services sector

**Disclosure Regulation:** (i) Sustainability risk and (ii) Sustainability impact



Develop Sustainability Benchmarks

**Benchmark Proposal:** create two new categories of benchmarks: (i) a low-carbon benchmark, (ii) and a positive-carbon impact benchmark as well as minimum disclosure requirements for ESG benchmarks.



Establish EU Sustainable Taxonomy

**Taxonomy Proposal:** setting out criteria to determine the environmental sustainability of economic activities ('**taxonomy**').

# Key elements of the February 2019 political agreement between co-legislators

## The EU Climate Transition Benchmark

The EU Climate transition benchmark brings the resulting benchmark portfolio on a **decarbonisation trajectory**, meaning a **measurable, science-based and time-bound trajectory to reduce carbon emissions**.

## The Paris-aligned Benchmark

The EU Paris-aligned Benchmark brings the resulting benchmark portfolio's carbon emissions **in line with the Paris Climate Agreement goal to limit the global temperature to 1.5°** compared to pre-industrial levels.

## Other key elements

- Extension of the transitional period for providers of “critical benchmarks” — interest rates such as Euribor or EONIA — by two extra years until 31 December 2021.
- Extension of the period for mandatory contributions/administration to five years.
- Extension of the transitional period also covers the possibility for benchmarks administered in third-countries to be used in the EU for another two years.

# Disclosures by financial entities: who, what, where?

<u>Scope</u>	<u>What to disclose</u>	<u>Where to disclose</u>	<u>Who should disclose</u>
All investment products	How negative impacts on financial returns arising from sustainability risks are integrated in risk policies	Websites, pre-contractual information, marketing communication	all financial entities (product manufacturers and financial advisors)
	How the financial entity considers adverse impacts on sustainability factors (negative externalities)	Websites, pre-contractual information	compulsory for financial entities >500 and holding companies, other entities to disclose on a comply or explain basis
Investment products with sustainability characteristics or objectives	How these sustainability characteristics or objectives are met	Pre-contractual information, websites, periodical reports, marketing communication	all financial entities (product manufacturers )

# Article 19a/29a Accounting Directive

## 4 issues

- Environment
- Social & employee
- Human rights
- Bribery & corruption

## 5 areas

- Business model
- Policies and due diligence
- Outcomes
- Risks and risk management
- KPIs

Large listed companies  
Large banks  
Large insurance companies  
  
With >500 employees

management report  
or separate report

**Materiality:** "to the extent necessary for an understanding of the undertaking's development, performance, position, and impact ~~of~~ its activities..."