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Keynote Address

**Translating EU Strategy on sustainable finance into
practice**

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Check Against Delivery

Seul le texte prononcé fait foi

Es gilt das gesprochene Wort

Ladies and gentlemen,

It is a great pleasure to address you briefly this afternoon on how to translate the EU Strategy on Sustainable Finance into practice.

Sustainable financing is in the DNA of the EIB, the EU Bank, and underpins all our activities. We take a holistic approach to sustainable finance, including environmental, social and economic sustainability, as we ensure our financing is used for sustainable growth.

In this respect, we are guided by EU policy objectives, including commitments to the UN Sustainable Development Goals and the Paris Agreement on Climate Action.

Ladies and gentlemen,

Europe seems to have turned a corner in terms of macro-economic performance...But this is no time for complacency.

It is now time to invest in those areas that will make Europe economically more resilient in the future and place us firmly on the path to sustainable growth.

Putting Europe on this path entails joining up our efforts to make our economies greener, more resilient and more inclusive. It requires supporting a circular economy that will not only reduce our environmental footprint but also strengthen Europe's competitiveness.

Investing in Europe's productivity, strengthening competitiveness and reducing inequality can – and indeed must – go hand-in-hand with reducing emissions.

We need the right policies and incentives in place! Encouraging projects in the green economy is not just a question of more money!

...It is also very much a question of lifting barriers to new projects, making investments less risky, and more attractive and bankable for the private sector.

To do this the public and private sectors will have to work together! We need to show that sustainable investments do not have to be unattractive, and we need to proceed with proven approaches – such as EFSI – that have shown how we can crowd-in the private sector.

The call to do more on climate and the SDGs has been clearly understood at the EIB Group and we make a difference everyday by mobilising finance and providing technical support.

As the largest single multilateral financier of climate action projects worldwide, we are committed to helping deliver on the Paris Agreement.

We have pledged to provide EUR 100 billion for climate action projects in the five year period to 2020. This is expected to mobilise around EUR 250 billion in climate investment. And we are delivering!

A large part of this pledge will be invested in cities and urban areas. For this, partnerships will be key to success!

The EIB Group is pleased to partner with the Global Covenant of Mayors for Climate & Energy ('GCOM') and join efforts in closing the urban financing gap currently preventing many cities globally from implementing ambitious climate programmes.

Three months after the announcement of the Global Urbis at the One Planet Summit organised by President Macron, I am pleased to announce – in partnership with GCOM – the launch of a call for interest to thousands of cities around the world who can access technical and financial support for low-carbon and resilient infrastructure.

Real results will happen through working together on the ground - particularly in cities around the world where we see not only some of the most devastating effects of climate change but some of the most innovative solutions. That is why our partnership with GCOM is so promising!

I urge the cities themselves to sign up to this endeavour!

We will provide an update of the initiative at the Climate Summit in San Francisco in September of this year, organised by Michael Bloomberg and Governor Brown.

Ladies and gentlemen,

The European Commission's Action Plan presents an important opportunity to take tangible steps to support sustainable financing.

...The Action Plan draws on the conclusions of the High-Level Expert Group on sustainable financing on which the EIB has been an active observer, contributing with expertise gained from activities over the past 60 years.

The EIB Group welcomes the proposal to continue these efforts and establish a technical expert group on sustainable finance. As we have done in the past, we are willing and ready to assist in these important efforts.

As identified in the Communication, it is only with the help of the financial sector that we can bridge the annual EUR 180 billion funding gap to reach our climate and energy targets.

As the EU Bank, we support the EU's policy goals in Europe and around the world by providing financial instruments that crowd in private financing for sound, sustainable projects. We, therefore, wholeheartedly embrace actions to foster investment in sustainable projects.

Having already approved investments that support 87 per cent of the original EUR 315 billion target, EFSI has recently been extended to 2020. Accordingly, EIB has committed to meeting a target of EUR 500 billion of EFSI investment by 2020.

EFSI 2.0 will focus even more on sustainable projects, with at least 40% of EFSI financing for infrastructure and innovation to support climate action projects.

We also welcome efforts in the Communication to build up advisory capacity to deliver sustainable projects, and we stand ready to deliver sound advisory services, as we are doing through numerous advisory services, including the European Investment Advisory Hub.

I very much welcome efforts to bring clarity in terms of standards particularly to the green bond market.

The EIB is a leader in making the green bond market more transparent to attract more bond issuers and investors. For instance, we are chairing the Executive Committee of the Green Bond Principles, a global forum for issuers, banks and investors with over 100 parties.

We support the recommendation to develop an official European standard for green bonds while also developing international green bond markets. We stand ready to help!

As the pioneer on the green bond market, we understand the value of this instrument. We issued our first Climate Awareness Bond in July 2007 and have now issued around EUR 20 billion in green bonds in 11 currencies.

With these Climate Awareness Bonds, the EIB has financed more than 160 projects in almost 50 countries around the globe, contributing to investments in renewable energy and energy efficiency worth around 84 billion euros. This is a great example of crowding-in new investors into financing low carbon projects.

Ladies and gentlemen,

I can assure you that the EIB Group is fully committed to delivering climate finance and stands ready to provide the full range of its financial and technical expertise to help Europe in its transition towards a low carbon economy.

Being the largest multilateral financier of climate action, we see the impact of our financing every day in our projects on the ground all around the world. This motivates us in our efforts!

I can further assure you of this:

- We will continue to drive European efforts to develop innovative products to crowd-in private sector funding.
- We will continue to be 'market-makers' for sustainable finance.

- And we will work closely together with Member States, the European Commission, and partners from inside and outside the Union in efforts to implement the EU Strategy and lead against climate sceptics.

Thank you!