Delivering on sustainable finance for a greener and cleaner economy

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DG MOVE, Single European Rail Area
EU Global Commitments

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

At least a **27%** share of renewables in final energy consumption

At least **30%** energy savings compared with the business-as-usual scenario

*pending finalisation of co-decision procedure*

**ANNUAL INVESTMENT NEEDS FOR SUSTAINABLE DEVELOPMENT IN THE EU (EUR BN)**

<table>
<thead>
<tr>
<th>TRANSPORT</th>
<th>Current</th>
<th>Required</th>
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<tbody>
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<td>80</td>
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26-28 June 2018, Genoa, Italy
# Action Plan on financing sustainable growth

**8 March, 2018**

<table>
<thead>
<tr>
<th><strong>KEY CHALLENGES</strong></th>
<th><strong>ACTIONS</strong></th>
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<tr>
<td>No common definition of ‘sustainable investment’</td>
<td>EU classification (taxonomy) for sustainable activities</td>
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<td>Risk of ‘greenwashing’ of investment products</td>
<td>Standards and labels for ‘green’ financial products give investors certainty</td>
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<td>Banks and insurers often give insufficient consideration to climate and environmental risks</td>
<td>Study if capital requirements should reflect exposure to climate change and environmental risks</td>
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<td>Investors often disregard sustainability factors or underestimate their impact</td>
<td>Clarify institutional investor duties to consider sustainable finance when allocating assets</td>
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<td>Too little information on corporate sustainability-related activities</td>
<td>Enhancing non-financial information disclosure</td>
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Follow up of Action Plan: Legislative proposals on sustainable finance

24 May, 2018

Proposals for

- Framework regulation for sustainable investment
- Regulation on disclosures
- Amendment of Regulation (EU) 2016/1011 on low carbon benchmarks

**TAXONOMY**
EU environmentally-sustainable classification system

**Conditions:**
- Contribute to environmental objectives
- Respects social and environmental safeguards
- Complies with technical screening criteria

**Objectives:**
- Supports single market
- Avoids 'greenwashing'
Next steps for railways

**EC, DG FISMA**

- Legislative Proposal
  - Objectives
  - Conditions
  - Empowerment

**EC, DG MOVE**

- Delegated acts
  - Technical screening criteria

- Platform on sustainable finance

- Consultative process with stakeholders

- Study: fall 2018:
  - Agreed principles and methodology for GHG assessment of rail projects

- Pending EP and Council agreement

To be adopted between end-2019 and mid-2022

26-28 June 2018, Genoa, Italy
Climate mainstreaming in long term EU Budget 2021-2027

Target rates for investments contributing to EU climate and environment goals:

• Overall target of **25%** of EU expenditure (currently 20%).

• **InvestEU**: at least **50%**

• **Connecting Europe Facility CEF2**: **60%**; focus on rail
Thank you for your attention!

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