Takeaways from the Sessions.

Day 1 – Tuesday 13 December 2022

Two high-level experts, Guillaume Prache from BETTER FINANCE, and Marylin Waite from Climate Finance Fund, kicked off the conference with thought-provoking keynote speeches, setting the scene for the two following days.

During the first panel on "How to impact energy efficiency and sustainable energy investments with sustainable financial products?" we found out what climate impact investing products look like in practice and what their limitations are.

The workshops allowed for participants to discuss the minimum requirements for individual investor impact mechanisms.

2Dii presented the climate impact potential assessment framework developed within the Level EEI project which will be published by the end of the January.

The Consortium is already pretty advanced in the conceptualization of intentionality and additionality; however, we have learned that impact measurement is a very complex issue – very nuanced, from a theoretical and practical point of view.

Participants discussed how Financial Institutions should communicate on these nuances and what principles for impact marketing could look like. They also learned about methods to evaluate impact from different disciplines and discussed whether and how they could be applied to assess investor impact.

The remaining question is to know what level of granularity is really required in impact measurement to serve the purpose of steering capital systematically to products with a higher potential to change company climate behaviour.

Against this backdrop, we finished the day with a discussion around the need for a new category and concept besides pure measurable impact products such as climate contribution/improvement products.

Day 2 – Wednesday 14 December 2022

The second panel held in the morning presented us with practical methods to elicit retail investor preferences in pension and mutual funds.

Maastricht University's presentation, referring to discussions with distributors and asset managers, revealed that the new MiFID II application is still at an early stage, and that it is doubtful that the current minimum requirements set by the regulation are sufficient to meet the actual investor sustainability-related objectives.

This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 894345.

During the third panel, in the afternoon, speakers agreed that retail investors are still very often misled, though they also noted that the regulation increased the level of transparency. Consumer organisations agreed that shareholder voting is way too difficult and retail voices and preferences are too rarely integrated in asset manager decisions. Very interestingly, ESMA confirmed that the Unfair Commercial Practices Directive (UCPD), was not considered when designing the Sustainable Finance Disclosures Regulation (SFDR) and Mifid II, yet the Speakers agreed that it could be legally applied against greenwashing.

Furthermore, ESMA agreed that a Q&A with the European Commission needs to be initiated as a next step to resolve the confusion between company impact and investor impact, as well as integrating the concept of investor impact in the regulation.

In the Keynote Speech of Sven Gentner from the European Commission's DG FISMA, we learned that the development of the new EFRAG indicators is on track and that these are expected for 2024.

In the fourth and last panel, we learned about the most recent developments on the European Performance Buildings Directive, Environmental Product Declaration Schemes and Mortgage Credit Directive and were treated to a nice video endorsement from MEP Sean Kelly for our work. Positive Money presented their recommendations for a mortgage portfolio standard, guarantee fund, EU renovation loan, green discount rate from European Central Bank and use of taxonomy for loans.

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