



GLORIA  
Workshop  
28 April, 2021

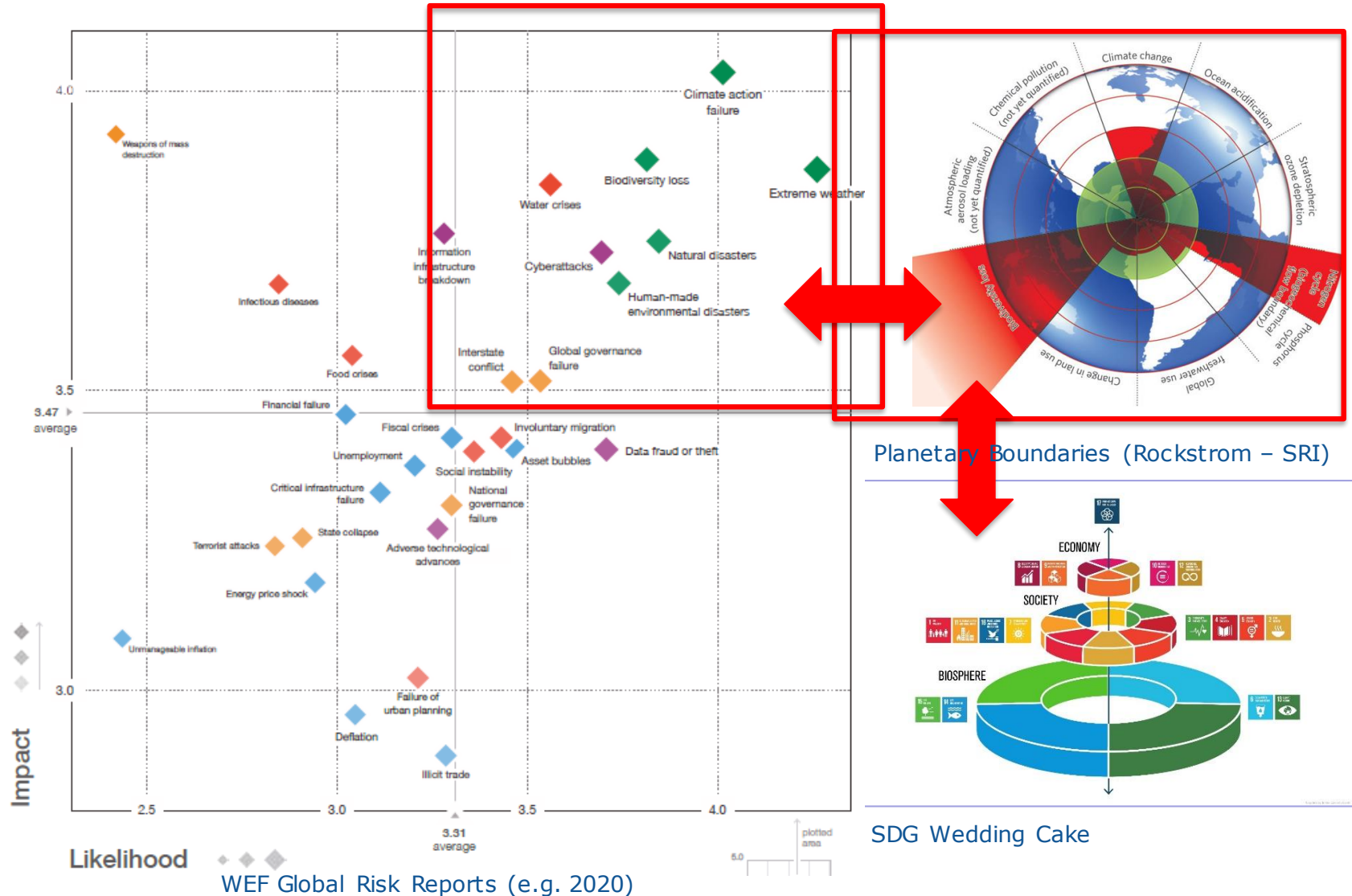
# The EU Green Deal & Mobilizing Green Finance & Investments

*Based on the Joined-Up Natural Capital and Circular Economy Management Agenda*

Thomas Verheyen  
Principal Advisor Green Finance & Investment  
European Commission  
DG - Environment

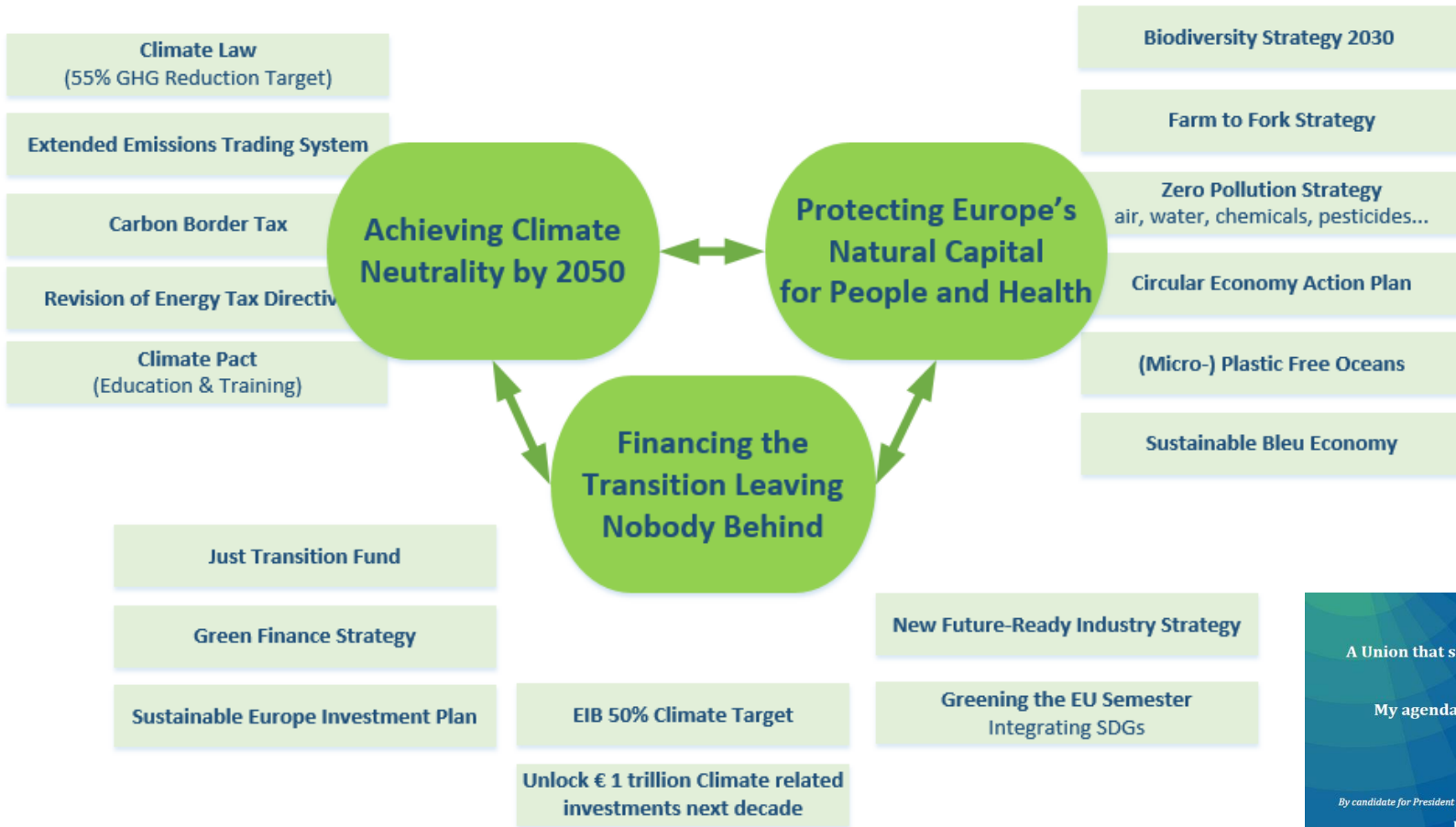
# Need for a EGD: All Natural Capital Degrading Rapidly

*Risks interlinked and jeopardizing Economic and Social Sustainability*



# EGD: Enabling Integrated Environmental Management

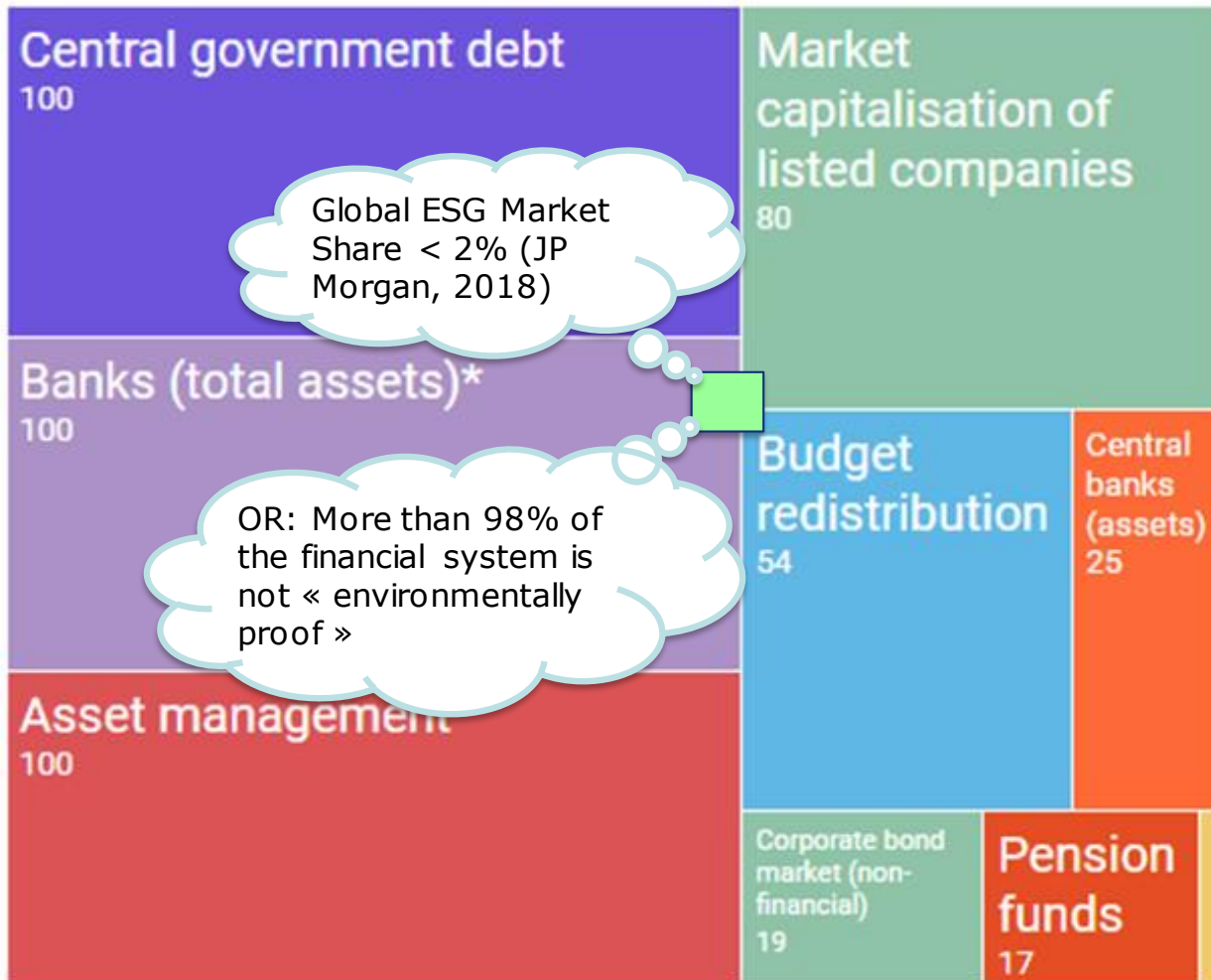
## *Prioritizing Beyond Climate & Moving Sustainable Finance Center-Stage*



*A Comprehensive Framework for Efficiently Managing Environmental and Social Risks & Opportunities whilst Future Proofing Businesses & Economies*

# Need for a EGD: Green Finance Far Policy Rhetoric and Goals

## Overcoming Obstacles Essential for Delivering the Green Transition

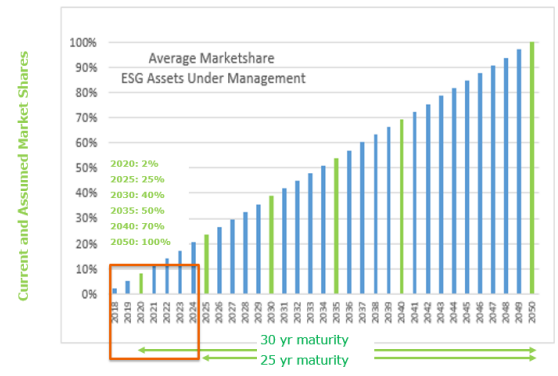


Global ESG Market Share < 2% (JP Morgan, 2018)

OR: More than 98% of the financial system is not « environmentally proof »

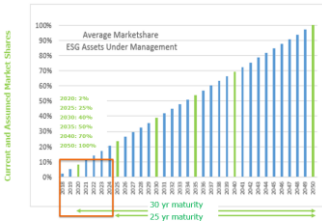
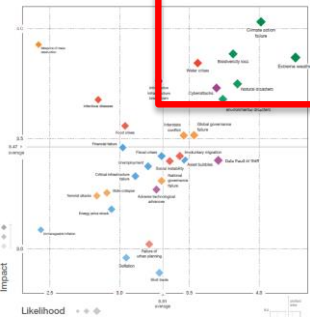
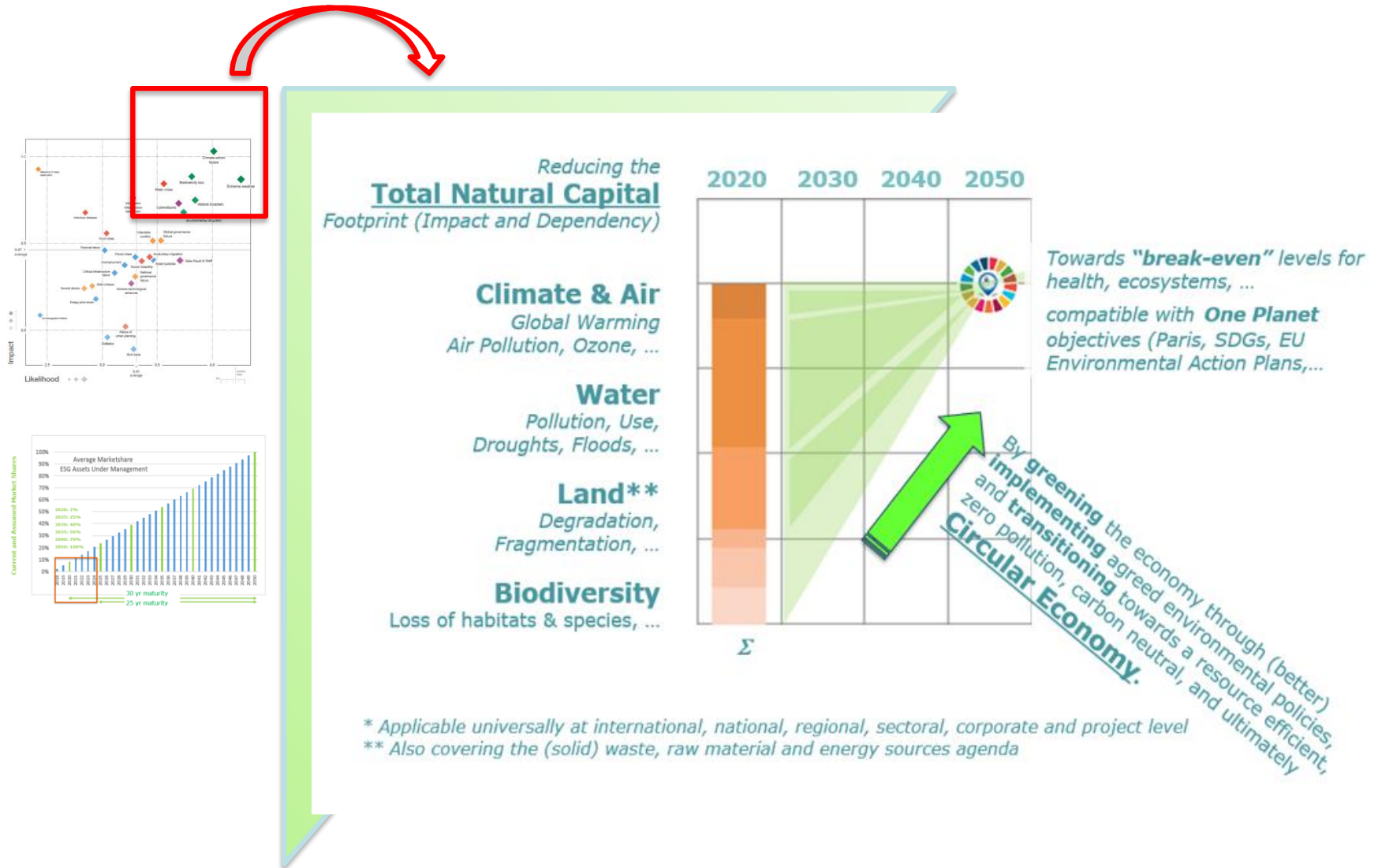
- Sustainable Investment Obstacles\*
- Poor Understanding of Environmental Risks
  - Lack of Harmonized Methods & Metrics
  - Poorly Joined-Up Policies
  - Limited bankable investment pipeline
  - Other

\* See HLEG, UNEP-World Bank, PR-CFA, ... (2018)







































# Need for a EGD: A Clear Integral Management Agenda

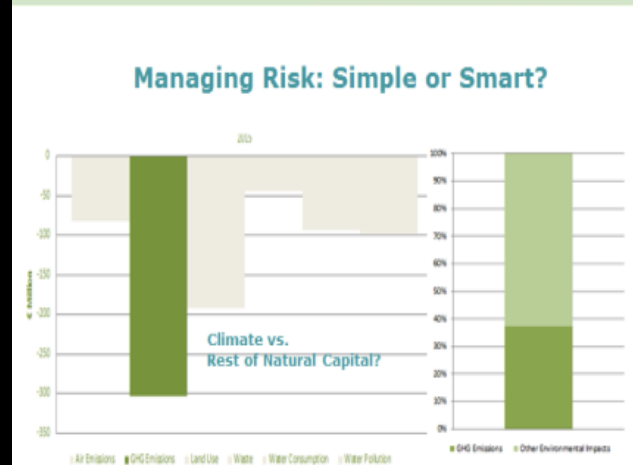
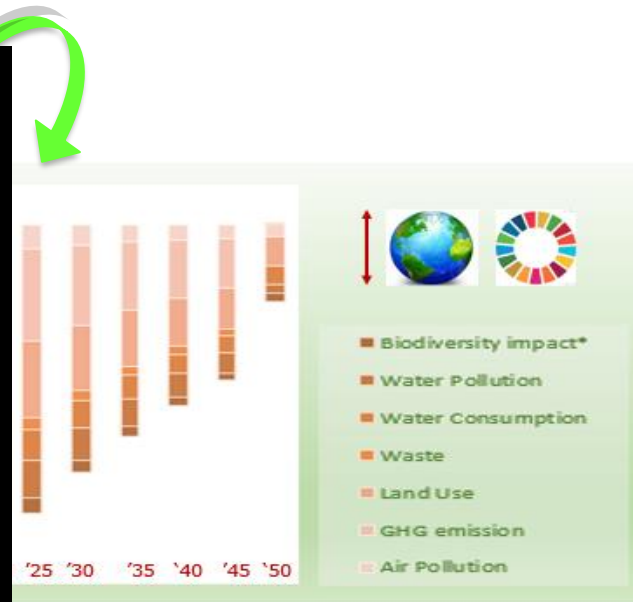
*For Effective & Efficient Forward Management of Impacts, Dependencies, and related Risk whilst Respecting the Do No Harm Principle*



# The Natural Capital Accounting Priority

## Enabling Smart Integrated Impact Measurement and Management

	TIER 0: STORES WAREHOUSE OFFICES	TIER 1: ASSEMBLY	TIER 2: MANUFACTURING	TIER 3: RAW MATERIAL PROCESSING	TIER 4: RAW MATERIAL PRODUCTION	TOTAL IN MILLIONS
AIR POLLUTION 						8% €64,5
GREENHOUSE GAS EMISSIONS 						35% €272,2
LAND USE 						27% €209,9
WASTE 						5% €37,0
WATER CONSUMPTION 						11% €83,2
WATER POLLUTION 						14% €106,2
<b>TOTAL:</b>	<b>7%</b> €56,0	<b>13%</b> €100,0	<b>4%</b> €33,70	<b>26%</b> €197,6	<b>50%</b> €385,7	<b>100%</b> €773,0

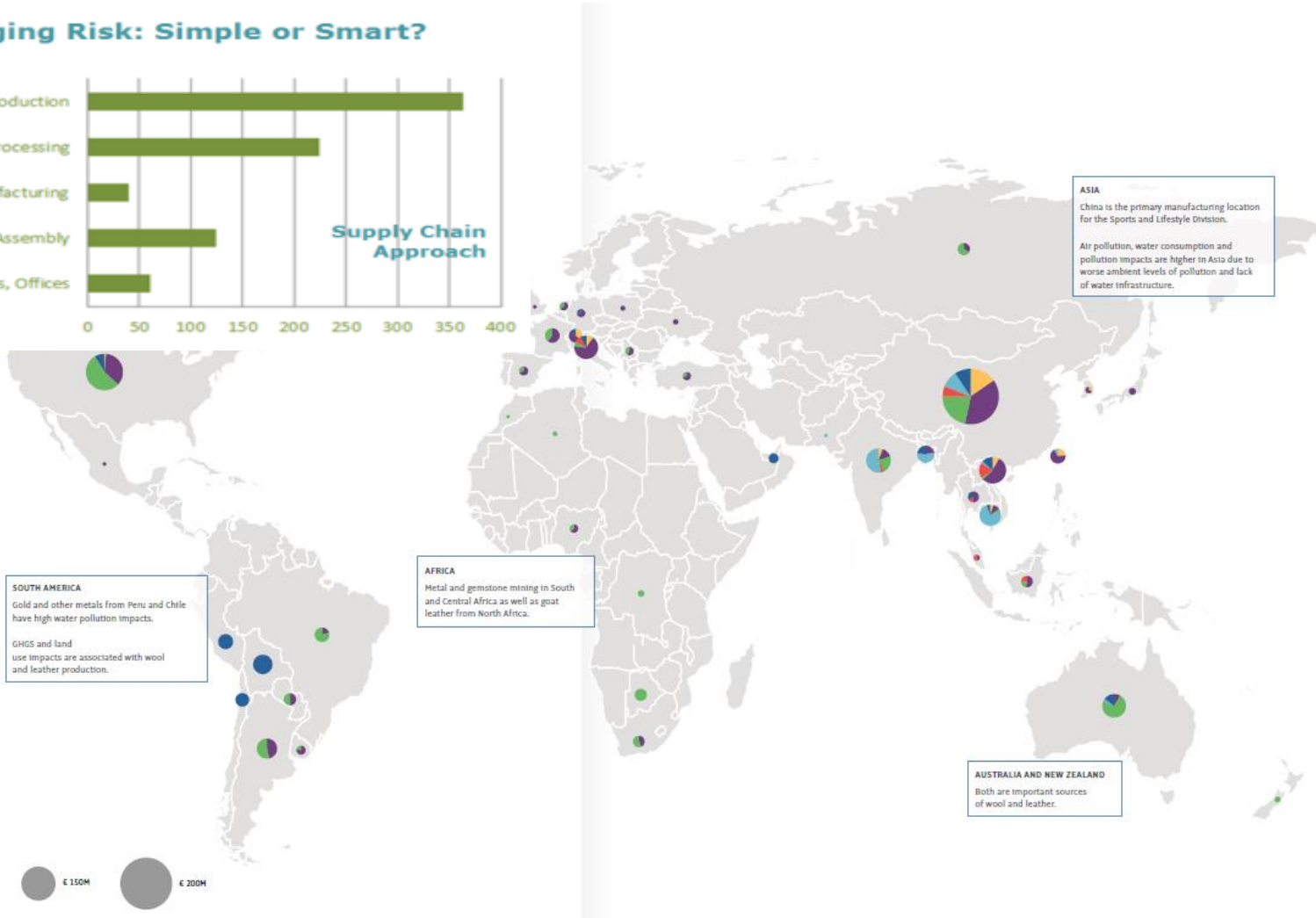
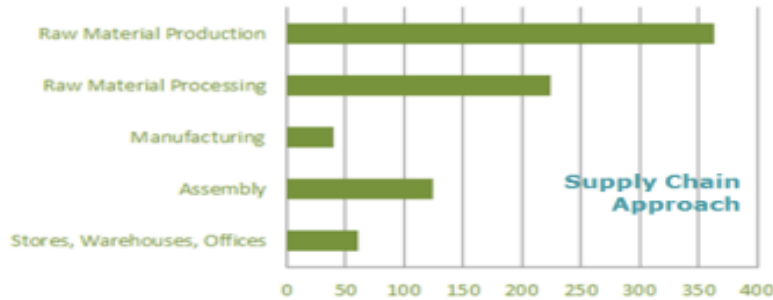




# The Natural Capital Accounting Priority

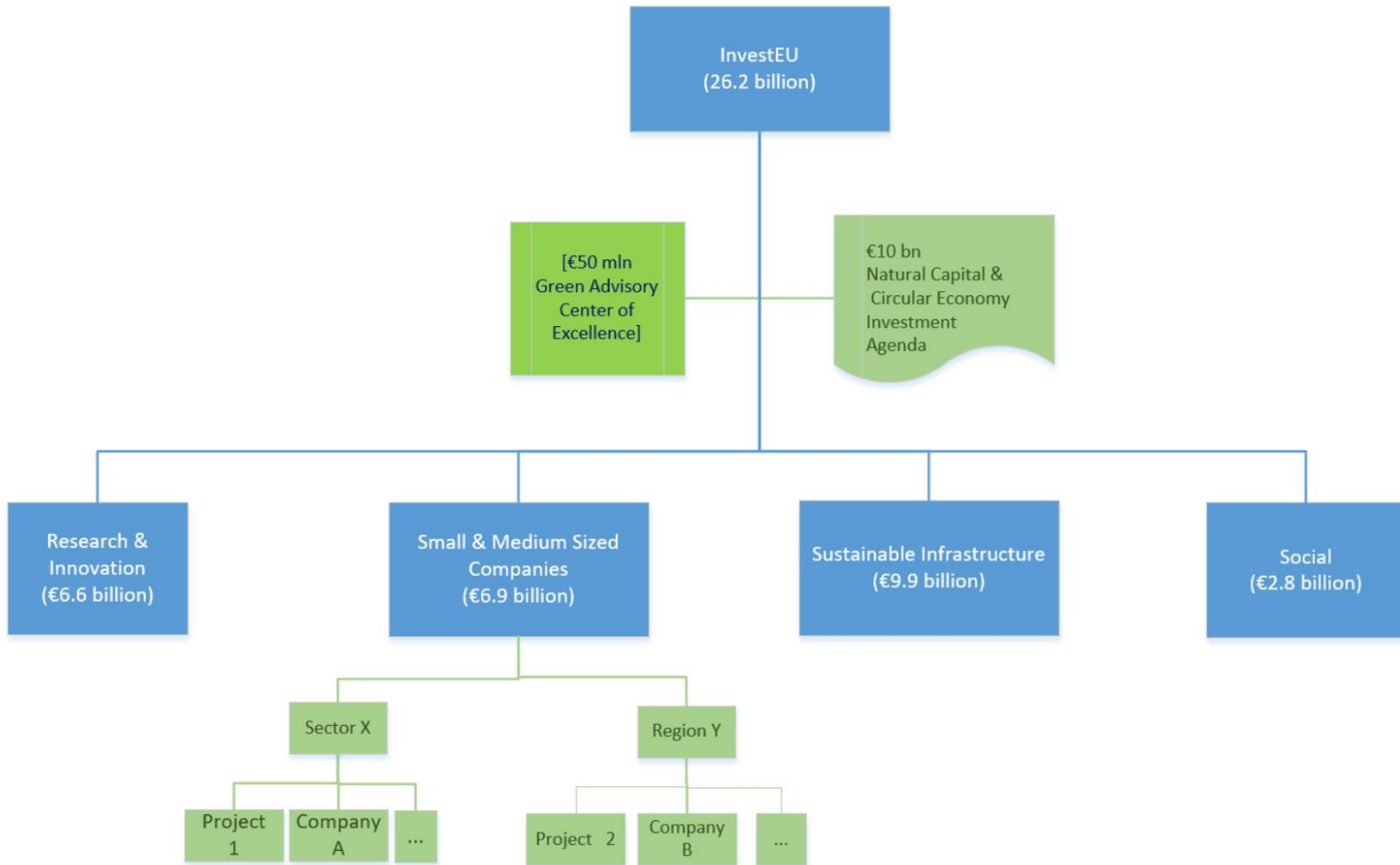
*Generating relevant information for Greening Value Chains in the EU and Globally*

## Managing Risk: Simple or Smart?



# The Green Investment and Advisory Priority

*Supporting the InvestEU Natural Capital & Circular Economy Investment Agenda*







# Thank you

## *Comments & Questions Welcome*

[https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en)

thomas.verheye@ec.europa.eu