



**MINISTRY OF INDUSTRY, BUSINESS
AND FINANCIAL AFFAIRS**

*Valdis Dombrovskis
Executive Vice-President for An Economy that Works for People and Com-
missioner for Financial Services, Financial Stability and Capital Markets
Union
European Commission*

**MINISTER FOR INDUSTRY,
BUSINESS AND FINANCIAL
AFFAIRS**

Dear Executive Vice-President Valdis Dombrovskis

Thank you for the opportunity to respond to the European Commission's public consultation on a Renewed Sustainable Finance Strategy. It is a key priority for the Danish government to enable a transition to a green and sustainable economy, and we therefore welcome this consultation.

The EU has so far lead the path towards sustainability and this role should continue in the future, as EU can be a world leader and push development on both on the national, EU and global level.

The financial sector has a key role to play in the transition by enabling other sectors to transform. Denmark is therefore dedicated to supporting ambitious efforts to further develop the area of sustainable finance, which continues to be growing. In our view, the growth of sustainable finance will be pivotal in fulfilling our commitments under the Paris agreement.

Generally, it is of key importance to find a balanced approach to sustainable finance, developing markets while ensuring financial stability. This is the case as we see financial stability as a prerequisite and a foundation for sustainable finance, as stable financial markets and predictability is needed before investors turn into areas with some uncertainties, such as sustainable finance.

Nationally, we should scale up well functioning and innovative initiatives, and learn from best practices from other Member States. We generally see a big potential for the EU to be a platform for Member States to exchange ideas, experiences and successes. We should also continue to ensure guidance to stakeholders to help them understand how the rules would apply to new solutions and technologies.

On the EU level, we support both legislative and non-legislative initiatives. These initiatives should be in line with climate targets and focus on areas, which hold considerable potential or pose as barriers to the sustainable transition. Initiatives should raise awareness of green investments as well as ensuring access to adequate and easily understandable information in order for investors and clients to make informed choices and assess risks, including those posed by climate change. In this context, communication should be reliable, transparent and unambiguous. This will include further work to ensure correct measuring of the degree of sustainability in portfolios and

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investments, how transition activities can be addressed as well as secure standardised, high quality data.

Among possible suggestions for concrete proposals, we are very supportive of introducing Eco-labels for products targeted retail investors and clients as this addresses the heart of the challenge of easy access to information for this target group.

We also support a legally binding framework for the EU Green Bond Standard as long as such a standard would also cater to the needs of Member States with low sovereign debt. Therefore, it is important that a future EU Green Bond Standard is constructed so that it embraces more than just conventional green bonds.

Denmark finds verification and supervisory processes very important for a standard to be successful, keeping in mind that such requirements must not stand in the way for well functioning or new innovative solutions.

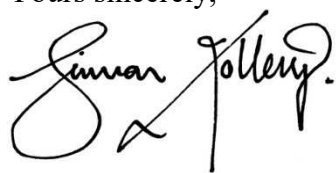
Successful and wide uptake by as many stakeholders as possible of current and coming initiatives is dependent on legal certainty for all actors. Thus, we should fully take into account the most recently agreed legislation and leave adequate time for it to take effect and be applied before introducing possible changes.

On a global scale, considering the global nature of the challenges ahead, we believe it is important that the EU continues to act on the global level. In this way, the EU should promote the valuable initiatives in the space of sustainable finance globally, including but not limited to, the uptake of the taxonomy for sustainable investments. We believe the International Platform for Sustainable Finance is a good forum to achieve that goal.

In conclusion, we very much welcome the work towards a renewed strategy for sustainable finance and we look forward to contributing actively to the process.

Attached please find our specific replies to the consultation document. As always, I am at your disposal should you have any questions or comments.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Simon Kollerup'. The signature is fluid and cursive, with a large initial 'S' and a long, sweeping underline.

Simon Kollerup