

REPORT

Prague Climate Talks: Financing the transition towards low-carbon economy

Monday 26th October 2020, 16:00 – 17:30, online

- The fourth and last Prague Climate Talks debate of this year took place on Monday 26th October from 4pm. The project is organised by EUROPEUM Institute for European Policy in cooperation with Heirich-Böll-Stiftung Prague and under the auspices of the UN Information Centre in Prague.
- The debate focused on financial aspects of the low-carbon transformation and it featured Andrea Ferjenčíková (European Investment Bank), Helena Zavázalová (Czech Insurance Association) and Julian Toth (International Sustainable Finance Centre) as speakers. It was moderated by Kateřina Davidová from EUROPEUM.
- The recording of the debate is available on the Facebook page of [EUROPEUM Institute for European Policy](#).



At the beginning of the discussion, all speakers agreed that although the topic of sustainable finance has become more prevalent in the Czech environment during the past year and the discussion has moved forward, we are still lagging behind the global trend in this area.

Helena Zavázalová added, that banks have finally begun to communicate together on this topic and started sharing best practices. One of the reasons for this shift is the fact that customers are more sensitive to sustainability issues and banks can use their activities in this area also for successful marketing.

Julain Toth focused on the Czech National Bank, which, according to him, is still very passive compared to central banks in the Central European region and beyond. For instance, it is not part of the global network of central banks where strategies for the transition to a low-carbon economy are being formulated and where for example the central banks of Slovakia and Hungary are involved. Julian Toth also highlighted the important role of SMEs in a successful green transformation, whose potential, however, is currently not being entirely utilized.

Andrea Ferjenčíkova then presented the climate ambitions and ongoing climate activities of the European Investment Bank, which wants to become a "European climate bank". Amongst others, she spoke about the bank's commitment to stop funding fossil projects from the end of 2021. From next year onwards, all projects supported by the EIB will have to be in line with the Paris Agreement and will have to fulfil climate criteria. The EIB will also play a key

role in financing a just transition to a low-carbon economy in the Member States.

Viewers asked questions about the attitude of Czech banks and insurance companies towards the assessments of climate risks on their investments or whether it is realistic that there would be a purely sustainable bank established in the Czech Republic, as is the case abroad.

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