

## **Short summary of the Round table discussion: "The next steps for green bonds and sustainable investments." 24 October 2018**

*The seminar was a corporation between the Stockholm Sustainable Finance Centre and Stockholm's County Council. Discussions centered around the next step for sustainable investments and more specifically questions about the reporting of environmental impact from green bonds and how the credit market in general can be more sustainable. 20 or so investors, issuers, researchers and other stakeholders participated.*

### Discussion on reporting

There is a demand for common standards in order to increase transparency and reporting efficiency.

The Position Paper on Green Bonds Impact Reporting recommends a transparent and common approach to environmental impact reporting and has received attention via the ICA; and the EU Commission Action Plan.

The biggest gains of a common reporting is the ability to make comparisons when the same indicators are used. Another gain that was highlighted is comparing actual results to estimated results by the issuer during the projects life span. In the future, reporting criteria can be a part of the investment decision.

Another important question is what law makers do to show the importance of reporting.

### Discussion on a greener credit market

The Credit Rating Institute has an important role to plan in order for ESG to be included in the credit market on a larger scale.

For banks, the ESG factors should be taken into account when calculating credit ratings especially when they decrease risk.

Even if there is a role for the lawmaker, someone needs to go first. It makes it easier for authorities to introduce market-wide regulation, for example when it comes to current credit ratings. The mandate for public pension funds are also an important component.

Use of proceeds- thinking is spreading from green bonds to being more established in the capital market in general. A new trend is emerging.

There is an ambition to broaden the market, to bring in more issuers and investors. Some experience difficulty entering the green bond market. Spreading information and knowledge about reporting is key for growth.

Next step

Spreading knowledge through education and training about reporting is a priority. We will revisit this.

A final version of the study Aaron Maltais presented was requested.

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