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EU Platform on Sustainable Finance Report

The Authority would like to draw your attention that the on 4 April, the EU Platform on Sustainable Finance (PSF) published an intermediate <u>report</u> on monitoring capital flows to sustainable investments.

Overall, the aim of the report is to propose an architecture to measure the effective contribution of finance towards the objectives of the European Green Deal. The framework integrates data from the real economy (entities and activities), along with financial sector instruments available from both the primary and secondary markets. The report then reflects the transition finance for financial and non-financial companies, based on a methodology used of the EU sustainable finance regulatory data and definitions, with market standards and definitions complementing the analysis where appropriate. It builds on prior market participants practices and on the Platform's <u>compendium</u> of market practices released on January 2024.

The report is divided into four chapters on (i) the conceptual framework and the methodology, (ii) capital expenditures by real economy entities, (iii) capital flows into and from financial markets and, (iv) an annexed <u>document</u> which contains an analysis of the Green Deal investment gap. These findings will inform the Commission for the implementation of the proposed framework. The Platform on Sustainable Finance will release a final report at the end of its mandate with further refinements and operationalisation of the proposed monitoring framework.



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