Daily News 22 / 03 / 2018

Energy Union: Synchronisation of the Baltic States' electricity network with the European system will strengthen solidarity and regional security of supply

Today, the Heads of State or Government of the Baltic States and of Poland met with President **Juncker** to reaffirm their strong commitment to synchronising the Baltic States' electricity grid with the continental European System by 2025. The Heads of State or Government called for utmost efforts to maintain the working schedule of the Ministers, of system operators and of experts. They agreed to meet again in summer, to conclude a political agreement on the preferred way of synchronising the Baltic States with the continental European network. At a meeting held in the European Commission premises, the President of the European Commission Jean-Claude **Juncker** together with the President of Lithuania Dalia Grybauskaitė, the Prime Minister of Estonia Jüri Ratas, the Prime Minister of Latvia Māris Kučinskis and the Prime Minister of Poland Mateusz Morawiecki stressed the importance of the synchronisation process as a key element to physically integrate the Baltic States with the Continental European energy system and offering a major contribution to the unity and energy security of the European Union. They stressed that this is one of the most emblematic projects of the Energy Union and a concrete expression of solidarity in energy security. They agreed that 2018 will be a decisive year and expressed their commitment to conclude by June 2018 a political agreement on the preferred way of synchronising the Baltic States with the continental European network. In order to successfully realise the project the support from Connecting Europe Facility funds will be crucial. Read full statement here. (*For more information: Anna-Kaisa Itkonen – Tel.: +32 229 56186; Nicole Bockstaller – Tel.: +32 229 52589)*

Sustainable Finance: High-Level Conference kicks EU's strategy for greener and cleaner economy into high gear

The European Commission is today hosting a high-level conference on its strategy to reform the financial system in support of the EU's climate and sustainable development agenda. This event is an opportunity to maintain the momentum established at the One Planet Summit, cementing the support and commitment of EU leaders and key private players for the changes needed in the financial system and the economy. The event is jointly hosted in Brussels by Commission President Jean-Claude Juncker and Vice-President Valdis **Dombrovskis**. Jean-Claude **Juncker**, President of the European Commission said: *"Europe is open for sustainable business. But climate change knows no boundaries and will affect us all. We cannot work alone. This is why we want to lead international efforts and will work with our G7, G20 and United Nations partners to set global sustainable finance standards […] Two decades ago, sustainability was a specialist topic for experts and scientists. Today, it is a daily reality and a priority for governments, for financial* *institutions, for business and for citizens […]. At its heart it is about making sure that our money works for our planet as well as our bottom line. There is no greater return on investment."* The full speech is available here.High-level keynote speakers include French President Emmanuel Macron and Michael Bloomberg, the United Nations Secretary-General's Special Envoy for Climate Action. European Commission Vice-President Jyrki **Katainen**, Commissioner for Climate Action and Energy Miguel **Arias Cañete** and Commissioner for Environment Karmenu **Vella** will also address hundreds of participants discussing how best to put the Commission's Action Plan on Sustainable Finance into practice. The Action Plan, launched on March 8, is part of the Capital Markets Union's (CMU) efforts to connect finance with the specific needs of the European economy to the benefit of the planet and our society. It is also one of the key steps towards implementing the historic Paris Agreement and the EU implementation of the 2030 Agenda for Sustainable Development.Link to the live webcast here. A full press release is available here. Speeches are published here. *(For more information: Vanessa Mock – Tel.: +32 229 56194; Letizia Lupini – Tel.: +32 229 51958)*

Global Report on Food Crises: major famines were partly averted in 2017 but food security remains critical

The Global Report on Food Crises indicates that major risks of famine were averted in 2017 in the four countries that were declared at risk in early 2017: Yemen, Somalia, South Sudan and North Nigeria. However, it also highlights the severity and the complexity of food crises around the world. Neven **Mimica**, Commissioner for International Cooperation and Development, who presented the report today in Rome together with the United Nations Food and Agriculture Organisation and the World Food Programme, said: *"In 2017, the Global Report on Food Crises alerted us about the risk of famines in a number of partner countries. Thanks to local and international efforts, including in the most critical hotspots, we were able to avert major famines. But let us be clear: we still have huge challenges ahead of us, and the EU will continue to work relentlessly for food security around the world. When future generations look back on this time in history, I want to say that we were not only able to diagnose the problem, but we were also able to prescribe the right solutions." The Global Report on Food Crises provides a comprehensive picture of the severity and magnitude of acute food insecurity and malnutrition in 51 countries and territories, with in-depth analysis of 26 hotspots.Read the full press release here. (for more information: Carlos Martin Ruiz De Gordejuela – Tel.: +32 229 65322; Christina Wunder – Tel.: +32 229 92256)*

Single Market: Commission welcomes agreement on professional services

The Commission welcomes the preliminary political agreement between the European Parliament and the Council on a "proportionality test" to guide Member States in regulating professional services. The Commission tabled the proposal in January 2017 among other measures to give the EU services economy a fresh boost, and the agreement comes shortly after the joint statement by the European Parliament, Commission and Council presidency on the occasion of the 25th anniversary of the Single Market. Around 50 million people – 22% of the European labour force – work in professions to which access is conditional upon the possession of specific qualifications or for which the use of a specific title is protected, e.g. engineers, lawyers or architects. Regulation can be warranted for a number of professions, for example those linked with health and safety. But there are many cases where unnecessarily burdensome and outdated rules make it unreasonably difficult for qualified candidates to access these jobs. This is also to the detriment of consumers. Under EU law, a Member State needs to establish whether new national professional requirements are necessary and balanced. The Commission proposal does not change existing law but aims to ensure a coherent and consistent approach by streamlining and clarifying how Member States should ensure that national rules on professional services are necessary and balanced. The tentative agreement reached in so-called trilogue negotiations is still subject to formal adoption. *(For more information: Lucía Caudet – Tel.: +32 229 56182; Victoria von Hammerstein – Tel.: +32 229 55040; Maud Noyon – Tel. +32 229 80379)*

Vienna, Igoumenitsa and Turda receive European sustainable urban mobility awards

The European Commission yesterday announced the winners of the 2017 European sustainable urban mobility awards at a ceremony held in Brussels. **Vienna** (Austria) received the EUROPEAN**MOBILITY**WEEK Award for large municipalities, while **Igoumenitsa** (Greece) won the inaugural prize in the 'less than 50,000 inhabitants' category. **Turda** (Romania) received the Award for Sustainable Urban Mobility Planning. With 75% of Europeans living in cities, sustainable urban mobility is essential to the EU's ambitious climate objectives and to tackle issues such as congestion, noise, and air pollution. The three cities were selected by an independent jury for their innovative solutions to promote sustainability. Commissioner for Transport Violeta **Bulc** said: "*My congratulations to each of the award winners. Through their actions, Vienna, Igoumenitsa and Turda are creating a more sustainable Europe. They also help their residents to move around in a cleaner, healthier and more enjoyable way. It is my hope that these cities will inspire others to embrace the core message of EUROPEAN**MOBILITY**WEEK – sustainable mobility is the right choice for everyone."* Commissioner for the Environment, Maritime Affairs and Fisheries Karmenu **Vella** said: "*Mobility Week gets bigger every year! More proof, year after year, that green is everyone's favourite colour. Green means clean, it means convenient, and it means a city where people find it easy to go about their business. And best of all, it's better for your health. My congratulations to these winners – they've understood what citizens really need*." 2017 was the most successful edition of EUROPEAN**MOBILITY**WEEK to date, with over 2,500 towns and cities participating. More information on the three winners is available here. *(For more information: Enrico Brivio – Tel.: +32 229 56172; Alexis Perier – Tel.: +32 229 69143)*

EUROSTAT: L’emploi a augmenté dans 8 régions de l’UE sur 10

En 2016, 231 des régions de l’UE (84%) ont vu augmenter leur taux d’emploi. Le nombre de personnes occupées a diminué dans 32 autres régions et est resté stable dans encore 12 autres régions. La croissance de l’emploi a fortement varié d’une région à l’autre de l’UE et au sein d’un même pays. Les taux de croissance de l’emploi les plus élevés ont été enregistrés dans les régions polonaises de Podkarpacie (+7,9%) et d’Opolskie (+5,9%), dans la région espagnole de la Ciudad Autónoma de Melilla (+4,8%) et dans les régions polonaises de Pomorskie et de Warmińsko-Mazurskie (+4,7% chacune). À l’inverse, les plus forts taux de diminution de l’emploi ont été enregistrés dans les régions roumaines de Nord-Est
(-3,8%) et de Sud-Vest Oltenia (-3,0%), dans la région polonaise de Wielkopolskie (-2,5%), dans la région bulgare de Severoiztochen (-2,3%) et dans la région polonaise de Śląskie (-2,2%). Dans l’ensemble de l’UE, l’emploi a augmenté de 1,2% en 2016. Un communiqué de presse est disponible ici. *(Pour plus d’informations: Christian Wigand– Tel.: +32 229 62253; Mélanie Voin – Tel.: +32 229 58659)*

STATEMENTS

Joint statement on the ratification of the Border Demarcation Agreement between Kosovo and Montenegro

Following yesterday’s ratification of the Border Demarcation Agreement between Kosovo and Montenegro, High Representative/Vice-President Federica **Mogherini**, Commissioner for Migration, Home Affairs and Citizenship Dimitris **Avramopoulos** and Commissioner for European Neighbourhood Policy and Enlargement Negotiations Johannes **Hahn** have issued this statement: *“The ratification of the Border Demarcation Agreement with Montenegro, by the Assembly of Kosovo, represents a real achievement, a welcome and concrete progress, very much in the spirit of good neighbourly relations as well as the new Commission Strategy for the Western Balkans. The ratification is also the fulfilment of one of the key criteria for Kosovo’s visa liberalisation. As President Juncker said during his recent visit to Kosovo, it is a crucial step towards visa liberalisation which will first and foremost benefit the people. […] The European Union expects all sides in Kosovo to continue the hard work and successful efforts to achieve visa-free travel for the people of Kosovo and in the interest of the region.”* The full statement is available online. *(For more information: Natasha Bertaud – Tel.: +32 229 67456; Maja Kocijančič – Tel.: +32 229 86570; Tove Ernst – Tel.: +32 229 86764)*

Joint Statement by High Representative/Vice-President Federica Mogherini, EU Commissioner for Trade Cecilia Malmström and EU Commissioner for Development and International Cooperation Neven Mimica on the launch of the African Continental Free Trade Area

“The historic decision to launch the African Continental Free Trade Area (AfCFTA) taken on 21 March by the African Union at its Assembly in Kigali, represents a significant step towards deepening continental integration. The

adoption and signing of the AfCFTA legal instruments and the signing of the Protocol on free movement of persons are concrete commitments to liberalisation and to building on what has already been achieved at the regional level. The EU is ready to support the implementation of this impressive achievement in the spirit of the African Union-European Union partnership and our joint political declaration of the Summit in Abidjan in November 2017. The meeting between the African Union and the European Commission in Brussels on 23 May will be an important opportunity to discuss this further. We will be focussing on delivering on our joint commitments as agreed in Abidjan, to advance the strategic priorities for our cooperation for the coming years." The statement is available here. *(for more information: Catherine Ray – Tel.: +32 229 69921; Enrico Brivio – Tel.: +32 229 56172; Carlos Martin Ruiz De Gordejuela – Tel.: +32 229 65322)*

ANNOUNCEMENTS

Commissioner Gabriel in Croatia to discuss Digital Single Market and audiovisual sector

Commissioner **Gabriel** visits Zagreb, Croatia tomorrow to discuss the latest developments in the MEDIA sub-programme of Creative Europe and in theDigital Single Market. In the morning, the Commissioner will give a keynote speech and preside a panel discussionat the event "10th Anniversary of the Creative Europe in Croatia – Strong Women of European Audiovisual Industry in Zagreb for the First Time!". The Commissioner will address the contributions of the MEDIA programme to the Croatian film industry. As well, Commissioner Gabriel will discuss the question ofgender balance in the European audiovisual sector; underlining the initiatives she launched two weeks ago to increase the participation ofwomen in the digital and audiovisual sectors. Following this panel, Commissioner Gabriel will join the 9th Plenary meeting of European Regulators Group for Audiovisual Media Services (ERGA) to discuss the ongoing negotiations on the Commission's proposals to modernise the EU copyright rules, the Audiovisual Media Services Directive, the situation of the European audiovisual industry, and the opportunities for the sector during the European Year of Cultural Heritage 2018. At 15:00 CET, the Commissioner will hold a Citizens' Dialogue at the University of Zagreb together with Croatian MEP Dubravka Šuica, to exchange with all the participants on the latest initiatives launched by the Commission for the completion of the Digital Single Market. The Commissioner can be followed on her Twitter account @GabrielMariya. (*For more information: Nathalie Vandystadt – Tel.: +32 229 56172; Inga Höglund Tel.: +32 229 55040*)

Commissioner Navracsics in Sofia to open the EU Sport Forum

Today, Commissioner Tibor **Navracsics**, in charge of Education, Culture, Youth and Sports, is in Sofia to open the EU Sport Forum taking place on 22-23 March under the Bulgarian Presidency of the Council of the European Union. Under the banner 'Sport in Europe, investing for future generations,' this year's edition will have a special focus on the role of sport in international relations. The Commissioner will also present the results of the latest Eurobarometer on physical activity showing that the number of EU citizens who never exercise or play sport has slightly increased from 42% to 46% since 2009. Ahead of the event, Commissioner **Navracsics** said: *"The new figures show how vitally important it is to continue our efforts to promote physical activity and healthy lifestyles. I strongly encourage all actors, from public authorities to sports organisations, to intensify their efforts and work together."* The European Commission is working to boost physical activity, for example through the European Week of Sport, as well as through projects funded by the Erasmus+ programme. In September last year, Commissioners Tibor **Navracsics**, Phil **Hogan,** responsible for Agriculture and Rural development, and Vytenis **Andriukaitis,** in charge of Health and Food safety, launched an initiative which sets out a roadmap for promoting healthy lifestyles in Europe, particular amongst children. The Commissioner's opening speech is available online. Detailed results of the Eurobarometer are published here and here. *(For more information: Nathalie Vandystadt – Tel.: +32 229 67083*; Joseph Waldstein – Tel.: +32 229 56184*)*

Upcoming events of the European Commission (ex-Top News)

35/2018 : 22 March 2018 – Judgment of the General Court in case T-540/15

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Sustainable Finance: High-Level Conference kicks EU's strategy for greener and cleaner economy into high gear

This event is an opportunity to maintain the momentum established at the One Planet Summit, cementing the support and commitment of EU leaders and key private players for the changes needed in the financial system and the economy. The event is jointly hosted in Brussels by Commission President Jean-Claude **Juncker** and Vice-President Valdis **Dombrovskis.** High-level keynote speakers include French President Emmanuel Macron and Michael Bloomberg, the United Nations Secretary-General's Special Envoy for Climate Action. European Commission Vice-President Jyrki **Katainen**, Commissioner for Climate action and Energy Miguel Arias **Cañete** and Commissioner for Environment Karmenu **Vella** will also address hundreds of participants discussing how best to put the

Commission's Action Plan on Sustainable Finance into practice. The Action Plan, launched on March 8, is part of the Capital Markets Union's (CMU) efforts to connect finance with the specific needs of the European economy to the benefit of the planet and our society. It is also one of the key steps towards implementing the historic Paris Agreement and the EU implementation of the 2030 Agenda for Sustainable Development.

Jean-Claude **Juncker,** President of the European Commission said: *"Through the ambitious targets set in the historic Paris climate agreement, and the commitment to be a world leader in renewables, Europe is already leading the fight against climate change. But to get there, Europe's financial sector must lead the green transition and make our Union the global destination for sustainable investment. There is no greater return on investment then a healthy planet and economy."*

Valdis **Dombrovskis**, Vice-President responsible for Financial Stability, Financial Services and Capital Markets Union said: *"Europe is proud to be leading the global fight against climate change, just two years after the signature of the Paris Agreement. But to reach our commitments for emissions reductions, we are faced with a considerable task: we have a yearly funding gap of around 180 billion euros to fill. Public money alone will not be enough for this. The financial sector will have to throw its full weight behind the fight against climate change. This is a challenge, but also an exceptional opportunity."*

Key features of the Action Plan

- Establishing a common language for sustainable finance, i.e. a unified **EU classification system – or taxonomy** – to define what is sustainable and identify areas where sustainable investment can make the biggest impact.
- Creating **EU labels** for green financial products on the basis of this EU classification system: this will allow investors to easily identify investments that comply with green or low-carbon criteria.
- Clarifying the **duty of asset managers and institutional investors** to take sustainability into account in the investment process and enhance disclosure requirements.
- Requiring insurance and investment firms to advise clients on the basis of their preferences on sustainability.
- Incorporating **sustainability in prudential requirements**: banks and insurance companies are an important source of external finance for the European economy. The Commission will explore the feasibility of recalibrating capital requirements for banks (the so-called green supporting factor) for sustainable investments, when it is justified from a risk perspective, while ensuring that financial stability is safeguarded.
- Enhancing transparency in **corporate reporting**: the Commission is proposing to revise the guidelines on non-financial information to further align them with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD).

Background

The EU and governments around the world committed to the objective of a more sustainable economy and society when they adopted the Paris Agreement on climate change and the UN 2030 Agenda for Sustainable Development. The EU is already making a difference thanks to the EU 2030 Energy and Climate framework, the Energy Union, the Circular Economy Action Plan and the EU implementation of the 2030 Agenda for Sustainable Development

The Juncker Commission has pledged to lead the implementation of the Paris climate agreement and the transition to a low-carbon and resilient economy. To succeed, more capital for green and other sustainable projects is needed: the funding gap to achieve EU climate and energy targets by 2030 is estimated at €180 billion each year. Ultimately, sustainable finance is also crucial in order to boost the EU's long-term competitiveness and growth. With the United States withdrawing from the Paris Agreement, the EU should establish itself as the destination for low-carbon technologies and sustainable investments, securing a substantial competitive advantage.

For More Information

Programme of the High Level Conference on Sustainable Finance

Webpage of the High Level Conference on Sustainable Finance

Factsheet

Webstream Recording of proceedings

Broadcast quality video footage of main speakers

More information on sustainable growth

New calls to cities and investors announced to deliver sustainable finance growth in cities worldwide

Today, in the context of the European Union's High Level Conference on Sustainable Finance, and three months after the One Planet Summit in Paris, further progress of the Global Urbis partnership and two new calls to cities and financial investors were announced. Global Covenant of Mayors for Climate and Energy (GCoM) Co-Chairs, the UN Secretary General's Special Envoy for Climate Action Michael Bloomberg and European Commission Vice President Maroš Šefčovič, the Presidents of the European Investment Bank (EIB), Werner Hoyer, and the European Bank for Reconstruction and Development (EBRD), Suma Chakrabarti, and the World Bank Group (WBG) announced an Invest4Cities Call to the global investment community worldwide to fast track the delivery on

the commitments announced at the One Planet Summit. In addition, the EIB and the Global Covenant announced a first-of-its-kind Call for Interest to the GCoM network of thousands of cities around the world to provide access to technical support and financing for low-carbon infrastructure investments. Combined, the two Calls will address both ends of the critical urban finance gap: They will support the development of high quality bankable low carbon and resilient infrastructure projects in cities and mobilize financial resources at an unprecedented scale from banks, institutional investors and private donors.

Three months ago, at the One Planet Summit hosted by President Emmanuel Macron, attended by over 50 Heads of State, the European Union, the Global Convent of Mayors, the European Investment Bank and the European Bank for Reconstruction and Development announced Global Urbis, an ambitious global initiative to provide cities on a global scale with financing and technical assistance to mobilize private capital. President Macron included it as one of the global transformative initiatives of the Summit.

Today, we are proud to announce progress and next steps. **EIB President Werner Hoyer and the Global Covenant of Mayors announce, as part of the Global Urbis implementation, a global partnership under which the EIB will open a new Call for Interest to access technical and financial support for low-carbon and resilient infrastructure projects to the GCoM network of thousands of global cities.** The partnership builds upon the experience gained by the EIB, a global financial institution active in 160 countries covering the majority of GCoM cities, in setting up and starting to deliver URBIS – a dedicated advisory platform for investment support to cities launched at the Cities Forum in 2017 and developed in partnership with the European Commission in the framework of the EU Urban Agenda. The Call for Interest will be piloted starting at the Global Climate Action Summit in San Francisco in September this year. The global partnership is articulated around 3 key pillars: (1) raising awareness among local authorities, civil society organisations, businesses, private investors and philanthropies concerning the investment needs for climate action in urban areas, the expected long and short-term benefits as well as the available financing solutions, (2) providing dedicated advisory services for climate action planning and project preparation in cities, (3) fostering the financing of urban climate action projects, through the identification of financing opportunities, direct EIB funding, the development of new financing approaches and fund-raising from the GCoM and EIB networks to provide grant funding for credit enhancement and technical assistance as needed. Under Global Urbis, action under the EIB-GCoM Partnership will strengthen and complement initiatives supported by other partners, e.g. programs such as the WBG City Resilience Program.

The EBRD is also fast advancing delivery of Global Urbis under their **Green Cities Framework,** launched last year as part of the partnership with the Global Covenant. The EBRD with seed contributions from bilateral donors is already financing US$ 50 million of green urban infrastructure projects and supporting the development of an additional pipeline of US$ 360 million for 20 of the 50 cities they intend to serve.

The other large scale financial partnership announced at the One Planet

Summit by the Global Covenant with the World Bank Group is already showing first results too. Under their **Cities Resilience Program** the WBG has already raised seed donors funding of US$ 12 million and has a pipeline of green cities projects of US$ 400 million today to work with 55 cities by July this year.

These partnerships show how seed money used for technical assistance and credit enhancement financing can catalyze significant amounts of sustainable finance. They generate bankable investment opportunities and accelerate the deployment of green infrastructure finance to cities' public finance. They are turning sustainable finance growth and the delivery of the Paris Agreement into a reality.

Ambitious urban climate action is key to delivering on the goals of the 2015 Paris Agreement. Global Covenant cities alone – which represent almost 10 percent of the global population – have the potential to collectively reduce 1.3 billion tons of CO_2 emissions per year from business as usual by 2030. This equals the emissions of 276 million cars taken off the road. Yet to meet these ambitions, cities around the world require massive and targeted financial resources to deliver low carbon and resilient infrastructure for their populations, and public funds and development finance alone cannot bank them. The Paris Agreement funding shortfall is further enhanced by the US$ 2 billion deficit left by President Trump bailing out the US contributions to the Green Climate Fund. We need to leverage on public funds to mobilize significant private capital flows.

In response to this funding shortfall **the Global Covenant, the EU, EIB, EBRD and World Bank Group are announcing a second call today: an Invest4Cities Call to the global investment community.** The Call aims to raise an initial US$ 200 million for technical assistance for 400 cities, primarily in the Global South, and US$ 600 million for credit enhancement financing, which combined can catalyze up to US$ 6 billion in green and resilient urban infrastructure – making public funds go further. It will **finance low-carbon initiatives and resilience projects such as public transit, e-mobility and bike sharing infrastructure, energy-efficient buildings, clean energy, waste management and flood walls,** improving the quality of life for citizens even in the most vulnerable communities. As recently reported by the OECD, in 2012 to 2015, US$ 81.1 billion were already mobilised from the private sector by strategically leveraging official development finance in the form of guarantees and other risk-sharing instruments.

The Invest4Cities Call aspires to connect the dots with other initiatives announced by French President Emmanuel Macron during the Climate Finance One Planet Summit, such as the Climate Action 100+, where 225 of the most influential global institutional investors with more than US$ 26.3 trillion in assets under management committed to engage with the world's largest corporate greenhouse gas emitters to step up their actions on climate change.

Werner Hoyer, President of the European Investment Bank: Climate Action is at the core of the EU Bank's mission. As the biggest single multilateral financier of climate action projects worldwide, we are committed to helping deliver on the Paris Agreement. But partnerships are key to success. The real results will happen through working together on the ground – particularly in cities around the world where we see not only some of the most devastating effects of climate change but some of the most innovative solutions. That's why our partnership with the Global Covenant is so promising. Helping cities get projects off the ground is one of the most concrete ways we can tackle global warming – and I urge the cities themselves to take up the challenge.

Michael Bloomberg, Co-Chair of the Global Covenant of Mayors, UN Secretary General's Special Envoy for Climate Action: Investment in modern, low-carbon infrastructure makes cities better places to live, which helps them attract new residents and new investment. It's a virtuous cycle – and this effort will help to speed it up, by making city climate initiatives more attractive to investors.

Maroš Šefčovič, Co-Chair of the Global Covenant of Mayors, Vice President of the European Commission: There is clearly a momentum and we have to seize it. The partnerships with the EIB and the EBRD, which we announced at the One Planet Summit, are delivering. They will ensure that cities around the world, including in Africa, have access to much-needed finance for urban infrastructure developments. Only through massive and targeted investment from non-state actors – combined with public funding – can we ensure that cities can build the low emission and climate resilient infrastructure that is needed to implement the Paris Agreement.

Suma Chakrabarti, President of the European Bank for Reconstruction and Development: Our work with the Global Covenant of Mayors is already leading to increased green financing and we are pleased to step-up our partnership in a growing number of climate change mitigation and adaptation projects across cities in the EBRD regions of operations. Further, faster, greener and smarter is the way to go for city climate finance to the benefit of their citizens, of businesses and of the world.

Mohamed Sefiani, Mayor of Chefchaouen, Morocco, and GCoM Board Member: The impact of climate change is already felt all over the world, in rich and poor, developed and emerging countries – and especially in cites that are often situated in exposed and particularly vulnerable areas. We are proud of the progress we've made in my own city, Chefchaouen, to adapt to and mitigate the impacts of climate change, but there is always more to be done. Accelerating cities' access, particularly for those in the Global South, to funding for sustainable infrastructure developments is critical as we work together toward the shared goals of the Paris Agreement.

Sabine Lautenschläger: Banking

[regulation and supervision – you can't have one without the other]

The financial crisis showed what can happen when banks are not safe and sound. So the goal is to make banks safe and sound, and avoid future crises.

To that end, we have revamped regulation, and we have strengthened supervision. It's indeed vital to work on both fronts. Without supervisors, rules would have little effect; without rules, supervisors would have no job – or at least no firm basis for doing their job. You can't have one without the other: regulation and supervision need to be aligned.

But are they? Let us take a look at the euro area. In 2014, banking supervision was transferred from national to European level. And since then, we've achieved a lot. However, we could do more, and that brings me to regulation. How European is regulation? Well, it's true, of course, that there is a single rulebook. But by and large, regulation in Europe remains fragmented to a degree that makes it hard to reap the full benefits of European banking supervision.

And the problem starts with the scope of that supervision. Large investment firms and third-country branches are still not covered by it. This situation should be changed to restrict regulatory and supervisory arbitrage. Then there are the options and national discretions contained in European regulation. Some of them are still exercised differently across the euro area. It's up to legislators to harmonise them. The same is true for fit and proper assessments. The rules here are also very diverse. And finally there are the tools for crisis management. We still have no common approach to such things as insolvency laws and moratoriums. This too needs to change. Likewise, the rules for early intervention measures need to be streamlined.

All this begs the question: is the banking union living up to its full potential? I would say: it's not, at least not yet. But it could if the rules were further harmonised.

Now let's turn to the global level. With Basel III finalised, we have a global set of regulatory standards. As standards, they are not always detailed and they are not binding, of course. So they still need to be transposed into hard law. And this is crucial; the banking sector is global in scope, and the rules that govern it need to reflect that – at least so far as the big banks are concerned.

But as I said just now, rules can only work together with supervision. How effective global rules are also depends on how supervisors apply them. Supervisors must faithfully apply the rules which transpose the Basel standards. To do so, they need adequate resources and they must be shielded from political interference.

And there's more. There is also a strong case for supervisors from around the world to exchange information, to cooperate and to coordinate. This would help to facilitate strong and effective banking supervision worldwide.

We have done a lot to make banks safer and sounder, both at European and global level. The important thing is that we keep working together – within Europe and around the world.

Thank you for your attention.