



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

Directorate-General for Financial Stability, Financial Services and Capital Markets Union
European Commission
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**MINISTER FOR INDUSTRY,
BUSINESS AND FINANCIAL
AFFAIRS**

Response to the Commission's public consultation on draft amendments to delegated acts – sustainable finance.

Thank you for the opportunity to respond to the Commission's public consultations. The response below should be seen as remarks to both consultations.

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First of all, Denmark is committed to securing sustainable development and in facilitating sustainable finance in the EU. The financial sector has an important role to play in the efforts to make our economies greener and more sustainable and thereby foster sustainable growth. Therefore, Denmark supports the Commission's various initiatives to put responsible and sustainable investments on the agenda and create the necessary framework, including through adaptations of existing regulation, where appropriate.

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It is our experience that businesses are already adapting their business models due to an increased general awareness of socially responsible investments amongst market participants. Indeed, we have seen examples of major investment firms who, in one form or another, are taking Environmental, Social and Governance (ESG) factors into account when selecting which products and services they are marketing to their clients. Similarly, it is our experience that all life insurance companies and multi-employer pension funds have incorporated social responsibility considerations into their investment policies.

We believe that new regulation should promote the current market based trend where companies themselves put more emphasis on sustainability. It is also important to strike the right balance between additional and useful information and information overload. Thus, new requirements should be simple, understandable, and adding value.

We note that ESG-factors have, to some extent, already been incorporated in several pieces of financial legislation and structures on both EU and national level, and the effect of these initiatives remains to be seen. It is important that the implications of these changes to financial regulation are monitored and taken into account when drafting new regulation.

We are positive towards the Commission's suggestion to amend the relevant provisions in IDD and MiFID II. Requiring financial institutions to take into account ESG-factors when disclosing information, testing for

suitability and reporting on clients' investments will encourage investors and financial enterprises to active decision-making on this issue and can in general help facilitate a continued awareness of responsible investments among consumers in the EU.

I look forward to a constructive dialogue on how to accelerate and support sustainable growth in the EU, and if any questions or comments should arise I remain at your disposal.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Brian Mikkelsen". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Brian Mikkelsen