**Consultation on the Renewed Sustainable Finance Strategy**

The Ministry of Environment of the Slovak Republic welcomes the opportunity to consult on the renewed sustainable finance strategy and thus, we would like to share our views and opinions. We see this strategy as an opportunity to increase financial resilience of the economy, companies and citizens, and as a tool to fasten the green and digital transition of the financial system. The renewed sustainable finance strategy should be seen as an important part of the European Green Deal that has the aim to move the European Union towards climate-neutrality.

 The renewed sustainable finance strategy should particularly reflect these topics and issues:

* Various sectors will have to undergo a large-scale transformation, so the renewed sustainable finance strategy should create an **enabling framework to strengthen the foundations for sustainable investments**.
* **Companies and financial institutions should start to focus on their long-term development and understand sustainability-related challenges and opportunities**.  Renewed strategy should encourage them to do so.
* Specific focus should be placed on **SMEs**. They should have easier access to finance, especially those ones carrying out sustainable activities or those SMEs that want to transition their business model towards sustainability.
* Renewed strategy should tackle the **challenge of availability, usability and comparability of ESG information**. European Commission should consider the development of a publicly accessible data space containing relevant ESG information about companies operating on the European market.
* Renewed strategy should better reflect the **growing importance of biodiversity loss and its impact on companies´ profitability and long-term prospects** – particularly on companies that are dependent on ecosystem services such as agriculture, forestry, construction, and so on. Companies should be supported to implement tools such as natural capital accounting or environmental footprinting. These tools can influence their business performance management and decision-making.
* Renewed strategy should support and strengthen **literacy in the area of finance and sustainability**, in order to raise awareness and knowledge of sustainable finance and digital financial tools among citizens and finance professionals.
* European citizens should have enough opportunities to invest their **pension funds and savings** sustainably. They should be asked  about  their  sustainability preferences in a simple, adequate and sufficiently granular way while seeking financial advice.
* We see **research and innovation** (R&I) as a key for transition towards a sustainable and digital economy. This will require appropriate financial tools and large investment that would commercialize R&I solutions. It would be useful to have a category for R&I in the EU Taxonomy. We see coordination and cooperation of R&I activities at the EU level as very important. This could be facilitated by ensuring synergies between Horizon Europe and other EU programmes.
* Besides creating **new innovative financial tools**, we see the development and strengthening of **existing voluntary tools** as important. Labelling tools such as EU Ecolabel could provide clear and reliable information about products and encourage companies to develop products that meet high environmental standards. Green public procurement could help influence the market and provide incentives for developing green technologies and products. There are also European standards that are identical in all European countries and thus create an easy access to the European market. They are flexible tools that can improve safety and performances, protect consumers, workers and the environment. Standards enable the development of sustainable finance integrating the materiality of technical requirements with the due diligence and underwriting procedures of financial institutions and the disclosure of financial/non-financial requirements. EU Taxonomy could be useful for further development of (not only) these tools.
* **International cooperation** in the area of sustainable finance can help build a truly  global response to the climate, environmental and social crisis.
* **Capacity building and sharing of information** in the area of sustainable finance is indeed important from our perspective.

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