

Primož Dolenc: Green finance and investment

Opening address by Mr Primož Dolenc, Acting Governor of Bank of the Slovenia, at the conference "Revitalizing investment for a sustainable future", organised by the Bank of Slovenia and the European Investment Bank, Split, 3 April 2025.

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Ladies and gentlemen, distinguished guests,

I am delighted to welcome you to today's conference organized jointly by Banka Slovenije and the European Investment Bank.

The event builds on the discussions from our 2023 conference, once again placing **green finance and investment** at the center of our debate.

This underscores the recognition that **risks linked to climate and environmental change** are among the most pressing global challenges of our time.

Confronting these challenges calls for **collective action and a shared responsibility** towards future generations.

Achieving carbon neutrality by 2050 requires **significant investments across the EU**, alongside other measures.

According to Mr Draghi's report and other studies, the EU will have to allocate **additional green investments** amounting to around two percent of GDP annually by 2030.

Despite the funds available at the EU level and the reformed EU fiscal governance framework, we can expect **a public funding gap** for green investments in the years to come.

As public finances are increasingly strained due to security concerns and an ageing population, Europe needs a strong framework to also **attract and efficiently deploy private capital**.

The recently launched **Savings and Investment Union strategy**, which builds on the *Capital Markets Union* and *Banking Union* projects, is an important element to support the massive green investment needs.

A more integrated and deeper EU financial system – complemented by advances in financial literacy and, ideally, a positive shift in mindset – would enable **a more efficient allocation of savings** from businesses and citizens.

While Europe remains committed to ambitious climate goals, the strategies and processes guiding the green transition continue to evolve.

A perspective that has gained traction over the last year is how Europe can reconcile the complexities of global competition and environmental imperatives and **balance ambitious climate goals with economic vitality**.

In February this year, the European Commission unveiled its proposal for a **Clean Industrial Deal**, outlining strategies to unlock investments in clean energy and decarbonize and revitalize Europe's industry.

Another important initiative is the **Omnibus Simplification Package**, introduced by the Commission in February.

By **simplifying the business environment** and **reducing administrative burdens**, Europe would enhance its global competitiveness and ultimately spur investments, including those supporting the green transition.

However, this drive for simplification is not without its **critics** and **concerns** that easing regulations could **undermine** corporate accountability and stall progress towards our climate objectives.

When introducing adjustments, policymakers must ensure that the underlying strategies are both **ambitious** and **pragmatic**.

At Banka Slovenije and within the Eurosystem, **we are committed to play our part** by:

- increasingly incorporating climate-related issues into our analyses;
- decarbonizing our monetary policy-related corporate bond holdings and implementing climate-related measures in our collateral framework;
- greening our non-monetary portfolio;
- and, as supervisors, encouraging and directing banks to identify, measure and manage climate-related risks in a timely and comprehensive manner, ensuring they remain well positioned to support the economy and the green transition.

Before we move on to the discussion, let me first give the floor to the Head of the European Investment Bank Group Office in Slovenia, Mr Simon Savšek.

Thank you.