

Executive training course

Transition Plans in the Financial Sector

17-19 April 2024

Location: Villa Schifanoia, Via Boccaccio 121, Firenze 50133

Room: Sala Europa

Organisers & Core Faculty

- Pierre Schlosser (EUI)
- Agnieszka Smoleńska (EUI and LSE)
- Gabor Gyura (UNEPFI and EUI)
- Federica Agostini (EUI)

External Faculty

- Simon Dikau (LSE)
- Matt Scott (Executive Director, UK Centre for Greening Finance & Investment (CGFI))
- Sarah La Monaca, Principal, Climate Finance, PACTA/RMI
- Petter Natås, Senior Sustainability Advisor, DNB
- Leonardo Meeus, Director, Florence School of Regulation

Introduction

Net zero transition plans are set to become a key part of the pathway to implementing the Paris Agreement goal of limiting global warming. They are also emerging as the key forward-looking instrument for banks and their supervisors to capture, manage and mitigate transition risks. Just as governments need detailed plans to show how they will deliver their net zero targets, corporations and financial institutions need to inform stakeholders how they plan to adapt their business model to a rapidly changing environment and mitigate transition risks. In the EU, transition plans are being introduced as mandatory requirements both as part of the corporate disclosure regime and prudential framework (2023 reform of Capital Requirements Regulation and Directive). Several global initiatives shape the broader discussion on transition planning in the financial sector (GFANZ, NGFS, BCBS).

This FBF course on this novel policy area brings together eminent academic, policy-makers and practitioners to systematize the discussion around TPs for a broad audience in the financial and economic policy space. We will explore different types of bank transition plans, both those focused on alignment and risk-based, in the context of broader EU and sectoral policy goals. The interdisciplinary faculty will bring together regulatory and technical perspectives, in particular with regard to the changing policy landscape, methodologies underlying the development and assessment of TP as well as sectoral transition insights. The course will include practical activities.

Level: Introductory/Intermediate

Approach: Qualitative

Learning Objectives

- Become confident with net zero transition implications for financial institutions
- Gain a systematic understanding of transition plans and be able to distinguish their varying functions
- Gain state of the art knowledge on the current regulatory initiatives on transition plans, in particular on disclosure and prudential frameworks
- Be equipped with key tools to become professionally engaged in transition planning
- Critically assess the credibility of transition plans
- Discuss current challenges (incl. linkages with Taxonomies) and limitations of transition plans

Target audience: representatives from finance ministries, financial markets participants (incl. consultants, law firms, fund managers, insurance and re-insurance companies), financial and insurance supervisors, international, regional and domestic development banks, international organizations and academics.

Programme

Wednesday 17 April 2024

12.00-13.00 *Lunch*

13.00 – 14.00 Presentation of the School and of the course followed by a *Tour de Table*, outline of the course, ice breaking activity and concept mapping exercise (Federica Agostini)

14.00 - 15.30 Session 1 – What is ‘net zero’ transition (Simon Dikau, Gabor Gyura)

15.30 - 16.00 *Coffee Break*

16.00 - 17.30 Session 2 – Transition in the energy sector (Leonardo Meeus)

17.30-18.30 *Cocktail*

18.30-20.30 *Dinner with dinner speech* (Matt Scott)

Thursday 18 April 2024

9:00 – 10.30 Session 3 – Transition plans from market standards to practice (Matt Scott, Petter Natås)

10.30-11.00 Coffee Break

11.00-12.30 Session 4 - Scenario analysis and portfolio alignment methodologies (Simon Dikau, Sarah La Monaca)

12.30-14.00 Lunch Break

14.00-15.30 Session 5 – Deep dive on transition finance (Agnieszka Smoleńska, Federica Agostini, Petter Natås)

15.30-16.00 Coffee Break

16.00-17.30 Session 6 – Practical exercise the do's and don'ts of transition plans (Agnieszka Smoleńska, Federica Agostini, Petter Natås)

No social activity on this day

Friday 19 April 2024

9:15 – 10.45 Session 7 – Regulatory approaches to transition plans (Valerio Novembre, Agnieszka Smoleńska, Gabor Gyura)

10.45-11.15 Coffee Break

11.15-12.45 Session 8 – Closing Panel: Outlook for transition plans and the analytical frontier (Matt Scott, Gabor Guyra, Agnieszka Smoleńska, Federica Agostini)

12.45-13.00 Closing remarks (Pierre Schlosser)

13.00 – 14.00 Lunch Break and end of the course