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Member News

KPMG LUXEMBOURG BECOMES APPROVED VERIFIER OF CLIMATE BONDS STANDARD

LONDON/LUXEMBOURG 06/03/2018 11:00 CET/12:00 GMT: KPMG Luxembourg is pleased to announce that it has received the "approved verifier" status from the Climate Bonds Initiative, under the Climate Bond Standards and Certification Scheme. The firm can now act as a third-party verifier that assesses whether issuer and bond meet the requirements of the Climate Bonds Standard, and can thereafter provide an assurance report to the issuer.

KPMG Luxembourg chose to become an approved verifier as part of its plans to play an active role in the market of green/social and sustainable bonds, which are rapidly growing in Luxembourg and abroad. Indeed, 2017 set yet another record with more than $155.5 billion in green bonds issued worldwide. In Europe, the High-Level Expert Group on Sustainable Finance set up by the European Commission has recently outlined its recommendations for the development of the sustainable finance sector, including the need for establishing European standards and the opportunity to explore the idea of green bonds labels.

The Grand Duchy in particular is the global hub for green bonds. It has long been a pioneer in this field, with the European Investment Bank (EIB) celebrating, last year, the ten-year anniversary of its first green bond issuance in 2007.

KPMG Luxembourg believes that transparency and environmental responsibility are the future, as is evidenced by its new status.

Gilles Poncin, Partner and Head of Sustainability at KPMG Luxembourg, explains:

"KPMG Luxembourg is delighted to become an approved verifier of climate bonds—as an active player on the sustainable finance market already, we welcome this chance to help create confidence in the market and meet growing demand by investors for third-party verification on accepted standards, with the aim of reducing greenwashing."

Sean Kidney, CEO of Climate Bonds Initiative, adds:

"We welcome KPMG Luxembourg to our Verifiers network, facilitating Certification of green bonds across Europe. We expect an acceleration of green

issuance towards 2020 and KPMG Luxembourg is well placed to be a part of ensuring that this market growth is accompanied by best practice amongst issuers that assists investors increase their capital commitments towards green finance."

The Climate Bonds Standards and Certification Scheme is used globally by bond issuers, governments, investors, and financial markets to verify and certify investments that address climate change. Labelling green bonds as such is particularly important because it helps investors identify bonds whose proceeds benefit the environment. Investors can thus deploy their capital with the confidence that it will be used to address climate change issues.

KPMG Luxembourg has been very active in sustainable finance, and is pleased to again demonstrate its leadership in this field with its new status.

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