Sustainable Finance Research Platform

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Why it would be important to expand the scope of the Corporate Sustainability Reporting Directive and make it work for SMEs

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At a glance

- Since the introduction of the NFRD in 2014, demand for sustainability information has significantly increased, but actual sustainability reporting has not kept up.
- Thus, the Corporate Sustainability Reporting Directive (CSRD) has been proposed to significantly improve the availability of sustainability information.
- A key aspect is the extension of the scope of coverage from 11,000 companies under the NFRD to 50,000 companies under the CSRD.
- This extension is sufficient to cover around 80% of economic activity in certain heavy industry sectors like energy production.
- However, only 30% of economic activity is covered in sectors like agriculture or land transportation, despite them being major contributors to sustainability-related problems, especially climate change.
- These sectors are dominated by SMEs and an extension of the CSRD is required to capture their negative sustainability impacts.
- A guided and proportionate approach to SME reporting under the CSRD can improve the competitiveness of SMEs while limiting additional reporting burden.

Introduction

Greater transparency about sustainability impacts and risks helps to tackle market imperfections such as information asymmetries. However, in the case of an unregulated market, the supply of information is unlikely to meet demands of sustainability data users (European Commission, 2021). Therefore, in October 2014, the European Commission introduced the Non-Financial Reporting Directive (NFRD), which aimed at elevating companies' considerations and transparency of sustainability issues, and consequently improving the identification of sustainability risks and ability to express sustainability preferences, considering both the inside-out and the outside-in perspective, i.e., double materiality, (European Parliament 2013). Since the NFRD's transposition into national law in 2016, the European Commission saw a significant increase in the demand for sustainability information (European Commission, 2021), but only a limited effect of the varied ambition levels of EU Member States (Juergens and Erdmann 2019). Consequently, the European Commission tabled the proposal for a Corporate Sustainability Reporting Directive (CSRD). The CSRD is expected to significantly improve the availability of sustainability information as one of its key features is a widened scope: while the NFRD applied to listed, "large" companies with more than 500 employees only, the CSRD proposal extends the scope to all large and all listed companies (except listed micro-enterprises) in the EU. In this policy brief, we aim to assess whether the proposed scope of the CSRD is indeed able to reduce the sustainability-related information asymmetries.

NFRD vs. CSRD: Coverage of mandatory sustainability disclosure requirements for European companies

The scope of the NFRD is a key factor in determining its effectiveness as a tool to mitigate negative environmental and social impacts of economic activities. In its current form, the scope of the NFRD is defined as large public interest entities with more than 500 employees. This scope definition builds on the Accounting Directive 2013/34/EU, which defines large undertakings as those, which on their balance sheet dates exceed at least two of the three following criteria:

(a) balance sheet total: EUR 20 000 000;

(b) net turnover: EUR 40 000 000;

(c) average number of employees during the financial year: 250.

For a company to fall under the scope of the NFRD, two additional criteria must be met: the number of employees during the financial year has to exceed 500 and the company must be a public interest entity. At national level, the directive has been transposed into national law in different forms. While most EU countries have implemented the NFRD with the criteria defined in directive 2014/95/EU, some countries, like Sweden, have set the scope to "all companies with more than 250 employees", while others, like Luxembourg, require "public interest entities with more than 250 employees" to report under the NFRD. The widest scope of the transposition of the NFRD exists in Greece, where companies with more than 10 employees and a turnover of more than EUR 700,000 or a balance sheet total of more than EUR 350,000 have to report under the NFRD (GRI and CSR Europe, 2017).[1]

The scope determines the extent of economic activities (and their corresponding sustainability performance) covered. For example, the agricultural sector (NACE Sector A1) contributed EUR 171.9 billion to the EU27's GDP (Eurostat, 2021). However, only 32 companies in the EU agricultural sector with EUR 2 billion in revenue are publicly listed and only five of these have more than 500 employees and thus fall under the NFRD in its minimum scope. In other words, under the NFRD, only 1-2% of economic activities in the agricultural sector are accounted for. This is a problem because agriculture (including forestry and fishing) contributes around 15% to the EU's total GHG inventory (European Environmental Agency, 2015). Furthermore, the sector has a substantial and widely acknowledged impact on biodiversity and ecosystems. One report by BCG and NABU (2020) attributes 26% of the global pressure on biodiversity to farming (and 22% and 11% to fishing and forestry, respectively).

How is the CSRD proposal improving coverage?

The CSRD extends the scope considerably by addressing all "large"[2] *and* all listed companies (except listed micro-enterprises). This extends the coverage from roughly 11,000 companies under the NFRD to nearly 50,000 companies, according to the impact assessment accompanying the CSRD (European Commission, 2021). An overview of scope definitions under NFRD and CSRD is included in the Annex. Furthermore, the European Commission plans to develop separate and proportionate reporting standards for SMEs.[3] While listed SMEs would be required to use these proportionate standards, unlisted SMEs can do so on a voluntary basis. A large body of literature on voluntary sustainability disclosure suggests, that reporting on a voluntary basis increases the availability of sustainability information to a significantly smaller extent compared to mandatory reporting (Bingler, Kaus, Leippold, 2021). Sustainability reporting without regulatory requirements reaches lower reporting quality scores (Habek, Wolniak, 2016) and leads companies to choose to disclose less material information (Bingler, Kaus, Leippold, 2021). Furthermore, compared to mandatory reporting, voluntary disclosure is linked to negligible improvements in corporate sustainability

[1] Please note, a wide scope alone is not sufficient to increase sustainability disclosures without appropriate enforcement mechanisms in place. Christensen, Serafeim and Sikochi (2019) report low levels of sustainability disclosure in Greek companies.
[2] As defined by the Accounting Directive 2013/34/EU.
[3] Directive Of The European Parliament And Of The Council amending Directive 2013/34/EU, Directive 2004/109/EC, Directive 2006/43/EC and Regulation (EU) No 537/2014, as regards corporate sustainability reporting (available online, accessed on June 21, 2021. This applies to all other online sources in this policy brief unless stated otherwise).

performance (Boodoo, 2016; Chen, Hung, Wang, 2018) and corporate value (Ioannou, Serafeim, 2011).

Disregarding unlisted SMEs in the mandatory reporting scope omits a substantial fraction of certain sectors' economic activity (in terms of sector revenue or employees), and therefore a substantial fraction of negative environmental impact. In certain sectors, such as agriculture or construction, SMEs are responsible for a majority of economic activity. Calogirou et al. (2010) estimate that in the EU27 around 64% of the negative environmental impact (mainly consisting of energy use, GHG emissions and waste) of industrial activities can be attributed to SMEs, the vast majority of which are unlisted and thus not subject to the CSRD (European Commission, 2021).

Table 1: Economic activities from publicly listed EU27 companies across NACE macro sectors

	Total sector impact		**Thereof, distribution of listed companies by sector**				
NACE Macro Sector	**Biodiversity Relevance (Impact)[1]**	**Sector GHG emissions[2]**	**No. of publicly listed firms**	**% of all EU firms**	**Market Cap %**	**Total Assets %**	**Total Revenue %**
	Lit. Research	*Eurostat data*	*Numbers based on all publicly listed EU27 companies*				
A - Agriculture & Forestry	+++	15.2%	36	0.8%	0.1%	0.0%	0.1%
B - Mining & quarrying	++	1.8%	85	1.9%	0.6%	0.3%	0.6%
C - Manufacturing	+	25.4%	1594	35.1%	46.4%	15.4%	43.5%
D - Electricity	+	29.4%	93	2.0%	5.6%	3.7%	7.0%
E - Water	+	4.7%	31	0.7%	0.3%	0.3%	0.7%
F - Construction	+	1.7%	196	4.3%	2.7%	1.6%	4.5%
G - Wholesale, Repair of motor vehicles		2.7%	274	6.0%	5.1%	1.7%	9.9%
H - Transportation and storage	+	13.9%	99	2.2%	3.3%	1.4%	3.7%
I - Accommodation & Food Services		0.5%	87	1.9%	0.7%	0.2%	0.6%
J - Information and Communication		0.2%	614	13.5%	9.9%	2.9%	6.5%
K - Financial and insurance	Indirect	0.2%	495	10.9%	16.6%	67.5%	17.4%
L - Real Estate	+	0.2%	359	7.9%	3.3%	1.7%	0.5%
M-S (Administration etc)		4.0%	579	12.7%	5.4%	3.3%	5.1%
Σ		100%	4542	100%	100%	100%	100%

Note: ~43k listed equities obtained from Worldscope database. Figures based on end of year 2018 data.
1) Assessment is based on BCG and NABU (2020). The biodiversity imperative for business; UNEP, UNEP-WCMC et al. (2020). Beyond Business as usual; WWF (2020). Living Planet Report; Maxwell et. al. (2016). The ravages of guns, nets and bulldozers; Portfolio.earth (2020). Bankrolling extinction.
2) EU27 Eurostat data 2018.

Table 1 summarizes sectors' biodiversity and climate impacts as well as their representation on the European stock markets, measured by market capitalization, total assets, and total revenue. The entire NACE sector A, which includes agriculture, forestry and fishing, only represents approximately 0.1% of EU market capitalization and revenues and even less for total assets. To analyse the scope of the CSRD proposal (and the NFRD) in relation to economic activity, we select several sectors that are particularly relevant from a climate and/or biodiversity perspective. Agriculture (NACE A1) ranks third in terms of GHG emissions and has the highest biodiversity footprint worldwide. Electricity (NACE D) is responsible for the largest share of GHG emissions in the EU. Land transport (NACE H49), manufacturing of non-metallic minerals (NACE C23), and basic materials (NACE C24) are among the most GHG intensive sectors. Manufacture of industrial gases (NACE C20.11) has a high potential biodiversity footprint as well as high GHG emissions, and construction (NACE F) is relevant for biodiversity and climate change.

Where does coverage need to be extended?

Table 2 compares the differences in scope between the NFRD and CSRD for selected sectors. Bureau van Dijk provides a comprehensive overview of EU companies in each NACE sector in their Amadeus database, including SMEs and unlisted companies. We apply the criteria of the NFRD regarding coverage of companies[4] in relation to all companies in our sample. We calculate the total amount of revenue and assets and the total number of employees for each sector. This allows us to determine the number of companies subject to the NFRD in each sector and the proportion these companies contribute to its total economic activity. We then apply the new criteria proposed in the CSRD in the same way and calculate the number of companies covered in each sector and the proportionate contribution to economic activities. Table 2 shows 212,129 companies in the agriculture sector crop and animals (A1), the majority of which are small, unlisted companies. Under the NFRD minimum requirements, only three companies in the sector are required to report. This equates 1.1% of the sector's total revenue or 0.7% of the sector's total number of employees. Even under the CSRD's expanded scope, only 402 companies or 32.8% of the sector's total revenue and 13.1% of the sector's employees are covered. The same is true for other sectors that are not asset-intensive, for example, land transportation and construction.

Table 2: Overview of companies covered under the NFRD and the CSRD and their economic contribution

Sector of interest		NFRD			CSRD		
	Firms	Firms	Revenue	Employees	Firms	Revenue	Employees
D - Electricity	72,517	22	20.0%[a]	44.0%[b]	1,757	88.7%[a]	84.7%[b]
A1 - Crop and animals	212,129	3	1.1%[b]	0.7%[b]	402	32.8%[b]	13.1%[b]
H49 - Land transport	308,416	8	0.8%[a]	0.7%[a]	1,217	45.5%[a]	30.9%[a]
C23 - Non-metallic minerals	39,355	17	14.2%[a]	9.3%[a]	857	66.1%[a]	47.3%[a]

[4] The exact numbers may differ, because the national implementation of the NFRD varies in member states, sometimes extending the scope of coverage to include additional companies. We only apply the minimum criteria according to directives 2014/95/EU and 2013/34/EU.

C24 - Basic materials	9,944	18	17.8%[a]	24.6%[a]	950	82.8%[a]	80.8%[a]
C20.11 - Manufacture of industrial gases	543	1	5.6%[b]	12.2%[b]	80	88.5%[b]	78.5%[b]
F - Construction	320,171	16	3.3%[a]	1.5%[a]	930	13.5%[a]	5.2%[a]

Data source : Bureau van Dijk, AMADEUS. Based on data from the year 2019.

a) share compared with Eurostat 2018 data (structural business statistics);
b) share calculated based on available firm-level data (AMADEUS) ;

Missing value for revenue & employees replaced by sectoral median for large companies.

In more capital-intensive sectors, the proposed scope extension under the CSRD can significantly increase coverage of sectors' total revenue and total number of employees, particularly due to the proposed inclusion of large non-listed companies. In the electricity sector, for example, the number of firms covered increases from 22 under the NFRD to 1,757 under the CSRD, and the share of total revenue and number of employees increases from 20% to 88.7% and from 44% to 84.7%, respectively. In these sectors, the coverage of negative environmental impacts as a consequence of economic activity increases substantially.

However, it is crucial to recognize that the negative environmental impact of sectors like agriculture or land transportation originates from a large number of small businesses, which contribute very little individually. Of the remaining 211,727 companies in the agriculture sector that are not covered under the CSRD, 90% have 10 or fewer employees and less than EUR 1 million in revenues per year. Similarly, for the land transportation sector, 90% of companies not covered by the CSRD have fewer than 15 employees and less than EUR 1.1 million annual revenues and for the construction sector, 90% of companies have fewer than 11 employees and EUR 1 million revenues. This means that hundreds of thousands of companies, which together contribute the majority of negative environmental impact in their respective sectors, are currently disregarded in the CSRD.

For sectors like construction, land transport, or crop and animals, which are dominated by SMEs, different reporting thresholds need to be developed. To achieve a coverage of economic activities similar to that in industrial sectors (i.e., electricity, non-metallic minerals, basic materials, manufacture of industrial gases), the reporting threshold for sector such as construction, land transport, or crop and animals would need to be adjusted as follows: Companies fulfilling two out of the following three criteria would be required to report:

(a) balance sheet total: EUR 1 000 000;

(b) net turnover: EUR 2 000 000;

(c) average number of employees during the financial year: 10.

If the goal of the CSRD is to help increase transparency about the environmental impacts and risks of economic activities in the EU, it should cover firms not only based on economic indicators (e.g., number of employees or revenue). Instead, the definition of the scope should consider the most important environmental impacts and risks of a sector and extend the scope to SMEs accordingly. As we have shown, it is essential to take into account the distribution of large companies and SMEs in a specific sector. Considering SMEs under the mandatory scope of the CSRD in a proportionate and simplified reporting standard will reduce information asymmetries around sectors' environmental impacts and risks and provide decision makers with the urgently required ESG information.

Implications of an expanded scope for sustainability disclosure requirements

The scope of sustainability reporting has repercussion for both, the company providing information and the users of information, since it improves the availability of sustainability-related information for users but might increase the administrative burden for companies.

Implications from a user perspective

Corporates incl. SMEs

Companies are essential users of sustainability information disclosed by other companies. Recent years have shown rising trends for green and sustainable supply chain management (Hsu et al., 2013; Varsei et al., 2014; Singh, Trivedi, 2016; International Trade Centre, 2019; Tsai et al., 2021) with one of the main drivers being the availability of non-financial information (Hitchens et al., 2003; Lee, Klassen, 2008; Saeed, 2017). Such information is scarce for SMEs (Walker et al., 2008; Fraser et al., 2020). Since SMEs represents 99% of businesses in the EU (Eurostat, 2019), they are a crucial element in improving the sustainability of supply chains. The process of collecting sustainability information on companies not falling under disclosure requirements is costly and time consuming. With both, the incoming supply chain disclosure regulation for all listed companies (European Commission, 2021) and the inclusion of sustainability into SMEs' priorities (Kot, 2018), the burden of reporting will increase for SMEs. Providing clear guidance under the scope of the CSRD on how SMEs in specific sectors have to report on sustainability-related issues creates a level playing field for companies of different sizes. Additionally, it can help to avoid the issues plaguing sustainability reporting today in large, multinational companies as homogeneous reporting guidelines enable the comparison of firms.

Financial market participants

Financial market participants use sustainability information provided by the companies in their portfolios to better identify and manage their risk exposure as well as mitigate the social and environmental impact of the financed economic activities. The scarcity of sustainability information on SMEs (Altman et al. 2010) could represent a threat for both, banks' exposure to sustainability-related risks and unlisted companies' access to finance. The transport sector, for example, represents over 7% of banks' loan portfolios (ECB, 2021), but only 45.5% of total revenues for land transportation are covered by the CSRD. Companies that are unable to provide the required sustainability-related information could suffer from limited access to financing in the future. Since more than 50% of SMEs in the European Union rely on bank loans as primary source of finance (Trentinaglia, 2015), this could either considerably lower SMEs' access to capital or limit the capacity of banks to properly manage sustainability risks and disclosures as required by the European Central Bank (ECB), European Banking Authority (EBA) and the European Commission. Companies that are already subject to the NFRD or the new CSRD are likely to have a competitive advantage due to their already established reporting practices. Therefore, it is advised to extend the scope of the CSRD to include SMEs with specific and targeted sustainability-related disclosure requirements that adequately capture the most important negative impacts in their respective sectors and are also harmonized with the use of European sustainable finance instruments as well as the Sustainable Finance Disclosure Regulation (SFDR) requirements. If awider scope within the CSRD is not considered, SMEs are left with little guidance about what aspects of sustainability are important for them to report, in order to fulfil financial institutions' SFDR requirements and thus gain better access to finance.

Governments and supervisory authorities

Companies being transparent on their sustainability performance makes it easier for public institutions to assess the economy's exposure to sustainability risks. Thereby it informs the development of corresponding policy measures to steer the transition towards a climate-resilient, low-carbon and sustainable society. Supervisory authorities such as central banks also have the mandate to monitor potential threats to financial stability. In its 2020 report on financial stability, the ECB considers the exposure of the Eurozone to climate-related risks[5]. It underlines the challenges in data availability and methodological developments and stresses the need for sustainability disclosure to address greenwashing and improve effective pricing of risks.

Furthermore, sustainability reporting of unlisted companies is a prerequisite for the success of the sustainable finance agenda of the European Union and its Member states as the lack of sustainability information might limit the applicability of the EU Taxonomy for sustainable activities and the EU Ecolabel (European Sustainable Finance survey, 2020).

Implications from a company perspective

The main argument against mandatory sustainability disclosure for unlisted companies is the administrative burden of reporting, especially for smaller firms. However, it is necessary to put the potential cost of reporting into perspective. In many cases, sustainability reporting could build upon existing information. Existing EU Regulations other than NFRD (or CSRD)

[5] ECB (2021): Financial stability review, climate-related risks to financial stability, May 2021 (available online).

enforce reporting mechanisms. However, these reporting mechanisms do not require firms to report to the public. For example, in the agricultural sector the directive 91/67/EEC[6] requires member states to identify vulnerable zones and to establish action programmes to reduce water pollution from nitrogen compounds. Every four years, the member states report on the directive[7] and audit farmers for their nitrogen emissions. The Industrial Emissions Directive[8] from 2010 and its European Pollutant Release and Transfer Register (E-PRTR)[9], where data is collected annually for 34,000 industrial facilities, is another example. A harmonization of existing environmental reporting guidelines with CSRD reporting requirements for SMEs could reduce the burden of reporting significantly.

For certain sectors, the required information is already part of firms' internal measurement and reporting systems. For example, in the land transportation sector, driven kilometres or purchased fuel data are already collected. No further data collection is required to derive carbon emissions or particulate matter emissions, which are the main negative environmental contributions. Opportunities exist to expand the CSRD to sector-specific SME requirements, without requiring significant adjustments by SMEs.

Furthermore, companies under CSRD reporting requirements have to collect sustainability-related information from their supply chain and reporting requirements will be passed on, regardless of whether a particular SME is subject to the regulation. If the CSRD defines what SMEs are required to report, according to their sector, in a framework harmonized with the SFDR and the EU Taxonomy, the reporting burden decreases while the share of negative impacts captured by the CSRD increases.

Recommendations

Our focus in this policy brief has been on small and medium sized enterprises. The two key features that need to be reflected in the discussions leading up to the adoption of the CSRD, are (1) the expansion of the scope itself and (2) the feasibility of reporting and the empowerment of smaller companies to use sustainability reporting to support and credibly document their own (role in the) sustainability transformation.

Scope expansion

Our analysis shows a clear need for an expansion beyond the CSRD's proposed scope. At least, if the directive is to serve its purpose of contributing to reaching our societies' agreed sustainability goals in general and the objectives of the EU sustainable finance action plan and

[6] Council directive of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (available online)
[7] EC (1991) The Nitrates Directive (available online)
[8] EC (2010) Industrial Emissions Directive (available online)
[9] EC (2021) The European Pollutant Release and Transfer Register (available online)

the German Sustainable Finance Strategy in particular. Furthermore, such expansion could satisfy markets' increasing need for sustainability information. For markets, the increasing need for sustainability information should be satisfied. In this form the CSRD would be an important complement to other policy instruments for achieving the transition toward climate neutrality, and it empowers various market actors to play their role in the required transformation of the economy. For the entire sustainable finance toolbox (including the taxonomy, green bonds standards, or the sustainability disclosure requirements of financial institutions) to unfold its full potential, systematic, standardised and comparable sustainability reporting is required for all parts of the economy associated with material sustainability risks and impacts.

Overall, the proposed scope extension under the CSRD works well for some sectors such as electricity and manufacturing of basic materials, where more than 80% of generated revenues and more than 80% of employees are captured. However, other sectors are dominated by SMEs, which are responsible for the majority of economic activities and corresponding environmental impact. For agriculture (construction), the extended scope of the CSRD still only covers 35% (15%) of generated revenues.

(1) Recommendations for expanding the scope of the CSRD

We suggest expanding (proportionate) mandatory disclosure mandates for SMEs to cover economic activities in particular in sectors dominated by SMEs. The following options appear, feasible and should be assessed in more detail:

Reporting about the sector's material sustainability impacts for

(Option 1) all SMEs,

(Option 2) all SMEs above a certain size threshold (e.g., more than 20 employees),

(Option 3) all SMEs in high impact sectors harmonized with existing (environmental) legislation.

Proportionality and SMEs

The CSRD proposal already reflects concerns expressed in the consultation of the NFRD-review and recommendations of the European Financial Reporting Advisory Group (EFRAG)[10] task force, by proposing the development (via delegated act) of a simplified reporting standard for SMEs. But while the discussions (and contributions to the consultation) regarding the expansion of mandatory reporting requirements to SMEs have been dominated by concerns about undue administrative costs, we recommend to take the more balanced cost-benefit perspective. This is the well-established norm for evaluating policy proposals. On the benefit

[10] EFRAG, Proposals for a relevant and dynamic EU sustainability reporting standard-setting, 8 March 2021 (available online)

side, obligations of financial institutions under both the CSRD and SFDR and increasing demand by investors (including retail investors) and customers of sustainability information (discussed above), will increase the pressure on SMEs to provide sustainability reports. The standardisation of such reporting requirements through the CSRD could hence provide guidance and reduce administrative cost of facing different reporting requests by SMEs' clients, business partners and investors/banks.

(2) Recommendations for reflecting proportionality and empowerment of SMEs

2a. Imposing disclosure regulation on (hundreds of) thousands SMEs is accompanied by administrative burdens on both sides (i.e., SMEs and regulating authorities). We suggest proportionate requirements that are relatively easy to implement. The co-legislators should support the development of a simplified reporting standard for SMEs.

2b. Where SMEs are already mandated to report specific sustainability-relevant indicators (e.g. agriculture through 91/67/EEC or companies falling under EU-ETS or E-PRTR), the reporting regimes should be aligned in order to minimise additional reporting costs for SMEs.

2c. The European Commission and Member States should commit to setting up training and support programmes for SMEs to enable SMEs to fulfil their reporting obligations and to empower them to make best use of sustainability reporting to support their own (role in the) sustainability transformation.

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Annex

Summary of definition of scope and coverage of NFRD vs. Proposed CSRD

	NFRD	Proposed CSRD
Definition of Scope	Companies, which fulfil **all** of the below criteria: 1. Being classified as a large undertaking as defined by the Accounting Directive 2013/34/EU 2. Having at least 500 employees 3. Being listed on a regulated market	Companies, which fulfil **either** of the below criteria: 1. Being classified as a large undertaking as defined by the Accounting Directive 2013/34/EU 2. Being listed on a regulated market (except listed micro enterprises)
Coverage (EC, 2021)	11,000 companies	Nearly 50,000 companies

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About the project

The **Sustainable Finance Research Platform** is a network of five German research institutions that have been conducting intensive research on sustainable finance for many years.

The aim of the platform is to provide scientific support in answering key social, political and private sector questions, to provide established and emerging knowledge and to play an advisory role in the political and public discourse. In this context, the platform also supports the work of the Sustainable Finance Committee of the German Federal Government by providing research-based inputs, feedback and a critical evidence-based perspective. In addition, the platform aims at establishing sustainable finance as an important theme in the German research landscape, while ensuring close links with European and international institutions and processes.

More information can be found on the project's website [wpsf.de.](https://wpsf.de)

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