Saluto al G20 Consob Conference

Palazzo Spada 25 ottobre 2021

President Savona,

Distinguishes Authorities,

Ladies and Gentleman,

Good morning, everyone,

I am particularly pleased to host this important session of the Italian G20 Presidency in this magnificent building, which has been the seat of the Italian Council of State since 1889, and represents a skilful synthesis of the late Renaissance and Baroque periods.

The format chosen for this meeting, a mix of face-to-face and online participation, is a sign that we can look to the near future with renewed optimism.

The theme chosen by Consob for this Session is of the utmost importance. Before Covid-19 hit in 2020, sustainable finance-also known as responsible finance- was on a clear pathway towards success. All major financial institutions were making public commitments to Environmental, Social and Governance (ESG) investment.

Then the pandemic struck. Suddenly, private capital was not assumed to be the sole driver of social impact, as the massive mobilization of government resources to cope with pandemic and stimulate the global economy put the public sector’s role in the spotlight, as demonstrated by the successful efforts to research and produce lifesaving Covid 19 vaccines.

Protecting the health and safety of workers, improving health services, securing and redeveloping urban areas are some of the areas on which financial players are focusing.

This is a new trend for the sustainable finance sector, which in recent years has mainly focused on the environment and climate change.

The interest of finance in social issues could make a significant contribution to combating inequalities, which have worsened as a result of the pandemic, Italy included. The health crisis has accentuated not only income inequality, but it has also had effects on generational and gender inequality. If we raise our eyes to what is happening in the world, the UN estimates that the people living in poverty worldwide will increase by between 40 and 60 million as a result of the pandemic.

As President of the Council of State, I believe that a clear framework of rules in order to preserve confidence in the financial system, the protection of investors and the stability of the financial system will be required.

It should be stressed that for the Council of State this applies both to its advisory and its judicial functions.

The Council of State, as Court of last resort, deciding on the legitimacy of regulation, considers the following to be an essential condition for economic recovery.

Firstly, clarity of the regulatory framework and secondly, the use of genuine consultation in drawing up regulations.

In the years to come, the international community will need to show courage and ambition in order to overcome today’s great challenges: these range from the post pandemic recovery to addressing climate change, from supporting innovation to overcoming poverty and inequality. The development of sustainable finance requires global cooperation – and coordination is necessary in order to adopt a common set of rules and practices in order to prevent opportunistic behaviour and regulatory arbitrage. These are the reasons why the Italian presidency of G20 is keen to place these issues at the top of international agenda.

Dear President Savona, distinguished delegates,

I am sure that for all these reasons this meeting will not only foster a fruitful exchange of ideas related to crucial issues mankind is currently facing, but I am also sure that our daily work, as judges, will benefit greatly from your discussions.

I wish you a productive meeting and I look forward to your conclusions.

Thank you

Filippo Patroni Griffi