

Spuerkeess launches its first Scientific Advisory Board (SAB) Meeting.

SAB's missions

ESG topics pose new and complex challenges that were previously largely outside the remit of financial institutions. They require targeted scientific expertise that needs to be leveraged through collaborations with the research community to enhance climate and environmental practices at Spuerkeess and the entire Luxembourgish financial sector in the long term.

This pioneering project got the formal support of Luxembourg's Minister of Finance and the Spuerkeess board and its executives. It not only adds significant value to Spuerkeess' projects and activities but will also enrich the entire Luxembourgish financial sector as well as other sectors exposed to climate and environmental risks.

Strong scientific expertise of SAB

In addition to their outstanding scientific and research profiles, the 13 members of the SAB all have strong connection to Luxembourg, often being Luxembourg citizens or by often already residing in the country for years. Every SAB member has individual specialisations and contributes to the project by sharing high degrees of subject matter expertise, including life-cycle and impact assessments, geophysics and planetary science, climate and environmental risks, economic and social geography, meteorology, biodiversity, environmental governance and science, energy economics, green technologies, climate finance, and sustainability risks. All SAB members share a common passion for ESG themes and are committed to contributing to a more sustainable world.

Takeaways from the first meeting

During the first SAB meeting, some of the raised concerns revolved around the fairly heterogenous knowledge between the different SAB members and how to facilitate a constructive and effective dialogue. One of the proposed solutions was to target several issues in a systematic way and match them with the corresponding expertise to be as productive and efficient as possible. Other observations have been made regarding the wide spectrum of potential sustainability topics not yet tackled by the Spuerkeess. The Luxembourg Ministry of Finance voiced its support for Spuerkeess' science-related ESG initiatives by highlighting that these would complement Luxembourg's sustainable finance ecosystem and benefit other ESG projects that are being developed or implemented at the national or international levels.

The SAB members expressed that they are keen to be part of this journey and appreciated the wide range of activities planned by Spuerkeess, albeit expecting concrete projects, policies, actions, initiatives, or frameworks to comment on leading up to the next meetings.

What's next?

Initially, Spuerkeess' objective is to meet the short-term challenges posed by the EU-level sustainability regulations and guidelines from the European Central Bank and the EU Commission. These include the extent to which certain banking assets will be exposed to climate-related and environmental risks over the coming decades under various climate scenarios. Hence, it is crucial to acquire material expertise as well as assistance from the SAB to access scientifically robust feedback and implement it to the extent possible or necessary.

Simultaneously, SAB will serve as a platform to explore ways in how Spuerkeess can translate theoretical concepts around ESG factor integration to concrete taxonomy-aligned products.

In a second phase, SAB will expand its engaging with Luxembourg's entire sustainable finance ecosystem through dialogue and cooperation, for example, with the LSF (Luxembourg Sustainable Finance Initiative). SAB will actively support the integration of ESG policies across the entire Luxembourg banking sector and provide scientific advice on domestic climate risk models and assess their suitability to eventually cover the entire Luxembourg economy.