

*Forum pour l'Investissement Responsable* (FIR) is the French Sustainable Investment Forum (SIF), a multi-stakeholder association with 90+ members including civil society: NGO's and Unions. As an organisation promoting responsible investments and its best practices, FIR is fully supportive of the systematic inclusion of ESG criteria in all investment decisions but also of seeking a positive impact on both environmental and social issues. FIR members use various ESG methodologies to reach this goals and many will respond to the consultation accordingly to their vision.

FIR wants to emphasize in particular the issues related to retail investor profile and questionnaire. Polling each year the French retail investors, FIR notices that a large majority (63% in 2018) of people detaining at least one savings product is interested in having an environmental or social impact for its investments, but in contrast sustainable products are very rarely offered by financial advisors (only 5% of the people have at least once received such an offer). It is thus necessary to empower the final client and assess its preferences related to sustainability. FIR is convinced that the inclusion of ESG questions to the retail investor will make a difference and shift trillions. In order to reach this objective, questions should be clear and simple. Labels audited by an independent body should assess for retail investors the quality of the financial sector practices and give an assurance that the sustainable products make a difference and avoid green- and social-washing. In this context, FIR supports the use of high quality labels. French government has launched and owns two labels: an inclusive SRI label and a more demanding Green label (called TEEC), both being audited by independent bodies. Other labelling initiative have been launched over Europe, according to local responsible investment visions and practices.

Along with Eurosif, its European umbrella association, FIR is calling for the implementation of SRI minimum standards at European level and at the same time is fully supportive of the implementation of an EU ecolabel. FIR recommends to draw inspiration from existing labels in Europe in those processes.

For the French market and for some saving products (Life insurance and Equity saving plans), FIR has made a proposal of offering responsible products by default. Approach already implemented by some banks in Belgium and The Netherlands. By default, once the risk preference and projects of the retail investor is determined, and if he is not expressing a different wish or view, this investor should be offered a responsible labelled product.

This default orientation technique, which has proven its worth, for example, in desensitizing the collective retirement plan to action risk as retirement approaches, is effective in gently orienting towards public policy objectives without affecting individual freedom - something that the academic literature and particularly the work of Richard Thaler recent Nobel prize awarded economist demonstrate.

For example, on 9 November 2017, Kees van Dijkhuizen, CEO of the Dutch bank ABN Amro, announced that from 2018 onwards, responsible investment would become the norm for new retail and private banking clients and that all existing clients would be contacted to offer them a switch to responsible investment.