

# **Sustainable Finance Skills**

## Deep Dive Study 2023

Commissioned by:



In partnership with:



Prepared by:



# Contents

<b>Executive Summary</b>	<b>4</b>
<b>Objectives and methodology</b>	<b>5</b>
<b>1. Introduction</b>	<b>7</b>
Global context	8
- Macro themes	8
- Regulatory and policy agenda	8
- Sustainable finance in Ireland	9
- Rise in demand for sustainable finance skills	9
<b>2. Results and findings</b>	<b>10</b>
Industry challenges	11
- Current level of knowledge and skills	11
- Skills and knowledge gaps	12
- Current knowledge gaps	13
- Current skills gaps	14
- Reasons for skills and knowledge gaps	14
- Industry perspectives on required actions	15
- The impact of sustainable finance training	17
<b>3. Current curriculum and potential gaps</b>	<b>19</b>
Overview of training programmes on offer	20
Curriculum gaps	20
<b>4. Progress and recommendations</b>	<b>21</b>
Progress against 2019 actions	22
2023 Recommendations	23
Conclusion	23
<b>5. Appendix</b>	<b>24</b>
<b>6. References</b>	<b>28</b>

# Executive Summary

**The sustainable finance landscape is evolving at pace with regulatory requirements, shifting customer expectations, and the imperative to maintain a competitive edge driving significant change within financial services organisations. Consequently, there is a growing need to prioritise skills and knowledge development in support of this agenda.**

Leveraging a sector-wide survey, industry stakeholder interviews and secondary research, this study provides an up-to-date snapshot of market sentiment in relation to key skills and knowledge gaps, emerging trends, and future industry direction.

## Key insights include:

1. Biodiversity and nature considerations emerging as an industry hot topic, with more than half of survey respondents claiming this to be a significant skills and knowledge gap within their organisations. As the Taskforce on Nature-related Financial Disclosures (TNFD) has now released its final recommendations, the requirement for upskilling in this area will become increasingly apparent in the near future.
2. Based on the industry interviews, it emerged that there is a growing trend towards a theme-led approach to ESG practices, focusing on the specific needs of an organisation rather than adhering to generalised frameworks.
3. 44% of respondents considered sustainability skills and knowledge within their organisations to be at beginner level only. This underscores the need for financial institutions to enhance their ESG capabilities to adapt to a rapidly changing landscape and contribute to global sustainability efforts.
4. The study also points towards the necessity of upskilling existing staff rather than relying on external hires to fill the growing demand for ESG expertise. 70% of survey respondents consider on the job training delivered by industry will help in addressing the emerging skills needs. This approach highlights the recognition of the value of institutional knowledge and the cost-effectiveness of enhancing the capabilities of the existing workforce.
5. In addressing existing skills and knowledge gaps, there is a clear appetite for targeted, practice-oriented training and courses that can equip employees with practical skills they can immediately apply in their roles. Some interviewees echoed the same concern around lack of practicality in the existing courses.
6. Less than 20% of survey respondents attribute skills and knowledge gaps to a lack of available talent. Instead, competing priorities and a lack of awareness regarding available training opportunities were cited as the top reasons for the existing gaps. This highlights the need to ensure that ESG is a strategic priority not just in the boardroom but also throughout organisations, at all levels. It also so suggests that companies could do more in streamlining their internal training programs and promoting the availability of external courses to employees.
7. The importance of on-the-job learning is overwhelmingly endorsed, with over 70% of respondents emphasising its significance. This aligns with the call for the establishment of micro-credential programs, allowing employees to acquire specific skills and certifications as they progress in their roles, making their learning journeys more dynamic and outcome focused.

# Objectives and methodology



## Objectives

The objective of this report was to undertake a comprehensive deep dive study, assessing the impact, uptake, and effectiveness of sustainable finance skills training in Ireland over the last three years (2020-2022). It also aims to highlight existing skills and knowledge gaps and hence how training needs should evolve over the coming years. An overarching focus was on how to support the industry in addressing these challenges, in turn, unlocking the potential for Ireland to position itself as a leader in sustainable finance.

We also consider the insights and conclusions drawn from the skills need analysis report published in November 2019<sup>1</sup>, reviewing progress made against the actions proposed in that study, in conjunction with new recommendations and areas of focus.

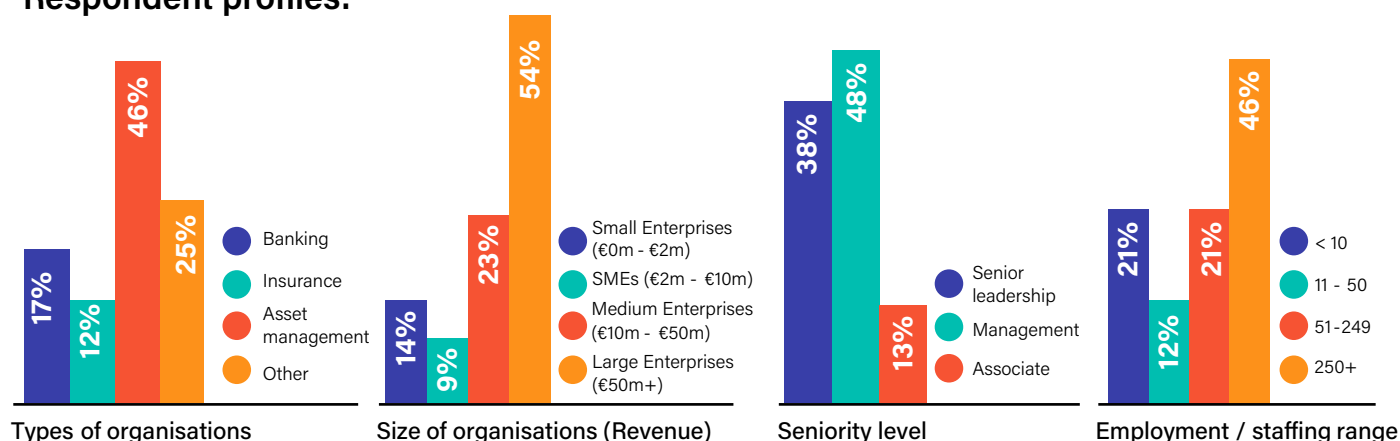


## Methodology

We used a range of methods in order to gather information from across the industry. To ensure a comprehensive understanding of the landscape, we conducted industry interviews with key stakeholders, engaging in qualitative discussions with representatives from different firms across the sector. These interviews served as a means of obtaining in-depth, first-hand perspectives on skills, capabilities, and training needs.

In parallel, we also conducted an industry survey that involved participants from insurance, banking, asset management, and other related sectors (e.g., aviation finance). This survey was designed to understand the views of professionals at different levels of seniority, from differently sized organisations and with different role profiles to bring sufficient nuance to our analysis. Furthermore, we also conducted secondary research, leveraging a range of previously published work and other public domain sources. This combined approach enabled a well-rounded assessment of the skills landscape within the sector.

## Respondent profiles:



<sup>1</sup> "Deep sector analysis of future Sustainable Finance skills and talent requirements in Ireland", Sustainable Finance Skillnet

# 1 | Introduction







**In the most basic terms, sustainable finance is defined as investment choices that consider an economic activity's environmental, social, and governance (ESG) concerns<sup>2</sup>. It plays a pivotal role in addressing challenges such as climate change and nature degradation by channeling financial resources into emission reduction, adaptation, and resilience-building efforts. By way of example, The Global Commission on Adaptation, estimated that investing US\$1.8 trillion from 2020 to 2030 could generate US\$7.1 trillion in total net benefits in five areas – early warning systems, climate-resilient infrastructure, improved dryland agriculture crop production, global mangrove protection, and more resilient water resources<sup>3</sup>.**

There are a number of key enablers to support the ambitions of the sustainable finance sector agenda, with skills and talent development prominent among them. Traditional roles across the industry are now being redefined and new positions are emerging. Professionals need to adapt to these evolving job profiles, such as sustainable investment analysts, ESG risk managers, and green finance specialists amongst many others. With the introduction of several new sustainability-related regulations and reporting requirements, financial institutions need skilled personnel who can ensure compliance and accurately report on their sustainable finance activities. However, such is the ubiquity and importance of the sustainability agenda that these skills will be required across all functions and grades in organisations to some extent.

<sup>2</sup> Overview of Sustainable Finance, European Commission

<sup>3</sup> Finance & Justice, Climate Action, United Nations

## Global context

### Macro themes

**The transition to climate neutrality and nature restoration through sustainable finance has been gaining momentum globally, with a number of key trends shaping this path:**

**The role of ESG in capital allocation:** ESG considerations are becoming increasingly integrated into European investment decision-making processes with 81% of the total assets under management in ESG funds worldwide centred in Europe<sup>4</sup>. As per the European Central Bank (ECB), investments in this category of funds in Europe saw an inflow of over €150 billion between January and October 2020, marking an increase of roughly 80% compared to the same period in 2019<sup>5</sup>. Recent market study also estimates that ESG assets would reach €27tn by 2030<sup>6</sup>.

**Biodiversity agenda:** The biodiversity finance agenda is defined by the risks and opportunities presented to financial systems as a result of the inherent dependency of the economy on the natural world. Recognising its emerging prominence, Action 8 of the 2021 Sustainable Finance Roadmap highlighted the need for financial sector actors to begin to prepare for the risks and opportunities that the biodiversity agenda presents to the Irish financial system. Since then, biodiversity concepts have gained greater mainstream recognition and are beginning to be incorporated into regulation, standards and frameworks including the ISSB International Sustainability Standards, Science Based Targets for Nature, TNFD and the partnership for biodiversity accounting standards (expected to come into force from 2024 onwards). Over €40 trillion worth<sup>7</sup> of economic value worldwide comes from nature and its services to a moderate or high extent.

**Global Surge in Disclosure Regimes:** In response to the growing importance of climate-related risks, central banks and financial regulators in various jurisdictions have implemented climate stress tests for financial institutions. This trend is driven by the need to assess and manage climate risks in the financial system. Countries like the United States, the United Kingdom, Ireland, and various Asian countries have been actively integrating climate-related risks into their supervisory processes and reserve management frameworks.

### Regulatory and policy agenda

**In recent years, changes in regulations and policies, both at a local, European and global level, have accelerated the transformation in how financial institutions evaluate their portfolios, allocate capital, and report on their progress toward shared ESG goals.**

The European Union has been at the forefront of driving regulatory changes, with its aim for a sustainable Europe that becomes the world's first climate-neutral continent by 2050. For example, new regulations and frameworks including the Sustainable Finance Disclosure Regulation (SFDR) and the Corporate Sustainability Reporting Directive (CSRD) have been introduced to promote transparency in ESG reporting, support green investments, and discourage environmentally harmful practices. Both of these European level regulations are in turn in keeping with the recommendations of the global Task Force on Climate-related Financial Disclosures (TCFD).

In particular, the EU taxonomy, which aims to define criteria for economic activities that are aligned with a net zero trajectory by 2050 and the broader environmental goals other than climate has helped to provide alignment on a common language and a clear definition of what activities could be considered environmentally sustainable. The European Commission's commitment to further enhance the effectiveness of the EU taxonomy is evident as it plans to introduce another guidance document related to the Taxonomy Regulation by the end of 2023<sup>8</sup>. The new document will focus on taxonomy alignment reporting obligations for financial undertakings, which will be required to report their green assets ratio (GAR) and other KPIs as of 1 January 2024.

At a broader policy level, The European Green Deal is aiming to mobilise €1 trillion in sustainable investments by 2030<sup>9</sup>. This package of policy initiatives covers European climate law as well as a range of strategic initiatives in areas such as biodiversity, energy security, chemicals and deforestation amongst other topics.

<sup>4</sup> "Distribution of ESG fund assets worldwide as of December 2021, by region", Statista

<sup>5</sup> "Sustainable finance: transforming finance to finance the transformation", European Central Bank

<sup>6</sup> "ESG and Sustainable Investment Outlook", Broadridge

<sup>7</sup> Why measuring the economic value of ecosystems is important, World Economic Forum

<sup>8</sup> "Enhancing the usability of the EU Taxonomy and the overall EU sustainable finance framework", European Commission

<sup>9</sup> "Finance and the Green Deal", European Commission





## Sustainable finance in Ireland

With legally binding commitments to halving greenhouse gas emissions by 2030 and achieving net-zero status by 2050, Ireland has recognised the pivotal role that sustainable finance plays in driving climate action and supporting ESG objectives. In pursuit of this vision, Ireland developed a sustainable finance roadmap which set out a range of actions and initiatives to help drive change in the sector. Furthermore, the government through its 2024 Budget is developing a €3bn climate and nature fund with Ireland<sup>10</sup> also managing or listing close to €160 billion in sustainable-related assets as of 2021.<sup>11</sup>

From a local regulatory perspective, climate change is now a strategic priority of the Central Bank of Ireland (CBI) who have established a dedicated Climate Change Unit and Climate Forum and published a Sustainable Investment Charter for its own investment assets. Other developments include the release of Consultation Paper 151 (CP151) which aims to clarify the Central Bank's expectations on how (re)insurers address climate change risks in their business and to assist them in developing their governance and risk management frameworks to do this. It is based on a set of overarching principles and sets proportionate expectations dependent on the nature, scale, and complexity of the (re)insurer.

**“Ireland has shown in the funds sector that it can build globally significant infrastructure. It has a well-educated workforce, strong legal system, hence, there’s no structural reason why Ireland could not become a sustainable finance global leader. However, there is a clear shortage of well-trained ESG specialists”.**

Leader of sustainable practices at a leading investment management firm.

## Rise in demand for sustainable finance skills

The need for enhanced ESG related capabilities within financial services organisations is apparent in the context of the evolving landscape described above. Specialists are required in functions such as risk, regulatory reporting, underwriting, finance, product development, etc., with the growing expectation that everyone across the sector will have at least a baseline knowledge of sustainability concepts.

The challenge, however, is that the pace of change and emerging nature of many ESG topics does not allow for the development of a sufficiently large talent pool from third level institutes to serve the sector in the timeframe required. Hence, the focus is on upskilling existing employees with professional development courses that are up to date and have real world practicality at their heart. This state of play has exposed the significant skills and knowledge gaps within the industry. However, as this report outlines, there is progress being made and clear tangible actions that can be taken to close this gap and ultimately deliver a sustainable finance agenda that enables broader ESG goals and aspirations.

<sup>10</sup> Budget 2024, Citizens Information

<sup>11</sup> Ireland's Sustainable Finance Roadmap

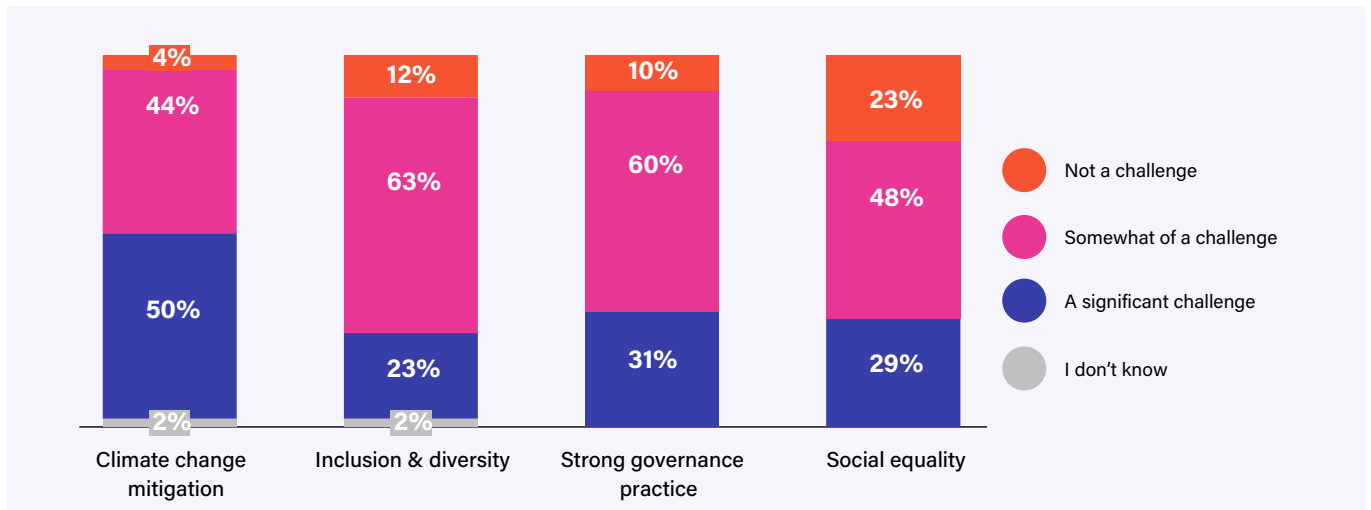


## 2 | Results and findings

## Industry challenges

**Organisations perceive climate change mitigation as the most significant macro challenge they need to deal with across the ESG landscape.**

**Figure 1:** Level of challenges faced by financial services organisations in Ireland in relation to each core ESG theme (% of respondents)



Source: KPMG industry survey, n=52.

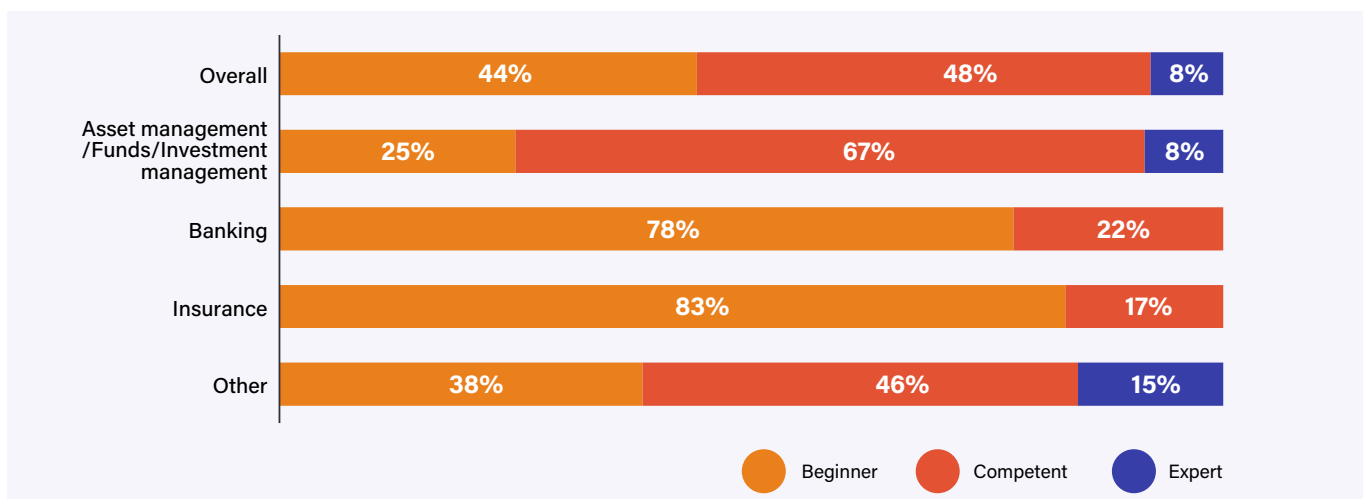
50% of respondents considered climate change mitigation to be a significant challenge for their organisation, with "S" and "G" factors considered of relatively less prominence. Interestingly, only 10% of senior leaders (n = 20) consider strong governance practices to be a significant challenge within organisations versus 31% of the total survey population. The recognition of climate change mitigation as the most significant challenge across the ESG agenda is consistent across each subsector.

### Current level of knowledge and skills

**Over 40% of respondents considered sustainability skills and knowledge within their organisations to be at beginner level only.**

At a subsector level, it appears that the banking and insurance industries have a lower level of sustainable finance skills and knowledge attainment with less than 25% of respondents indicating that the proficiency level with their organisations could be described as competent. In contrast, 67% of respondents from the asset management sector indicated a competent proficiency level with their organisations with respect to skills and knowledge, with 8% suggesting an expert.

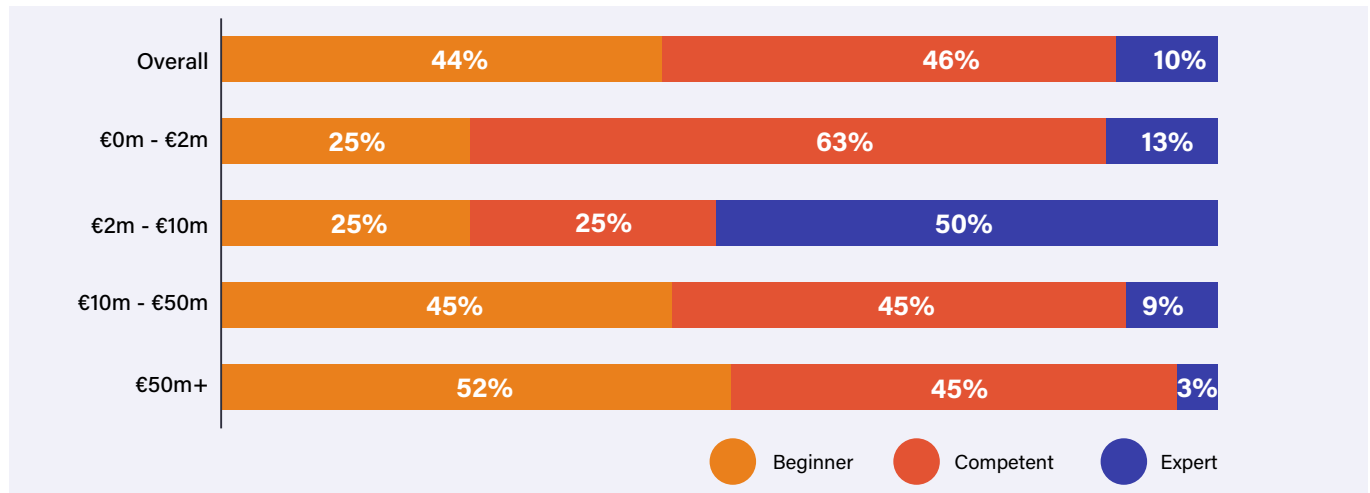
**Figure 2:** Sustainable finance skills and knowledge proficiency level by sector (% of respondents)



Source: KPMG industry survey, n=52.

There are relatively higher numbers of 'Competent' and 'Expert' professionals in medium (revenues of €10m-€50m) and large (revenues of €50m+). In SMEs, more than 75% of the professionals consider their skills and knowledge level to be in the beginner range, suggesting a need for skill development and knowledge enhancement within SMEs.

**Figure 3:** Sustainable finance skills and knowledge proficiency level by organisation's annual revenues size (% of respondents)



Source: KPMG industry survey, n=52.

**"After three years of dedicated effort, and completing a spectrum of external and Skillnet courses, I've come to realize that the industry has evolved significantly. It's clear that the appetite for ESG 101 has transformed into a hunger for more detailed, specific, and practical courses that truly addresses the complexities of this agenda"**

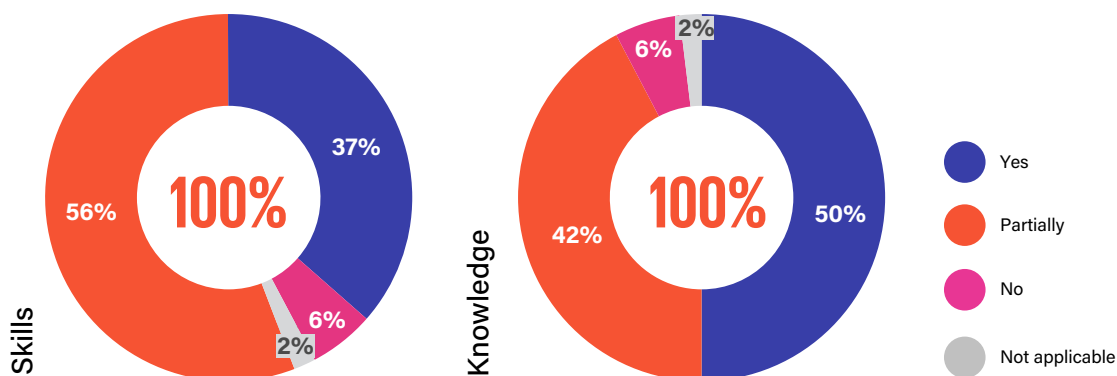
Chief Sustainability Officer, Irish headquartered bank

## Skills and knowledge gaps

**Biodiversity and sustainability reporting and frameworks are key skills and knowledge gaps that need to be plugged.**

It was deemed necessary to differentiate between skills and knowledge in this study to better understand the gaps across both areas and how to address them effectively. Skills represent the practical abilities and competencies individuals or organisations possess, focusing on what they can do. In contrast, knowledge pertains to the information and facts they have acquired, emphasising what they understand. For our survey, we separated these assessments to allow a tailored development program, efficient resource allocation, and better recommendations for the future. It fosters continuous improvement and facilitates the tracking of progress, ensuring a more effective and nuanced approach to skill and knowledge development.

**Figure 4:** Do you think you have sufficient sustainable finance skills and knowledge to carry out your current role most effectively?

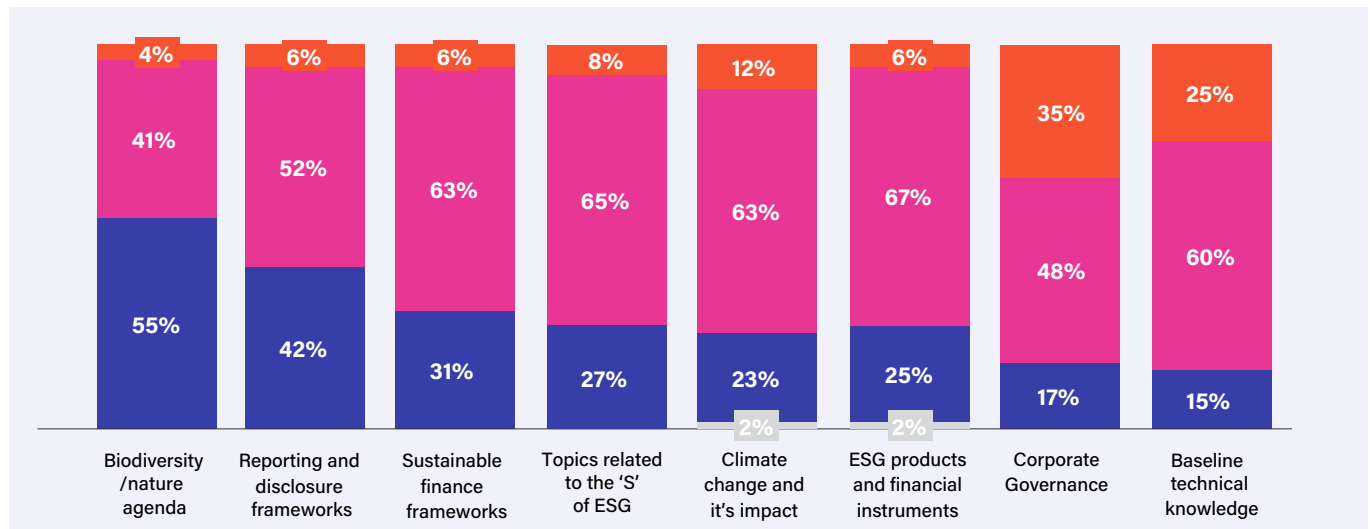


Source: KPMG industry survey, n=52.



## Current knowledge gaps

**Figure 5:** Knowledge gaps within organisations across key ESG topics (% of respondents)



Source: KPMG industry survey, n=52.

**Figure 6:** Top knowledge gaps<sup>12</sup>: subsector

	Biodiversity/nature agenda	Reporting and disclosure frameworks	Sustainable Finance frameworks	Topics related to the 'S' of ESG
Asset Management	✓	✓		✓
Banking	✓	✓	✓	
Insurance	✓	✓	✓	
Others	✓	✓	✓	

Source: KPMG industry survey, n=52.

**Figure 7:** Top knowledge gaps<sup>9</sup>: organisation size

	Biodiversity/nature agenda	Reporting and disclosure frameworks	Sustainable Finance frameworks	Topics related to the 'S' of ESG
€0m	✓	✓		✓
€2m	✓	✓	✓	
€10m	✓	✓		✓
€50m+	✓	✓	✓	

Source: KPMG industry survey, n=52.

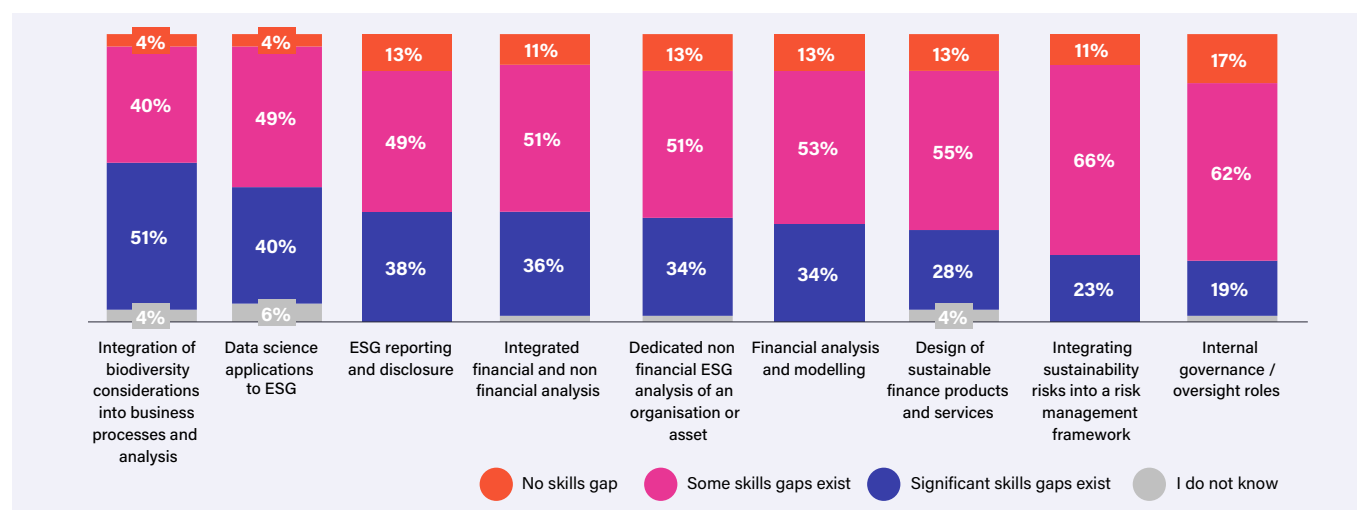
Overall, knowledge gaps are broadly the same across all sectors and organisation sizes, with biodiversity/nature agenda considered to be the area where the organisations face the most significant knowledge gap. It is interesting to note that over a quarter of respondents indicate that there is no knowledge gap when it comes to corporate governance or baseline technical knowledge. Across all sectors, *biodiversity, reporting and disclosure frameworks, sustainable finance frameworks and topics related to the 'S' of ESG* seem to be the most common concern for all sectors. Irrespective of the organisation size, the key concern and challenges remain the same – with biodiversity being a concern across medium and large sized organisations. Notably, the issues surrounding reporting and disclosure frameworks also emerge as areas facing considerable knowledge gaps. These findings point to the pressing need for more specific, granular, grade, and function-specific courses to address these deficiencies.

<sup>12</sup> Respondents indicating that "significant skills gaps exist" for each topic



## Current skills gaps

**Figure 8:** Please identify whether the following skills gaps within your organisation and to what extent (% of respondents)



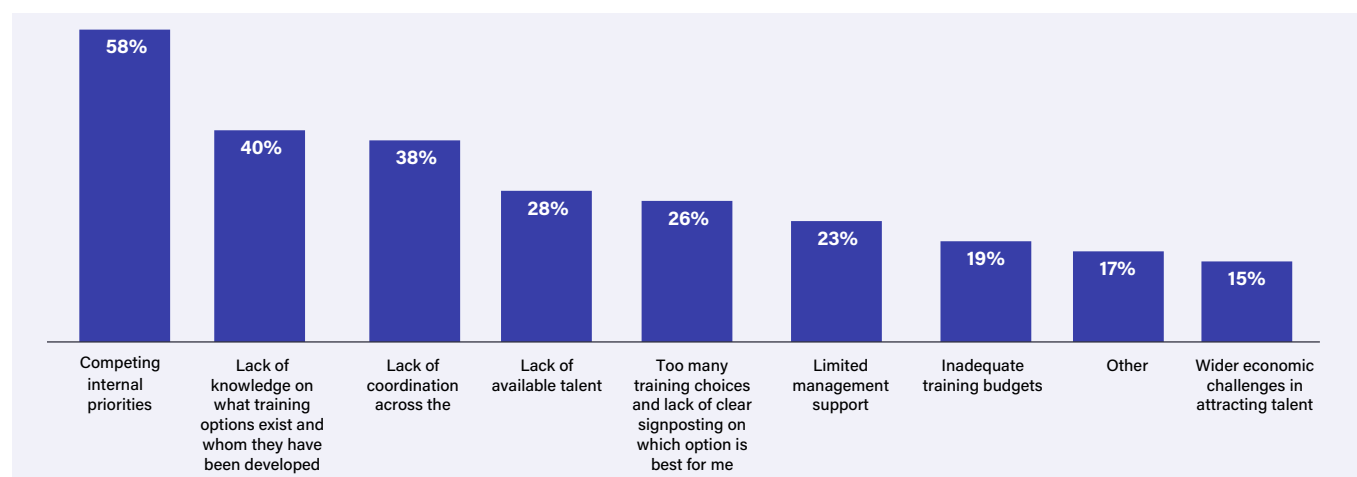
Source: KPMG industry survey, n=52.

In general, there is broad alignment between the knowledge and associated skills gaps with biodiversity also recognised as the leading significant skill across organisations and ESG reporting and disclosure also recognised as key skill gap. The data science applications to ESG, interestingly also emerged as a significant skill gap, which aligns with the broader acceptance that the availability and effective use of data will be key cross-cutting challenge to multiple topics across the sustainable finance agenda. At a specific sub-sector and organisation size level, there is a relevant gap across most of the skills listed.

## Reasons for skills and knowledge gaps

**Lack of awareness on suitable training options and conflicting internal priorities at organisations have led to a skills and knowledge gaps in Ireland.**

**Figure 9:** Key reasons for skills and knowledge gaps today(% of respondents)



Source: KPMG industry survey, n=52.

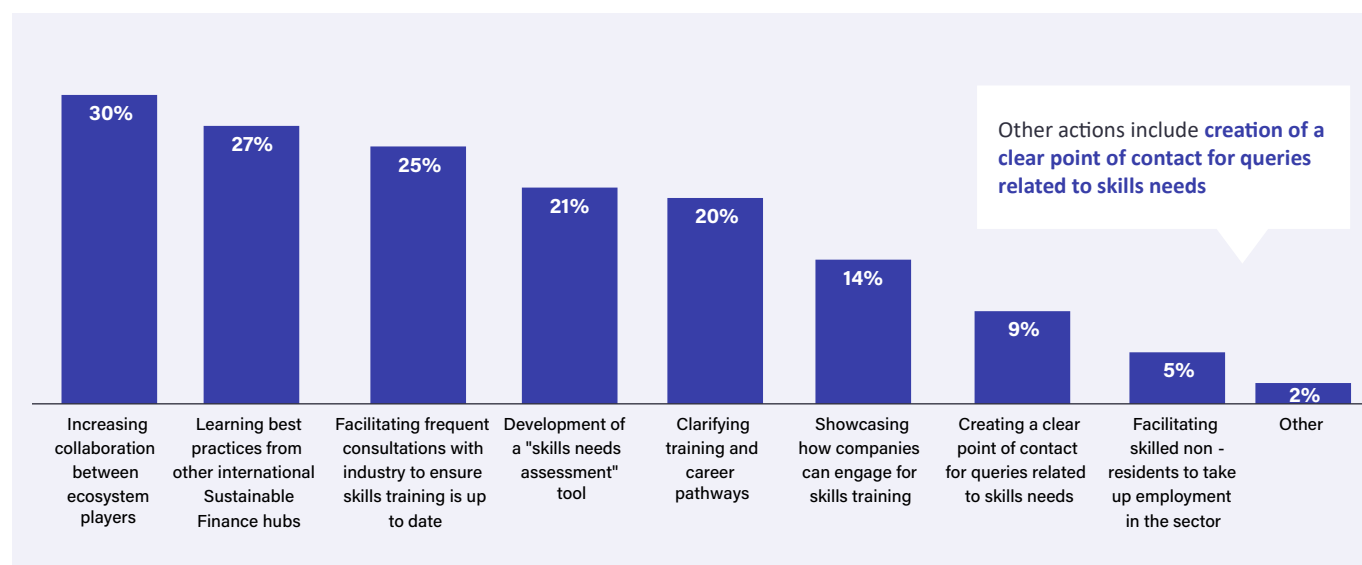
The survey findings reveal a notable consensus among respondents, with almost 30% attributing the skills and knowledge gaps in sustainable finance to a lack of available talent. The overarching challenges primarily stem from competing internal priorities and a lack of awareness regarding available training resources. This highlights the clear need for improved signposting and communication of educational opportunities in sustainable finance.

Additionally, respondents highlight the importance of enhancing skills related to integrating biodiversity considerations into business processes and analysis, as more than half of the respondents perceive this as a significant skill gap.

## Industry perspectives on required actions

### Consensus among responds regarding the role of collaboration across hubs for the development of skills required.

**Figure 10:** Key actions required to develop the skills needed by Ireland's Sustainable Finance sector (% of respondents)



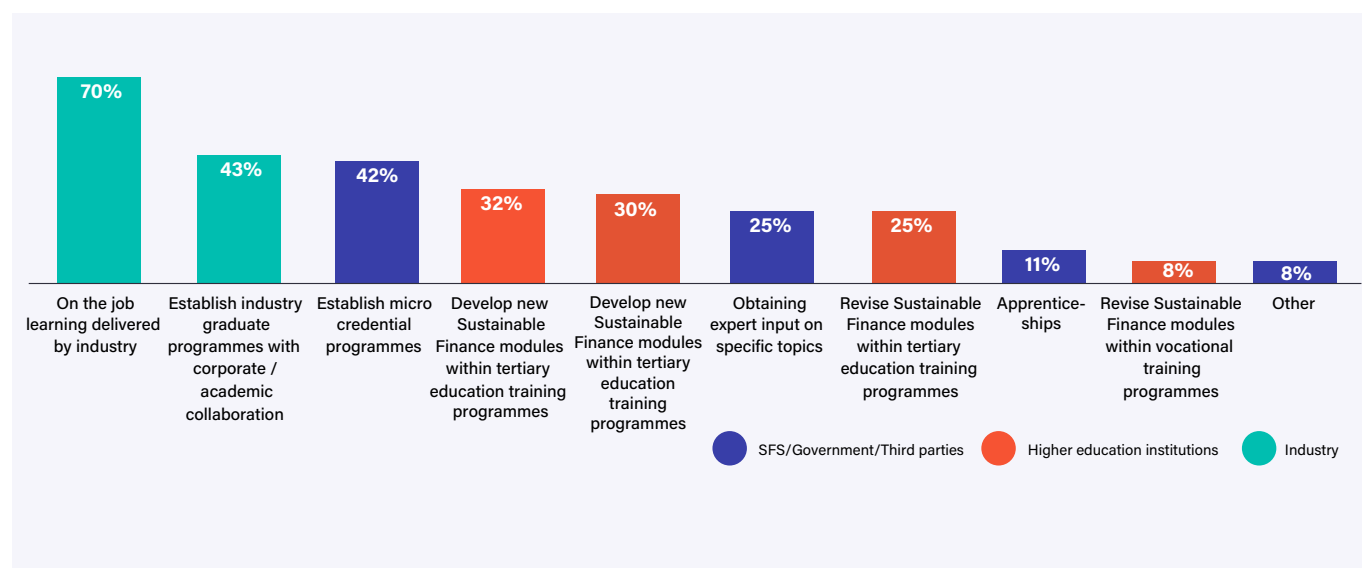
Source: KPMG industry survey, n=52.

30% of respondents emphasise the need for increased collaboration between ecosystem players, which includes a diverse range of stakeholders such as businesses, educational institutions, regulatory bodies, and industry associations. This collective effort is seen as essential in creating a comprehensive and responsive approach to skills development.

Learning from best practices in other international Sustainable Finance hubs, as identified by 27% of respondents, highlights the importance of looking beyond national boundaries for inspiration and guidance. Leveraging successful strategies and knowledge from global counterparts can provide valuable insights into how Ireland can shape its own sustainable finance education landscape.

Furthermore, the call for frequent consultations with the industry, endorsed by 25% of respondents, emphasises the dynamic nature of sustainable finance. To ensure that skills training remains relevant and up-to-date, constant engagement with industry professionals is seen as a fundamental step. Collaboration, both at a domestic and international level, alongside a commitment to continuous learning and adaptation, is essential to successfully developing the skills needed by Ireland's Sustainable Finance sector.

**Figure 11:** Preferred approach to training to address emerging skills (% of respondents)



Source: KPMG industry survey, n=52.

### Growing need for on-the-job training, call for establishment of micro-credential programs

70% of those surveyed emphasise the pivotal role of on-the-job learning, underlining the importance of continuous, practical skill development within the industry. A notable 40% of respondents are calling for the establishment of micro-credential programs, reflecting a growing demand for concise and specialised courses that cater to the evolving needs of the field. Beyond traditional educational methods, there's a collective call for the development of problem-based and community-centred learning opportunities. These approaches are envisioned to be smaller in size, regularly updated, and readily accessible, fostering a more responsive and adaptive educational ecosystem.

The envisioned responsibility for driving these future trends is a shared one, with stakeholders spanning Sustainable Finance Skillnet (SFS), government bodies, third-party organisations, higher education institutions, and industry players. This collective effort signifies a growing recognition of the collaborative nature of sustainable finance education.

38% of respondents express a specific interest in the establishment of industry graduate programs through corporate-academic collaborations, signalling an eagerness to bridge the gap between academic knowledge and practical application. As these trends unfold, sustainable finance education is set to become more agile, responsive, and accessible, ensuring that professionals in the field remain equipped to address the ever-evolving challenges and opportunities in the realm of sustainable finance.

### Voice of the industry

**"It's clear that the appetite for ESG 101 has transformed into a desire for more detailed, specific, and practical knowledge that truly addresses the complexities of the changing landscape."**

**"To stay ahead, we need to embrace more courses on topics such as TNFD, biodiversity, and other forward-looking trends – courses that not only keep pace with the change but anticipate the hot-topics of the future."**

**"We know that the needs are going to be growing in financial services. However, there is a clear shortage of well-trained specialists."**

**"There are so many courses that are fluffy and lack practicality. Its good to get the basics right but they are not granular enough."**

**"There is a huge demand for targeted courses which are relevant for specific career needs. The role of innovation in meeting sustainability goals would be a particularly attractive topic."**

**"More credibility is needed to make this a real success. Having a certificate or qualification within an established industry body will make professionals more motivated to sign up."**

**"Less detailed, more relevant courses would be an attractive signing up point."**

**"There is a need for ESG specific training for board members. They should give it the same focus that they apply to their legal and compliance training."**

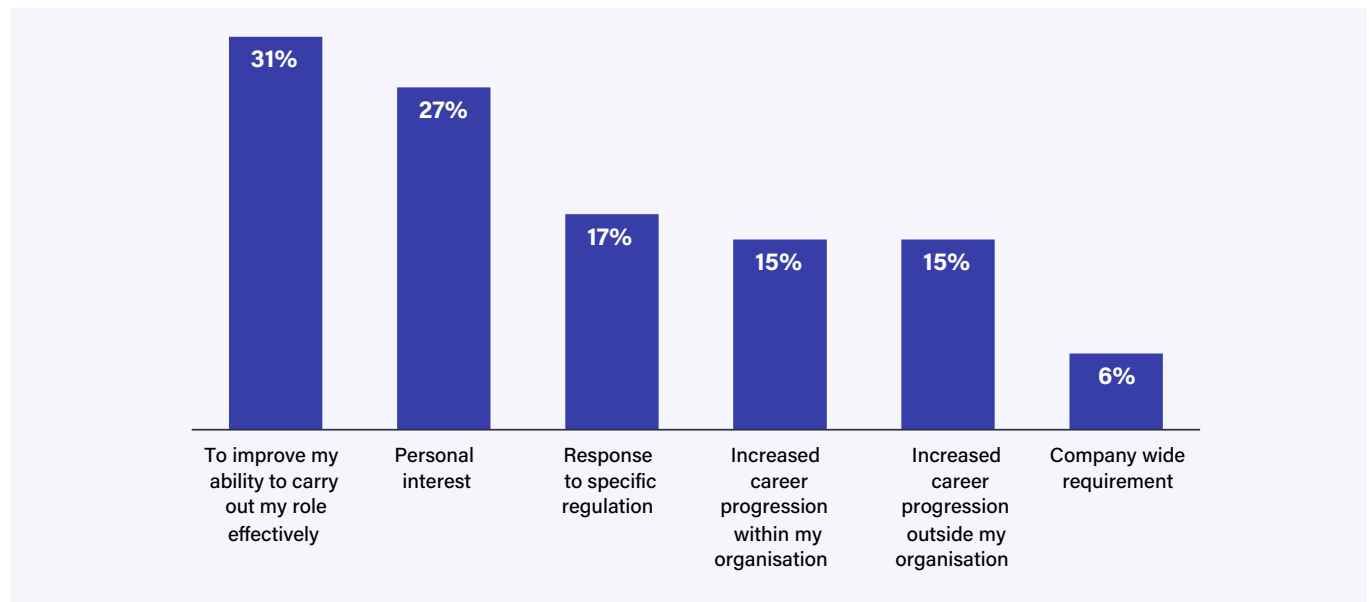
Based on the industry interviews, a few key themes were observed which included *the need for less theoretical and more hands-on courses, more of personalised courses that are relevant for the specific career needs, initiative to encourage leadership team to be more involved and aware, and also increase in possible collaborations with leading universities to increase credibility of the offerings in the market.*

## The impact of sustainable finance training

**Sustainable Finance Skillnet has a pivotal role in fostering the integration of sustainable finance into educational and professional training curricula.** Their responsibilities encompass developing and offering tailored courses, workshops, and certification programs to equip individuals with the necessary skills and knowledge.

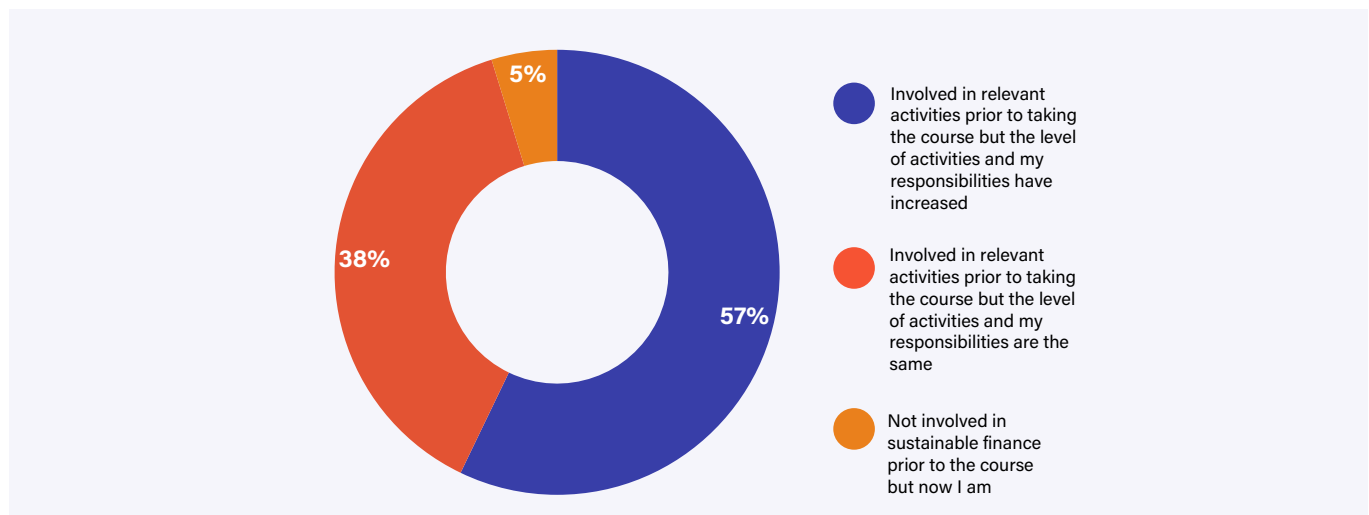
Recognising the importance of integrating Sustainable Finance into educational and professional training curricula, respondents and interviewees highlighted the significant role played by the Sustainable Finance Skillnet in providing training solutions to existing finance professionals.

**Figure 12:** What were your reasons for upskilling in sustainable finance? (% of respondents)



Source: KPMG industry survey, n=21.

**Figure 13:** Impact of completing a sustainable finance course



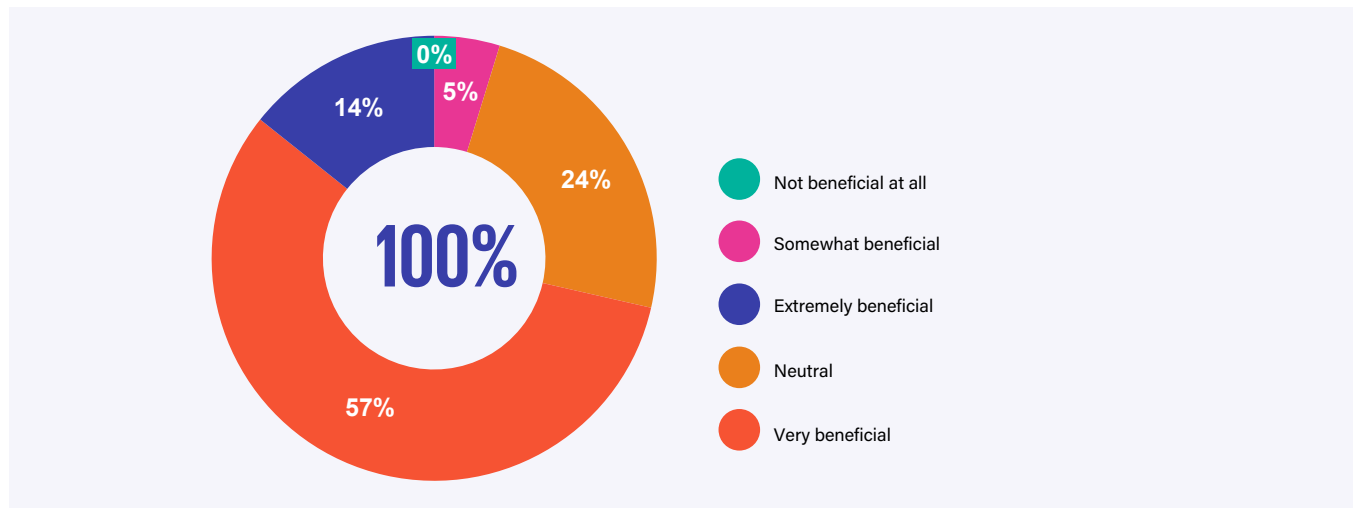
Source: KPMG industry survey, n=21.

Evidently, respondents saw upskilling in sustainable finance as a means to enhance their career opportunities. The respondents are optimistic that these courses can create opportunities for them and help them progress with their career. This indicates that sustainable finance skills are perceived as valuable in the job market. There has been an impact of the courses available in the market, with almost 57% of the respondents who have taken a course stating that the courses have led to an increase in their responsibilities, eventually leading to career growth in the times to come. Irrespective of the impact at a professional level, the courses have helped the respondents to get better informed on sustainability issues. At an overall level, upskilling in sustainable finance is driven by a combination of personal interest, career advancement opportunities, regulatory requirements, and organisational mandates.

**“Sustainable Finance Skillnet ran an excellent course which several people in our office took advantage of. It was really well organised and clearly consideration was given to the most useful course content for the private sector.”**

Sustainable practices lead at a leading investment management firm.

**Figure 14:** How beneficial were the courses of Sustainable Finance Skillnet for you? (% of respondents)



Source: KPMG industry survey, n=21.

Approximately 70% of the respondents have found Sustainable Finance Skillnet courses to be beneficial, with 24% of the respondents having a neutral experience. This indicates the value of Sustainable Finance Skillnet as a relevant and influential body that will navigate the future of the workforce of the finance sector in Ireland. However, there are some key improvements and more importantly, opportunities to enhance its offerings and continue to play a pivotal role in advancing sustainable finance education and its positive impact on individuals' portfolios and the broader financial sector.

**“There’s a vast landscape of learning, and thus the key is relevance. People don’t have time for ‘everything’ available in a course – only what’s relevant to them. Sustainable Finance Skillnet (SFS) must become the navigator, highlighting what’s essential for each learner, and building courses that are relevant and more practical.”**

Chief Sustainability Officer,  
Retail bank in Ireland.

**“Challenges related to climate and sustainability are dynamic and ever-changing. To stay ahead, we need to embrace more courses on topics like TNFD, biodiversity, and forward-looking trends – courses that not only keep pace with the change but anticipate the waves of the future.”**

Vice President,  
Leading insurance firm.



### 3 | Current curriculum and potential gaps



## Overview of training programmes on offer

### Current offerings from ISFCOE



# 134

Number of  
courses offered



# 12,733

Number of training  
days provided



# 1261

Number of companies  
engaged



# 133

Total trainers

### Appropriate training approaches

Knowledge gaps	Peer to peer learning	Expert input on specific topics	Micro-credential programmes	Develop/revise higher education modules	Availability of training courses
Biodiversity/nature agenda					●
Reporting & disclosure frameworks					●
Sustainable finance frameworks					●
Topics related to the 'S' of ESG					●
Climate change and its impact					●
ESG products and financial instruments					●
Corporate governance					●
Baseline technical knowledge					●

● Limited availability    ● Considerable availability    ● Some availability

## Curriculum gaps

The survey and one-to-one interviews have revealed a noticeable deficit in knowledge and skills, particularly in areas such as biodiversity integration, sustainable reporting, and ESG analysis proficiency within Ireland's sustainable finance curriculum. To bridge this gap in the near future, it's essential to adopt diverse approaches to course delivery, considering the varied needs and preferences of potential learners. In today's dynamic landscape, learners are seeking credible, flexible, and high-quality programs that can empower them with long-term upskilling opportunities, enhancing their career prospects. There's a pressing need for a more comprehensive curriculum aligned with the evolving financial environment in Ireland. Courses addressing topics such as biodiversity loss, its connection to sustainable finance, TNFD, and ESG with a focus on social aspects are currently high in demand and will play a pivotal role in shaping the future of the finance sector in Ireland.





## 04 | Progress and recommendations

## Progress against 2019 actions

Recommendations provided in 2019 report	No.	Title	Progress update
<b>Programmes to be provided by Sustainable Finance Skillnet</b>	1	Sustainability Skillnet to be refocused exclusively on Sustainable Finance activities and renamed Sustainable Finance Skillnet	●
	2	Consideration of an ESG fitness assessment	●
	3	Create a cohort of training facilitators	●
	4	A proposed structure for programme delivery	●
	5	Public relations strategy	●
<b>Programmes to be provided by education providers</b>	6	Ensure fintech and regtech providers are appraised of ESG considerations and trained appropriately	●
	7	Embed Sustainable Finance into all relevant curricula of second and third level programmes	●
	8	Integrate Sustainable Finance into professional education and continuous professional development	●
<b>Guidance to assist the financial service providers to evaluate 'own needs'</b>	9	Annual survey and review of Sustainable Finance skills and talent	●
	10	A proposed guideline to assist financial service providers evaluate their 'own needs' for Sustainable Finance	●

● In progress    ● Complete

Over the last few years, there has been significant progress with Sustainable Finance Skillnet showing a commitment to prioritising sustainable finance and aligning training programs accordingly. There has also been progress in integrating sustainable finance into professional education and continuous professional development, ensuring professionals are equipped with the necessary knowledge and skills to navigate the evolving landscape.

Moving forward, there needs to be a strong force that addresses the evolving needs of the workforce in the finance sector. These efforts and ground-breaking initiatives will accelerate the transition towards building a stronger workforce in the finance sector in Ireland.

## 2023 Recommendations

No	Recommendations	Details	Impact	Effort	Time
1	<b>Develop industry led peer to peer learning programmes</b>	Establish a suite of programmes across a broad range of topics, that are led by industry practitioners and focussed on the practical elements and real-world applications of sustainable finance.	High	Complex	1-2 years
2	<b>Leverage best in class learnings</b>	Regular consultations with the industry – nationally and internationally are essential for keeping skills training up to date with the rapidly evolving landscape of sustainable finance.	Medium	Average	1-3 years
3	<b>Promotion of On-the-Job Learning</b>	Encourage employees via testimonials, case studies to apply their newly acquired knowledge to real-world situations, thus reinforcing their skills and expertise in sustainable finance.	High	Low	1 year
4	<b>Micro-Credential Programs</b>	Create more programs that offer quick, focused training on specific areas of sustainable finance and should be readily accessible to professionals seeking to enhance their skills, specifically around ESG reporting, ESG risk assessment and impact investing	High	Low	1-2 years
5	<b>Emphasis on Biodiversity with new courses and trainings</b>	Given the significant skills and knowledge gaps identified in biodiversity, organisations and institutions should prioritise developing and offering specialised training on this crucial aspect of sustainable finance.	High	Average	1-3 years
6	<b>Launch a 'self-assessment tool'</b>	Build up a tool that can assist financial service providers in evaluating their own needs and current skill gaps, considering the constantly changing landscape.	Medium	Average	1-2 years
7	<b>Improvement of marketing &amp; communications channels</b>	To re-assess the website and all communication channels with the intent of improving the website, social media messaging and overall communication with the target audience. This will help in keeping the potential learners informed about the upcoming courses, existing courses and the kind of benefits/ career progression from the courses.	Medium	Low	1 year
8	<b>Increase board awareness on relevant topics</b>	An intensive program that includes workshops, seminars can be initiated by ISFCOE. This will ensure that there is awareness on the topic of ESG and sustainability skills and talent development are to the fore on the board agenda.	Medium	Low	1-2 years

## Conclusion






The sustainable finance landscape is evolving rapidly, driven by regulatory changes, shifting customer expectations, and the growing need for a competitive advantage. This study highlighted key insights and the current market sentiment, including the growing importance of integration of biodiversity, a trend towards customised ESG practices, a pressing need to upskill employees, and a preference for practical, on-the-job training. Importantly, there is a need for organisations to focus on upskilling their existing workforce, as talent availability is not the primary issue, but rather competing priorities and limited awareness of training opportunities within the industry. This study underscores the essential role of skill and knowledge development in the financial services sector's journey towards sustainability.








# 5 | Appendix



To get an understanding of the current skills market, it is important to know the key courses being offered, the quality of offerings, and the relevance of the courses in today's time.

Course	Target Market	Length of Course	Quality of Offerings
<b>Net Zero</b>	<b>Grades:</b>  <b>Professional background:</b> Working in the financial sector and have a basic knowledge of ESG (Environmental, Social, and Governance) principles.	5 hours	Subject Matter Experts from a leading sustainability consultancy in Ireland – providing expert views and knowledge required for career progression.
<b>ESG and Sustainable Finance Leadership in Financial Service</b>	<b>Grades:</b>  <b>Professional background:</b> Industry level financial market participants, especially those currently in the field of ESG/ responsible & sustainable finance or seeking a career in the area.	3 modules, completed over 3 trimesters (1 year)	Offers a high-quality learning experience that covers a wide range of relevant topics and equips participants with the knowledge and skills needed – along with a Professional Diploma in ESG and Sustainable Finance Leadership in Financial Services from UCD.
<b>EU Taxonomy 2023</b>	<b>Grades:</b>  <b>Professional background:</b> Industry level financial market participants, especially those at investment and asset management firms with specific relevance to alternative investment managers.	5 hours	Subject Matter Experts from a leading sustainability consultancy in Ireland – providing expert views and knowledge required for career progression.
<b>Task Force on Climate-Related Financial Disclosures (TCFD) and the International Sustainability Standards Board (ISSB) Training</b>	<b>Grades:</b>  <b>Professional background:</b> Professionals in the financial sector, particularly those involved in climate risk assessment and disclosure. Tailored for individuals seeking expertise in climate-related financial disclosures, including those working in banks, financial institutions, and related industries.	3 modules, completed over 3 trimesters (1 year)	Blended approach to deliver the course – that enables the participants to get sufficient theory and build practical skills for applying to real-life scenarios at work.
<b>Professional Diploma in Sustainable Finance for Compliance Professionals 2023</b>	<b>Grades:</b>  <b>Professional background:</b> Suitable for professionals who have some experience in financial services or professional advisory. The interested professionals must also be a current member of Compliance Institute or IOB to apply for this programme.	Self-paced course	Offers a high-quality learning experience that covers a wide range of relevant topics and equips participants with the knowledge and skills needed – along with a Professional Diploma in Sustainable Finance for Compliance Professionals from UCD post completion of programme.

## Appendix continued

Course	Target Market	Length of Course	Quality of Offerings
<b>Professional Diploma Sustainable Finance Reporting and Disclosures 2023</b>	<b>Grades:</b>  <b>Professional background:</b> Aimed at those who are employed or aspiring to be employed in (Financial) Reporting, Risk or Finance functions, or working in dedicated Sustainability Teams and within the financial services industry sector. The interested professionals must also be a current member of IOB to apply for this programme.	Self-paced course	Offers an extremely relevant course in today's time with the aim to empower professionals working in finance, reporting and assurance functions within the financial services industry.
<b>Sustainable Finance Disclosure Regulation (SFDR) training 2023</b>	<b>Grades:</b>  <b>Professional background:</b> Relevant for professionals who want to build a comprehensive understanding of SFDR and its practical implications.	2 days	Strong relevance to the current industry needs with practical implications of the regulation on the financial market participants and advisors.
<b>Postgraduate Diploma in Sustainable Financial Technology &amp; Innovation 2023 – in partnership with Maynooth University</b>	<b>Grades:</b>  <b>Professional background:</b> High level course for professionals who want to be a leader in the field of sustainable finance. It is aimed at individuals with significant work experience and for roles like Chief Sustainability Officer.	1 Year	Enhances careers by fostering expertise in data science, financial technology, and regulatory policy for sustainable practices - meeting the evolving demands of the financial sector and sustainability roles.
<b>Certificate in Sustainability Strategy, Risk and Reporting</b>	<b>Grades:</b>  <b>Professional background:</b> High value course for accountants in both practice and industry who want to understand sustainability and how it will impact their role and their companies.	8 weeks	Enables the workforce to upskill and constructively address the growing sustainability opportunities and challenges. Also offers a certificate awarded under the statutory authority of Chartered Accounts of Ireland.
<b>MSc in Sustainable Finance – University College of Dublin</b>	<b>Grades:</b>  <b>Professional background:</b> Relevant for students who want to start their career in the field of sustainable finance and business industry– and also prepare the future workforce with skills necessary such as building green portfolios.	1 Year	Flexible learning that enables students to take up on a part-time basis as well, enabling current professionals to combine working life with study to upskill. Extremely relevant course in today's time that not only focuses on finance theory but also equips students with interpersonal and leadership skills.

## 06 | References





## References

1. Deep sector analysis of future Sustainable Finance skills and talent requirements in Ireland, Sustainable Finance Skillnet, November 2019
2. Overview of sustainable finance, European Commission
3. Finance & Justice, Climate Action, United Nations
4. Distribution of ESG fund assets worldwide as of December 2021, by region, Statista
5. Sustainable finance: transforming finance to finance the transformation, European Central Bank
6. ESG and Sustainable Investment Outlook, Broadridge
7. Enhancing the usability of the EU Taxonomy and the overall EU sustainable finance framework, Commission Staff Working Document, June 2023
8. Finance and the Green Deal, Investing in a green future, European Commission
9. Financing and the Green Deal, European Commission
10. Budget 202, Citizens Information
11. Ireland's Sustainable Finance Roadmap, Ireland for Finance

The document and information contained herein (the "Information") is specific in nature and is only intended to address the requests of Sustainability Matters Company Limited by Guarantee and International Sustainable Finance Centre of Excellence ("the Client"), as set out in our engagement contract, and not any third party individual or entity. If you are a party other than the Client, KPMG:

- To the fullest extent permitted by law, KPMG will have no liability and accepts no responsibility whatsoever to you for any loss or damage suffered or costs incurred by you or any other person or entity arising out of or in connection with the provision to you of the Information or any part thereof, however the loss or damage is caused, including, but not limited to, as a result of negligence.

Any findings contained within this report are based upon our reasonable professional judgement based on the information that was available as of the date of the report and we cannot provide any guarantee of assurance that it will continue to be accurate in the future. © 2023 KPMG, an Irish partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.



## Contact us

E: [info@isfcoe.org](mailto:info@isfcoe.org) W: <https://isfcoe.org/>  
The Black Church, St Mary's Place, Dublin 7, D07 P4AX



The International Sustainable Finance Centre of Excellence is co-funded by Skillnet Ireland and participating businesses. Skillnet Ireland is funded from the National Training Fund through the Department of Further and Higher Education, Research, Innovation & Science



An Roinn Breisoideachais agus Ardoideachais,  
Taighde, Nuálaíochta agus Eolaíochta  
Department of Further and Higher Education,  
Research, Innovation and Science

IN PARTNERSHIP WITH



Co-funded by  
the European Union

PREPARED BY

