

Stability Through Sustainability

Our call for a responsible monetary policy

The European Central Bank (ECB) plays a powerful role in shaping our economy. But right now, its monetary policy is still supporting the fossil fuel-driven status quo.

The ECB is now concluding a crucial review of its monetary policy strategy. While this process has taken place behind closed doors, its outcome matters.

Climate impacts like heatwaves, droughts, and fossil fuel price shocks are already driving inflation and threatening financial stability. These are not just environmental issues, but economic and financial risks that make it increasingly harder for the ECB to fulfil its mandate of maintaining price stability and protecting the financial system.

Since signing a joint document in January 2025, forty-one civil society organisations have been calling on the ECB to take responsibility, and integrate environmental stability into the heart of its monetary policy.

We're calling on the ECB to:

01 Support green investments through targeted lending

The ECB should introduce green refinancing operations – long-term loans with a lower interest rate for banks that finance green projects, like renewable energy and energy efficiency. This would incentivise banks to channel more money into the green transition. By accelerating these kinds of investments, these operations could help reduce energy dependency and price volatility – easing inflationary pressures over time.

02 Stop backing polluters through its collateral framework

Right now, the ECB still accepts assets from major polluters – including oil and gas companies – as collateral in its lending operations to banks. This supports harmful industries, in spite of the central bank's previous commitment to introduce climate-related criteria in its collateral framework. The ECB must exclude such carbon intensive assets, and stop working against the EU's economic objectives by enabling climate destruction.

03 Redirect investments toward greener activities

The ECB should shift its asset purchases away from environmentally damaging firms and toward those with strong sustainability performance. This shift would help align the flow of central bank money with the EU's climate and environmental goals. To make this possible, the ECB should avoid winding down its asset purchases too quickly, so it retains the tools to apply this green shift.

These requests are supported by more than 40 civil society organisations. For more details and the full list of signatories, check the original [Manifesto](#).