

**Consultation paper issued by three European Supervisory Authorities (ESMA, EBA and EIOPA) on technical standards for sustainability reporting that will be mandatory for certain market participants and financial advisers.**

**[Joint ESA consultation on ESG disclosures](#)**

**1. Target participants of the consultation:**

- Market participants (including investment fund management companies)
- Financial advisers
- Investors
- Other

The CNMV would appreciate it if all the participants in the public consultation were to send a copy of their responses to the consultation to the following email address: [documentosinternacional@cnmv.es](mailto:documentosinternacional@cnmv.es).

**2. Information note:**

These technical standards develop the mandates conferred upon three European Supervisory Authorities under Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector. The main objective of these technical standards is to increase and enhance sustainability-related information disclosed by market participants and financial advisers, combating the greenwashing phenomenon and enhancing investor protection.

These standards detail the content, methodology and presentation of sustainability-related information to be disclosed by reporting persons at entity and financial product levels. The paper also contains various proposals relating to the principle of "do not significantly harm" under the future Taxonomy Regulation.

**Disclosure obligations in respect of entities**

The adverse impact of investment decisions in respect of sustainability factors shall be published on the entity's website. The consultation paper provides that such publication shall be in the form of a statement on the due diligence policy detailing, according to the indicators referred to in the document, how the investments made impact on the environment, climate, social and employment matters, respect for human rights, as well as anti-corruption and anti-bribery matters.

The European Supervisory Authorities have included a series of environmental, social and governance (ESG) indicators for the objective measurement of such impacts. These indicators have been selected bearing in mind the technical recommendations of the Joint Research Centre of the European Commission and the European Environment Agency.

**Disclosure obligations in respect of financial products**

The technical standards also contain disclosure obligations vis-à-vis financial products with sustainability characteristics or objectives which affect both the pre-contractual

and the periodic information, as well as that contained on the website for delivery to investors. The purpose of these requirements is to ensure the transparency required in terms of fulfilling the sustainable objectives and characteristics offered by these products. Likewise, other additional obligations are laid down for financial products used as benchmarks.

Legal proposals are also included to develop the duty of reporting on how products based on sustainable investments comply with the principle of “do not significantly harm”.

### **3. Submission of comments**

The deadline for submitting comments is **1 September 2020**.

Respondents may send their comments to ESMA through its website ([www.esma.europa.eu](http://www.esma.europa.eu)), in the section [\*Consultations\*](#), where you can find the response form.

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