MAPFRE's 6th FORUM ON SUSTAINABLE FINANCE

CARLOS SAN BASILIO, CNMV CHAIRMAN

3 December 2025

1. Introduction

- In response to the climate and environmental crisis, and in line with the Paris Agreement, Europe developed the **Green Deal** as the core priority of the previous mandate, establishing sustainability and the twofold transition (towards a net zero emissions economy, and digitalisation) as strategic pillars. The Green Deal laid down the foundations for transforming the European economy and enhancing its modernity, efficiency, and competitiveness by promoting green technologies, fostering sustainable industry and transport, and reducing pollution.

- To this end, a comprehensive **regulatory framework** was established in recent years for the purpose of integrating **environmental, social, and governance criteria** into investment decision-making. This regulatory package, encompassing all actors within the investment chain, has contributed to consolidating the EU's leadership on sustainable finance and has thus positioned the Union as an international benchmark (with more than fifty development taxonomies inspired by the European model, among other milestones).

- The package has achieved **significant progress**: a large share of the European capital market is now regarded as sustainable or ESG-aligned; investment in climate mitigation consistent with the taxonomy has increased; transparency and quality of sustainability-related information have significantly improved, as has investor protection; and Europe continues to lead the global green bond market.

- However, implementation of these measures, together with the growing environmental legislation required to address the deterioration of natural ecosystems and global warming, entails significant costs for the entities concerned and demands considerable **adaptation efforts** from supervisors, both in terms of capabilities and internal processes.

- A major regulatory challenge has arisen from the **Corporate Sustainability Reporting Directive (CSRD)**, which requires Member States to transpose the Directive into national law by 6 July 2024. However, transposition has still not taken place in Spain. In order to provide guidance on how companies should proceed, the Spanish Accounting and Auditing Institute (ICAC) and the CNMV have issued two joint statements, one in November 2024 and another last month.

- All of this has taken place within a complex and uncertain **geopolitical context**, where Europe faces strong competition from United States and China.

- In this context, and with the aim of further advancing towards an actual single capital market and reducing administrative burdens and excessive regulation, the European Union has launched an essential, albeit challenging, **simplification process**.

- This is a positive and necessary process, and must be pursued while upholding commitment to sustainability and ensuring that Europe continues to play a leading role in sustainable finance. Preserving the progress achieved, as well as avoiding any backsliding, is essential.

2. **European simplification process**

    - Among the package of proposed measures, two are particularly noteworthy given the significant impact they are expected to have once implemented.

        - First, the **Omnibus I package**, presented by the Commission in February 2025 and still awaiting approval, seeks to streamline the existing sustainability legislation by significantly reducing the number of companies required to report on sustainability matters.

          The proposal to raise the CSRD thresholds would unduly reduce the number of companies obliged to report, resulting in the loss of relevant information for both investors and regulators. Although the European Commission anticipates that excluded companies may choose to submit voluntary reports, this would likely lead to inconsistent disclosures, with multiple standards further increasing both complexity and costs for the financial sector.

          Conversely, the removal of sustainability reporting obligations for listed SMEs would appear proportionate, as these entities can rely on voluntary standards without compromising their access to capital markets. With respect to non-EU companies, a moderate increase in the reporting threshold could be justified; however, a threefold increase would represent an excessively far-reaching change.

          In addition, the package reviews and streamlines the existing sustainability reporting regime and proposes the adoption of a voluntary reporting standard.

        - The second measure concerns the Commission's proposal to revise the **Sustainable Finance Disclosure Regulation (SFDR)**, published on 20 November. To prevent overlaps with the provisions of the Directive and to mitigate the risk of greenwashing, the following key elements are outlined:

            - **Simplification of disclosure requirements** in relation to main adverse impact indicators: removing entity-level disclosure requirements for financial market participants, retaining them solely for the largest participants subject to the updated Directive thresholds, and significantly reducing product-level disclosure.

            - A **clear and streamlined categorisation system** for ESG financial products, comprising three categories: a sustainability category (products that contribute to sustainability), a transition category (products that channel investment towards companies or projects on a credible pathway towards sustainability), and an ESG basic products category (ESG-focused products that do not fall under the above criteria).

- At the CNMV, we welcome initiatives aimed at simplifying processes and obligations, provided that they are **evidence-based**, **appropriately calibrated**, **and preserving the core objectives**, including the need for high-quality information, effective risk management, and facilitating comparability between companies.

  Therefore, while we support certain elements of the proposed reforms, **other aspects raise concerns**. In particular, the reduction in the scope of the Directive on sustainability- and taxonomy-related disclosures and, where applicable, the potential removal of the obligation to adopt transition plans. These plans, together with capital investments in fixed assets that are aligned with, or in the process of becoming aligned with, the Taxonomy, constitute the foundation of transition finance.

- We would prioritise ensuring a **streamlined** and feasible **reporting system** over **reducing the number of companies** subject to disclosure requirements, as such a reduction could lead to the **loss of valuable information** for regulators, supervisors, and investors.

3. CNMV's commitment to sustainability

- In June, **CNMV 2030** was published, setting out the strategic plan outlining the CNMV's priorities and guidelines for the next five years.

- The plan highlights the commitment to continue **promoting sustainable finance** by supporting the issuance of green bonds and the development of robust financial instruments and products designed to fund both the ecological transition and SMEs for the purpose of fostering a sustainable and inclusive economy.

- In addition, we are committed to revising the **Good Governance Code** to further adapt it to the regulatory changes that have taken place since 2020 and to incorporate elements that reflect the new environment we are currently facing, such as sustainable finance. The revised Code will incorporate sustainability as a cross-cutting element in the governance of the boards of directors of listed companies.

- Finally, I would like to comment on the CNMV's recent participation in the latest **Climate Summit** held in the Brazilian city of Belém.

  This forum proved the growing commitment of regulators to taxonomy as a key tool for channelling sustainable investments and promoting regulatory alignment across jurisdictions. It also highlighted the increasing cooperation between Ibero-American supervisors and their foreign counterparts, in which the CNMV plays a leading role. With COP30 now under way, institutional cooperation between Brazil and Spain solidifies as a relevant example of regulatory collaboration in sustainable finance.

4. Conclusion

- Europe is and must remain at the forefront of sustainable finance, serving as a benchmark for other jurisdictions.

- **The challenge lies in achieving such objective within a clear, effective, and proportionate framework that:**
    - Avoids **imposing unnecessary burdens** on companies
    - Provides **certainty** regarding the applicable framework
    - Ensures a **balanced** approach between competitiveness and sustainability
    - The key is to **preserve the core objective** while **clearing the path** towards its achievement
- **The CNMV's commitment to this end remains unwavering**. We will continue to work towards fulfilling our strategic priorities of promoting sustainable finance in Spain, ensuring that sustainability remains a cross-cutting element of good governance.