

MEMO# 32410

April 23, 2020

ESMA Issues Consultation on Draft RTS for EU ESG Disclosure Regulation

[32410]

April 23, 2020 TO: ICI Global Members

ESG Task Force

ICI Global Investing Subcommittee

ICI Global Regulated Funds Committee SUBJECTS: Compliance

Disclosure

Distribution

International/Global

Investment Advisers

MiFID, EMIR, AIFMD, UCITS V RE: ESMA Issues Consultation on Draft RTS for EU ESG

Disclosure Regulation

The European Securities and Markets Authority (ESMA) and the other European Supervisory Authorities (ESAs) have issued a long-awaited consultation on the draft Regulatory Technical Standards (RTS) for the Disclosure Regulation's disclosure requirements.[\[1\]](#) The deadline is 1 September 2020.

The consultation concerns the following areas:

- Manager-level website disclosure with a statement on the due diligence policy with respect to adverse impact of investment decisions on environmental and social sustainability.
 - Most notably, the manager-level website disclosure on adverse impact includes a lengthy list of mandatory environmental and social indicators that asset managers with over 500 employees must disclose. See Table 1 on pages 53-63 of the consultation document.
- Product-level disclosure for Article 8 and 9 products under the Disclosure Regulation.[\[2\]](#)
 - Prospectus disclosure related to the Taxonomy Regulation's concept of "do no significant harm," consistent with the disclosure of adverse impact sustainability indicators.
 - Prospectus, website, and periodic report disclosure under the Disclosure Regulation.

We will circulate a more detailed summary and conference call information shortly.

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endnotes

[1] The consultation is *available at* https://www.esma.europa.eu/sites/default/files/jc_2020_16_-_joint_consultation_paper_on_esg_disclosures.pdf. The press release contains a link to the response form at the bottom of the webpage, *available at* <https://www.esma.europa.eu/press-news/consultations/joint-esa-consultation-esg-disclosures>.

[2] Under the Disclosure Regulation, Article 8 products are those that “promote environmental or social characteristics.” Article 9 products are those that “have an objective of sustainable investments.”

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