

MEMO# 32724

August 31, 2020

EU ESG: Recent French Developments and Call with AMF

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August 31, 2020 TO: ESG Task Force (Global)
EU ESG Disclosure Regulation Working Group
EU Sustainable Finance Strategy Working Group
Global Advocacy Coordination Advisory Committee
ICI Global Regulated Funds Committee RE: EU ESG: Recent French Developments and Call with AMF

We wanted to draw your attention to several ESG-related developments with respect to France, including our recent meeting with the French securities regulator, the Autorité des marchés financiers (AMF).

As you know, the AMF has released new minimum standards for marketing retail ESG funds into France.[\[1\]](#) The objective of the AMF's new requirements is to prevent risks of greenwashing for retail clients by creating minimum standards for retail-marketed ESG funds. The AMF views these new requirements as consistent with, but separate from, the EU product-level disclosure requirements in the sustainable finance Disclosure Regulation (SFDR).

We note the AMF has recommended that the European Commission set EU-level minimum standards for ESG funds, consistent with the AMF's standards, using the upcoming review of the UCITS and AIFM Directives.[\[2\]](#) The AMF also recommended an EU-level label for ESG funds, increased corporate disclosure of ESG data, and regulation of third party ESG data providers in their response to the Commission's consultation on its renewed sustainable finance strategy.[\[3\]](#)

Our recent meeting with the AMF primarily focused on the European Supervisory Authorities' (ESAs) consultation on draft regulatory technical standards (RTS) for the SFDR,[\[4\]](#) although we did also discuss the need for a coordinated timeline for SFDR-related prospectus updates and those related to the AMF new marketing standards. We will circulate to the EU ESG Disclosure Regulation Working Group our more detailed notes on the RTS discussion.

Finally, the AMF expressed interest in a follow-up conversation around minimum standards for ESG funds and common terminology for ESG investing strategies.

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endnotes

[1] For a summary of the AMF's new standards, see ICI Global Memorandum No. 32704, available at <https://www.iciglobal.org/iciglobal/pubs/memos/memo32704>.

[2] See Sustainable finance: Progress to date and missing pieces: views from the regulator (24 July 2020), available at <https://www.amf-france.org/en/news-publications/public-consultations/sustainable-finance-progress-date-and-missing-pieces-views-regulator>.

[3] See AMF's response to the European Commission's consultation for a Renewed sustainable finance strategy (24 July 2020), available at <https://www.amf-france.org/en/news-publications/public-consultations/amfs-response-european-commissions-consultation-renewed-sustainable-finance-strategy>.

[4] See Overview of the main provisions of the draft RTS currently undergoing consultation related to the Disclosure Regulation (28 July 2020), available at <https://www.amf-france.org/en/news-publications/public-consultations/public-consultation-draft-rts-relating-disclosure-regulation>.