

MEMO# 32086

December 9, 2019

Official Publication of EU Sustainable Finance Legislation on Disclosure and Low Carbon Benchmarks

[32086]

December 9, 2019 TO: ICI Global Members

ESG Task Force

ICI Global Regulated Funds Committee SUBJECTS: Compliance

Disclosure

Distribution

International/Global

Investment Advisers

MiFID, EMIR, AIFMD, UCITS V RE: Official Publication of EU Sustainable Finance Legislation on Disclosure and Low Carbon Benchmarks

The European Union officially published two pieces of EU sustainable finance legislation, the Disclosure Regulation[\[1\]](#) and the Low Carbon Benchmarks Regulation,[\[2\]](#) on 9 December. The official publication marks the start of the implementation timeline for each regulation.[\[3\]](#)

The Disclosure Regulation will enter into force on 29 December 2019 (20 days from official publication). Its articles will apply from 10 March 2021, except for the provisions for which the European Securities and Markets Authority (ESMA) and the other European Supervisory Authorities are drafting regulatory technical standards (RTS). Those provisions will technically apply on 29 December 2019 (to allow the RTS process to start), but firms will not need to meet the disclosure requirements until the RTS have been developed (generally by 30 December 2020) and approved by the legislators. The annual report disclosure provisions will apply from 1 January 2022. We will send a more detailed breakdown of the different disclosure requirements and their respective deadlines shortly.

The Low Carbon Benchmarks Regulation will enter into force and apply on 10 December 2019. Benchmark administrators will need to include the required ESG benchmark statement disclosure by 30 April 2020.[\[4\]](#)

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endnotes

[1] *REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 November 2019 on sustainability-related disclosures in the financial services sector*, available at

<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32019R2088&from=EN#d1e1695-1-1>.

[2] *REGULATION (EU) 2019/2089 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 November 2019 amending Regulation (EU) 2016/1011 as regards EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and sustainability-related disclosures for benchmarks*, available at

<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32019R2089&from=EN#d1e529-17-1>.

[3] A “Regulation” is legislation that has binding legal force throughout every EU Member State and enters into force on a set date in all the Member States.

[4] See Article 19d(6).