

MEMO# 32877

October 29, 2020

UK ESG: Developments Related to EU SFDR and TCFD Disclosures for Asset Managers

[32877]

October 29, 2020 TO: ICI Global Members
ESG Task Force (Global)
EU ESG Disclosure Regulation Working Group
ICI Global Regulated Funds Committee SUBJECTS: Disclosure
ESG
International/Global
MiFID, EMIR, AIFMD, UCITS V RE: UK ESG: Developments Related to EU SFDR and TCFD
Disclosures for Asset Managers

FCA confirms that UK will not apply EU SFDR. We have received confirmation from the UK Financial Conduct Authority (FCA) that, where new EU regulations have application dates after the end of the Implementation Period for EU withdrawal, these will not be applicable in the UK. In the case of the EU Sustainable Finance Disclosure Regulation (SFDR), since the substantive clauses apply in the EU from 10 March 2021, the FCA has confirmed that it will not apply in the UK.

Consultation expected on TCFD-aligned disclosures for asset managers.

Separately, a recently published exchange of letters between the UK minister for pensions and the head of the FCA confirms that the FCA expects to consult in the first half of 2021 on implementing disclosures for asset managers and contract-based pension schemes that are aligned with the Task Force on Climate-related Financial Disclosures (TCFD).[\[1\]](#) The FCA aims to finalize the new rules by the end of 2021, with new obligations coming into force in 2022. The FCA released a similar consultation in March on a proposed TCFD-aligned disclosure rule for premium-listed issuers.[\[2\]](#)

The FCA's letter notes it intends to be mindful of the interaction with related international initiatives, including those that derive from the EU's Sustainable Finance Action Plan, but considers that taking forward TCFD-aligned requirements is consistent with and complementary to those initiatives. The letter also mentions that the FCA will consider guidance on climate-related financial disclosures recently published by the Climate Financial Risk Forum (which the FCA co-chairs with the Bank of England).[\[3\]](#)

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endnotes

[1] See <https://www.gov.uk/government/publications/financial-conduct-authoritys-plans-for-climate-related-financial-disclosures>.

[2] See <https://www.fca.org.uk/publication/consultation/cp20-3.pdf>.

[3] See <https://www.fca.org.uk/publication/corporate/climate-financial-risk-forum-guide-2020-disclosures-chapter.pdf>.

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