

**MEMO# 33009**

December 23, 2020

# **Asia ESG: Monetary Authority of Singapore (MAS) Issues Environmental Risk Management Guidelines for Asset Managers**

[33009]

December 23, 2020 TO: ICI Global Members

ESG Task Force

ICI Global Regulated Funds Committee

ICI Global Regulated Funds Committee - Asia SUBJECTS: ESG

International/Global RE: Asia ESG: Monetary Authority of Singapore (MAS) Issues

Environmental Risk Management Guidelines for Asset Managers

The Monetary Authority of Singapore (MAS) recently issued final Guidelines on Environmental Risk Management for asset managers, banks, and insurers.[\[1\]](#) The Guidelines set out MAS' supervisory expectations for financial institutions' governance, risk management, and disclosure of environmental risk. Our summary focuses on the Guidelines for asset managers.

We submitted a response to the MAS consultation on proposed guidelines earlier this year,[\[2\]](#) and we were pleased to see that the final Guidelines address many of our comments. In addition to the Guidelines, MAS also published a separate document that outlines its response to feedback received on the consultation.[\[3\]](#)

Asset managers will have 18 months to implement the requirements.[\[4\]](#) The Guidelines note that asset managers that are part of global groups may take guidance from or leverage the group's environmental risk management governance structure, framework, and policies, as long as they meet the principles set forth in the Guidelines.[\[5\]](#)

Attached is a more detailed summary of the final Guidelines.

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[Attachment](#)

**endnotes**

[1] See MAS Guidelines on Environmental Risk Management for Asset Managers (8 December 2020), *available at* <https://www.mas.gov.sg/regulation/guidelines/guidelines-on-environmental-risk-management-for-asset-managers> (Final Guidelines).

[2] See ICI Memorandum No. 32666, *available at* <https://www.ici.org/esg/international/advocacy/memo32666>.

[3] See MAS Response to Feedback Received on Proposed Guidelines on Environmental Risk Management for Asset Managers (8 December 2020), *available at* <https://www.mas.gov.sg/-/media/MAS/News-and-Publications/Consultation-Papers/Response-to-Feedback-Received-on-Guidelines-on-Environmental-Risk-Management-for-Asset-Managers.pdf> (MAS Response).

[4] See MAS Response, at paragraph 8.3.

[5] See Final Guidelines, at paragraph 1.3.