

**MEMO# 33509**

April 28, 2021

# **The European Commission Proposes to Revise the EU Non-Financial Reporting Directive (NFRD)**

[33509]

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TO: ICI Global Members

ESG Task Force

EU ESG Disclosure Regulation Working Group

ICI Global Regulated Funds Committee SUBJECTS: ESG

International/Global RE: The European Commission Proposes to Revise the EU Non-Financial Reporting Directive (NFRD)

On 21 April 2021, the European Commission published a proposal to revise the NFRD, which is now referred to as the Corporate Sustainability Reporting Directive (CSRD).<sup>[1]</sup> This proposal aims to improve sustainability reporting by corporate issuers to ensure there is adequate publicly available information about the risks that sustainability issues present for corporates and the impact of corporates on people and the environment. The proposal also intends to better align information reported by the corporates with the information asset managers need to comply with the Sustainable Finance Disclosure Regulation (SFDR)<sup>[2]</sup> and the Taxonomy Regulation.<sup>[3]</sup>

Attached is a summary of the proposed CSRD, including the next steps.

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## **endnotes**

<sup>[1]</sup> See Text of the Proposal for a Corporate Sustainability Reporting Directive (CSRD), available at [https://ec.europa.eu/finance/docs/law/210421-proposal-corporate-sustainability-reporting\\_e](https://ec.europa.eu/finance/docs/law/210421-proposal-corporate-sustainability-reporting_e)

[n.pdf](#).

[2] See 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/eli/reg/2019/2088/oj>.

[3] See Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the Establishment of a Framework to Facilitate Sustainable Investment, and Amending Regulation (EU) 2019/2088, *available at* <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32020R0852&from=EN#d1e40-13-1>.

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