



17 April 2023

Climate and the Financial Sector

This weekly newsletter highlights climate-related regulatory, litigation and enforcement developments relevant to the financial sector.

General

11 April 2023 [UK] – **FCA to lead an international regulatory group on greenwashing**

The Financial Conduct Authority (FCA) and twelve other international regulators will host a virtual project to develop a tool that could help regulators more effectively mitigate the risk of greenwashing in financial services. The event is being organized under the auspices of the Global Financial Innovation Network (GFIN), an international group of financial regulators that aims to create a new framework for cooperation among financial regulators. The greenwashing project will start on 5 June 2023 and run for 3 months. [\[link\]](#)

12 April 2023 [EU] - **European Supervisory Authorities launch joint consultation on review of SFDR delegated regulation**

The European Supervisory Authorities (namely EBA, ESMA and EIOPA) (ESAs) have published a joint consultation on the revision of the regulatory technical standards (RTS) on the content and presentation of the disclosure of principal adverse impacts (PAIs) and financial product disclosures under the Sustainable Finance Disclosure Regulation ((EU) 2019/2088) (SFDR). The purpose of the joint consultation is to

enhance the disclosure framework and address several technical issues identified since the SFDR came into force. To achieve these objectives, the ESAs propose to expand the list of social indicators for PAIs, to simplify the language in the financial product templates, and to introduce amendments to the SFDR in relation to decarbonization targets. Responses to the consultation are expected by 4 July 2023. [\[link\]](#)

13 April 2023 [France] – French parliamentary report highlights delay in greenhouse gas reduction path

According to the parliamentary report, France is falling behind in its efforts to reduce greenhouse gas emissions. Although the report notes a decrease in these emissions, this decrease is not significant enough to comply with France's climate commitments and the European commitments resulting from the new "Fitfor55" package. The report makes 17 proposals to meet these commitments, including the implementation of ecological planning and greater convergence of national and European calculation and reporting standards. [\[link\]](#)

Asset Management

14 April 2023 [EU] – European Commission adopts clarifications on disclosure rules under SFDR

The ESAs publish the European Commission's (EC) internal decision (C(2023) 2281 final), adopted on April 5, 2023, on the answers to questions on the application of the SFDR submitted by the ESAs on September 9, 2022, amending the EC's previous Q&As of July 6, 2021 and May 13, 2022. The objective of these Q&As is to assist financial market participants in the application of the SFDR, in particular in the context of the requirements of the regulatory technical standards in force since January 2023. Annex 1 to the Decision contains the EC's new Q&As, clarifying the definition of "sustainable investment", financial products that promote or have as their objective the reduction of carbon emissions, the principal adverse impacts and the periodic disclosure frequency for portfolio management services. Annex 2 provides updated responses to the EC's previous Q&As, in particular in relation to the definition of Article 9 products and the application of Articles 5 and 6 of the Taxonomy Regulation. [\[link - link - link\]](#)



Amélie Champsaur
Partner, Paris
achampsaur@cgsh.com



Clara Cibrario Assereto
Associate, Rome
ccibrarioassereto@cgsh.com



Andreas Wildner
Trainee Solicitor, London
awildner@cgsh.com



Pierre Mathé
Associate, Paris
pmathe@cgh.com



Camille Kernevès
Associate, Paris
ckerneves@cgh.com



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