Eurosif Urges Council to Progress the Commission’s Non-financial Information Disclosure Proposal

Eurosif, together with the United Nations-supported Principles for Responsible Investment (PRI), and the Corporate Sustainability Reporting Coalition (CSRC), recently sent a letter to European Member State Representatives regarding upcoming Council and trilogue discussions on the European Commission’s non-financial and diversity information disclosure proposal.

We are concerned about the lack of support for the proposal, particularly from the German government and business lobby.

In the letter we expressed our strong support for the Commission’s proposal, as well as concerns regarding some of the amendments that are currently under discussion within the European Parliament and Council. We urged the Council to progress the proposal without delay and adopt it without weakening its provisions before the end of the 7th European Parliament in May 2014.

The full text of the letter can be found in the Member Affiliate section of Eurosif’s website.

Support for ESG Disclosure Requirement within KIDs Unclear

Earlier this month, Eurosif met with several policy analysts in the Asset Management Unit of the European Commission’s Directorate-General for the Internal Market and Services. The analysts provided a useful update on the status of the Commission’s proposal regarding key information documents (KIDs) for retail investors (PRIIPS Directive).

Most notably, they told us that there was no discernible support at the Council level for the inclusion of a disclosure requirement specifically related to environmental, social and governance aspects of investment products. Further, they suggested that the level of support for the proposal among Members of the European Parliament (MEPs) may not be strong — despite the recent Plenary vote approving a version of the Directive.
that includes this requirement and also empowers the Commission to develop environmental and social criteria for investment products, as well as a pan-European sustainable investment label.

The Commission is clearly eager to push the KID proposal through before Parliament elections in Spring 2014, and we got the sense that it would not jeopardise the passage of this legislation by insisting on an ESG disclosure requirement.

Eurosif will continue to follow these developments closely.

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