

Priorities

Sustainable Finance Roadmap 2022 - 2024



PRIORITY 1

Tackling greenwashing and promoting transparency



PRIORITY 2

Building NCAs' and ESMA's capacities



PRIORITY 3

Monitoring, assessing and analysing ESG markets and risks



PRIORITY 1

Tackling greenwashing and promoting transparency



The combination of growing demand for ESG investments and rapidly evolving markets creates room for **greenwashing**



Greenwashing takes various forms, has different causes and has potential to detrimentally **impact** investors looking to make sustainable investments



Investigating this issue, **defining** its fundamental features and **addressing** it with coordinated action across multiple sectors, **finding common solutions** in the EU, will be key to safeguarding investors



PRIORITY 2



Building NCAs' and ESMA's capacities



The growing importance of sustainable finance requires NCAs and ESMA to further **develop skills** beyond their traditional areas of focus to understand and address the supervisory implications of new regulation and of novel market practices



ESMA will help build its, and NCAs', capacity on sustainable finance through

-  a multi-year **training programme**
-  facilitating the active **sharing of supervisory experiences** among NCAs



These efforts will also contribute to creating effective and consistent supervision in the area of sustainable finance



PRIORITY 3

Monitoring, assessing and analysing ESG markets and risks






Investor protection and financial markets stability require close monitoring of emerging **trends, risks and vulnerabilities**



ESMA will leverage on its **data-analysis capabilities** to support its, and NCAs', **supervisory work** and to promote a convergent approach among NCAs



ESMA will undertake specific **activities**

-  climate scenario analysis for investment funds
-  CCP stress testing
-  common methodologies for risk analysis with other public bodies