**Introduction**

Largest European asset manager and ranking in the top 10 globally, Amundi manages 1.527 billion euros of assets across six main investment hubs in Boston, Dublin, London, Milan, Paris and Tokyo. It offers to its clients in Europe, Asia-Pacific, the Middle East and the Americas a wealth of market expertise and a full range of capabilities across the active, passive and real assets investment universes. Clients also have access to a complete set of services and tools. Headquartered in Paris, Amundi was listed in November 2015.

Since inception, Amundi has put Responsible investment and corporate responsibility as one of its founding pillar, based on the convictions that first, the economic and financial actors have a greater responsibility towards sustainable society and then, that ESG (“Environment, Social and Governance”) is a long-term driver of financial performances. In that respect, we consider the development of both, Responsible Investment solutions and ESG mainstreaming as essential to reach a sustainable finance eco-system. Fully supportive of the Action Plan on Financing a Sustainable Growth back in March 2018, Amundi is deeply convinced that the European Union has a key role to play in these times of unprecedented environmental and social challenges, as well as economic ones. In this respect, the goals of the Paris Agreement as well as the EU Green Deal set a clear path towards a more sustainable economy and asset managers have a responsibility to help reaching the objectives.

Against this background, Amundi welcomes the opportunity to provide input to the consultation of the ESAs Joint Consultation Paper on ESG disclosures (“SFDR”), as published by the ESAs on 23 April 2020[[1]](#footnote-1).

While we fully concur to the objectives of creating a strong framework for sustainable investment and of increasing transparency for end-investors, we are however concerned about some crucial points raised in the Consultation Paper and in the Draft regulatory technical standards (“RTS”):

* First of all, the current draft RTS are very prescriptive and granular and go further than the level 1 text prescriptions. This is a real cause of concern, especially in such a short timeframe of implementation. SFDR requires the publication of a statement on due diligence policies with respect to adverse impact and disclosure of information on their policies on identification and priorisation of principal adverse impact and indicators, along with a description of principal adverse impacts and actions. However, the level 1 text leaves the flexibility regarding which indicators to use. Therefore, we do not see the rationale to impose such prescriptive indicators and associated metrics. In addition, we would like to raise awareness on the insufficient availability of data on investee companies. While we hope that the forthcoming review of NFRD will provide improvement in the availability and reliability of ESG data, in the current context, a more qualitative assessment should be allowed.
* Second, more clarity is needed to assess which products qualify as Article 8 and Article 9 products under SFDR level 1 text, and therefore, what disclosure obligations are required accordingly. While we understand that the key elements of definition of the products pertain to level 1 text, there is a need to define more precisely at level 2 both the perimeter and the delineation between Article 8 and Article 9 products. This is essential to clarify the scope of the requirements that differ from one category of product to another. Further clarification is also needed on what can be considered as environmental and social characteristics.
* Third, better consideration should be given to the differences in terms of investors and products. In this respect, disclosures and reporting requirements should be adjusted in accordance with the types of investors (institutional or individuals) and funds (equity, bonds, green bonds, multi-assets, etc.). Any “one size fits all” approach that would not sufficiently take into account these parameters should be avoided.
* Fourth, from an investor perspective, quantitative disclosure of principal adverse impacts at firm level is not really relevant. Disclosure at firm level of the sum of products’ principal adverse impacts has little added value to investors who invest via funds and mandates and not in an asset management company.
* Fifth, it is essential to ensure that the “Do Not Significantly Harm” (DNSH) principle that will be defined under the RTS is in line with the notion as provided under the EU Taxonomy. This is key for a proper implementation. In addition, as far as exclusions are concerned, no specific activity should be added in the level 2 text. As for the EU taxonomy regulation, it is of the utmost importance to have a cautious and solely science based approach in the application of the DNSH. It is essential to respect a full technological neutrality and not exclude carbon neutral activities - as nuclear energy - on the basis of a too rigid application of the DNSH criteria.
* Last but not least, money market instruments should not be singled out in the disclosure. Indeed, it seems there is a confusion in the text regarding the money market instrument (MMI) itself, as money market instruments do have the capacity to contribute to the specific environmental or social characteristics promoted by the product as any other instrument. Level 1 does not give a mandate to define which asset is supposed to be sustainable or not.
1. Draft regulatory technical standards with regard to the content, methodologies and presentation of disclosures pursuant to Article 2a, Article 4(6) and (7), Article 8(3), Article 9(5), Article 10(2) and Article 11(4) of Regulation (EU) 2019/2088 (“SFDR”), as published by the ESAs on 23 April 2020. [↑](#footnote-ref-1)