

Reply form

for the Consultation Paper on Technical Standards under the Regulation on transparency and integrity of Environmental, Social and Governance (ESG) rating activities

Responding to this paper

ESMA invites comments on all matters in this consultation paper and in particular on the specific questions. Comments are most helpful if they:

- respond to the question stated;
- indicate the specific question to which the comment relates;
- contain a clear rationale; and
- describe any alternatives ESMA should consider.

ESMA will consider all comments received by **20 June 2025**.

Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

1. Insert your responses to the questions in the Consultation Paper in the present response form.
2. Use this form and send your responses in Word format (**pdf documents will not be considered except for annexes**);
3. Please do not remove tags of the type <ESMA_QUESTION _ESGR_1>. Your response to each question has to be framed by the two tags corresponding to the question.
4. If you do not wish to respond to a given question, please do not delete it but simply leave the text "TYPE YOUR TEXT HERE" between the tags.
5. When you have drafted your response, name your response form according to the following convention: ESMA_EUGB_nameofrespondent_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA_ESGR_ABCD_RESPONSEFORM.
6. Upload the form containing your responses, **in Word format**, to ESMA's website (www.esma.europa.eu under the heading "Your input – Open Consultations" -> Consultation Paper on technical standards on the European Green Bonds Regulation").

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publically disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at www.esma.europa.eu under the heading [Legal Notice](#).

Who should read this paper

All interested stakeholders are invited to respond to this Consultation Paper. In particular, ESMA encourages entities that intend to apply for registration as external reviewers of European Green Bonds, as well as financial market participants who have or intend to issue or invest in green bonds or sustainability-linked bonds, to participate.

General information about respondent

Name of the company / organisation	Click here to enter text.
Activity	Choose an item.
Are you representing an association?	<input type="checkbox"/>
Country/Region	Choose an item.

Questions

Q1 Do you agree with ESMA’s proposals for the draft technical standard under Articles 6(3) and 12(9)?

<ESMA_QUESTION_ESGR_1>

|TYPE YOUR TEXT HERE |

<ESMA_QUESTION_ESGR_1>

Q2 Do you agree with ESMA’s proposals for the draft technical standard under Article 16(5)?

<ESMA_QUESTION_ESGR_2>

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<ESMA_QUESTION_ESGR_2>

Q3. Do you agree with ESMA’s proposals for the draft technical standard under Articles 23(4) and 24(3)?

<ESMA_QUESTION_ESGR_3>

- Regarding Article 3 “Rating product disclosures”, point 1, letter (b) and (c), to provide greater clarity, we propose to specify whether the specific risks and/or impacts covered by the rating are identified at a sectoral, company level, or both.
- Regarding Article 3 “Rating product disclosures”, point 2, letter (a) and (b), to ensure terminological consistency, we propose that the description of the specific issues covered by an ESG rating leverages the list of sustainability matters provided by the ESRS, where applicable.
- Regarding Article 4 “General methodological disclosures”, point 1, letter (e), to enhance clarity and understanding, we suggest specifying the type of information encompassed by the term “major new information” and providing examples.
- Regarding Article 7 “Specific Methodological Disclosures”, in accordance with Annex III, point 2, letter (ii) of Regulation (EU) 2024/3005, to provide greater transparency, we propose to specify – among the information made available to users of ESG ratings, rated items, and issuers of a rated item – the weight of each individual sub-factor within the E, S, and G factors (the Regulation only mentions “the relevant key performance indicators per E, S and G factor, and weighting method”).
- Regarding Article 7 “Specific Methodological Disclosures”, point 1, we suggest requiring, for each question or data point included in the assessment report, a more detailed indication of the data sources used (e.g., Sustainability reports, Code of Conduct, other formal policies, etc.) and

clarifying whether they are internal or publicly available. Furthermore, to ensure data availability, it is important to rely on existing reporting standards. Additionally, to minimize the reporting burden on companies, we recommend that raters indicate – within the questionnaires or assessment forms submitted to rated entities at the beginning of the rating cycle – when a particular indicator is aligned to other regulations or standards. This should include the specific data point or unique identifier (e.g., ESRS E1-6).

- The disclosure of the methodology applied by ESG rating providers to the assessment of controversies, including the rationale for attributing a controversy not only to the direct involved company but also to its Parent company or shareholders (e.g. minimum threshold in terms of equity stake held in the controversial entity, voting rights, etc.), is a point currently not covered in the Regulation nor the Draft Technical Standards of the ESMA Consultation Paper. This aspect is crucial since the approaches used to identify and evaluate controversies directly impact the final ESG rating assigned to the rated company. Therefore we suggest incorporating the disclosure of the methodology applied by ESG rating providers to the assessment of controversies in the Regulation and/or the Draft Technical Standards.

<ESMA_QUESTION_ESGR_3>

Q4. Do you consider that the draft technical standards under Articles 23(4) or 24(3) should instead provide an expanded table in Annex proposing a sequence and structure for all disclosures to be made under parts 1 and 2 of Annex III? If yes, please explain the benefits of such an approach.

<ESMA_QUESTION_ESGR_4>

Yes, providing an expanded table in an Annex that proposes a sequence and structure for all disclosures under parts 1 and 2 of Annex III of the Regulation would offer greater clarity and support ESG rating providers in their compliance efforts. It would ensure homogeneity and comparability across disclosures presented by all providers and prevent misinterpretations. Considering the many sub-articles that need to be expanded in the table, it could be beneficial to also evaluate the possibility of including two distinct tables, one for each part of Part 1 and Part 2 of Annex III.

<ESMA_QUESTION_ESGR_4>

Q5 Do you agree with ESMA’s proposed cost benefit analysis? If not, please explain.

<ESMA_QUESTION_ESGR_5>

|TYPE YOUR TEXT HERE |

<ESMA_QUESTION_ESGR_5>