

Tackling greenwashing and promoting transparency



PRIORITY 2

Building NCAs' and ESMA's capacities



PRIORITY 3

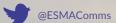
Monitoring, assessing and analysing ESG markets and risks





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







## 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





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

