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Press and Communications

Press release

The EBA publishes its roadmap on sustainable finance

The European Banking Authority (EBA) published today its roadmap outlining the objectives and timeline for delivering mandates and tasks in the area of sustainable finance and environmental, social and governance (ESG) risks. The roadmap explains the EBA's sequenced and comprehensive approach over the next three years to integrate ESG risks considerations in the banking framework and support the EU's efforts to achieve the transition to a more sustainable economy.

Numerous legislative acts and initiatives allocate to the EBA new mandates and tasks in the area of sustainable finance and ESG risks. Most of these mandates and tasks are closely linked to the EBA's broader objective of contributing to the stability, resilience, and orderly functioning of the financial system. These mandates and tasks cover the three pillars of the banking framework, i.e., market discipline, supervision and prudential requirements, as well as other areas related to sustainable finance and the assessment and monitoring of ESG risks.

Key objectives of the EBA's Roadmap on Sustainable Finance



This roadmap on sustainable finance builds on and replaces the EBA's first [action plan on sustainable finance](#) published in December 2019. The roadmap ensures continuity of actions assumed under the previous action plan, while accommodating the necessary adjustments following the market and regulatory developments, including new mandates and new areas of focus.

In the area of **transparency and disclosures**, the EBA will continue its work related to the development and implementation of institutions' ESG risks and wider sustainability disclosures. Similarly, the EBA will continue its efforts to ensure that ESG factors and risks are adequately integrated in institutions' **risk management** framework and in their **supervision**, including through further developments on climate **stress tests**. In the area of prudential regulation, the EBA has initiated an assessment of whether amendments to the existing **prudential treatment of exposures** to incorporate environmental and social considerations would be justified. Furthermore, the EBA will contribute to the development of **green standards and labels**, and measures to address emerging risks in this field, such as **greenwashing**. Finally, the EBA will be

assessing and **monitoring developments in sustainable finance and institutions' ESG risk profile**, including on the basis of the expected **supervisory reporting**.

The roadmap was developed based on the current state of the regulatory framework and reflects the EBA's current expectations regarding specific mandates and tasks. However, considering the ongoing regulatory developments, including the review of the banking package (CRR/CRD), the scope and timelines of specific tasks will only be fully known once the legislative processes are finalised.

Note to the editors

The EBA's mandates and tasks in the area of sustainable finance and ESG risks are set out in the following legislative acts:

- Regulation (EU) No 1093/2010 (EBA Founding Regulation¹)
- Regulation (EU) No 575/2013 (Capital Requirements Regulation - CRR²) and Directive (EU) 2013/36 (Capital Requirements Directive - CRD³)
- Regulation (EU) 2019/2033 (Investment Firms Regulation - IFR4) and Directive (EU) 2019/2034 (Investment Firms Directive - IFD⁵)
- Regulation (EU) 2017/2402 (Securitisation Regulation⁶)
- Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation - SFDR⁷)
- Regulation (EU) 2020/852 (Taxonomy Regulation⁸)
- Corporate Sustainability Reporting Directives (CSRD⁹)

In addition to these legislative acts, the EBA received tasks directly from the European Commission in the context of its Strategy for Financing the Transition to a Sustainable Economy¹⁰.

As the banking package (CRR/CRD) is currently undergoing a revision, the EBA expects additional mandates in the area of ESG risks stemming from these revised legislative acts. These envisaged new or modified mandates are included in the roadmap to the extent they are expected based on

¹ [Regulation \(EU\) No 1093/2010 \(EBA Founding Regulation\)](#)

² [Regulation \(EU\) No 575/2013 \(Capital Requirements Regulation\)](#)

³ [Regulation \(EU\) 2013/36 \(Capital Requirements Directive\)](#)

⁴ [Regulation \(EU\) 2019/2033 \(Investment Firms Regulation\)](#)

⁵ [Directive \(EU\) 2019/2034 \(Investment Firms Directive\)](#)

⁶ [Regulation \(EU\) 2017/2402 \(Securitisation Regulation\)](#)

⁷ [Regulation \(EU\) 2019/2088 \(Sustainable Finance Disclosure Regulation\)](#)

⁸ [Regulation \(EU\) 2020/852 \(Taxonomy Regulation\)](#)

⁹ [Corporate Sustainability Reporting Directive - European Parliament legislative resolution of 10 November 2022](#)

¹⁰ [Strategy for Financing the Transition to a Sustainable Economy](#)



the legislative proposals. However, their exact scope and deadline will only be fully known once the final texts are agreed and adopted.