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23rd of February 2026

Presidency discussion paper on SFDR

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PRESIDENCY NON-PAPER FOR WORKING PARTY ON FINANCIAL SERVICES AND BANKING UNION (SFDR review)

February 23, 2026, 10:00-17:30

1. Introduction

On 20 November, the European Commission proposed a set of targeted amendments to the Sustainable Finance Disclosure Regulation (SFDR), with the aim of addressing a number of shortcomings identified in the current framework, notably in terms of usability, clarity and effectiveness in tackling greenwashing. The proposal was formally presented by the Commission on 9 December 2025, together with the accompanying evaluation and impact assessment.

Following the initial exchange of views the kick-off meeting in December 2025, and a first technical discussion on the 2nd working group meeting on 20 January 2026, the meeting on 23 February 2026 provides an opportunity to continue the technical examination of the proposal and to deepen the discussion on key outstanding issues. In this context, the Presidency invites the Commission to expand and provide explanations and the Member States to provide comments during the meeting and, where appropriate, to further elaborate their positions in the replies they will be invited to submit after the meeting, with regards to the following topics:

- The treatment of insurance and pension products and portfolio management services under Article 9a;
- The investment approaches and criteria underpinning the three product categories, including the "open list" elements;
- The use of estimates and data by financial market participants;
- The simplification of entity and product-level disclosures, including voluntary disclosures for non-categorised products and amendments to the PRIIPs KID;
- Implementation timelines, transition arrangements, and application deadlines.

The Presidency looks forward to a constructive exchange of views to help advance the Council's examination of the proposal.

2. Article 9a & insurance and pension products and portfolio management

Article 9a of the Commission proposal introduces provisions on the treatment of financial products investing in categorised financial products.

Based on the provisions of paragraphs (1) and (2), there are effectively two possibilities for such financial products: (i) either they qualify as categorised financial products, in cases where they can claim that their investments into categorised financial products or other investments meet

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the criteria for categorised financial products (i.e. notably to attain a 70% threshold in terms of pursuing or integrating ESG objectives and compliance with the exclusions of the applicable category across their portfolio[1], or (ii) they can show to investors the extent to which their investments are in categorised financial products, in case they are exposed to at least two categorised products even if the criteria at the level of the portfolio are not met.

Based on paragraph (1) second subparagraph and paragraph (3) and the guidance in recital 23, such financial products may base their eligibility claims on the information disclosed in relation to categorised financial products and combine it with information on their other investments, including information by entities authorised in EU to provide portfolio management services, in cases where a financial market participant uses their services. Recital 23 provides further guidance on the applicable product category on the basis of the choice / mix of categorised products and investment approaches,[2] and thereby clarifies in a sense that Article 9a does not constitute a fourth, 'mixed' category.

The Commission, therefore, considers that the text as drafted avoids restricting such products to making potentially relevant investments in line with the criteria solely via categorised products offered by financial market participants, and rather allows other potential options for them to do so, to rely on information provided by the relevant product and services providers in this process, and aggregate and disclose these in a coherent way across their portfolio. As such, Article 9a as drafted is not limited to funds-of-funds but covers various financial products within the scope of SFDR including insurance-based investment products and pension schemes, as long as such financial products invest in at least two categorised financial products.

As a number of Delegations have mentioned, for insurance-based investment products and pension schemes it may be nevertheless challenging to qualify for the 'sustainable' and 'transition' categories, considering their asset composition can often feature a relatively high portion of exposures to general purpose issuances by public sector bodies, and given these are excluded from qualifying for the 70% 'contribution' threshold. If categorisation under the 'ESG basics' category which allows for the inclusion of these general purpose exposures to public sector issuers is not suitable for them, Article 9a(2) as drafted would allow them to signal to their investors and policyholders the degree to which they invest in categorised products, to aggregate this with their other relevant direct investments and individually managed portfolios (Article 9a(3)), and to signal this in their marketing communications under Article 13(3).

The Commission is invited to open the exchange of views and expand on the above analysis of Article 9a as well as to respond to the comments by several Member States who were keen to receive further clarification on the purpose of Article 9a, its applicability to multi-option products,

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[2] Provided the appropriate exclusions are met in each case, only products that meet the 70% threshold by investing solely in sustainable products could be considered sustainable, while those investing across categories would fall either within the transition (if mixing sustainable or transition products) or ESG basics (if mixing products from any of the three).

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and the possibility under the Article for portfolio management services carried out in accordance with the criteria to be aggregated together with investments in categorised products.

Articles covered by this section:

- Article 9a, recital 23
- Article 13(3)

Questions for Member States:

Q1. Do you see the principles underpinning Article 9a as a good basis for discussion?

Q2. Do you agree that products such as insurance and pension products are sufficiently covered by Article 9a, given that Article 9a applies to financial products investing in at least two categorised financial products? Do you consider that for such insurance and pension products, in particular multi-option insurance products, specific provisions should be included to cater for their specific investment policies and constraints? In particular, do you consider that investment options of MOPs should be explicitly covered, in the definition of the financial product and/or in Article 9a?

Q3. Do you agree that portfolios managed under a discretionary mandate should also be allowed to disclose if underlying investments are in categorised financial products?

Q4. Do you agree that recital 23 provides sufficient and clear guidance? Do you consider that certain elements should be clearer in the operative text?

Q5. Do you have any suggestions to amend the text of Recital 23, Article 9a and Article 13(3)?

3. Categories' investment approaches

The working party of 20 January 2026 included a discussion on the high-level elements of the criteria for each category, without yet going into the technical details. The Commission presented the structure and main elements, i.e. the positive contribution and the minimum safeguards to ensure no harm. On the *positive contribution,* the Commission presented the two high-level horizontal elements of the criteria:

- First, Member States discussed the **minimum contribution threshold of 70% of the portfolio** to be covered by the strategy used to attain the claimed ESG objective(s)/factor(s). Written feedback was positive, with **all Member States agreeing with setting a minimum contribution threshold. The majority supported the 70% or expressed flexibility to discuss further the value, while a few Member States expressed preference for a higher threshold (80%)**. Several Member States asked clarifications on the rules that apply to the remaining investment portion of 30% and considered that further guidance is needed. A few Member States believe that further detailed rules could go against the simplification objective. The Presidency considers that as the text stands, the rule that applies to the remaining investment portion of 30% is that it should not contradict the sustainability-related claim (i.e. the remaining conditions that apply pursuant to paragraph (1) of each Article).

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- Second, the Member States discussed the approach of setting an **open list of established standards and metrics** per category which can be used to implement and disclose the contribution under each category. Written feedback was positive, with a **large majority agreeing with the open list approach,** while most of them stressed the need for clearer definitions to mitigate greenwashing and supervisory risks. Several Member States called for additional clarifications/possible safeguards regarding the 'other approaches' allowed, raising concerns on the 'catch all' elements of this investment approach. While the discussion did not go into details on the different investment approaches of the proposal, many Member States asked for clarification regarding certain principles (e.g. *credibility, transition plans, engagement, targets, 'proven track record' etc).*

Finally, the Member States discussed the **safe harbours** under the Sustainable and Transition category for investments in Taxonomy-aligned activities and in EU Paris-Aligned and Climate Transition Benchmarks (PAB or CTB), as well as proposed treatment of general-purpose issuances by public sector bodies**.** A large majority agreed with including safe harbours, but many raised technical concerns/questions, especially regarding the 15% threshold for the Taxonomy safe harbours. Specifically, some delegations have questioned whether the threshold is sufficiently ambitious, while others have expressed concern that even 15% may be challenging to achieve given current data availability and the overarching simplification objectives. Commission explained that based on feedback from the Platform for Sustainable Finance, the 15% threshold for the Taxonomy safe harbours is seen as attainable by a significant portion of current Article 9 funds, while providing an incentive for increased ambition. The comments on the remaining 85% of products not being covered by the safe harbour mirrored the comments on the remaining 30% mentioned above for products not using the safe harbour, with several Member States asking for further guidance and a few Member States noting that no further rules other than not contradicting the sustainability-related claim are needed. The Presidency considers that as the text stands, the rule that applies to the remaining investment portion of 85% of products using the safe harbour is similar to the rule that applies to the remaining investments of financial products not using the safe harbour (i.e. it should not contradict the sustainability-related claim). It is worth noting that the proposal includes a review clause for the 15% threshold, 36 months after the date of application.

Member States were split over the approach to general purpose issuances by public sector bodies, with some raising concerns about the exclusion of such investments in the sustainable and transition categories (raising concerns on impact for insurance products) and calling for considering neutralising these exposures (excluding them from both the numerator and the denominator).

This session will be the opportunity to have a more in-depth discussion on the open list of investment approaches under each category. The Commission is invited to present the different approaches listed under the three categories and address the general and category-specific comments received on investment approaches. Member States will then be invited to react to these explanations and answer the questions below.

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a) Transition category

The legislative proposal recognises 7 specific investment approaches[3] and metrics which can be used by FMPs to implement and disclose their transition-related strategies:

- Investment portfolios **replicating or managed in reference to a PAB or CTB** – This would encourage the use of these tools that are currently used by a significant amount of existing funds[4]. The current phrasing would cater for both passive and active management;
- Investments in **taxonomy-aligned economic activities**, including (but not limited to) transitional activities and CapEx;
- Investment in undertakings or activities with a **credible transition plan** (as regard at least one sustainability factor and proportionate to the size of the undertaking);
- Investment in undertaking or activities with **credible science-based target** (supported by information ensuring integrity, transparency and accountability);
- Investments accompanied with a **credible sustainability-related engagement strategy** (including defined milestones and measured with reference to those targets and milestones and integrating escalation actions in case the expected changes do not happen). Engagement must be conducted in combination with other metrics (Taxonomy, transition plan, science-based targets or 'other approaches);
- Investments eligible to the **sustainable category in combination with any of those above**;
- Investments with a **credible transition target set at the level of the portfolio** (such as reduction of portfolio emissions over time). According to information provided by the Commission, this approach aims at covering products setting average performance target on specific ESG indicators[5].

The proposal includes the possibility to further define at level 2 conditions for the approaches to qualify as contributing to the transition-related objective, and to develop voluntary indicators (building on the ESRS and PAIs) for financial markets participants to monitor and disclose their progress towards the stated objective.

Early feedback from Member States shows support for the identified investment approaches while at the same time Member States have asked for clarification / specification regarding certain terms. Most Member States called for further discussions on the meaning/expectations linked to

[3] Other investments' we be discussed separately under item 2 (d) of the agenda.

[4] According to ESMA data used in the context of a recent study on transition funds, PAB and CTB are referred by 20% of climate transition funds.

[5] ESMA study shows that 76% of transition funds used portfolio emission as target or as disclosure to support their transition claims (e.g. weighted average carbon intensity or absolute GHG emissions).

credibility (attached to 'transition plan', 'science-based target', 'transition target', 'engagement strategy', 'level of portfolio'). According to information provided by the Commission, the term 'credibility' aims at catering for all types of transition (i.e. climate, environmental and social). While the proposal links climate credibility with the objectives of the EU Climate Law, it does not include elements on environmental or social credible transition (due to the difficulties in setting expectations on these sustainability topics and lack of EU commonly agreed targets). Several Member States expressed the need to further detail this term in level 1, with the possibility to add technical details in level 2.

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Several Member States also expressed support for adding expectations related to **'transition plans'**, and a few asked whether the eligible taxonomy metrics should be further defined (e.g. capex vs revenue). One Member State expressed concerns about the portfolio level target approach and suggested that 'engagement' should become mandatory criteria accompanied with specific disclosures.

Articles covered by this section:

- Article 7 (2) (a) – (g)
- Article 19b SFDR

Questions for Member States:

Q6. Do you agree with the investment approaches listed? If not, please explain why.

Q7. Do you agree with the concept of 'credibility' linked to the transition plan, science-based target, engagement and portfolio level target? Do you believe that the concept of 'credibility' should be further defined for these topics at level 1?

Q8. Do you agree with the link made with the EU Climate Law for climate credibility?

Q9. Do you believe that the concept of 'credibility' should also be further defined for other sustainability topics (i.e. social) through for example process-based principles at level 1?

Q10. Do you agree with the obligation to combine 'engagement' with other approaches, or do you believe it should be an eligible investment approaches on its own?

Q11. Do you think any other term should be further defined at level 1?

b) ESG basics category

The proposal recognises four specific investment approaches and metrics[6] which can be used by FMPs to implement and disclose their transition-related strategies:

- Investment with an **ESG rating** that outperforms the average rating of the investment universe or the reference benchmark;

[6] 'Other investments' will be discussed under item 2 (d) of the agenda.

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- Investment that outperforms the average investment universe or reference benchmark on a **specific appropriate sustainability indicator**;
- Investments that favour undertakings or activities with a **proven positive track record** in terms of processes, performance or outcomes related to sustainability factors;
- A combination of investments eligible to the **transition and sustainable categories.**

The proposal includes the possibility to further define at level 2 conditions for the approaches to qualify as integrating sustainability factors. It aims to avoid setting stringent and overly strict restrictions for this category due to the link between the categories and the naming/marketing documentation rules (i.e. proposal for ESG claims to be reserved to categorised products).

While initial feedback on the approach is positive, the majority of Member States expressed concerns about the degree of flexibility in the criteria while some Member States requested further clarification on the concepts, such as 'investment universe or the reference benchmark' and 'proven positive track record'. Many have asked to further discuss the terms used and to explore adding possible safeguards.

Articles covered by this section:

- Article 8 (2) (a) – (d)
- Article 19b SFDR

Questions for Member States:

Q12. Do you agree with the investment approaches listed? If not, please explain why.

Q13. Do you believe the approaches are sufficiently defined or do you support adding more conditions/details at level 1 and if so, for which concepts / topics?

c) Sustainable category

The proposal recognises six specific investment approaches and metrics which can be used by FMPs to implement and disclose their sustainable strategies:

- Investment in portfolio replicating or managed in reference to a **PAB**;
- Investment in **taxonomy-aligned activities**;
- Investments in instruments issued in accordance with the **EU Green Bond Standard**;
- Investments or co-investments in undertaking/projects benefitting from **EU budget** under programmes pursuing a sustainable objective**;**
- Investments in comparable assets to those referred to above, provided proper justification of their sustainability standards (e.g. other taxonomies or bond standards to boost international operability);
- Investments in **European Social Enterpreneurship Funds (EuSEF).**

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The proposal includes the possibility to further define in level 2 conditions for the approaches to qualify as credibly contributing to a sustainable objective and to define voluntary indicators (building on the ESRS and PAIs) for FMPs to monitor and disclose the progress towards the stated objective.

Feedback received was overall positive, with several Member States however, pointing to the need to enhance clarity and explanations in the relevant operative text to avoid divergent interpretations and the risk of greenwashing.

Some Member States flagged the reference to "portfolios managed in reference to" a benchmark requesting for clarification of such reference including how this interacts with existing benchmark regimes and whether the benchmark must meet specific sustainability criteria.

Several Member States call for clarification regarding the term 'comparable assets' and 'proper justification'. A few Member States also asked to explore the possibility to define the Taxonomy metrics eligible (revenue vs CapEx).

With regard to the investment approach under Article 9(2)(e), one Member State sought clarification on the extent to which this investment approach articulates with Article 9a(1), and how it allows for the combination of financial products.

Articles covered by this section:

- Article 9(2)
- Article 19b SFDR

Questions for Member States:

Q14. Do you agree with the investment approaches listed? If not, please explain why.

Q15. Do you believe the approaches are clearly and sufficiently defined or do you support adding more conditions/details at level 1? Please elaborate.

d) 'Other approaches' (open list) under each category

The proposal includes an open element under each category to allow FMPs to use other approaches than the ones listed: '*other investments in undertakings, economic activities or other assets that [credibly contribute to a transition-sustainable objective / integrate sustainability factors beyond consideration of risks, provided <u>proper justification</u> is included in the disclosures]*.

The Commission clarified that the objective was to avoid re-creating a parallel definition of sustainability (i.e. to avoid another definition of 'sustainable investment'). The Commission also explained that expectations for justification would include the disclosure of (i) the framework used

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and its underlying methodology; (ii) the binding elements of the strategy (iii) the measurement and reporting using appropriate ESG indicators. The proposal includes an empowerment to further define if needed these disclosures.

Feedback received was overall cautiously supportive of the policy objective, with many Member States nevertheless requesting clearer drafting and more precise definitions to ensure a harmonised interpretation and avoid supervisory divergence. In particular, Member States called for clarification of key concepts i.e. "credibly contribute" and "proper justification" to ensure legal certainty and prevent misuse.

On Article 19b, on empowerments, Member States comments were focused on process, timing, and the need for detail. Some raised the risk that essential Level 2 measures would not be in place before Level 1 becomes applicable. Member States strongly urged that the Level 1 text should not apply until all delegated acts are published and market participants have had sufficient time to prepare. Several delegations also argued that too many key elements are being left for Level 2, creating legal uncertainty, and called for more detail in the primary legislation. The proposal for "voluntary" indicators was questioned, with some Member States seeking clarity on how this would work in practice against mandatory requirements. While the two-page disclosure limit was broadly welcomed, questions were raised about the need for a standardised format to ensure comparability and the importance of conducting consumer testing on the final templates.

Articles covered by this section:

- Articles 7(2)(h), 8(2)(e) and 9(2)(g)
- Article 19b SFDR

Questions for Member States:

Q16. Do you agree with the Commission's objective not to introduce a new definition of sustainability (i.e. avoiding reintroducing a sustainable investment-like definition/concept)?

Q17. Do you agree with the drafting of the 'open element'?

Q18. Do you agree with an empowerment to the Commission to further define the required disclosures regarding the 'open element'?

4. Data & estimates

The proposal introduces a new Article 12a setting out the conditions for using estimates. This Article:

(i) clarifies that FMPs can use estimates and external data providers for all the main data needs arising from the revised SFDR, notably the creation of the categories;

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(ii) frames the use of estimates and external data providers based on formalised and documented arrangements;

(iii) ensures that the use of estimates not derived from external provider data must be based on formalised and documented methodologies; and

(iv) sets out what information should be provided to investors on the use of estimates and data sources upon request.

The Commission mentioned during the first Council working party meeting that the objective is to improve certainty and clarity compared to the existing framework regarding the use of estimates and external data providers, to introduce the principle that FMPs should duly formalise these arrangements, and to introduce better transparency toward investors on these arrangements, without requiring extensive new disclosures.

The Commission considers that there is no merit in going further in the context of the SFDR review proposal in regulating or addressing the business of external data providers. The Commission further considers that such an extension in the scope of the SFDR would have conflicted with the overarching simplification and burden reduction objective of the review, was not impact assessed and would merit a more considered preparation of expected costs and benefits, and should be revisited as agreed by co-legislators in the review clause under Article 52(2)(c) of the ESG ratings regulation (Regulation (EU) 2024/3005). The Commission noted the timeline for this review (2 January 2029) would allow for such a more considered assessment during the course of the finalisation and implementation of the revised SFDR.

Most Member States seem to support the inclusion and purpose of Article 12a. Some Member States express concerns that requiring FMPs to set up ‘formalised and documented’ arrangements may be excessive, while other Member States consider that more detail or guidance should be added to define valid methodologies for the use of estimates. One Member State considers that steps to ensure data quality should be directed at data providers rather than FMPs, whilst another argues that the exclusion of Data Providers from the ESG Ratings regulation and from the SFDR review proposal might lead to further challenges.

Article covered by this section:

- Article 12a SFDR

Questions for Member States:

Q19. Do you support the introduction and purpose of Article 12a?

Q20. Do you see the need to be more/less prescriptive or to add any qualifiers on any elements (‘formalised and documented arrangements’, ‘upon request’, ‘formalised and documented methodologies’)?

Q21. Do you believe that a proportionality clause should be included in the Article, regarding requests by clients?

Q22. Having in mind the overarching simplification objective, do you believe that Data Providers should be included in the scope of the SFDR?

Q23. Do you have any other suggestions to amend the text?

5. Entity and product level disclosures and sustainability section in the PRIIPs KID

Entity and product level disclosures

The Commission presented the proposed amendments to the disclosures during the first CWP meeting on 9 December 2025.

The proposal suggests to **significantly reduce entity-level disclosures**. The proposal retains the disclosures on sustainability risks policies in relation to the integration of sustainability risks (under Article 3) and deletes the disclosures on the consideration of principal adverse impacts (Article 4) and on the consideration of sustainability risks in remuneration policies (Article 5). These amendments aim at an overall simplification and burden-reduction of sustainability disclosures associated with the SFDR. The Commission clarified that the largest FMPs falling under the CSRD would continue to report against the ESRS.

In their written feedback, the majority of Member States agreed with the approach. A number of Member States favoured deleting the disclosures under Article 3, while one Member State expressed preference for retaining a reduced set of disclosure under Article 4. Moreover, one Member State stressed that the simplification on the remuneration transparency should only concern the removal of the requirement to publish the remuneration policies on the website and does not eliminate the obligation to establish such policies.

The proposal also suggests to **significantly reduce the product level disclosures.** The proposal retains the disclosures on sustainability risks for all financial products (under Article 6) and aims at drastically **simplifying the disclosures templates for categorized products.** The suggested approach would be to move away from standardised questions and towards more flexible format focusing on the key criteria underpinning the proposed product categories. The proposal provides the Commission with an empowerment to develop delegated act to supplement:

(1) The details of the presentation of the information required for the product disclosures (under Article 7(3), Article 8(3) and Article 9(3);
(2) Impact-related disclosures for impact products (under Article 7(4) and Article 9(4)).

The proposal suggests limiting the legal documentation to a maximum of 2 pages for the disclosures under paragraphs 3 of Articles 7, 8 and 9, and to a maximum of 1 page for the disclosures under paragraphs 4 of Articles 7 and 9.

The majority of Member States agrees with the objective of streamlining product-level disclosures and express the need to focus on terms that are understandable by retail investors. Several Member States question the mandatory Taxonomy disclosures and two Member States call for exploring the possibly to set a small set of mandatory indicators for categorised products.

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Finally, as briefly discussed in the previous CWP meeting, the proposal also suggests allowing **voluntary ESG disclosures for non-categorised products** (Article 6a), under the conditions that ESG information (i) is not included in the name, marketing documentation or KIID/KID; (ii) is not a central element of the legal documentation (limited to less than 10% of the volume); (iii) does not refer to specific claims reserved for categorised products (e.g. transition-related claims). In their written feedback, many Member States asked for further clarification regarding the information to be disclosed under Article 6a, namely on the implementation of the 'non-centrality' principle, and on how distributors should be expected to treat this information under the sustainability preferences regime defined under MiFID and IDD level 2 rules. Two Member States asked to explore the possibility of adding a disclaimer for products disclosing under Article 6a (clarifying that they do not comply with the categories). This issue will be discussed in further detail as a standalone topic in a future CWP meeting.

Sustainability section in the PRIIPs KID

The proposal suggests including in the key information document (KID) for categorised products the indication of which category they fall under.

Article covered by this section:

- Articles 3, 4, 5, 6, 6a, 7, 8, 9, 19b SFDR
- Article 2 amendments to Regulation (EU) No 1286/2014

Questions for Member States:

Q24. Do you support the streamlining of the entity and financial-product level disclosures?

Q25. Do you agree with the voluntary ESG disclosures for non-categorised financial products under Article 6a? Do you believe that the principle of non-centrality should be further defined at level 1?

Q26. Do you agree to limit the legal documentation (i) to a maximum of 2 pages for the disclosures under paragraphs 3 of Articles 7, 8 and 9, and (ii) to a maximum of 1 page for the disclosures under paragraphs 4 of Articles 7 and 9?

Q27. Do you agree with the amendment to the PRIIP KID? If not, please explain why.

6. Implementation (application timeline, ESAP)

According to the proposal, the revised framework would apply 18 months after entry into force. As explained by the Commission, the idea is to develop within this timeframe the foreseen level 2 measures, in the form of delegated acts rather than regulatory technical standards, including with regard to sustainability preferences under MiFID/IDD, and have both the level 1 and level 2 rules apply at the same time. The entry into application should be as swift as possible, in order not to

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unduly prolong the transition period between the current and new regimes. The implementation period should be sufficient to allow FMPs enough time to prepare for the new regime and thereby avoid considering the need of a grandfathering regime for existing products. With the entry into application of the revised level 1 and 2 frameworks, the current ESMA level 3 guidelines on fund names should be revoked.

Furthermore, based on feedback from ESMA, the date of application for information to be submitted to relevant collection bodies for the purposes of the European Single Access Point (ESAP) should be pushed back another 18 months after the date of application of the revised SFDR (from 10 January 2028 under the current SFDR).

Member States agree on the importance of ensuring a synchronised application of the level 1 and level 2 texts in order to avoid greenwashing risks and additional implementation costs. Some Member States suggest that the implementation deadline should be lengthened to 24 months to ensure adequate preparation and implementation by all stakeholders. Other Member States suggest removing the disclosure requirements that currently apply to financial advisors providing investment advice (on entity level, principal adverse impacts and remuneration policies), immediately upon entry into force of the amending regulation and not only at the date of application. A few Member States also consider the need to allow for a transition/grandfathering of existing products under the new regime.

Articles covered by this section:

- Article 18a SFDR
- Article 4: amendments to Regulation (EU) No 1286/2014

Questions to Member States:

Q28. Do you support extending the date of application to 24 months or more after entry into force?

Q29. Alternatively/additionally, would you support allowing all financial products to benefit from the 12-month transition proposed for some under Article 19a?

Q30. Do you support anticipating the removal of the obligations which are to be deleted from the date of application to the entry into force?

Q31. Do you support a further 18-month delay for the obligations under the ESAP Regulation to apply or would you extend this delay even further?

Q32. Do you consider that a grandfathering provision should be introduced for financial products under the existing regime? If so, for which financial products and for how long?