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EIOPA: Opinion on sustainability claims and greenwashing in the insurance and pensions sectors



AFG



The AFG federates the asset management industry for 60 years, serving investors and the economy. It is the collective voice of its members, the asset management companies, whether they are entrepreneurs or subsidiaries of banking or insurance groups, French or foreigners. In France, the asset management industry comprises 700 management companies, with €4600 billion under management and 102,000 jobs, including 27,000 jobs in management companies.

The AFG commits to the growth of the asset management industry, brings out solutions that benefit all players in its ecosystem and makes the industry shine and develop in France, Europe and beyond, in the interests of all. The AFG is fully invested to the future.

EIOPA: OPINION ON SUSTAINABILITY CLAIMS AND GREENWASHING IN THE INSURANCE AND PENSIONS SECTORS

ALIGNMENT BETWEEN EUROPEAN SUPERVISORY AUTHORITIES (ESAS)

AFG supports the efforts of European Insurance and Occupational Pensions Authority to protect investors against greenwashing practices and in this perspective its efforts clarify a framework around sustainability claims in the insurance and pensions sectors.

AFG agrees with EIOPA's overarching objective of seeking to limit risks of greenwashing allegations, increase legal certainty and avoid misleading information for investors. AFG also agrees on the need for a common approach to ensure a consistent implementation across the EU.

AFG federates the French asset management industry and is not per se under the remit of EIOPA's guidelines. However, asset managers' products can be distributed through insurance products and impacted by these guidelines. It is hence essential to ensure an alignment between the guidelines published by the ESAs to:

- provide more clarity for end-investors and especially retail investors.
- avoid distribution challenges and the impossibility for funds to be distributed via insurance products.

In particular, we observe EIOPA the example provided under §3.13 of the EIOPA draft guideline is not aligned with the guidelines ESMA intend to publish in the first semester.

Last, for level playing field and fair competition reasons, the same guidance and consideration should also apply to:

- other financial products subject to SFDR,
- financial instruments as defined in MIF and IDD (as they will be distributed through MIF/IDD sustainability preferences),
- financial instruments not subject to SFDR but claiming ESG or sustainability or impact features in their name (green bonds, notes, derivatives...). For the latter instruments, guidelines should be adapted as far as references to SFDR definitions and binding information are concerned.

For all the above reasons, we would like to reiterate the need for the ESAs to work closely together on the subject to ensure a level playing field across the financial sector.



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