
Press release

AFME welcomes publication of UK Government Roadmap on Greening Finance

19 October 2021

Following the publication of [the UK Government's Roadmap on Greening Finance](#), the Association for Financial Markets in Europe (AFME) issued the following statement:

AFME welcomes today's announcements and the publication of a detailed roadmap for sustainable finance, including the implementation of integrated sustainability disclosure requirements and the development of a Green Taxonomy in the UK.

The financial services sector plays a vital role in supporting the transition to net zero. It is important to put in place a clear framework for corporate sustainability reporting and to provide clarity and consistency of classification of environmentally sustainable investments in order to enable investors to effectively and efficiently allocate capital in support of the transition.

Oliver Moullin, Managing Director for Sustainable Finance, said *"Today's announcements provide important details on the UK's implementation of its roadmap for greening finance. The building blocks of sustainability disclosures and the development of a Green Taxonomy should form key enablers of the financial sector's role in mobilising capital to support the transition to Net Zero."*

As the UK proceeds with implementing its roadmap, AFME strongly supports the UK Government continuing to seek progress at the international level to maximise international consistency of approaches to taxonomies and reporting standards.

Well designed and appropriately sequenced Sustainability Disclosure Requirements are essential to ensure that financial institutions and investors have the necessary data to allocate capital to support transition plans, and for their own disclosures and risk management. Improved quality and consistency of ESG data is also a vital tool to help combat greenwashing and improve the quality and comparability of ESG ratings.

In developing a Green Taxonomy, the Government should aim to minimize fragmentation and support global capital markets by reflecting on experiences with the EU Taxonomy as well as ongoing work by the International Platform on Sustainable Finance. It will also be important to take into account the recommendations of the Global Financial Markets Association (GFMA) Global Guiding Principles for Developing Climate Finance Taxonomies¹.

Alongside sustainability disclosures and the development of a Green Taxonomy, businesses, banks and investors need a clear roadmap for the economy-wide transition to a low carbon economy, enabling them to design and assess credible and effective strategies in support of the transition.

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¹ GFMA Global Guiding Principles for Developing Climate Finance Taxonomies, available at <https://www.gfma.org/wp-content/uploads/2021/06/global-principles-for-climate-taxonomy.pdf>

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About AFME:

AFME (Association for Financial Markets in Europe) promotes fair, orderly, and efficient European wholesale capital markets and provides leadership in advancing the interests of all market participants. AFME represents a broad array of European and global participants in the wholesale financial markets. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. AFME participates in a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) through the GFMA (Global Financial Markets Association). For more information, please visit the AFME website: www.afme.eu. Follow us on Twitter [@AFME_EU](https://twitter.com/AFME_EU)