

DG REFORM

# Technical Support Instrument and the EU Green agenda

**ESG risk management framework  
for the financial sector**  
WU Vienna - SUERF event



# The Technical Support Instrument (TSI)



TSI is the EU **demand-driven** programme that provides **tailor-made technical expertise** to EU Member States to **design and implement reforms**.

Covers a **wide range of reform areas**,  
at any stage of reform



Public financial management  
and revenue administration



Governance and public administration



Sustainable growth and  
business environment



Labour market, education, health  
and social services



Financial sector and access to  
finance



Migration management

**864 million budget** for the  
period 2021-2027

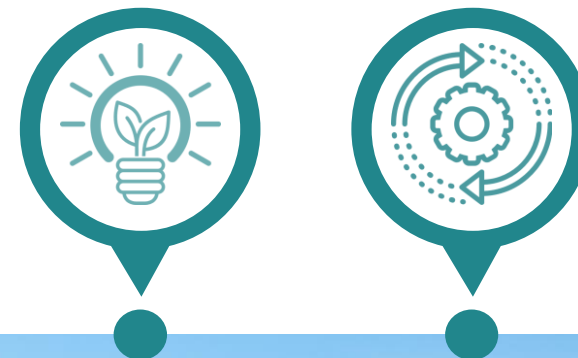
# TSI HIGHLIGHTS 2024

31%

of the projects support the **green transition** towards a net-zero economy

27%

of the projects support the **digital transition**



# Technical support in the financial sector



**Green Finance & ESG**



**Capital Markets**



**Cons Protection  
& Financial  
Literacy**



**Crisis  
Management,  
Insolvency**



**Financial  
Innovation**



**Promotional  
banks**



**AML, CTF,  
Sanctions**



**Insurance and  
Pension sector**



**Banking  
Prudential  
Supervision**

**More than 300 technical support projects  
finalised or ongoing in 27 Member States**

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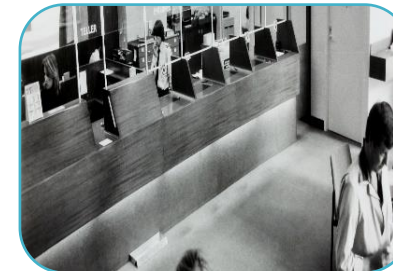
**Promotional banks**



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**Banking Prudential  
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# ESG Risk management for supervisors:

5 support building blocks / 5 providers / 12 BAs / 11 MS / 3 sectors

	BG FSC	CY CYSEC	EL HCMC	FI FINFSA	HR HNB	IE CBI	IT CONSOB	IT IVASS	LV CB	RO NBR	SI BoS	FR ACPR
<b>Regulatory Mapping</b>	X	X	X			X			X	X		
	• Expertise to be provided by a private contractor											
<b>Data Sources and Analysis</b>	X	X	X	X	X	X	X	X	X	X	X	
	• Expertise to be provided by a consortium of universities & Joint Research Center											
<b>Methodologies, Tools and Supervisory Guidance</b>	X	X	X	X	X	X	X	X	X	X	X	
	• Expertise to be provided by a consortium of universities & Joint Research Center											
<b>Capacity Building and Awareness Raising</b>	X	X	X		X	X	X	X	X	X		
	• Expertise to be provided by a consortium of universities & the Joint Research Center											
<b>Green Washing</b>	X	X	X	X		X	X		X			X
	• Expertise to be provided by ESMA and EIOPA											

# 2025 Flagship on sustainability reporting

- What is the main objective of this Flagship?
  - Support Member States to enhance enterprises' capacity to implement sustainability reporting stemming from the **CSRD** and the **Taxonomy**
  - Support to enhance the **usability** of the framework, to **reduce the reporting burden**
  - Support will target **all enterprises** in scope of the CSRD, with focus on SMEs



## Context

Sustainable finance facilitates re-orientating investment towards sustainable economic activities. Two of its key elements are the **Corporate Sustainability Reporting Directive (CSRD)** and the **EU Taxonomy Regulation**, with specific reporting requirements and standards. These requirements and the corresponding standards represent new terrain for a large range of companies which are new to this and will be obliged to report sustainability information. Companies' reporting is, on the other hand, essential for other financial sector actors (banks, insurance companies, etc) to be able to fulfil their own reporting obligations and adequately price their services and

products.

The proposed flagship initiative would provide implementation support and capacity building to allow public authorities to assist all companies, in particular SMEs, with sustainability reporting. By supporting SMEs, the initiative would be consistent with the Commission priority aiming to reduce the reporting burden for SMEs, as envisaged in **2023 State of the Union address (SOTEU)** of President von der Leyen and the **SMEs Relief Package** launched on 12 September 2023.

Sustainability reporting plays a crucial role for companies, providing a transparent and comprehensive account of their environmental, social, and governance (ESG) performance

## Objectives

The proposed flagship will support Member States to enhance companies' capacity to implement the existing and forthcoming EU sustainability reporting framework, stemming from the CSRD and the EU Taxonomy. The support, to be provided via the Member State authorities, will target all companies in the scope of the CSRD.

