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Additional Information

Level 1 Regulation
ESGR - Regulation (EU) 2024/3005

Topic
Separation of business and activities

Subject Matter
Consulting activities to investors or undertakings

Question
What type of consulting activities are relevant for the purposes of the separation of business set out in Article 16(1)(a)?

ESMA Answer

10-07-2026

Original language

The type of consulting activities that would require a separation of business vis-à-vis ESG rating activities encompass advisory services that may affect the independence and impartiality of ESG ratings issued and published or distributed by the ESG rating provider.

For example, helping clients improve their ESG rating by advising on sustainability disclosures, KPIs or sustainability strategies.

At the same time, advisory activities distant to ESG ratings should not be regarded as a service justifying a legal separation from ESG rating activities in the context of Article 16(1)(a). For instance, tax and accounting advisory, such as recommending tax-efficient structures.