



Louisa Chender
Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

Response by email to: cp21-17@fca.org.uk

10 September 2021

RESPONSE TO FCA CONSULTATION (FCA CP21/17): ENHANCING CLIMATE-RELATED DISCLOSURES BY ASSET MANAGERS, LIFE INSURERS AND FCA-REGULATED PENSION PROVIDERS

Introduction and background

The British Property Federation (BPF) represents the real estate sector – an industry which contributed more than £100bn to the economy in 2019 and directly employed more than 1 million people.

We promote the interests of those with a stake in the UK built environment, and our membership comprises a broad range of owners, managers and developers of real estate as well as those who support them. Their investments help drive the UK's economic success, provide essential infrastructure and create great places where people can live, work and relax.

BPF Response

We welcome the FCA consultation on enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers. Given the urgency and scale of the challenge we face in transitioning to a low-carbon economy, we welcome proposals to increase transparency which allow clients and consumers to make better informed choices, while remaining proportionate for firms.

AREF, the Association of Real Estate Funds, has submitted a detailed response to the consultation. The BPF and our members support that response.

We would however just like to reinforce the point that rules and guidance must work for the real estate sector. In particular:

- where proxy data and assumptions are being used to address data gaps, sector-specific guidance should be issued – developed jointly by the FCA and appropriate trade bodies

such as AREF and the BPF – to encourage consistency and comparability in reporting;
and

- there should be further sector consultation on the proposed metrics. As the AREF response makes clear, the core metrics set out in the consultation paper reflect funds investing in equities. They are not well-aligned with real estate and not standard for real estate reporting.

Please do not hesitate to get in touch if you require any further information.

Yours sincerely

Rob Wall
Assistant Director
BPF
020 7802 0115
rwall@bpf.org.uk