

# ESG regulation in Spain

## What is the current ESG legislation landscape and upcoming changes?

Spain is an EU member and committed to EU's legislation such as the EU Taxonomy, the European Green Deal and the European Disclosure Regulation.

There are a number of substantive ESG-related regulations that include:

- Law 11/2018 that deals with the EU's Non-Financial Reporting Directive
- The Corporate Enterprises Act (Ley de Sociedades de Capital)
- Law 9/2017 on Public Sector Contracts
- Royal Legislative Decree 1/2020
- Law 7/2021 on Climate Change and Energy Transition (Ley Cambio Climatico) that sets government goals to reduce carbon emissions
- Royal Decree 564/2017 on the certification of energy efficiency in buildings

- The National Integrated Energy and Climate Plan (Plan Nacional Integrado de Energia y Clima PNIEC) also defines objectives for the reduction of greenhouse gas emissions.

In January 2022, the Spanish government approved legislation that will:

- Create a Royal Decree that will create a national system of policies and measures in terms of emission projections
- Create a Royal Decree that will launch a carbon footprint register, compensation and carbon dioxide absorption projects
- Law on the protection of human rights, sustainability and due diligence in transnational business activities

In the latest Activity Plan for 2022 by the National Securities Market Commission (CNMV) the organisation highlighted their intention of strengthening the monitoring of ESG regulation implementation and the further development of a Code of Practice for Institutional Investors.

## How can Drooms help you during the process of ESG reporting?

Our virtual data room platform allows:

- Large amounts of information to be collected, continuously updated and stored;
- The development of a standardised data framework using a clear index structure, making data transparent, comparable and uniform;
- A central, reliable source of documentation with global accessibility and full confidentiality;

- > Cost effective and time saving administrative processes all done digitally.

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