

Bond Case Briefs

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MSRB Requests Information on ESG Practices: Cadwalader

The MSRB issued a [Request for Information](#) on environmental, social and governance (“ESG”) practices in the municipal securities market. MSRB is seeking information on (i) the disclosure of related risk factors and practices, and (ii) the labeling and marketing of municipal securities with ESG designations. Responses must be submitted by March 8, 2022.

Specifically, MSRB is asking the following questions:

Municipal Issuers:

- Are you currently providing ESG disclosures or information beyond what is legally required in your offering documents?
- Do you believe that the information in the ESG disclosures should be standardized?

Investors in Municipal Securities:

- Do you consider ESG information material to your investment decision?
- Do you have access to ESG-related information to make an informed investment decision?

Dealers:

- Does underwriting ESG-labeled bonds create any novel compliance issues? How might that differ between a primary offering and purchase or sale in the secondary market?

Municipal Advisors:

- Does the formulation and delivery of advice for ESG-related bonds and ESG-related disclosures raise any novel compliance challenges?

All Municipal Market Participants:

- Are there any ESG factors that could pose a systematic risk to the municipal market?
- There are organizations that have established voluntary standards; do those standards provide adequate guidance and transparency for investors?

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