

# European Sustainability Reporting Standards

Jornada XBRL España  
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## DISCLAIMER



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## Work programme

# Work programme 2023-2024

Finalise **EDs for SMEs**

- LSME Mandatory
- VSME Voluntary

Issuance of technical advice to EC:

- **LSME** ESRS
- **VSME**

Issue for 30 day consultation:

- **IG 1: MAIG**
- **IG 2: VCIG**
- **IG 3: Detailed requirements**

• Issue **XBRL taxonomy** for 60 day consultation

Finalise **EDs for sectors**:      Research for **sectors**:

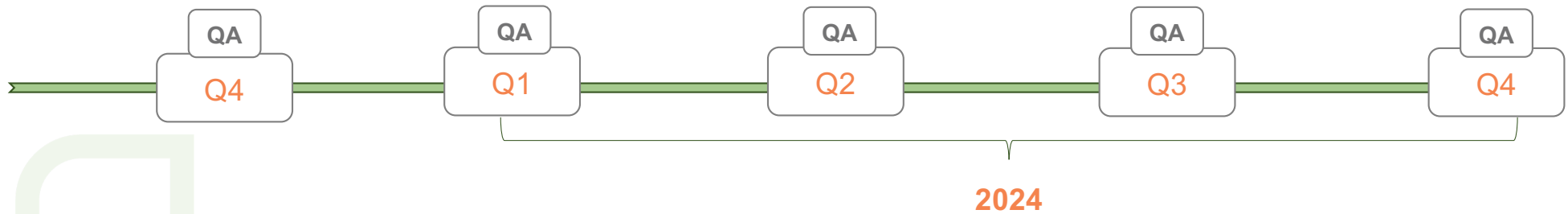
- General approach;
- Sector classification;
- *Oil and Gas*, and
- *Mining, Quarrying & Coal*

- Textiles etc.
- Road transport
- Financial institutions
- Food and beverages etc.

Issuance of technical advice to EC:

- **XBRL Taxonomy**

Finalise **ED**  
Third-country reporting



QA = Quarterly publication of Clarifications and Rejections for **QA Platform**.



Implementation support

# ESRS Implementation Activities



## Implementation guidance

- ✓ EFRAG will issue implementation guidance (EFRAG IG) as non-authoritative material to illustrate how the ESRS requirements may be implemented, without introducing new provisions and without amending the requirements in ESRS. New provisions can only result from standard-setting activities (e.g., future amendments to draft ESRS).
- ✓ EFRAG has drafted the first IGs in 2023 with approval in November 2023. 30-day public feedback period and accompanying material such as videos will be released.

**Q1-2024: EFRAG expects to issue the final versions of these documents.**

**Q&A platform** for questions to be raised to EFRAG on clarifications and other questions that could raise implementation guidance or possible future amendments

EFRAG IG 1 –  
Materiality  
Assessment

EFRAG IG 2 –  
Value chain

EFRAG IG 3 –  
Detailed  
requirements  
(XLS)

## Educational videos on the set 1 standards

# ESRS Implementation Guidance: Detailed requirements



EFRAG IG 1 –  
Materiality  
Assessment

EFRAG IG 2 –  
Value chain

EFRAG IG 3 –  
Detailed  
requirements  
(XLS)

1. Excel workbook with additional information to navigate and filter Disclosure Requirements and related Application Requirements (including, the corresponding paragraph and sub-paragraphs of each item).
2. For current ESG reporters, this list can be used as a basis for a gap analysis of information already available. This list provides a structure to organise the data requirements to comply with the ESRS.
3. This [draft] list does not represent the ESRS Digital taxonomy and cannot be used as basis for the preparation of the machine-readable sustainability reporting. However, as further explained by the accompanying methodology, it may support the preparation of human readable reports that will be easier to digitalize, as they have been built considering the detailed structure of the requirements (paragraphs, subparagraphs).

**Latest draft version** – approval expected on 15 November 2023.

**DISCLAIMER**

*Prefinal Draft subject to Approval from EFRAG SRB [still subject to change]*

**INSTRUCTIONS**

- 1) The "shall disclose" DPs reported in ESRS 2 are to be disclosed irrespective of the outcome of its materiality assessment [ESRS 1 par. 29].
- 2) Undertakings or groups *not exceeding on their balance sheet dates the average number of 750 employees during the financial year* (on a consolidated basis where applicable) may omit the information required by ESRS E4, ESRS S1, ESRS S2, ESRS S3 or ESRS S4 in accordance with Appendix C of ESRS 1. In this case, the undertaking shall nevertheless disclose DPs reported under par. 17-BP2 of ESRS 2 if one or more of these topics have been assessed to be material [see Column G].
- 3) Column H identifies DPs related to SBM-1 and SBM-3 subject to phased in according to Appendix C of ESRS 1.

| ESRS   | DR   | Paragraph | Name   | Data Type      | Appendix B - ESRS 2 (SFDR + PILLAR 3 + Benchmark + CL) | DPs to be disclosed in case of phased-in [Appendix C - ESRS 1] Undertaking less than 750 employees | Appendix C - ESRS 1 [DPs subject to phased-in] | May [V] |
|--------|------|-----------|--|----------------|--|--|--|---------|
| ESRS 2 | BP-1 | 3         | Disclosure of general basis for preparation of sustainability statement  | narrative      |  |  |  |         |
| ESRS 2 | BP-1 | 5 a       | Basis for preparation of sustainability statement  | semi-narrative |  |  |  |         |
| ESRS 2 | BP-1 | 5 b i     | Scope of consolidation of consolidated sustainability statement is same as for financial statements  | narrative      |  |  |  |         |
| ESRS 2 | BP-1 | 5 b ii    | Indication of subsidiary undertakings included in consolidation that are exempted from individual or consolidated sustainability reporting | narrative      |  |  |  |         |
| ESRS 2 | BP-1 | 5 c       | Disclosure of extent to which sustainability statement covers upstream and downstream value chain  | narrative      |  |  |  |         |
| ESRS 2 | BP-1 | 5 d       | Option to omit specific piece of information corresponding to intellectual property, know-how or results of innovation                     | semi-narrative |  |  |  |         |
| ESRS 2 | BP-1 | 5 e       | Option allowed by Member State to omit disclosure of impending developments or matters in course of negotiation                            | semi-narrative |  |  |  |         |



Upcoming consultations:  
ESRS XBRL Taxonomy



## ESRS XBRL Taxonomy

Interoperability dialogue  
with ISSB and GRI for  
entities reporting  
outside EU



- EFRAG to develop the draft XBRL taxonomy for ESRS as adopted by delegated act and as well for Art 8 of the EC Taxonomy Regulation.
- As per the CSRD, a digital taxonomy is necessary to allow the reported information to be tagged in accordance with ESRS. The XBRL taxonomy will complement the creation of a European single access point (ESAP) for public corporate.
- **In Q1-2024 EFRAG will issue for consultation for sixty days the draft XBRL taxonomy of**
  - i. the ESRS that have been issued in July 2023 as Delegated Act and**
  - ii. Art 8 disclosure.**
- **In the second half of 2024 EFRAG will issue its final advice.** This deliverable constitutes a technical recommendation to the European Commission on the digitalization rules of ESRS. ESMA will subsequently consult on the final digitalization rules and effective date.

## ESRS XBRL taxonomy – public consultation Q1-24

### A clear structure for each disclosure requirement in ESRS....

- First paragraph -> the description of the Disclosure Requirement
  - Second paragraph: -> the objective of the disclosure requirement (principles-based approach)
  - Following paragraphs: the specific datapoints to be included (« shall ») under a, b, c..., subdivided, if need be, as (i), (ii), (iii)... (non-limitative list)
- + Application requirements

### ... facilitating digitisation

- Digital XBRL taxonomy underway at EFRAG, facilitating usability and comparability of ESRS statements in the ESAP
- Draft version will be available **for public consultation in Q1-2024**, enabling digital tagging and « taxonomy-centric » report preparation
- Tagging aligned with standard structure allowing for 3 levels of reading:
  - ✓ Level 1: Disclosure requirement level
  - ✓ Level 2 (« nested »): a, b, c ...
  - ✓ Level 3 (« nested »): (i), (ii), (iii) ... (when required by ESRS)
  - ✓ Quantitative (numerical) and semi-narrative tags (Yes/No, Dropdowns) on all levels





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THANK YOU!