EFRAG UPDATE

JUNE 2026

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EFRAG UPDATE

JUNE 2026

The EFRAG Update is published on a monthly basis to inform constituents about due process publications, public technical discussions and decisions taken that month.

1.1 EFRAG releases conference report celebrating its 25th anniversary

EFRAG has published the summary report of its conference "*25 Years of EFRAG: Leading the Next Era of Corporate Reporting*", which took place on 8 June 2026 in Brussels. The conference brought together current and former EFRAG leaders, policymakers, standard-setters, preparers, investors and academics to reflect on EFRAG's evolution over the past 25 years and discuss the future of corporate reporting in Europe.

The panel ***Reflecting on 25 Years of EFRAG: Key Milestones and Impact*** highlighted EFRAG's transformation from a private-sector adviser on financial reporting into Europe's leading corporate reporting organisation. Speakers reflected on key milestones, including the introduction of IFRS in Europe, EFRAG's response to the 2008 financial crisis, the Maystadt governance reform, and the development of the European Sustainability Reporting Standards (ESRS), which established sustainability reporting as a permanent pillar of EFRAG's work. Looking ahead, the fireside chat ***What's the Next Chapter for Corporate Reporting in Europe?*** and the panel ***Advancing Connectivity in Corporate Reporting: Practice and Future Direction*** explored how financial and sustainability reporting can become more connected, the role of artificial intelligence and digitalisation, and the challenges of providing forward-looking information while maintaining reliability and comparability. The panel ***Sustainability Reporting after the Omnibus: The Next Chapter for Europe*** examined the future of sustainability reporting following recent simplification initiatives, with speakers emphasising the need to balance usability and proportionality with investors' demand for high-quality, comparable information. The conference concluded with a **keynote address by Maria Luís Albuquerque**, *European Commissioner for Financial Services and the Savings and Investments Union*, who underlined the continued importance of transparency, comparability and high-quality reporting in supporting competitive and resilient European capital markets.

Explore the other conference resources

- On-demand recording of webcast (requires registration)
- Photos (requires an email address)
- Presentation slides
- Commissioner Albuquerque's speech in full
- Memories behind EFRAG's growth
- Testimonies from SME's on their sustainability reporting experience

Download the report

1.2 New appointments to EFRAG bodies

The EFRAG General Assembly (GA) and the EFRAG Sustainability Reporting Board (SRB) made a series of appointments to the organisation's bodies at their respective meetings on 28 May and 3 June 2026.

Appointments and related decisions by the EFRAG General Assembly

- Vice-Chair of the EFRAG SRB, Simon Braaksma, effective from 28 May 2026.
- Member of the GA Nominating Committee, Claes Norberg, effective from 1 July 2026, and replacing Göran Tidström.
- Member of the EFRAG Administrative Board, Henrik Munck, succeeds Camilla Hesselby, representing the Danish Funding Mechanism, effective from 1 August 2026.
- Member of the EFRAG Administrative Board, Johan Rippe, succeeds Claes Norberg, representing the Association for Generally Accepted Principles in the Securities Market (Sweden), effective from 1 July 2026.
- The term of the EFRAG Administrative Board President, Benoît Jaspar, has been extended until 31 December 2026.
- Georg Lanfermann confirmed as Vice-President of the EFRAG Administrative Board till 31 December 2026.

Appointment by the EFRAG SRB

- Member of the EFRAG SR Technical Expert Group (SR TEG) with a user profile, Brunno Maradei, effective from 3 June 2026.

Acknowledgements

EFRAG extends its thanks to **Göran Tidström** for his significant contribution, particularly his instrumental role in the establishment of EFRAG and his continued commitment through all 25 years of EFRAG, as well as to **Camilla Hesselby** and **Claes Norberg** for their valued service.

1.3 EFRAG Administrative Board

The EFRAG Administrative Board had a physical meeting on 23 June. The topics on the agenda included the approval of the EFRAG travel policy, the discussion of possible use of EFRAG data that are not in the public domain for academic research, approval of the updated terms of reference of the EFRAG Administrative Board Nominating Committee, agreement to nominate the new EFRAG Administrative Board President for the IFRS Advisory Council succeeding the EFRAG CEO from 1 January 2027, input to the process for future EFRAG Reporting Board Chairs covering both involvement of the EC and EFRAG and providing of informal input to the EFRAG General Assembly Nominating Committee on the process on EFRAG Administrative Board President successor as well as on the process for the EFRAG Administrative Board Vice-President., the restart of the PIR Gauzes Governance Reform as well as the 2028-2023 EFRAG Strategy.

The review of cash flow developments and EC grants developments are regular items on the monthly meetings of the EFRAG Administrative Board.

The new EFRAG Administrative Board Henrik Munck attended the meeting as guest. The Administrative Board thanked Camilla Hesselby and Claes Norberg for their excellent contributions to EFRAG.

1.5 EFRAG May Podcast Highlights

Tune in to the May edition of the EFRAG Update podcast to discover the latest developments in sustainability and financial reporting.

This month's highlights include:

- The publication of the Annual Review 2025, highlighting EFRAG's role in strengthening Europe's reporting framework.
- SoftwareOne joins EFRAG as a Friend of EFRAG.
- The initiation of EFRAG's endorsement activities for IFRS 20 *Regulatory Assets and Regulatory Liabilities* following its issuance by the IASB.
- Ongoing consultations on the IASB's Risk Mitigation Accounting proposal, following the extension of the consultation period in line with the IASB's revised timeline, and on the Connectivity discussion paper.
- The launch of a call for tender for cost and benefit analysis to support the development of Non-EU ESRS.
- The new composition of the EFRAG Sustainability Reporting Technical Expert Group (SR TEG).
- The consultation on ISSB Exposure Draft of proposed amendments to the SASB Standards.

Sustainability Reporting Podcast Episode #11

This month's sustainability reporting episode is hosted by **Chiara Del Prete**, EFRAG SR TEG Chair, and provides insights into the developments in sustainability reporting.

- Spotify
- YouTube

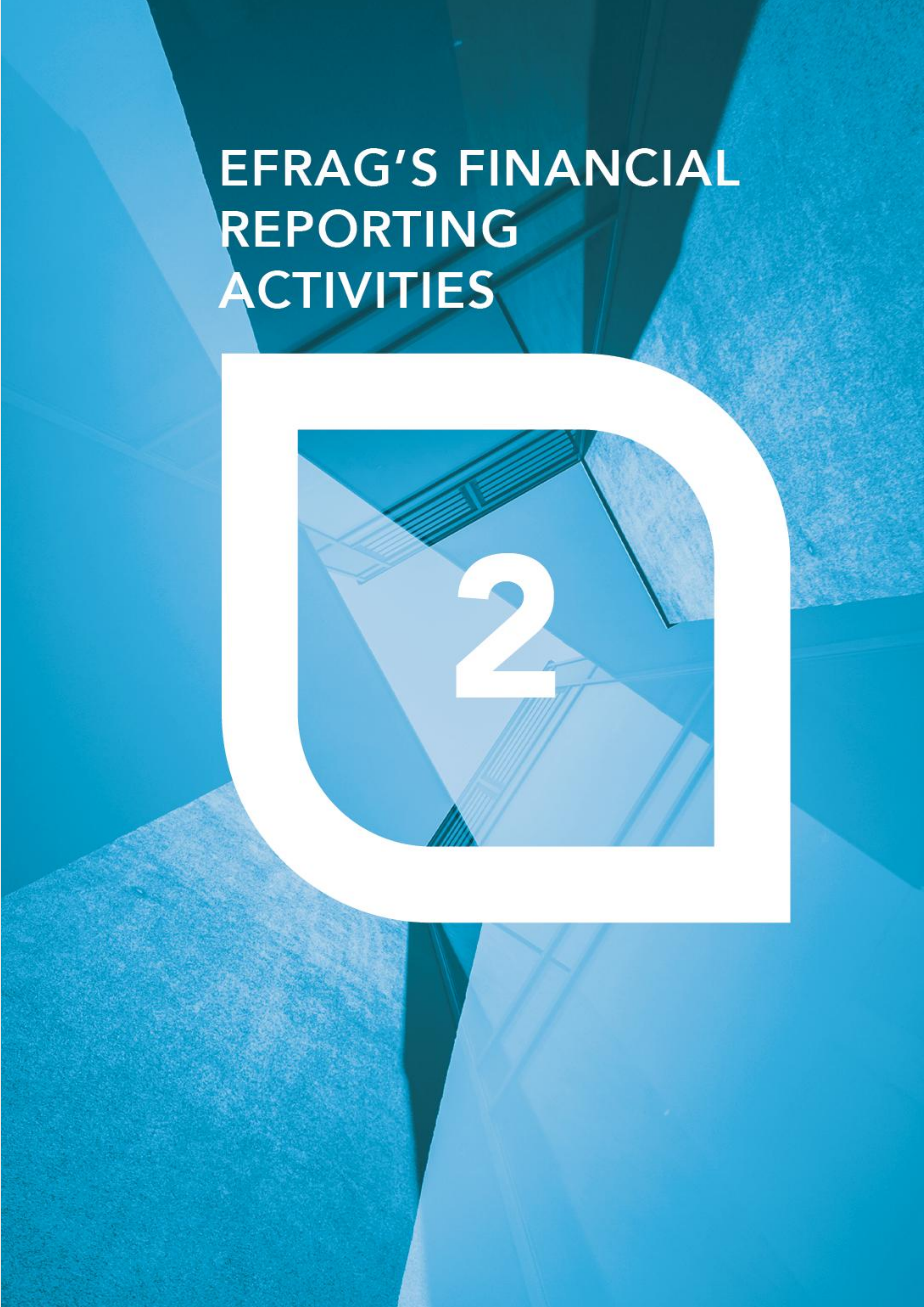
Financial Reporting Podcast Episode #12

The Financial reporting episode is hosted by **Isabel Batista** and **Aleksandra Sivash**, FR Senior Technical Managers.

- Spotify
- YouTube

Prefer reading instead? Download our EFRAG Update May 2026

EFRAG'S FINANCIAL REPORTING ACTIVITIES



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EFRAG'S FINANCIAL REPORTING ACTIVITIES

2.1 Publications

2.1.1 Preparatory draft of endorsement advice

EFRAG seeks comments on its preparatory draft of the Endorsement Advice on Amendments to IAS 28

EFRAG has issued a preparatory draft of its Endorsement Advice letter and a separate invitation to comment relating to the endorsement of the Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28) (the Amendments). **Responses should be submitted to EFRAG by 17 July 2026.**

The Amendments address stakeholders' concerns, particularly those in the insurance industry, regarding divergent interpretations of the term 'similar entities' in paragraphs 18 and 19 of IAS 28 *Investments in Associates and Joint Ventures,* and the resulting impact on classification under IFRS 18 *Presentation and Disclosure in Financial Statements*.

The preparatory draft of the Endorsement Advice letter has been published ahead of the final Amendments to facilitate the timely finalisation of the endorsement advice once the Amendments are issued by the IASB. This would enable the Amendments to be applied at the same time as IFRS 18. The preparatory draft of the Endorsement Advice is based on the IASB's tentative decisions taken at its meeting of 20 May 2026 in response to feedback to the Exposure Draft *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*.

EFRAG's overall preliminary assessment is that the Amendments satisfy the criteria for endorsement for use in the EU and, therefore, it recommends their endorsement.

EFRAG is seeking comments on the analysis supporting its preliminary conclusions.

Download the invitation to comment in Word or **PDF** and submit it to EFRAG by **17 July 2026.**

Submit your feedback

2.1.2 EFRAG publishes Assessment Report on voluntary information template for SMEs and Startups on the European Single Access Point

EFRAG publishes its **Assessment Report** on the voluntary information template for SMEs and startups at the European Single Access Point (ESAP)*, concluding **that stakeholder interest is insufficient for the template to be a meaningful and impactful tool.** The assessment is based on outreach activities conducted with more than 100 stakeholders and on feedback received in response to EFRAG's draft Assessment Report, which was issued for public consultation on 2 April 2026.

Highlights from the findings

The main group of financing providers and financing facilitators expressing interest in using the voluntary template comprised **smaller investors** (including smaller venture capital firms) **and IPO advisors** screening across borders for potential startups and scale-ups in which to invest or advise.

Banks, insurance companies, pension funds, business angels, incubators, accelerators, university technology transfer offices, larger (later-stage) venture capital firms, larger private equity funds, and larger IPO and M&A advisers were generally (with some exceptions) not interested in using information that would be available through the template.

SMEs and startups in need of financing were interested in using the voluntary template when it would improve their chances of obtaining finance and when the benefits outweighed the associated costs and effort. However, given that only a limited number of financing providers were interested in the template, most SMEs have little to gain from using it.

View Assessment Report

**** This initiative is not related to the VSME Digital Template that EFRAG has developed for sustainability reporting.***

2.1.3 Feedback statement

EFRAG publishes Feedback Statement on the IAS 28 Fair Value Option Exposure Draft

EFRAG has published its Feedback Statement on the Exposure Draft ED/2026/1 *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures* (the ED). The statement explains how the feedback received was considered by EFRAG in reaching the positions reflected in its final comment letter, published on 16 April 2026.

Based on the feedback received, in its final comment letter, EFRAG confirmed its draft position supporting the ED's proposals. That is, they address insurers' concerns over divergent interpretations of the term 'similar entities' in paragraphs 18 and 19 of IAS 28 *Investments in Associates and Joint Ventures,* and the resulting impact on classification under IFRS 18 *Presentation and Disclosure in Financial Statements*.

At the same time, EFRAG acknowledged differing interpretations of the wording of the amendments, particularly in relation to the interaction between IAS 28 and IFRS 18, and how the fair value option assessment would apply at different entity levels. Therefore, EFRAG suggested further clarification in these areas.

View feedback statement

2.2 Open consultations

TITLE AND DESCRIPTION	CLOSING DATE
Preparatory draft of the Endorsement Advice on the Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)	17 July 2026
Survey for users to provide feedback on IASB Risk Mitigation Accounting proposals	15 September 2026
Survey for preparers to provide feedback on IASB Risk	15 September 2026

Mitigation Accounting proposals	
EFRAG's Draft Comment Letter on the IASB ED *Risk Mitigation Accounting-Proposed amendments to IFRS 9 and IFRS 7*	9 October 2026

For more information, please see EFRAG’s consultations page.

2.3 Meetings

2.3.1 EFRAG Financial Reporting Board (EFRAG FRB)

Webcast meeting 24 June 2026

The EFRAG FRB held a webcast meeting on 24 June 2026 and discussed the following topics:

IASB Project: *Financial Instruments with Characteristics of Equity (FICE)*

EFRAG FRB discussed non-controlling interests (NCI) put obligations to purchase own equity instruments. Members agreed that the debit entry of the NCI financial liability be against NCI, when the entity does not yet have access to the rights and re-turns associated with ownership of the NCI equity instruments. However, members did not agree that changes in the financial liability should be recognised in profit or loss. They indicated that these changes should be recognised in equity instead.

The members considered that if the IASB considers it too fundamental a change, there may be a separate project on NCI puts. If the IASB continued with recognition in profit or loss of the changes in the financial liability, members preferred status quo.

IASB Project: *Provisions - Targeted Improvements*

Members discussed the IASB’s tentative decisions on levy accounting. They supported the direction of travel on a cost-benefit basis, as the requirements are improved compared to those under IFRIC 21 *Levies*, while at the same time minimising disruption in practice. However, they expressed conceptual reservations, particularly around the non-rebuttable presumption that the economic benefit or activity that best reflects the activity the government is trying to levy, will be one of those required by the levy legislation for the levy to be payable. They noted that this might not faithfully reflect the economics of some levies, and that the principles-based approach could still lead to diversity in practice.

Members further highlighted the need to test the new application requirements and suggested the IASB clarify the outcome for the suggested illustrative examples, while also referring to levy examples from their respective jurisdictions.

Next meeting

The next EFRAG FRB meeting will be held as a webcast meeting on 23 July 2026.

2.3.2 EFRAG Financial Reporting Board (EFRAG FRB) and EFRAG Financial Reporting Technical Expert Group (EFRAG FR TEG)

Webcast meeting 24 June 2026

The EFRAG FRB and EFRAG FR TEG jointly held a webcast session on 24 June 2026 and discussed the following topics:

KPIs for SMEs

EFRAG FRB and EFRAG FR TEG discussed the feedback received in response to EFRAG's draft Assessment Report and the final version of the Assessment Report. Members agreed with the report's conclusion of the low interest of stakeholders in the voluntary template and considered that this conclusion was well supported by extensive outreach and research. Members made some limited comments and drafting suggestions.

EFRAG FR TEG agreed to recommend for approval to the EFRAG FRB and the EFRAG FRB approved the final Assessment Report, which would be submitted to the European Commission.

FR pillar workplan extension

Members held a preliminary discussion on a possible extension of the FR Pillar's workplan, following the completion of the KPIs for SMEs project. Members suggested aligning the FR Pillar's agenda consultation with that of the IASB, rather than with that of the SR Pillar. It was agreed that work on pollutant pricing mechanisms could start and there was need to closely monitor and align any activities with the workplan of the IASB.

Webcast meeting 16 June 2026

The EFRAG FRB and EFRAG FR TEG jointly held a webcast session on 16 June 2026 and discussed the following topic:

IFRS 20 *Regulatory Assets and Regulatory Liabilities*

EFRAG FRB and EFRAG FR TEG discussed special considerations and attention points for the endorsement process of IFRS 20 *Regulatory Assets and Regulatory Liabilities*.

Some members considered IFRS 20 to be of high complexity and highlighted the need for sufficient implementation time and support for eligible reporting entities across the European union.

Members agreed that the deferral of the effective date by one year to 1 January 2030 should be a matter of special attention during the endorsement process. They considered that this should not affect the pacing of EFRAG's endorsement activities so that early application of the Standard should be possible regardless of the effective date.

On balance, members agreed that a special-purpose economic study to assess the impacts on the public good was not needed.

Webcast meeting 11 June 2026

The EFRAG FRB and EFRAG FR TEG held a webcast session on 11 June 2026 and discussed the following topic:

Amendments to the Fair Value Option (IAS 28)

EFRAG FR TEG recommended EFRAG's preparatory draft of the Endorsement Advice to be approved by the EFRAG FRB and EFRAG FRB approved it.

Next meeting

The next EFRAG FRB and EFRAG FR TEG joint meeting will be held on 23 July 2026.

2.3.3 EFRAG Financial Reporting Technical Expert Group (EFRAG FR TEG)

Webcast meeting 1 July 2026

The EFRAG FR TEG held a webcast meeting on 1 July 2026 and discussed the following topics:

IASB Research Project: *Post-implementation review of IFRS 16 Leases*

EFRAG FR TEG received an update on the redeliberations and tentative decisions taken by the IASB with regard to the PIR of IFRS 16. EFRAG FR TEG noted that some issues, identified as high priority issues in EFRAG's comment letter, were considered and will be further addressed in dedicated project(s). However, on some other high priority issues the IASB tentatively decided to take no further action. EFRAG FR TEG regretted this tentative decision.

IFRS 20 *Regulatory Assets and Regulatory Liabilities*

EFRAG FR TEG received an education session on the requirements of IFRS 20 *Regulatory Assets and Regulatory Liabilities.*

IASB Project: *Risk Mitigation Accounting (RMA)*

Members discussed the calendar of meetings to discuss EFRAG's Final comment letter in October-November 2026 as proposes by the EFRAG Secretariat and suggested adding a further meeting in early October.

IASB Research Project: *Intangible Assets*

EFRAG FR TEG agreed with the IASB staff analysis and approach to test cases including not selecting AI and data resources as a separate test case. Members noted that IAS 38 was quite old and the refinements were necessary to address the newer types of intangibles. Noting that users did not necessarily want to recognise more intangible assets on the balance sheet, one member was of the view that recognition and measurement were important topics to address, only disclosures will not be sufficient.

Webcast meeting 11 June 2026

EFRAG FR TEG held a webcast meeting on 11 June 2026 and discussed the following topics:

IASB Project: *Financial Instruments with Characteristics of Equity (FICE)*

EFRAG FR TEG was provided with an update on the IASB 's tentative decision on contingent settlement provisions. Some members stated that they welcomed transitional relief for existing hedges as discretionary coupons would be classified to equity. However, they noted that the issue would still exist for new hedging transactions, especially Additional Tier 1 (AT1) instruments. In addition, members agreed that measurement-related issues to be moved to the IASB's Amortised Cost project.

IASB Research Project: *PIR IFRS 9 Hedge Accounting*

EFRAG FR TEG members were provided with a project update. Members discussed the list of issues identified by the EFRAG Secretariat and introduced their suggestions some of the issues to included or excluded from this list.

IASB Project: *Statement of Cash Flows and Related Matters*

EFRAG FR TEG supported the IASB tentative decisions related to the definition of cash equivalents and improving the disaggregation of cash flow information. Member observed that having a narrow definition for cash equivalents was in line with feedback received from users of financial statements. Similarly, the proposed improvements to the disaggregation requirements for cash flow information were consistent with enforcers' findings on labelling of line items and cross-reference to line items in the statement of cash flows.

IASB Project: *Risk Mitigation Accounting (RMA)*

EFRAG FR TEG members were provided with a project update and the update of EFRAG's activities in the context of the comment letter deadline extension by the IASB. Members shared their observations on the application of IAS 39 hedge accounting requirements and the status of the RMA field testing in their jurisdiction.

IASB Project: *Provisions – Targeted Improvements*

EFRAG FR TEG members supported the IASB tentative decisions on the application requirements for levies. Specifically, they supported the general requirement and supporting principle, considering that they work well in practice for some types of levies. They also considered that a non-rebuttable presumption would not add complexity or lead to increased diversity in practice.

In addition, members supported omitting paragraph 14Q of the IASB Exposure Draft, considering that revising the paragraph would have resulted in additional complexity.

Next meeting

The next EFRAG FR TEG meeting will be held on 18 September 2026.

2.3.4 EFRAG Financial Reporting Technical Expert Group (EFRAG FR TEG) and EFRAG Consultative Forum of Standard Setters (EFRAG CFSS)

Physical meeting 30 June 2026

In preparation to the ASAF meeting of 6 and 7 July 2026, EFRAG FR TEG – EFRAG CFSS held a webcast session on 30 June 2026 and discussed the following topics:

IASB Project: *Financial Instruments with Characteristics of Equity (FICE)*

Members discussed the IASB Staff proposals relating to obligations to purchase an entity's own equity instruments. Members were supportive of the IASB's alternative proposal, i.e., the debit amount recognised in equity is presented as a deduction to non-controlling interest (NCI), if the entity does not yet have access to the rights and returns.

Most of the members did not agree with the IASB's continued way forward, i.e., any gains or losses on remeasurement of the financial liability being recognised in profit or loss. They preferred changes to be recognised in equity. In addition, members did not object to object to the measurement refinement suggested by the IASB Staff[1].

IFRS 20 *Regulatory Assets and Regulatory Liabilities*

EFRAG FR TEG-EFRAG CFSS discussed the need for establishing a Transition Resource Group (TRG) by the IASB to support the implementation of IFRS 20 *Regulatory Assets and Regulatory Liabilities*. There was an overall agreement that a TRG is necessary because IFRS 20 introduces a new accounting model for rate-regulated entities which is complex in nature and to facilitate consistent implementation and support stakeholders.

IASB Project: *Business Combinations – Disclosures, Goodwill and Impairment*

Members were provided with an update on the BCDGI project and an overview of the IASB staff suggested revised package of disclosures. In May 2026, the IASB tentatively decided that the benefits of the suggested package of performance and expected synergy information would justify the costs. Seven of 13 IASB members agreed with this decision.

Most members agreed that the IASB should consider whether the project objectives set out in the Exposure Draft are still valid given that the proposed performance information has been substantially revised and users would not be getting the same level of information as initially expected. Given the ongoing concerns

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[1] That is, the financial liability would be measured at an amount not less than the amount payable on demand discounted from the date that the amount could be required to be paid.

on including the performance information including expected synergies in the financial statements, most members indicated support for the IASB to stop the disclosure part of the project and focus on the amendments to IAS 36 *Impairment of Assets.*

IASB Project: *Risk Mitigation Accounting (RMA)*

Members discussed engagement levels and fieldwork plans in their jurisdictions and regions, priority areas for further outreach, and how to raise awareness of the IASB's proposed withdrawal of IAS 39. Members noted, with reference to their jurisdictions, that the level of engagement, including field-testing is rather high among bigger banks but, in most cases, much lower among smaller banks. Members indicated unexpected changes and risk mitigation adjustment excess test as key areas which require further clarifications from the IASB. Members agreed with the observation of the EFRAG Secretariat that the remaining use of IAS 39 hedge accounting requirements is limited.

IASB Project: *Statement of Cash Flows and Related Matters*

EFRAG FR TEG-EFRAG CFSS discussed the IASB's approach to the statement of cash flows for financial institutions. Many members called for full exemption from preparing the statement of cash flow and observed that there were adequate disclosures on liquidity and solvency requirements for financial institutions. There were also views that some information within the statement of cash flows was still relevant and provided a linkage with the other primary financial statements.

Members also commented that the targeted improvements being considered for non-financial entities were of limited usefulness.

IASB Research Project: *Intangible Assets*

EFRAG FR TEG- EFRAG CFSS discussed the IASB findings on the user information needs and their implications on project direction. Members expressed mixed views as to whether the recognition requirements should be addressed first. Several members were in favour of starting with disclosures workstream or at least working on it in parallel with the recognition requirements. In these members' view such approach addressed better user requests for providing more information about intangibles, how they impact performance and create value. Some members agreed with the IASB staff proposal to start working first on a recognition requirements, followed by disclosures. In their view the disclosures should not be used to solve standard-setting issues.

EC IFRIC support and monitoring IFRIC deliberations

Members were provided of a summary of the main open issues discussed by the IFRS Interpretations Committee ('IFRIC'). In this respect, the ESMA representative highlighted some concerns about examples of hypothetical income and expenses, considering that there should be a limit on their subjectivity.

Agenda topics for next EFRAG FR TEG-CFSS and ASAF meetings

Members agreed with topics included in the list for the October ASAF meeting as proposed by the IASB staff and suggested adding Risk Mitigation Accounting to that list.

Next meeting

The next EFRAG FR TEG – EFRAG CFSS meeting will be held on 17 September 2026.

EFRAG'S SUSTAINABILITY REPORTING ACTIVITIES

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EFRAG'S SUSTAINABILITY REPORTING ACTIVITIES

3.1 EFRAG Resumed Work on the ESRS for groups outside the EU and Launched Field Test Call for Interest

EFRAG has resumed its work on the sustainability reporting standard development for groups outside the EU, as per the Corporate Sustainability Reporting Directive (CSRD). The dedicated standard will need to be applied by groups outside the EU with significant EU activities as defined in the scope of Article 40a of the Accounting Directive.

Public consultation:

In the second half of July 2026, EFRAG expects to launch a public consultation on the ESRS for groups outside the EU Exposure Draft. The consultation will run for 100 days and will provide stakeholders with the opportunity to contribute to shaping the framework for sustainability reporting by third-country undertakings active in the EU market.

Dedicated Field Test:

On 3 June 2026, EFRAG invited companies to express their interest in participating in a dedicated **field test** of the exposure draft, as a component of EFRAG's standard setting due process. The field test will play a key role in assessing the feasibility and operability of the proposed requirements, including considerations related to:

- Interoperability
- Mixed approach
- References to EU law and regulation.

How to participate in the Field Test:

Companies interested in participating were invited to complete the registration form by 1 July 2026, now extended to the 8 July.

What does the field test entail?

Participating companies will simulate the application of the ESRS for groups outside the EU Exposure Draft and based on this experience:

- Complete a questionnaire to collect input on the feasibility and relevance of the results
- Identify challenges encountered during the test;
- Suggest potential improvements and solutions.

Participants may choose to test selected sections of the standard (e.g. specific topics) or the full Exposure Draft.

The field test questionnaire must be completed within 70 days of the start of the field test, which will begin upon publication of the Exposure Draft.

During the final 30 days of the consultation period, EFRAG will analyse the feedback received and organise follow-up interviews or workshops with participants.

What's next?

Participating companies will be provided with detailed instructions and a tailored questionnaire to be completed by the end of September. As a second step, one-to-one interviews with EFRAG will take place in October 2026, during the last 30 days of the public consultation.

For further information, please consult the related news item.

3.2 Save the date: Webinars for ESRS for groups outside the EU

On 22 July 2026, EFRAG will host a series of webinars on the development of the ESRS for groups outside the EU Exposure Draft, formerly referred to as ESRS for Non-EU Groups. These webinars will offer a timely opportunity for companies in scope to gain early insights into key aspects, including the proposed approach and timeline for the development of ESRS for groups outside the EU, and to engage directly with EFRAG and the European Commission through Q&A sessions.

To accommodate participants across different time zones and maximise participation, the same webinar will be livestreamed at three different times:

- Wednesday 22 July 2026, from 9:00 - 10:30 CEST (webinar 1 registration form)
- Wednesday 22 July 2026, from 13:30 - 15:00 CEST (webinar 2 registration form)
- Wednesday 22 July 2026, from 17.30 - 19.00 CEST (webinar 3 registration form)

For further information, please consult the related news item.

3.3 EFRAG's Comment Letters on proposals of global standard setters

1. EFRAG's Comment Letter on GRI's Pollution Standards

On 16 June 2026, EFRAG published its final Comment Letter on the GRI Exposure Drafts for the Air Pollution (GRI AP), Soil Pollution (GRI SP), and Critical Incidents (GRI CI) Standards of the GRI Topic Standard Project for Pollution, welcoming GRI's efforts to strengthen pollution reporting.

EFRAG's key messages:

- **The relevance of GRI's pollution standards to enhance corporate transparency on the topic globally**. EFRAG welcomes GRI's revision and enhancement of pollution-related disclosures, including through the reflection of internationally agreed best practice and intergovernmental instruments.
- **The role of the GRI Pollution Standards in providing helpful examples of entity-specific disclosures.** Many of the requirements across the GRI AP, GRI SP and GRI CI Topic Standards are not explicitly covered in ESRS E2 and preparers may choose to incorporate them into their sustainability statements as entity-specific information.
- **The strong interoperability with ESRS, with a need for further refinement.** Additional alignment is needed on key concepts and terminology, as well as on the addressing of pollution requirements across separate standards.
- **The need to address inconsistencies related to the granularity of disclosure requirements**, particularly in relation to differences between the GRI AP and the GRI SP Standards, and to the disaggregation of spill information.

- **Feasibility challenges connected with permitting limits**, which are not generally applicable to soil pollution.

Read more in the EFRAG Comment Letter.

Stakeholder feedback that informed the comment letter

EFRAG's analysis was informed by the results of its public consultation and two stakeholder workshops. The reports summarising these results can be found here:

- Public Consultation Survey on EFRAG's Comment Letter on GRI Pollution Summary Report
- Stakeholder Workshops on EFRAG's Comment Letter on GRI Pollution Summary Report

What's next?

Stakeholder feedback provided to the GRI will help shape the next stage of the development of GRI AP, GRI SP and GRI CI. According to the GRI's Pollution project page, the approval of these standards by the Global Sustainability Standards Board (GSSB) is expected in 2027.

For further information, please consult the related news item.

2. EFRAG's Comment Letter on the GHG Protocol's Actions and Market Instruments Phase 1 White Paper

On 12 June 2026, EFRAG published its Comment Letter to the GHG Protocol (GHGP) Request for Information (RFI) on the Actions and Market Instruments (AMI) Phase 1 White Paper, welcoming the substantial work undertaken by the GHGP to develop the AMI Phase 1 White Paper, which provides structured approach aiming to address limitations in current emissions accounting and reporting.

At the same time, EFRAG noted that some aspects of the AMI need further clarification and may introduce complexity in a time when stakeholders are seeking simplification.

EFRAG's key messages:

- **The importance of clarifying whether the AMI is intended to develop new accounting rules, a broader reporting framework, or a combination of both**. We highlight the potential tension of introducing reporting requirements in parallel to existing, jurisdictional reporting requirements, and the uncertainty this may create.
- **The need to focus efforts on improving GHG accounting and addressing critical GHG emissions technical issues** that stakeholders have identified as a more urgent priority. Expanding the AMI scope too broadly risks diverting attention away from more pressing matters.
- **Benefits of a phased approach, prioritising methodological gaps in the physical and market-based inventories** before progressing to detailed developments in the reporting of GHG impacts of actions.
- **The need for alignment with the ongoing direction of the GHGP revision, notably the Corporate Standard** and its proposed objective statement and primary goal, which to our understanding focuses on emissions accounting.
- **Careful consideration is needed regarding how the definition and role of the 'physical inventory' interacts with market instruments and traceability**, including the interaction with EU policies (e.g. European Union Emissions Trading System, Carbon Border Adjustment Mechanism).
- **The importance of mitigating concerns of greenwashing related to the proposed multi-statement reporting structure** by ensuring clear guidance, criteria and safeguards are developed.

- **The need to define foundational principles underpinned by robust measurement methodologies and safeguards for any consequential accounting developments**, and that they remain clearly separated from the physical and market-based GHG inventories.

Read more in the EFRAG Comment Letter.

Stakeholder feedback that informed the comment letter

Following the launch of the GHGP's RFI period, EFRAG prepared a Draft Comment Letter on the AMI White Paper and conducted a 30-day public consultation seeking feedback and views from EU stakeholders. Through a series of engagement opportunities, including an online survey, workshop, and targeted outreach interviews, EFRAG received and analysed views of 22 stakeholders which helped inform its final response to the GHGP. Find the anonymised summary of stakeholder feedback in EFRAG's Feedback Statement.

What's next?

Stakeholder feedback provided to the GHGP will help shape the next stage of AMI development. According to GHGP websites, the full draft AMI standard for public consultation is expected in 2027.

For further information, please consult the related news item.

3.4 EFRAG extended the deadline for ESRS for groups outside the EU cost-benefit analysis tender until 25 June

EFRAG extended the deadline for submissions to its Call for Tender for a Cost and Benefit Analysis (CBA) supporting the development of the European Sustainability Reporting Standards for groups outside the EU. Instead of the original deadline of 18 June, interested parties were invited to submit their applications by 25 June 2026.

Key Objectives of this CBA:

- Support the development of the draft ESRS for groups outside the EU as mandated by the European Commission
- Provide policymakers and stakeholders with a robust economic impact analysis

Scope of Work:

The assignment includes two deliverables:

- **a preliminary Cost and Benefit Analysis** due in late September 2026 (based on the Exposure Draft expected in mid-July 2026)
- **a final Cost and Benefit Analysis** due on 20 January 2027 (based on EFRAG Technical Advice expected in January 2027)

3.5 EFRAG Continued Work on VSME Ecosystem

Second SME Forum meeting 2026

On 15 June 2026, EFRAG hosted its Second SME Forum meeting of 2026, where an update on VSME Ecosystem was presented, followed by a Q&A session.

VSME video testimonials

EFRAG released a series of nine testimonial videos featuring European SMEs that used the VSME standard for the first time to prepare their sustainability reports.

The videos provide practical insights into why companies decided to report, the challenges they encountered, and the lessons they learned throughout the process.

VSME Digital template

EFRAG released an updated version of the VSME Digital Template, expanding language support with Slovenian and introducing a new customization features in the Converter to make upgrades effortless. EFRAG has updated the VSME Digital Template and Converter to include additional customisation features:

Footnotes to provide more context on certain datapoints

Possibility to provide an introduction to the report

Corporate logo

Cover page image

Page background image

Report colour theme (preset or custom)

Report in dark or light mode (colour background or colour text)

Override report language (otherwise the language already selected in the template is used)

Webinar EFRAG-OECD: Boosting SME Sustainable Finance – Leveraging Digitalisation and Voluntary Sustainability Reporting

On 26 June 2026, in collaboration with the OECD, EFRAG hosted a webinar 'Boosting SME Sustainable Finance – Leveraging Digitalisation and Voluntary Sustainability Reporting' to explore how digital tools and voluntary sustainability reporting can support SMEs in accessing sustainable finance opportunities.

During the webinar, EFRAG presented the EFRAG Knowledge Hub and the results from the mapping of digital tools and platforms of 2026. On the other hand, OECD presented its paper on 'Leveraging AI and digital tools to enhance SME access to sustainable finance'.

The webinar concluded with a Q&A session open to the public.

EFRAG PUBLISHED ITS MAPPINGs OF DIGITAL TOOLS AND PLATFORM FOR SME SUSTAINABILITY REPORTING OF 2026

EFRAG released two mappings of digital tools and platforms for SME Sustainability reporting of 2026. These mappings are a continuation of the exercise done in 2025.

The first report provides a mapping of digital tools, particularly GHG Calculators, that could help SMEs to report on their GHG emissions.

The second report is a mapping of digital platforms and initiatives and provides an overview of the existing platforms and initiatives that support sustainability reporting by SMEs, capturing their key features and characteristics.

EFRAG IS CURRENTLY COLLECTING VSME SUSTAINABILITY REPORTS

Companies applying the VSME Standard for the 2024 or 2025 reporting years now have the opportunity to contribute to its development and wider implementation across the EU.

By sharing your VSME sustainability report, you will help identify emerging reporting practices, highlight good examples, and support other SMEs starting their sustainability journey. The insights gathered will feed into the VSME Ecosystem 2026 initiative, with key findings to be published in Autumn 2026.

The first cohort ended on 30 April 2026, and the second cohort was completed on 31 May 2026. However, companies wishing to submit their VSME sustainability report still have the opportunity to do so by joining the third cohort, with a deadline of 31 July 2026.

Share your report by completing the survey.

3.6 EFRAG Joint Meeting: EFRAG Sustainability Reporting Board (EFRAG SRB) & EFRAG Sustainability Reporting Technical Expert Group (EFRAG SR TEG)

TOPICS COVERED	MEETING DATE
• VSME ecosystem - report on mapping of digital tools and update (project update, closed) • Implementation support - Mid-size companies (planning session, closed) • Drafting session on 2026 State of Play (closed)	**17 June 2026**

3.7 EFRAG Sustainability Reporting Board (EFRAG SRB)

TOPICS COVERED	MEETING DATE
• Implementation support: to brainstorm on future implementation support (closed)	**1 June 2026**
• ESRS for groups outside the EU draft standard based on simplified ESRS (public) • ESRS for groups outside the EU: Mixed approach (closed, drafting) • List of datapoints (IG3) (closed, planning) • GHG workstream (closed, planning) • Appointment of an EFRAG SR TEG member (closed)	**3 June 2026**
• Implementation support: to brainstorm on future implementation support (closed) • ESRS for groups outside the EU: presentation options interoperability and discussions on the ED - V0 draft standard (closed)	**4 June 2026**
• Update on GHG workstream (public)	**17 June 2026**

• Agenda consultation scenarios for a future request for information (closed, planning) • EFRAG SRB strategy (closed)	
• Anticipated Financial Effects: Presentation of proposed work for support material (closed) • Update about ISSB Nature-related Disclosures work (public) • ESRS for groups outside the EU V1 draft standard based on simplified ESRS (closed, drafting)	**18 June 2026**

EFRAG SRB 3 JUNE

In the public session of 3 June, the EFRAG SRB Chair informed the public on the ESRS for groups outside the EU developments by highlighting key background information of this project, the standard-setting approach followed and timeline, as well as the planned stakeholder engagement activities.

EFRAG SRB 17 JUNE

In the public session of 17 June, the EFRAG Secretariat presented an update on the Carbon Accounting Standards Initiative (CASI). The SRB agreed on the relevance of continuing to monitor CASI developments and recommended organising a more in-depth discussion among interested members.

EFRAG SRB 18 JUNE

In the public session of 18 June, the ISSB Vice-Chair, who was invited as guest for this meeting, provided an update on the ISSB's Nature-Related Disclosures project. She explained that the ISSB plans to publish an Exposure Draft in October 2026 and is developing the guidance, not as a new standard, but as a Practice Statement instead, in order to support ongoing implementation of IFRS S1 and IFRS S2 and avoid disruption for jurisdictions currently adopting those standards. The project builds on IFRS S1 and S2 and draws on the TNFD framework, while maintaining interoperability with ESRS. The proposed guidance is expected to focus on the identification of nature-related risks and opportunities, including impacts and dependencies, location-specific considerations, stakeholder engagement, linkages with climate-related matters, and the use of scenario analysis, rather than introducing a comprehensive set of mandatory nature-related metrics.

The EFRAG Secretariat highlighted a number of areas of particular relevance from an ESRS interoperability perspective, including the form of the ISSB's nature-related guidance, the use of scenario analysis and resilience disclosures, the approach to nature-related metrics, ad disclosures relating to engagement with Indigenous Peoples, local communities, and other affected stakeholders. Following the planned publication of the ISSB Exposure Draft, Once the Exposure Draft of the Practice Statement will be published in October 2026, EFRAG will prepare a draft comment letter for public consultation forming a European view, incorporate stakeholder feedback and submit a final comment letter within the ISSB consultation period of 120 days since the publication of the ISSB Exposure Draft.

3.8 EFRAG Sustainability Reporting Technical Expert Group (EFRAG SR TEG)

TOPICS COVERED	MEETING DATE

• Debrief on ESRS for groups outside the EU from the EFRAG SRB (closed / drafting session) • TISFD Update (closed) • ESRS for groups outside the EU public consultation – brainstorm on the questions (closed) • EFRAG consultation on Connectivity Discussion Paper (closed)	**11 June 2026**
• Update on EFRAG ongoing activities on GHG accounting (public) • ESRS for groups outside the EU Exposure Draft (V1) – Cross-cutting (public) • ESRS for groups outside the EU Exposure Draft (V1) – Environment (public) • ESRS for groups outside the EU Exposure Draft (V1) – Social (public) • ESRS for groups outside the EU Exposure Draft (V1) – Governance (public) • Anticipated Financial Effects - update on interviews and collect input on future support material (closed/ planning session)	**16 June 2026**
• ESRS for groups outside the EU draft standard based on simplified ESRS – to recommend the draft ED (public)	**23 June 2026**

EFRAG SR TEG 16 JUNE

In the public sessions of 16 June:

- The EFRAG Secretariat presented the updates on the GHG workstream, including GHG Protocol TWG engagement, CRCF exchanges and CASI (Carbon Accounting Standards Initiative) workshop. The EFRAG SR TEG members discussed comments and questions and further agreed to monitor CASI developments closely, and to hold a deeper discussion among interested members.
- EFRAG SR TEG members discussed the ESRS for groups outside the EU Exposure Draft (draft version V1) cross-cutting, environmental, social and governance standards and prepared for their approval at the next meeting on 23 June. The members also shared outstanding issues with the Secretariat to be addressed in the next version ahead of the vote.

EFRAG SR TEG 23 JUNE

In the public session held on 23 June, the EFRAG SR TEG approved to recommend for issuance to the EFRAG SRB the ESRS for groups outside the EU Exposure Draft. The vote breakdown was as follows:

- 14 members recommended the Exposure Draft, and agreed on including in the package for consultation an illustration of the concerns with the mixed approach.
- 6 members recommended the ESRS for groups outside the EU with additional reservations related to the Mixed Approach.

- 1 member that dissented due to the inclusion of the Mixed Approach in the Exposure Draft.

3.9 Friends of EFRAG

On 15 July, EFRAG will hold an event for the Friends of EFRAG – Sustainability Reporting.

The agenda includes:

- EFRAG 2026 Workplan and ongoing activities
- The European Sustainability Reporting Standard (VSME) & (SME Ecosystem
- IG3 & EU Taxonomy developments
- Live Q&A with EFRAG Technical Experts

This event is an opportunity to hear directly from EFRAG's leadership and technical team and stay informed on the latest developments in the field of sustainability reporting.

For information on the advantages, conditions and how to apply to become a Friends of EFRAG – Sustainability Reporting. Please visit our website or contact us directly at friendsofefrag@EFRAG.ORG.

Entities can also become Friends of EFRAG – Financial Reporting.

For more information, please see the EFRAG website.

3.10 Visit the EFRAG ESRS Knowledge Hub

The ESRS Knowledge Hub launched early December 2025 gives you a wealth of information on ESRS and VSME and EFRAG's sustainability reporting activities. It provides an interactive online platform to support companies, practitioners and stakeholders in navigating ESRS, VSME standard and broader sustainability reporting materials developed by EFRAG and all key materials related to ESRS in a single comprehensive environment.

The platform provides access to the adopted 2023 ESRS and the VSME standard in an interactive way. The interactive feature has also been implemented for EFRAG's technical advice on simplified ESRS (to be replaced by the delegated act once adopted by the EC).

Visit the ESRS Knowledge Hub!

3.11 EC Platform Sustainable Finance

EFRAG is an official observer in the third mandate of the Platform on Sustainable Finance and is represented by Anna Dauteuil (observer), together with Ines-Rim Atif and Marco Liepe (sherpas). EFRAG participates in working groups related to the review of EU Taxonomy reporting (Article 8 / Disclosures Delegated Act), climate change mitigation and climate change adaptation.

The June Platform's plenary covered progress on Monitoring of Capital Flows, technical criteria for new activities, the Stakeholder Request Mechanism, the Taxonomy reporting review (Article 8 / Disclosures Delegated Act), the Taxonomy Compass, the Applied Data Hub, and transition finance instruments.

The Platform's third mandate runs from February 2026 to the end of 2027. During this period, it will support the European Commission's sustainable finance simplification agenda, including the revision of existing EU Taxonomy criteria and the development of criteria for new economic activities.

VACANCIES[2]

Internships

EFRAG offers opportunities for university students and recent graduates in the form of internships lasting between six once renewable for another six months. This will allow interns to acquire an understanding of EFRAG's work in the financial reporting and/or sustainability reporting fields.

Applicants for an internship are eager to keep learning to get a taste of professional life, discover how we make an impact that matters, and get ahead in your career!

You will gain:

- An overview of the EFRAG's objectives and activities;
- A first professional and personal experience in the dynamic world of corporate reporting standard setting and the identification of good reporting practices in a European and global environment;
- Working in a dynamic and multi-cultural environment as well as direct interaction with a rich network of corporate reporting stakeholders;
- The opportunity to work closely with experienced professionals and executives;
- Exposure to the European and global corporate reporting sectors; and
- Practical knowledge in your area of study.

You will work in the EFRAG offices in Brussels.

Next openings: at present, with very limited places for financial reporting with a start from September 2026 and additional opportunities from January 2027. For sustainability reporting the next opportunity will be from September 2026 and thereafter from February 2027.

Financial reporting

EFRAG continues to consider applications from experts with a financial reporting background with thorough IFRS knowledge and is specifically looking for technical manager and junior technical manager level. Positions are based in Brussels and require EEA nationality. Applications, including a letter of motivation and a detailed CV, should be sent to Saskia Slomp, EFRAG CEO, at Rh@efrag.org

[2] *Applications, consisting of a letter of motivation and a detailed CV, should be sent via the form below (continuous recruitment). In applying for a function at EFRAG, the applicant agrees that EFRAG can process the data you have provided in your CV, cover letter and any other document. EFRAG will store your CV, cover letter and any other document in its database for one year.*

For our advertisements, please visit EFRAG's website.

Sustainability reporting

Sustainability Reporting experts

EFRAG continues to consider applications from sustainability reporting experts from social and human rights specialists (employment and labour rights due diligence) with a senior profile. Positions are based in Brussels and require EEA nationality. Applications, including a letter of motivation and a detailed CV, should be sent to Saskia Slomp, EFRAG CEO, at Rh@efrag.org

For our advertisements, please visit EFRAG's website.

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