

EFRAG UPDATE



Europe's voice in
corporate reporting

March 2025

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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 Strengthens Global Ties at IFASS gathering in March 2025

Under the leadership of the Sustainability Reporting (SR) Technical Expert Group (TEG) Chairwoman, Chiara Del Prete, the **International Forum of Accounting Standard Setters (IFASS)** held a successful meeting from 12 to 14 March 2025. The meeting covered the latest global and jurisdictional developments on financial and sustainability reporting, as well as the use cases of AI and digital technologies for standard setting purposes. The event was co-organised by EFRAG and Organismo Italiano di Contabilità (OIC), with the support of Società Italiana dei Docenti di Ragioneria e di Economia Aziendale (SIDREA) and KPMG Italy.



Leadership Handover at IFASS

At the end of the event, after serving as Chairwoman for three years and with EFRAG providing the supporting IFASS Secretariat, Chiara Del Prete handed over the leadership reins to the incoming co-chairs Armand Capisciolto, Chair of Canada's Accounting Standards Board (AcSB), and Dr. Keith Kendall, Chair of the Australian Accounting Standards Board (AASB). Reflecting on her term, Chiara Del Prete stated:

"It has been an honour to serve as Chair of IFASS since March 2022. During my term, we have endeavoured to ensure inclusive participation from multiple jurisdictions and to continue in the attempt of having a space for independent thinking and cooperation between jurisdictions about corporate reporting developments. This mandate coincided with the progressive adoption of mandatory sustainability reporting obligations worldwide and with the broadening of the

international corporate reporting community to embrace sustainability. I am confident that under Armand and Keith's leadership IFASS will continue to play a pivotal role."



Furthermore, during the Naples meeting, Patrick de Cambourg, *Chair of the EFRAG Sustainability Reporting Board (SRB)*, Chiara Del Prete, *SR TEG Chair*, and Sébastien Harushimana, *Financial Reporting (FR) TEG Chair* and several other representatives of EFRAG held bilateral meetings to exchange views on topics of mutual interest with representatives from the following national standard setters:

- New Zealand's External Reporting Board (XRB)
- The United Kingdom's Financial Reporting Council (FRC)
- Canada's Accounting Standards Board (AcSB)
- Japan's Sustainability Standards Board (SSBJ)
- India's Institute of Chartered Accountants of India (ICAI) and the Accounting Standards Board (ASB)
- The Korea Accounting Standards Board (KASB) and the Korea Sustainability Standards Board (KSSB)
- The Australian Accounting Standards Board (AASB)
- EU National Standard Setters from Austria, Germany, Italy, Netherlands, Norway, and Spain

The summary report for the March IFASS meeting will be available soon.

1.2 EFRAG announces the New Composition of EFRAG FR TEG

At its meeting on 27 February 2025, the EFRAG Financial Reporting Board (EFRAG FRB) approved the composition of the EFRAG Financial Reporting Technical Expert Group (EFRAG FR TEG), welcoming new members, confirming reappointments, and acknowledging contributions to the group's work.

EFRAG is pleased to welcome the following new members to EFRAG FR TEG, whose expertise will contribute to the advancement of financial reporting in Europe:

- **Leandra Clark** (User, Spain)

- **Micha Derickx** (Banking Specialist, Netherlands)
- **Nikolaos Diamantoulakis** (Auditor, Greece)
- **Anne Françoise Didier** (Insurance Specialist, France)
- **Rafal Medak** (Preparer, Poland)
- **Matthias Meitner** (User, Germany)

Their appointments are effective from 1 April 2025 to 31 March 2027.

EFRAG is also delighted to confirm the reappointment of the following members:

- **Andrea Lionzo** (Academic, Italy)
- **Małgorzata Matuszewic** (Auditor, Poland)
- **Pierre Phan Van Phi** (Auditor, France)
- **Massimo Tosoni** (Insurance Specialist, Italy)

EFRAG further extends its sincere appreciation to **Dennis Jullens** for his valuable contributions to EFRAG FR TEG. His expertise and dedication have been instrumental in supporting EFRAG's mission, and we thank him for his commitment and service.

For more information, please see the [EFRAG website](#).

1.3 EFRAG Publishes Final Comment Letter on the ED IFRS Foundation Due Process Handbook Amendments

EFRAG has published its [Final Comment Letter](#) on the Exposure Draft IFRS Foundation Due Process Handbook Amendments, welcoming the proposed updates. The IFRS Foundation published the Amendments in December 2024 with the aim of reflecting the creation of the ISSB and introducing clarifications and enhancements to the standard-setting process.

In the document, EFRAG has recommended:

- The development of a conceptual framework dedicated to sustainability reporting;
- An interpretations committee for sustainability reporting is created;
- SASB standards and the SASB standards Taxonomy in the scope of the due process procedures foreseen for ISSB standard setting;
- The *Post-implementation Review* process to be more forward-looking, assessing whether the Standard under review remains effective within an evolving economic environment; and
- Connectivity is to be considered in deciding upon new IFRS Accounting Standards or major amendments, for development of IFRS Sustainability Standards interoperability with other sustainability frameworks is to be considered.

To enhance and clarify the *Handbook*, EFRAG further suggested that where projects take longer than expected, back-testing should be conducted to evaluate the continued relevance of the original rationale. EFRAG also encouraged the ISSB to build on the work of other sustainability standard-setters, even where such work is still under development, and recommended the alignment of advisory groups across financial and sustainability reporting. In addition, it proposed consolidating the IFRS Interpretations Committee's organisation into a single chapter within the *Handbook*, developing criteria to distinguish between educational material and guidance, and requiring a

supermajority to initiate, pause, or retire major projects in order to address the current imbalance in workplan decisions. Finally, EFRAG supported the use of comment periods exceeding 120 days where field testing is necessary.

View EFRAG's [Final Comment Letter](#).

1.4 EFRAG February Podcast Highlights

Short on time? Catch the key updates in financial and sustainability reporting on the EFRAG Podcast, hosted by FR TEG Chair Sébastien Harushimana and SR TEG Chair Chiara Del Prete.

Sustainability Reporting Podcast Episode #3

- [Spotify](#)
- [YouTube](#)
- [Vimeo](#)

Financial Reporting Podcast Episode #3

- [Spotify](#)
- [YouTube](#)
- [Vimeo](#)

Prefer reading instead? Download [the pdf](#).

Stay tuned for the next episode by subscribing to our [YouTube](#) and [Spotify](#) channels.

1.5 EFRAG will be running for the 20km of Brussels

EFRAG is getting ready once again for the 20km of Brussels – and this year, we're running for a new cause close to our hearts: SOS Villages d'Enfants Belgique!

We're proud to support their mission of providing safe, loving homes and brighter futures for vulnerable children. Every step we take helps bring support, stability, and care where it's needed most.

Help us make every kilometer count. Donate now and be part of the difference!

[Support our team](#)

1.6 EFRAG Administrative Board

The EFRAG Administrative Board had a physical meeting on 4 March 2025. The main items on the agenda were the discussion of the implications for EFRAG of the Omnibus Directive proposals, the preparation of the approval of the audited 2024 financial statements by the EFRAG General Assembly in its meeting of 24 March 2025, recommendation on admission of Friends of EFRAG for the EFRAG General Assembly; and discussion of EFRAG's Draft Comment Letter on the IFRS Foundation's ED Due Process Handbook.

Several meetings took place of the Administrative Board Committees including the Audit, Budget and Risk Committee and the Nomination Committee.

Claes Norberg was appointed as member of the EFRAG Administrative Board by the EFRAG General Assembly in its meeting of 24 March. Claes Norberg succeeded Anders Ullberg who passed away in September 2024. Claes Norberg is the new Chair of the EFRAG Administrative Board Due Process Committee (DPC) succeeding Peter Sampers who left the EFRAG Administrative Board at the end of 2024.

EFRAG'S FINANCIAL REPORTING ACTIVITIES



2

EFRAG'S FINANCIAL REPORTING ACTIVITIES



2.1 Upcoming events

JOIN THE VIRTUAL ROUNDTABLE “PRACTICAL CONSIDERATIONS OF CONNECTING FINANCIAL AND SUSTAINABILITY REPORTING” ON 25 APRIL 2025

Preparers, users, auditors, regulators, and other stakeholders are invited to participate in EFRAG's upcoming virtual roundtable “*Practical Considerations of Connecting Financial and Sustainability Reporting*”, scheduled for 25 April 2025, from 10:00 to 12:00 CET.

As part of its ongoing research into the [connectivity](#) between financial and sustainability reporting, EFRAG is organising this online event for stakeholders to exchange views on the suitability of selected illustrations of connectivity drawn from company reports.

Roundtable participants will also have the opportunity to exchange insights on the practical challenges and benefits of achieving connectivity in practice.

To ensure fruitful discussions, registration is mandatory.

Access the [registration platform](#).

For further details on the roundtable or the [EFRAG Connectivity project](#), please contact Sapna Heeralall, *EFRAG FR Senior Technical Manager* (sapna.heeralall@efrag.org), or Vincent Papa, *EFRAG FR Project Director* (vincent.papa@efrag.org).

For more information about EFRAG's Connectivity project, please see the [news item](#).

2.2 Open consultations

| TITLE AND DESCRIPTION | CLOSING DATE |
|--|--------------|
| EFRAG's Discussion Paper on <i>The Statement of Cash Flows</i> | 15 May 2025 |

For more information, please see [EFRAG's consultations page](#).



2.3 Publications

FINAL COMMENT LETTER

EFRAG SUBMITS COMMENT LETTER ON IASB'S EXPOSURE DRAFT PROVISIONS – TARGETED IMPROVEMENTS

EFRAG submitted its [Comment Letter](#) on the IASB's Exposure Draft IASB/ED/2024/8 [Provisions—Targeted Improvements](#) (the ED).

The ED proposes amendments to two aspects of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*:

- The criteria for recognising a provision—specifically, the requirement for the entity to have a present obligation arising from a past event (the present obligation recognition criterion); and
- The requirements for measuring a provision related to:
 - The type of cost an entity includes when estimating future expenditure required to settle its present obligation; and
 - The rate an entity uses to discount that future expenditure to its present value.

EFRAG assesses that while the proposals related to the present obligation criterion clarify the requirements for some types of provisions, they create less clear guidance for others. Additionally, EFRAG finds that the proposals increase reliance on judgement, which may not lead to a reduction in compliance costs. A consequence of amending the present obligation recognition criterion is the withdrawal of IFRIC 21. While EFRAG welcomes this development, it notes that the ED does not fully address concerns previously raised regarding IFRIC 21.

EFRAG supports the proposed improvements to the measurement of provisions – specifically, the clarification of required expenditure and the specification that the discount rate should be a risk-free rate, excluding non-performance risk. However, EFRAG highlights in its letter several areas requiring further guidance and clarification.

EFRAG also considers that the IASB could be able to finalise the amendments related to measurement faster than those related to the present obligation recognition criterion.

Detailed responses to the ED's questions, along with EFRAG's suggestions and recommendations, are available in [EFRAG's Comment Letter](#).

FEEDBACK STATEMENT

EFRAG ISSUES FEEDBACK STATEMENT ON THE IASB ED EQUITY METHOD OF ACCOUNTING

EFRAG has published its [Feedback Statement](#) on the IASB Exposure Draft *Equity Method of Accounting*, IAS 28 *Investments in Associates and Joint Ventures* (revised 202x). The Feedback Statement summarises constituents' feedback including responses to EFRAG's draft comment letter (DCL). It explains how the feedback received was considered by EFRAG in reaching the positions reflected in its [final comment letter](#), published on 20 January 2025.

For more information, please see the [news item](#).

2.4 EFRAG FINANCIAL REPORTING BOARD (EFRAG FRB)

Webcast meeting 27 March 2025

EFRAG FRB held a physical meeting on [27 March 2025](#) and discussed the following topics:

IASB PROJECT *PROVISIONS—TARGETED IMPROVEMENTS* (AMENDMENTS TO IAS 37)

EFRAG FRB discussed the input received related to EFRAG's Draft Comment on the IASB ED *Provisions—Targeted Improvements* and the (final) comment letter recommended by the EFRAG FR TEG on the IASB's proposals. The EFRAG FRB approved the comment letter.

In the comment letter, EFRAG presents the view that the IASB's proposals related to the present obligation criterion clarify the requirements on when a present obligation exists for some types of provisions but make them less clear for others. Additionally, EFRAG finds that the proposals increase reliance on judgement, which may not lead to a reduction in compliance costs. A consequence of amending the present obligation recognition criterion is the withdrawal of IFRIC 21. While EFRAG welcomes this development, it notes that the ED does not fully address concerns previously raised regarding IFRIC 21.

EFRAG supports the proposed improvements to the measurement of provisions – specifically, the clarification of required expenditure and the specification that the discount rate should be a risk-free rate, excluding non-performance risk. However, EFRAG highlights in its letter several areas requiring further guidance and clarification.

IFRS 19 *SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES*

EFRAG FRB agreed with the overall structure of the Draft Endorsement Advice, as proposed by the EFRAG Secretariat. Member were also updated on the results of Orbis research on the number of entities potentially impacted by the implementation of IFRS 19 in the EU, as performed by the EFRAG Secretariat.

TECHNICAL WORKPLAN

The EFRAG FRB conducted its regular review of the technical work plan and decided to not delegate the approval of EFRAG's DCL and FCL on the IASB Research Project *Post-implementation review of IFRS 16 Leases* to the EFRAG FR TEG. In addition, they further classified the projects on *Intangible Assets*, *Statement of Cash Flows and Related Matters*, and *Fourth Agenda Consultation*, as significant projects, meaning they will be discussed in EFRAG FRB meetings.

PRESENTATION OF WORK OF ACADEMICS

EFRAG FRB received a presentation on how academics can and do contribute to financial reporting standard setting.

NEXT MEETINGS

The next EFRAG FRB meeting will be held on [29 April 2025](#).

2.6 JOINT EFRAG FINANCIAL REPORTING BOARD & EFRAG FINANCIAL REPORTING TECHNICAL EXPERT GROUP (EFRAG FRB & EFRAG FR TEG)

Webcast meeting 6 March 2025

EFRAG FRB and EFRAG FR TEG held a joint webcast meeting on [6 March 2025](#) and discussed the following topic:

IFRS FOUNDATION DUE PROCESS HANDBOOK

EFRAG FRB and FR TEG members discussed EFRAG's draft comment letter ('DCL') on the IFRS Foundation ED Due Process Handbook Review. Members agreed with and requested strengthening the messages in the DCL in relation the Post-Implementation Process and the functioning of the Interpretations Committee. Members did not agree with the proposal to include a tentative schedule for a PIR upon release of a standard, instead a backstop should be

foreseen. There was agreement with the proposal for a conceptual framework for sustainability reporting. Finally, for interoperability it was suggested that the ISSB relies also on material under development from other standard setters.

NEXT MEETINGS

A joint EFRAG FRB and EFRAG FR TEG meeting will be held on [14 May 2025](#).

2.7 JOINT EFRAG FINANCIAL REPORTING TECHNICAL EXPERT GROUP (EFRAG FR TEG) & EFRAG CFSS

[Webcast meeting 10 March 2025](#)

EFRAG FR TEG and EFRAG CFSS held a joint webcast meeting on [10 March 2025](#) and discussed the following topics:

IFRS 18 *PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS*

EFRAG FR TEG and CFSS members were updated on the consultation process of the draft endorsement advice on IFRS 18 and requested for any further input on the endorsement advice letter. While no new issues were raised by members, they provided additional insights into the implementation costs associated with the transition to IFRS 18.

IASB PROJECT INTANGIBLE ASSETS

EFRAG FR TEG and CFSS members discussed the IASB's intangible assets project direction and areas of prioritisation. Members generally supported targeted improvements, rather than a holistic all in one approach. Some members also recommended to leverage on the feedback collected by EFRAG on its Discussion Paper [Better Information on Intangibles – Which is the best way to go?](#) as they considered it to be still valid.

IASB PROJECT *FINANCIAL INSTRUMENTS WITH CHARACTERISTICS OF EQUITY* (FICE)

EFRAG FR TEG and CFSS members discussed potential changes to the presentation and disclosure requirements compared to the Exposure Draft. EFRAG FR TEG-CFSS generally agreed with the direction of simplifications being proposed by the IASB Staff.

IFRS 19 SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

A representative from the Accounting Standards Committee of Germany (ASCG) presented the findings of their study on the evaluation of IFRS Accounting Standards in Germany. EFRAG FR TEG and CFSS members shared their jurisdictional perspectives on the application of IFRS Accounting Standards, as well as the tax and dividend distribution reporting requirements. Members were asked for any additional input on the endorsement advice to be drafted.

IASB PROJECT *EQUITY METHOD*

EFRAG FR TEG and CFSS members discussed the proposed prioritisation areas for the IASB's redeliberation on the feedback to the IASB Exposure Draft on the Equity Method of Accounting. Overall, members supported the IASB staff's proposed areas for redeliberation as these issues were also raised as concerns in EFRAG's comment letter.

IASB PROJECT *PIR IFRS 16 LEASES*

EFRAG CFSS members discussed the identified issues and the proposed prioritisation, as agreed upon with EFRAG FR TEG in its December meeting. CFSS members generally agreed with the prioritisation of these issues. Moreover, EFRAG FR TEG and CFSS members discussed the questions proposed by the IASB staff for inclusion in the request for information ('RFI') and noted that certain high-priority issues identified by EFRAG FR TEG were missing. They emphasised the importance of including specific questions of these issues in the IASB's RFI, noting that comparability for important topics might be impaired if not explicitly addressed.

STATEMENT OF CASH FLOWS AND RELATED MATTERS

EFRAG TEG and CFSS members discussed and generally agreed with the key topics identified for further assessment by the IASB for the project's next steps. Furthermore, members proposed additional topics that should be considered by the IASB.

EC IFRS IC SUPPORT AND MONITORING IFRS IC DELIBERATIONS

EFRAG FR TEG and EFRAG CFSS members were provided with a summary of the main open issues that were discussed by the IFRS Interpretations Committee.

AGENDA TOPICS FOR NEXT EFRAG FR TEG-CFSS AND ASAF MEETINGS

EFRAG FR TEG and EFRAG CFSS members did not identify any additional topics to be discussed at the July 2025 ASAF meeting (the IASB had identified: *Provisions – Targeted Improvements*, *Fourth Agenda Consultation*, *Rate-regulated Activities* and *Hyperinflation* as topics for the July 2025 ASAF meeting.)

IFRS DUE PROCESS HANDBOOK REVIEW

EFRAG FR TEG and EFRAG CFSS members discussed EFRAG's DCL on the IFRS Foundation ED Due Process Handbook Review. Members considered that the ISSB would be subject to the same due process rules as the IASB is a positive step and confirmed the DCL's messages on the shortcomings of the IFRIC process. For more information on the related discussions, please see the IFRS Foundation Due Process Handbook.

NEXT MEETINGS

The next EFRAG FR TEG – CFSS meeting will be held on [1 July 2025](#).

2.8 EFRAG FINANCIAL REPORTING TECHNICAL EXPERT GROUP (EFRAG FR TEG)

[Physical meeting 11 March 2025](#)

EFRAG FR TEG held a webcast meeting on [11 March 2025](#) and discussed the following topics:

IASB PROJECT *PROVISIONS—TARGETED IMPROVEMENTS* (AMENDMENTS TO IAS 37)

EFRAG FR TEG members discussed the input received in response to EFRAG's DCL and EFRAG's draft FCL, to agree to recommend it to the EFRAG FRB. EFRAG FR TEG considered that some proposals included in the IASB's Exposure Draft could take longer time to complete than other parts. However, they did not think that EFRAG should explicitly ask the IASB to split the project into two parts, one on the measurement amendments (i.e. costs and discount rates), and another on the present obligation recognition criterion, suggesting instead to mention that there are fewer concerns about the measurement proposals.

EFRAG FR TEG members agreed to recommend EFRAG's draft FCL to the EFRAG FRB for approval, subject to additional changes suggested during the meeting. The EFRAG FCL was approved in the 27 March EFRAG FRB meeting.

IASB PROJECT *RATE-REGULATED ACTIVITIES*

EFRAG FR TEG discussed the IASB's tentative decisions on the components of Total Allowed Compensation (TAC), performance incentives and long-term performance incentives and other items included in the regulatory capital base. Members also discussed illustrative examples prepared by the EFRAG Secretariat.

IFRS 19 *SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES*

EFRAG FR TEG generally agreed with the structure of the DEA and with the drafting of Appendix 1, as proposed by the EFRAG Secretariat, and provided some suggestions. Furthermore, they noted the usefulness of IFRS 19 for

several EU jurisdictions. Members also supported the overall approach and results of the Orbis research on the number of entities potentially impacted by IFRS 19.

NEXT MEETINGS

The next EFRAG FR TEG meeting was held on [15 April 2025](#).



EFRAG'S SUSTAINABILITY REPORTING ACTIVITIES



3

EFRAG'S SUSTAINABILITY REPORTING ACTIVITIES



3.1 EFRAG launches a public call for input on ESRS Set 1 Revision

Following the publication of the Omnibus proposals on 26 February 2025, EFRAG received a [specific mandate from the European Commission](#) (EC) on 27 March 2025 to provide technical advice for the adoption of a delegated act to revise and simplify the existing European Sustainability Reporting Standards (ESRS). The technical advice is expected to be delivered to the EC by 31 October 2025.

In this context, the EFRAG wishes to gather public input from all relevant stakeholders in relation to potential revisions, as well as feedback from the first wave of preparers who implemented the standards in their 2024 sustainability reports. Input is expected on the basis of an online questionnaire.

This public call for input complements a series of interviews and workshops that EFRAG is organising with preparers, auditors and users.

The public call for input aims to gather input on the key areas of simplification identified in the Explanatory Memorandum of the Omnibus proposal, including:

- ESRS mandatory datapoints that are least important or problematic for general-purpose sustainability, per each Disclosure Requirement (with separate consideration given to cross-cutting, environment, social and governance matters);
- suggestions on how to modify the ESRS provisions that are deemed unclear;
- suggestions on how to improve consistency with other EU legislation;
- suggestions on how to improve the ESRS provisions on materiality to ensure that undertakings report only material information, do not report unnecessary information and do not dedicate excessive resources to the materiality assessment process;
- suggestions on how to simplify the structure and presentation of the standards;
- suggestions on how to further enhance interoperability with global sustainability reporting standards; and
- any other modifications that could simplify the ESRS without compromising their role in supporting the Green Deal.

The outcome of this public call for input will be anonymised and leveraged only in aggregate form.

Access the [online questionnaire](#) and the [pdf version](#).

The deadline for submitting your feedback is **Tuesday 6 May**.

For more information or questions please contact revision@efrag.org.

3.2 EU Commissioner Albuquerque addresses EFRAG SRB on ESRS Simplification Mandate

On 28 March 2025, the Commissioner for Financial Services and the Savings and Investments Union, Maria Luís Albuquerque, addressed the EFRAG Sustainability Reporting Board (EFRAG SRB), together with the EFRAG Sustainability Reporting Technical Expert Group (EFRAG SR TEG) to outline the European Commission's specific mandate to EFRAG on the simplification of the first set of European Sustainability Reporting Standards (ESRS). This mandate falls within EFRAG's role as technical advisor to the European Commission under the Corporate Sustainability Reporting Directive (CSRD).

Commissioner Albuquerque highlighted the urgent need for a fast-track process to implement these simplifications, emphasising their importance in the context of the current geopolitical and economic landscape. She stressed that simplifying and enhancing usability of the ESRS will support companies in their sustainability reporting efforts.

EFRAG is fully committed to this simplification exercise, leveraging experience from the first wave of companies that issue their sustainability statements for the 2024 financial year. This will ensure changes that substantially reduce the amount of mandatory data points and the burden for the practical application of ESRS while maintaining the role that ESRS play in the objectives of the Green Deal.

Patrick de Cambourg, Chair of the EFRAG SRB, welcomed the Commissioner's communication and reaffirmed EFRAG's commitment and dedication to its role in this process:

"EFRAG is fully aligned with the objective of simplifying and enhancing the first set of ESRS to ensure they remain practical, effective, and proportionate. By building on the experience of first wave companies, we will simplify the standards to support companies in delivering meaningful and decision-useful sustainability information while maintaining the ambition of the CSRD."

For more information, access the [official mandate letter](#).

3.3 Publications

CDP AND EFRAG PUBLISH CORRESPONDENCE MAPPING BETWEEN CDP QUESTION BANK AND EUROPEAN SUSTAINABILITY REPORTING STANDARD E1

On 18 March 2025, EFRAG and CDP, the global independent environmental disclosure system, published a correspondence mapping between the ESRS and the CDP question bank, illustrating the high level of commonality announced at COP29.

The high level of interoperability between the EU's climate standard, ESRS E1, and the CDP question bank is reflected, among others, in areas such as transition plans for climate change mitigation, targets related to climate change mitigation, gross Scopes 1, 2, 3 emissions and internal carbon pricing.

This resource offers the market clear indication of how CDP questions correspond to ESRS E1 disclosure requirements. By helping companies to identify synergies in data collected for CDP and ESRS reporting, the mapping will reduce complexity, build reporting efficiency and enhance transparency for stakeholders. The interoperability already achieved supports companies on their path to compliance and allows them to focus on collecting data required to drive positive impact.

Please see the [correspondence mapping](#).

For more information, please see the [EFRAG website](#).

3.4 VSME Ecosystem

UPDATE ON THE EFRAG SME FORUM AND VSME COMMUNITY

The SME Forum consists of a total of 48 representatives, preparers, users, platforms and initiatives as well as Observers (institutional). The kick-off meeting of the SME Forum's took place on 17 February 2025. In the meantime, EFRAG has also revamped its VSME Community that has expanded to over 500 members from a wide range of individual stakeholders representing preparers, users (SMEs business counterparts such as banks, investors and large undertakings), academics, NGOs, accountants and international/governmental institutions.

Addressing both the SME Forum and the VSME Community, EFRAG has launched a series of surveys that serve to design the draft content of the three support guides to be delivered by EFRAG as part of the VSME Ecosystem. Specifically, the VSME Support Guide for Disclosure C2 (Description of practices, policies and future initiatives for transitioning towards a more sustainable economy), Disclosure C3 (GHG reduction targets and climate transition) and Disclosure C7 (Severe negative human rights incidents). Once the feedback from the Forum and Community is obtained (by 11 April 2025), the EFRAG Secretariat will start the drafting. Lastly, as part of the Support Guides, EFRAG is currently finalising the VSME excel digital template which is designed for preparers to fill out their information and users to collect information in a standardised manner.

In parallel, EFRAG is also working on the VSME XBRL Taxonomy and a converter which will enable the automatic generation of the XBRL report once the undertaking fills the VSME Excel Digital Template. A first draft of the VSME Excel Digital template will be shared for targeted feedback in April 2025. As VSME is a market led standard the input of such a representative range of stakeholders is very important.

CALL FOR EXPRESSION OF INTEREST: EFRAG MAPPING OF INITIATIVES, TOOLS AND PLATFORMS FOR SME SUSTAINABILITY REPORTING

Between 4 February 2025 and 24 February 2025 all interested parties were invited to apply to a public call for expression of interest to map existing and ongoing initiatives on SME sustainability reporting (this may include access to data banks such as waste registers, EPCs, etc.), digital platforms (e.g. ESG data platforms that match online supply and demand of ESG data and that act as aggregators of preparer and user sustainability data), and digital tools (e.g. GHG calculators, geolocation tools). EFRAG is now analysing the applications. The selected applicants will conduct a self-assessment. The assessment aims to compare the consistency of the platforms and other initiatives with EFRAG's VSME to stimulate and ensure a coordinated adoption in Europe. This mapping and analysis are being done as part of EFRAG's 'VSME Ecosystem'.

UNOFFICIAL TRANSLATIONS OF THE VSME STANDARD:

- [Polish](#)
- [Estonian](#)
- [German](#) (partial translation)
- [Spanish](#)

Disclaimer: EFRAG disclaims responsibility for the translations of these documents, as they have neither been prepared nor reviewed by EFRAG.

EFRAG'S "VSME IN ACTION: EMPOWERING SMEs for a sustainable future" on 7 April 2025

As mentioned in the February EFRAG Update, on 7 April 2025, stakeholders looking to gain a deeper understanding of the EFRAG Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME) and how to implement it participated in the hybrid event, "VSME in Action: Empowering SMEs for a Sustainable Future".

For more information, please see [EFRAG's website](#).

3.5 Educational videos on digital tagging

EFRAG RELEASES FIRST EDUCATIONAL VIDEOS ON ESRS SET 1 XBRL TAXONOMY TAGGING

On 20 March 2025, EFRAG released the first two videos in a new series demonstrating the digital tagging of an ESRS report using the ESRS Set 1 XBRL Taxonomy:

- [Part 1](#)
- [Part 2](#)

Additional sessions will be published in due course.

This initiative aims to educate stakeholders on how ESRS statements can be digitally tagged. However, EFRAG clarifies that the tagging shown in these videos has not been endorsed or reviewed by the report's publisher and may contain errors. The tagging is applied to the publicly available Annual Report 2024 in PDF format, which is not necessarily the recommended approach.

The final tagging rules, which will require companies to digitise their ESRS statements, will be issued and adopted by [ESMA and the European Commission](#).

EFRAG also emphasises that the views expressed in these videos do not represent the official positions of its Sustainability Reporting Board (EFRAG SRB) or Sustainability Reporting Technical Expert Group (EFRAG SR TEG).

EFRAG does not endorse any specific tagging software or preparation process and would like to highlight that any compliant online XBRL software can be used. A list of certified XBRL report creation tools is available at [XBRL International's Certified Software directory](#) and on [XBRL Europe's website](#).

3.6 EFRAG Sustainability Reporting Board (SRB) and Technical Expert Group (SR TEG) joint meeting

| TOPICS COVERED | MEETING DATE |
|--|---------------|
| IFRS Due Process Handbook consultation Exchange on the Omnibus (closed) | 18 March 2025 |

IFRS DUE PROCESS HANDBOOK CONSULTATION

There was general support for the draft comment letter. One member suggested clear labelling of educational material prepared by the IFRS Foundation (and under its due process) in contrast to those prepared by third parties. Another member indicated that the section on the Workplan consultation and Considerations for new IFRS or major amendments of the Handbook and suggested that sustainability reporting should be clearly integrated in these chapters. Sustainability reporting should be supported by advisory groups similar to those for financial reporting such as the Global Preparers Forum and the SME Implementation group.

The discussion also focused on the due process status of the SASB standards given their importance in complementing IFRS S2. This is even more important for Europe, now that the Omnibus proposal of the EC foresees not to have ESRS sector specific standards and they will be a key reference of ESRS preparers. A clear due process was needed when developing IFRS reporting or a firewall would be required to prevent SASB standards becoming applicable for European undertakings.



3.7 EFRAG Sustainability Reporting Board (SRB)

| TOPICS COVERED | MEETING DATE |
|--|----------------------|
| ESRS Set 1 revision (closed) Educational session: IFRS consultations in 2025: Amendment to IFRS S2 (Scope 3 for financial institutions) and SASB enhancement (closed) Q&A (closed) | 19 March 2025 |
| ESRS revision: Strategic direction and process, Q&A platform input, Outreach questionnaire (closed) Q&A (closed) | 26 March 2025 |

The next EFRAG SRB meeting was held on [8 April 2025](#).



3.8 EFRAG Sustainability Reporting Technical Expert Group (SR TEG)

| TOPICS COVERED | MEETING DATE |
|---|----------------------|
| Q&A (closed) | 4 March 2025 |
| Q&A (closed) Planning session: IGs on environmental standards (IG E2 and IG E3) | 6 March 2025 |
| Omnibus and Set 1 Revision Educational session: Forthcoming IFRS consultations: Scope 3 for financial institutions and SASB enhancements Q&A (closed) | 20 March 2025 |

The next EFRAG SR TEG meeting was held on [1 April 2025](#).

3.9 Friends of EFRAG

For information on the advantages, conditions and how to apply to join [Friends of EFRAG – Sustainability Reporting](#), please visit our [website](#) or contact us directly at EFRAGSecretariat@EFRAG.ORG.

Entities can also become [Friends of EFRAG – Financial Reporting](#).

For more information, please see the [EFRAG website](#).

3.10 Other involvement in sustainability reporting

Platform on Sustainable Finance (PSF)

EFRAG is an official observer in the second mandate of the Platform on Sustainable Finance and is represented by Kerstin Lopatta, EFRAG SRB Vice-Chair. EFRAG participates in *Usability and Data* (SG1) and in the *Technical Working Group advising on the technical screening criteria* (SG2). The second platform terminated its activities per 31 March.



VACANCIES¹

Corporate – both pillars

COMMUNICATIONS INTERN

EFRAG is seeking a motivated and detail-oriented communications assistant intern to provide support to our communications team, especially on visual design, graphic creation and video production. Under the guidance of EFRAG's communications managers, the communication assistant intern will play a key role in enhancing and reinforcing EFRAG's visibility and awareness among stakeholders through effective communication strategies, contributing to both financial and sustainability reporting activities. A professional attitude and conduct are expected throughout the internship, including reliability, respect, and a proactive mindset.

Main Tasks

- Design visuals, graphics, and videos in line with EFRAG's branding and visual identity
- Support keeping the website up to date
- Monitor media and report on communication campaigns, social media reach, Google Analytics, social media analytics etc.
- Support the coordination of EFRAG's in-person, online and hybrid events internally and with external organisations.

Profile

- You must be currently enrolled or be recent graduate with a degree in communications, graphic design or a relevant field (Candidates that are no longer enrolled in university can expect an internship stipend (Convention d'Immersion Professionnelle under Belgian Law))
- You must have EEA nationality and be based in Brussels during the time of your internship.

Skills

- Skilled in website content management (Drupal a plus)
- Proficient in visual and video content creation
- Strong command of design tools (Canva, Adobe Suite) & MS Office
- Detail-oriented, well-organised, and creatively driven
- Excellent written and verbal English; French a bonus
- Independent, proactive, and clear communicator with good time management

¹ 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.

What we offer

- Hands-on experience in a professional environment
- The opportunity to work closely with experienced professionals
- Exposure to the European and global sector of corporate reporting

EFRAG offers a compelling learning and working experience in a major European organisation, with the opportunity to gain specific knowledge on communications related to corporate reporting. We offer the chance to become part of a vibrant international team within a rapidly expanding organisation, fostering your professional growth and skill development. We prioritise a healthy work-life balance for our team members, striving to ensure that your experience with us is both fulfilling and enjoyable!

Application deadline: 5 May 2025

Starting date: May 2025

For any questions, please contact Caroline Martins (caroline.martins@efrag.org) & Daria Delnevo (daria.delnevo@efrag.org) Communications Managers.

For more information, please see the [EFRAG website](#).

INTERNSHIPS – FINANCIAL REPORTING AND SUSTAINABILITY REPORTING

EFRAG offers opportunities for university students and recent graduates in the form of internships lasting between six and twelve 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: September 2025 with limited places for sustainability reporting from March to June.

INTERNSHIP – DIGITAL REPORTING (XBRL TAXONOMY)

Support the EFRAG sustainability reporting activities in developing draft European Sustainability Reporting Standards (ESRS) in the area of [digital corporate sustainability reporting in XBRL](#).

The digital sustainability XBRL taxonomies developed by EFRAG will be used by thousands of companies to make their human-readable sustainability statements machine-readable.

The internship role entails giving support to the work conducted by EFRAG's technical staff in the drafting of technical documents, regular engagement with EFRAG's governance bodies (EFRAG Reporting Technical Expert Groups and Reporting Boards), international XBRL experts, working groups and the outreach to a broad range of external stakeholders including preparers, users, national standard setters, auditors and regulators

The selected candidate would start as soon as possible.

Should you have any questions, please contact Richard Boessen (EFRAG Senior Digital Reporting Technical Manager) at richard.boessen@efrag.org and Saskia Slomp (EFRAG CEO) at saskia.slomp@efrag.org.

For more details, including on how to apply, please visit [EFRAG's website](#).

Financial reporting

EFRAG continues to consider applications from experts with a financial reporting background with a thorough IFRS knowledge. Applications require EEA nationality and reallocation to Brussels/Belgium. 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](#).

Sustainability Reporting

EFRAG continues to consider applications from sustainability reporting experts, notably 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. All 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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