

EFRAG invited to contribute immediately to the elaboration of draft EU sustainability reporting standards (ESRS)

Committed to the ambitious timeline for a major step in quality sustainability reporting, EFRAG has successfully initiated the elaboration of EU sustainability reporting standards to be submitted to the European Commission

Brussels, 8 July 2021

On 21 April 2021 the European Commission adopted a legislative proposal for a Corporate Sustainability Reporting Directive (CSRD) which would oblige companies under scope to report in compliance with European sustainability reporting standards adopted by the European Commission as delegated acts.

At the request of the European Commission and in parallel to the elaboration of the legislative proposal, EFRAG has already carried out extensive work on key governance and standard-setting matters related to sustainability reporting. Two reports published on 8 March 2021 provide a full account of the proposals made:

- *Proposals for a relevant and dynamic EU sustainability reporting standard-setting*, by the multistakeholder Project Task Force on preparatory work for the elaboration of possible EU non-financial reporting standards (PTF-NFRS), established by EFRAG in line with the European Commission's request.
- *Potential need for changes to the governance and funding of EFRAG*, by Jean-Paul Gauzès on his ad personam mandate.

Under the proposed CSRD, EFRAG would develop draft standards, using proper due process, public oversight, and transparency and with the expertise of relevant stakeholders.

The timeline contained in the proposal assumes the elaboration of draft sustainability reporting standards in parallel to the legislative process of the proposed CSRD. To meet this timeline, Commissioner McGuinness, in a [letter dated 12 May 2021](#), has requested EFRAG to:

- (i) reform its governance following the recommendations by Jean-Paul Gauzès in his report which were fully supported by Commissioner McGuinness, and
- (ii) put in place interim working methods to start the technical work immediately building on the membership, leadership, expertise and recommendations of the PTF-NFRS.

As a consequence, the PTF-NFRS established in September 2020, is now called the Project Task Force on European sustainability reporting standards (PTF-ESRS). The PTF-ESRS has been invited to start elaborating standards in project mode in view of of passing responsibility to the EFRAG sustainability reporting bodies as soon as they have been established following the planned governance reforms.

Kicking-off the technical work under robust organisation and due process: Successful launch of the PTF-ESRS

In this context most of the 35 PTF-NFRS members, originating from 13 member states and from all relevant backgrounds, have expressed their willingness, availability and enthusiasm to contribute to this new crucial phase as PTF-ESRS members. A few adjustments have been organised to fill the gaps. Public authorities have also been invited to participate and have all expressed their willingness to contribute.

The PTF-ESRS members appearing in second name alphabetical order by stakeholder category are:

Name	Nationality	Stakeholder category per European Commission request for technical advice
Emmanuel Bloch	France	Non-Financial Corporations with securities listed on EU regulated market(s)
Giulia Genuardi	Italy	
Fabienne Grall	France	
Kristian Koktvedgaard	Denmark	
Daniel Kubessa	Germany	
Philippe Meunier	Belgium	
Stefan Schnell	Germany	
Susanne Stormer	Denmark	
Luc Hendrickx	Belgium	Unlisted Non-Financial Corporations or Small and Medium-Sized Enterprises
Esther Ortiz Martínez	Spain	
Isabel Gavin Perez	Spain	Financial institutions, in particular banks or insurance companies, including both listed and non-listed institutions
Gianluca Manca	Italy	
Roman Sauer	Germany	
Ron Gruijters	Netherlands	Other categories of financial market participants as defined in Art 2 (1) of Regulation (EU) 2019/2088 of the EP and Council of 27 November 2019 on sustainability-related disclosures in the financial services sector
Sara Lovisolo	Italy	
Marie-Pierre Peillon	France	
Satu Kuoppamäki	Finland	
Carsten Zielke	Germany	
PierMario Barzaghi	Italy	
Eric Duvaud	France	Auditors, assurance providers and/or accountants
Hendrik Fink	Germany	
Birgitte Mogensen	Denmark	
Michael Niskala	Finland	
Alan Brett	Ireland	
Sebastien Godinot	France	Non-Governmental Organisations active in the areas covered by the Non-Financial Reporting Directive (including consumer organisations)
David Vermijs	Netherlands	
Liv Watson	Norway	
Sigurt Vitols	Latvia	Trade Unions
Alexander Bassen	Germany	Academics specialising in the field of corporate reporting, in particular in sustainability or ESG reporting
Delphine Gibassier	France	
Piotr Biernacki	Poland	Other
Patrick de Cambourg (Chair)	France	
Norman Fisch	Luxembourg	
Maria Mora	Spain	
Christoph Toepfer	Germany	

Representatives of European public authorities	
Marjolein Doblado	Committee of European Audit Oversight Bodies
Pilar Gutierrez	European Banking Authority
Juliette Desloires	European Central Bank
Beate Holweg	European Environmental Agency
Hakan Lucius	European Investment Bank
Sandra Hack	European Insurance and Occupational Pensions Authority
Alessandro d'Eri	European Securities Market Authority
Patrycja Pogodzinska	EU Agency on Fundamental Rights
Representative of the European Commission Platform on Sustainable Finance	
Nathan Fabian	Chair

The plenary kick-off meeting took place on 9 June 2021. It was introduced by Jean-Paul Gauzès, EFRAG Board President and Chair of the European Lab Steering Group and Alain Deckers, Head of unit, Corporate reporting, audit and credit rating agencies at the European Commission and Vice-Chair of the European Lab Steering Group. The meeting was chaired by Patrick de Cambourg, President of the French Accounting Authority (ANC) and EFRAG Board member, and established the bases for a swift start:

- Objectives and milestones, in alignment with the CSRD timeline and the EFRAG governance reform timetable;
- Organisation in clusters, reflecting the target architecture proposed in the PTF-NFRS report;
- Allocation of tasks and responsibilities, consensus building and rules of engagement;
- [Due process](#) procedures (under public consultation) and templates.

To support the PTF-ESRS a robust Secretariat has been set up in order to provide technical expertise, project management and drafting input. At this stage the Secretariat benefits from the contribution of a full time equivalent of around 20 professionals. Additional competencies are welcome and EFRAG has published a call for candidates for contribution in kind positions as well as for some compensated positions.

The Secretariat members appearing in second name alphabetical order are:

Name	Seconding organisation
Lara Alcaide Cabré	Mazars Spain
Richard Bössen	Amana
Ruben Bour	Deloitte Netherlands
Clementina Chiari	KMPG Italy
Clara de Roussel de Preville	EY France
Jean-Baptiste de Verthamon	AXA
Grazia Dicuonzo	WICI
Alexandre Dubois	ACPR
Anne-Claire Ducrocq	BNPP
Fabian Eder	EMAS
Daniele Ferroluzzi	ENI
Angel Garcia Burillo	CaixaBank
Maud Gaudry	Mazars
Fabio Genoni	Deloitte Italy
Laura Girella	WICI - OIBR
Federica Girolami	OIC

Petra Glueck	BASF
Anna Grabowska	WWF - Tansport Environment
Filip Gregor	ACT
Xavier Grimont	BNPP
Juliette Henry	ACPR
Joanne Houston	ACT
Marieke Huysentruyt	HEC
Gabrielle Ivernel	Mazars France
Julie Mary	Deloitte France
Jean-Pierre Maugendre	Suez
Henrik Munck	Insurance & Pension Denmark
Karsten Paape	BDO Germany
Antoine Pugliese	ADEME
Andrea Sternisko	PwC Austria
Valerie Viard	ANC
Margot Visschers	Deloitte Netherlands
Mirjam Wolfram	CDP Europe

Cluster work commenced immediately, and the two first plenary meetings were scheduled for 5 and 19 July.

The PTF-ESRS intends to seek input from experts through Working Groups for which EFRAG will organise a call for candidates in the coming weeks.

Building on and contributing to international convergence: a first Statement of Cooperation signed with the Global Reporting Initiative (GRI)

In compliance with the PTF-NFRS proposals and the CSRD proposal, the PTF-ESRS is keen to build on and contribute to international convergence.

Two high-level meetings were organised by EFRAG together with the European Commission with leading international sustainability reporting standard setters and initiatives on 10 December 2020 and 22 March 2021. Technical discussions have been taking place following those meetings.

The PTF-ESRS is delighted to announce that a first Statement of Cooperation has been signed with the Global Reporting Initiative (GRI).

Jean-Paul Gauzès, President of the Board of EFRAG, said:

‘We are honoured to be entrusted with this important mission by the European Commission, and grateful for the work performed by the Project Task Force and the continuation of its work within the ambitious timelines. It is our joint responsibility to ensure a robust development of high-quality EU sustainability reporting standards that are as widely accepted as possible – both within the EU and globally.’

Patrick de Cambourg, Chair of the PTF-ESRS, said:

‘Building on its membership, consensus building processes and report issued in February on the preparatory work to sustainability standard-setting, the Project Task Force is proud and committed to move to this important new step. The elaboration of the technical advice to the European Commission on draft EU sustainability reporting standards starts immediately with a view to progress swiftly and to hand over what will

be achieved in the coming months to the sustainability reporting bodies of EFRAG as soon as established and operational.'

Notes for editor:

1. About EFRAG (www.efrag.org)

EFRAG's mission is to serve the European public interest by developing and promoting European views in the field of financial reporting and ensuring these views are properly considered in the IASB standard-setting process and in related international debates. EFRAG ultimately provides advice to the European Commission on whether newly issued or revised IFRS Standards meet the criteria in the IAS Regulation for endorsement for use in the EU, including whether endorsement would be conducive to the European public good.

EFRAG seeks input from all stakeholders, and obtains evidence about specific European circumstances, throughout the standard-setting process and in providing our endorsement advice. Our legitimacy is built on transparency, governance, due process (which may include field tests, impact analyses and outreaches), public accountability and thought leadership. This enables EFRAG to speak convincingly, clearly, and consistently, and be recognised as the European Voice in financial reporting.

EFRAG is operating in a fast-evolving environment. It is attentive to the need to adapt its activities and its governance to meet the opportunities and challenges in corporate reporting.

2. Contact details:

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