

Position Paper

of the German Insurance Association (GDV)
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on the ESMA consultation on draft ITS specifying certain tasks of collection bodies und certain functionalities of ESAP

The German Insurance Association GDV greatly welcomes that ESAP will be set up to provide centralized access to publicly available financial and sustainability information of relevance to investors and necessary to comply with sustainability reporting obligations.

With 1.9 trillion Euro in investments (as of December 31, 2023), German insurers are one of the largest institutional investor groups. We strongly believe that ESAP could considerably improve the accessibility and availability of financial and sustainability company information throughout the EU and at the same time create the conditions for companies to implement the diverse reporting requirements from the sustainability area in a comparable and cost-efficient manner, like it is the case for the established financial reporting already.



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It is therefore very important that the technical set-up and functionalities of ESAP are done in a way that allows all market participants to obtain the data in a cost-efficient and user-friendly manner. ESAP should utilise the existing reporting channels and data reporting infrastructures that have already been successfully implemented in the EU. The implementation of the ESAP reporting requirements should not significantly increase reporting and compliance costs for submitting companies.

In principle, the negative experiences with data projects in the past, such as the introduction of the European Rating Platform (ERP) operated by ESMA, should be taken into account in the development of ESAP in order to achieve the greatest possible acceptance among the user groups.

While we do not provide detailed technical input to the processes / technical tasks of collection bodies we would like to make some general comments which are of importance for us:

- Operational implementation must take into account that the **data is quality assured**. To this end, the quality assurance systems must function absolutely and reliably.
- It must be ensured that the data is available in a machine-readable or data-extractable format. This is very important from a data user's perspective, although it must be noted that the introduction of ESAP does not introduce any additional reporting requirements for reporting companies. We would like to reinforce that we fully agree that the only aim of ESAP is to facilitate access to information already disclosed by reporting entities in accordance with the relevant Directive/Regulation. In this regard it is essential for us, and we welcome that as such ESAP is **not intended to create any additional disclosure requirements**, neither explicitly nor implicitly via the ITS specifications.
- The same rationale applies to the requirements regarding the obligation to use a machine-readable format. The reporting entities should only be obliged to provide information in a **machine-readable format if the relevant Directive/Regulation requires them to do so**, otherwise it must be considered that it is sufficient for the information to be submitted to ESAP in a data extractable format. Any changes in the scope of information for which a machine-readable format is currently required need to be thoroughly assessed in the scope of the relevant Directive/Regulation, not via this ITS.
- We agree that collection bodies shall **verify that the information is compliant** with the machine-readable format specified in the relevant legal act where

applicable or that the format of the information submitted ensures the text content of the information can be extracted.

- Regarding the machine-readable format we would expect that the requirements specified in the **ESEF Regulation 2019/815** continue to apply, as adopted since 2020 for annual reports (Article 4 paragraph 7 of the Directive 2004/109/EC) and as envisaged for the sustainability reports (Article 29d of the Directive 2013/34/EU).
- In addition to avoiding additional burdens for the reporting companies due to the requirement of machine readability or data extractability, we would like to point out in principle that in order to avoid unnecessary burdens for the companies subject to the reporting obligation, use should be made of **already defined / existing report formats / file formats**.
- The **search function** should be designed to be user-orientated and comprehensive in order to enable ESAP users to carry out a targeted search and analysis (long / short list). The central objective of ESAP is to increase the investor base and thus the investment opportunities via the European capital market for previously less visible companies. The metadata and the specific design of the search function must be geared towards this and make this possible.
- Finally, we back the requirement that the information submitted to ESAP shall be accompanied by several of the specified metadata and these needs to be validated by the collection body. It is the only way how the search function of ESAP might be designed in a reasonable way.

In this regard we would like to emphasize the importance of the principle that the “**size of the undertaking**” (Article 33a of the Directive 2013/34/EU) or the “the size of the issuer” (Art. 23a of the Directive 2004/109/EC) is categorized in alignment with the categorization used to fulfill the individual reporting obligations of companies; and which might be different to the size criteria in the European Directive/Regulation, specifically where there is a room for a member state decision on its national transposition. If the size criteria are not aligned with those underlying the individual reports or information provided to ESAP, it would significantly undermine the usefulness of the related search results.

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