**Reply** **form**

Consultation Paper on the Regulatory Technical Standards (RTS) on the European Single Electronic Format (ESEF) defining marking up rules for sustainability reporting and revising the marking up rules for the Notes to the IFRS consolidated financial statements and, on the amendments to the RTS on the European Electronic Access Point (EEAP)

 Responding to this paper

ESMA invites comments on all matters in the Consultation Paper and in particular on the specific questions in this reply form. Comments are most helpful if they:

* respond to the question stated;
* indicate the specific question to which the comment relates;
* contain a clear rationale; and
* describe any alternatives ESMA should consider.

ESMA will consider all comments received by **31 March 2025.**

Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

* Insert your responses to the questions in the Consultation Paper in this reply form.
* Please do not remove tags of the type <ESMA\_QUESTION\_ESEFEEAP\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
* If you do not wish to respond to a given question, please do not delete it but simply leave the text “TYPE YOUR TEXT HERE” between the tags.
* When you have drafted your responses, save the reply form according to the following convention: ESMA\_ESEFEEAP\_nameofrespondent.

For example, for a respondent named ABCD, the reply form would be saved with the following name: ESMA\_ESEFEEAP\_ABCD.

* Upload the Word reply form containing your responses to ESMA’s website (**pdf documents will not be considered except for annexes**). All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading ‘Your input - Consultations’.

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA’s rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA’s Board of Appeal and the European Ombudsman.

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Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the headings ‘Legal notice’ and heading ‘[Data protection](https://www.esma.europa.eu/about-esma/data-protection)’.

# General information about respondent

|  |  |
| --- | --- |
| Name of the company / organisation | AFEP |
| Are you representing an association? |[x]
| Country/Region | France |
| Activity |[ ]  Information provider (issuer, undertaking or preparer) of corporate reports subject to digitalisation requirements in the EU |[ ]  Public interest entity (entities governed by the law of an European Union Member State whose transferable securities are admitted to trading on a regulated market of any Member State; (ii) credit institutions; (iii) insurance undertakings, or (iv) entities designated by Member States as public-interest entities) |
|  |  |  |[ ]  Non-public interest entity (large non-listed EU company, including large EU company with securities only listed outside EU regulated markets)  |
|  |  |  |[ ]  Non-public interest entity (large non-EU company with securities listed in EU regulated markets)  |
|  |  |  |[ ]  Non-public interest entity (SME listed in EU regulated markets)  |
|  |  |  |[x]  Other (provide comment): French Association of Large Companies |
|  |[ ]  User of digitalised corporate reporting from EU companies |[ ]  Investor |
|  |  |  |[ ]  Data analyst |
|  |  |  |[ ]  Data aggregator |
|  |  |  |[ ]  Asset manager |
|  |  |  |[ ]  Other (provide comment): Click here to enter text. |
|  |[ ]  Software provider |
|  |[ ]  Auditor of corporate reporting subject to digitalisation requirements in the EU |
|  |[ ]  Other (provide comments) | Click here to enter text. |

# Questions

Marking up sustainability reporting

**Question 1:** Do you agree with the assessment framework and the manner in which the various elements and factors are to be considered in developing the marking up rules and the phased approach? If not, please explain your reasons and suggest any elements or factors that should be added or removed, or propose sound alternative assessment frameworks.

<ESMA\_QUESTION\_ESEFEEAP\_01>

We consider that the consultation's introduction lacks two very important contextual elements:

* Regarding sustainability reporting, current regulatory developments cannot be ignored. The draft omnibus directives and the amendments to the Taxonomy Delegated Acts put forward by the Commission, will have an impact on the Taxonomy Regulation, the scope of application of the ESRS standards and their content. Against this backdrop of great uncertainty, it would be premature to draw any conclusions on the electronic reporting aspects before the sustainability reporting framework has been secured. Furthermore, in a context where the search for simplification has motivated these regulatory changes, the relevance of adding administrative burden on companies with electronic reporting, whose usefulness is not obvious, should be seriously questioned.
* As far as financial reporting is concerned, we believe that ESMA should include in its timetable the implementation of IFRS 18 for financial years starting on or after 1 January 2027, which will change the presentation of the income statement, the cash flow statement and the content of the notes. IFRS 18 is a major project to set up and structure, which will mobilise a large part of companies' internal resources. Imposing on companies at the same time an overhaul of the electronic reporting format would be very detrimental, in a context where administrative simplification is a key objective at European level.

We consider therefore that this consultation and the development of the ESRS digital taxonomy should be put on hold. Moreover, before resuming the work on the ESRS digital taxonomy, a post implementation review of the application of ESEF to financial consolidated statements should be carried out to assess the pros and cons and the costs and benefits.

<ESMA\_QUESTION\_ESEFEEAP\_01>

**Question 2:** Do you agree with the phased approach and the proposed timeline? Do you concur that the first phase should be implemented for the same financial year or the following financial year depending on the publication date of amendments to the RTS on ESEF in the OJ (before or after 30 June of the given year)? If not, please provide your reasons and suggest any well-founded alternative timelines for implementation.

<ESMA\_QUESTION\_ESEFEEAP\_02>

Without prejudice to our answer to Question 1, we agree with a phased approach. However, we strongly disagree with the proposed timeline:

* Considering the implementation period, we consider unrealistic to require entities to implement a new obligation, as complex as ESEF, in the same year as it is published in the Official Journal, or even 6 months later if adopted on 30 June. Issuers and IT solution editors will need at least one year, once the final texts have been published, to be able to integrate these new rules.
* Considering the proposed timeline, as mentioned in question 1, we believe that it is necessary to wait for the finalisation of the new ESRS before proposing an appropriate new taxonomy and to perform a new ESMA consultation accordingly. It seems reasonable to us to allow at least one year of publication in ‘paper’ format of reports drawn up in accordance with the new standards (post revised ESRS standards) before imposing the electronic format. In the meantime, ESMA could organise field tests with a group of voluntary companies as was done when ESEF was implemented for financial reporting.

To conclude, we believe that the idea of aligning with ESAP and the deadline of July 2027 for the first submissions must be abandoned.

<ESMA\_QUESTION\_ESEFEEAP\_02>

**Question 3:** Do you agree with only considering an additional staggered approach based on the type of large undertakings? If not, please explain your reasons and suggest alternatives or other factors that should be considered and why.

<ESMA\_QUESTION\_ESEFEEAP\_03>

It is impossible to answer this question until the CSDR framework is definitively finalized.

<ESMA\_QUESTION\_ESEFEEAP\_03>

**Question 4:** Do you agree with the phases and the content to be marked up as outlined for each phase? If not, please provide your reasons and suggest any well-founded alternative regarding the content for each phase, together with the rationale behind your suggestions.

<ESMA\_QUESTION\_ESEFEEAP\_04>

While we welcome the idea of a phased approach, which has the merit of taking into account the organizational difficulty that these new obligations represent for companies, we do not agree with ESMA’s proposal.

Indeed, phase 1 is already far too cumbersome and complex to implement. Moreover, we do not understand the point of marking out the narrative elements in such details (level 3), with the constraint that this implies for companies to build their links in the strict logic of the planned taxonomy. The electronic format should only reflect the structure chosen by the company, and not the other way around. Some paragraphs can host a lot of data points. A macro markup of the whole should be sufficient. Otherwise, the markup becomes unreadable and overly complex (a dedicated line for each data point would be necessary).

We therefore propose that for phase 1 and following phases, and for all standards, mandatory mapping stops at level 1 for narrative disclosures and more detailed mapping should remain optional.

<ESMA\_QUESTION\_ESEFEEAP\_04>

**Question 5:** Do you think it is necessary to establish a clear timeline and content for each phase from the outset? If not, please explain your reasons and propose alternative approaches.

<ESMA\_QUESTION\_ESEFEEAP\_05>

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**Question 6:** Do you agree with the approach to limit the creation of extension taxonomy elements for marking up sustainably reports? If not, please explain your reasons and suggest alternative approaches.

<ESMA\_QUESTION\_ESEFEEAP\_06>

We are of the opinion that even if it is extremely standardized, the very nature of a sustainability report leads to the presentation of entity-specific information and therefore to the use of extensions. Suggested tags such as “Other disclosure [textblock]” and “Disclosure of other information” do not always provide relevant information. It is also quite inconsistent that ESMA requires a level 3 tagging on all narratives but then wants to limit the use of extensions. We believe that a reminder can be made on the priority to be given to existing tags without limitating the use of extensions.

<ESMA\_QUESTION\_ESEFEEAP\_06>

**Question 7:** Do you agree with the inclusion of a review clause that would trigger stock-taking by ESMA on the need to make necessary adjustments in response to changing circumstances? If not, please explain your reasons.

<ESMA\_QUESTION\_ESEFEEAP\_07>

We agree.

<ESMA\_QUESTION\_ESEFEEAP\_07>

Marking up Article 8 sustainability disclosures

**Question 8:** Do you agree with having a closed taxonomy for Article 8 sustainability disclosures? If not, please explain your reasons and provide examples on when entity-specific extensions might be necessary.

<ESMA\_QUESTION\_ESEFEEAP\_08>

While we understand that the information provided under Article 8 is even more standardised, we believe that as a matter of principle, ESMA should not close the door to the use of extensions. While their use may be limited, they could be useful, especially in terms of contextual elements.

<ESMA\_QUESTION\_ESEFEEAP\_08>

**Question 9:** Do you agree with the proposed requirement to fully mark up the Article 8 sustainability disclosures without implementing a phased approach in relation to the content of the information to be marked up? Do you agree with only considering a staggered approach based on the type of large undertakings? If not, please explain your reasons and suggest alternative approaches.

<ESMA\_QUESTION\_ESEFEEAP\_09>

First of all, it seems imperative to wait for the amendments to the Taxonomy Delegated Acts to be adopted before considering starting the implementation of the markup (please refer to our answer to Question 1). Furthermore, we consider that a delay of at least one year for the implementation of the new texts is necessary.

We disagree with the idea that Article 8 sustainability disclosures should be fully marked up without a phased-in approach in relation to the content to be digitalised. Indeed, as we understand that narrative datapoints should be marked up to the highest granular level possible and where applicable, with the relevant XBRL dimensions (for example, eligibility, alignment or both), we think this deserves a phased approach which could be as follows :

* Phase 1: all the tables and very high-level block tagging on contextual information.
* Phase 2: More granular in narrative markup.

We also believe that a specific phased approach could be appropriate for financial undertakings which could be as follows:

* Phase 1: quantitative only for Appendix 6.
* Phase 2: quantitative only for Appendix 12.
* Phase 3: Narrative for Appendix 6.

<ESMA\_QUESTION\_ESEFEEAP\_09>

**Question 10:** Do you support the requirement to mark up the Article 8 sustainability disclosures for the same financial year or the following financial year depending on the publication of the RTS on ESEF in the OJ and align it with the sustainability marking up? If not, please provide your reasons and suggest alternative approaches.

<ESMA\_QUESTION\_ESEFEEAP\_10>

For the same reasons as mentioned in our response to Question 2, we consider that this is unrealistic.

<ESMA\_QUESTION\_ESEFEEAP\_10>

**Question 11:** Do you agree with the inclusion of a review clause that would trigger stock-taking by ESMA to consider any necessary adjustments in response to the evolving circumstances? If not, please provide your reasons.

<ESMA\_QUESTION\_ESEFEEAP\_11>

Yes, we agree.

<ESMA\_QUESTION\_ESEFEEAP\_11>

Common technical aspects: incorporating the ESRS and Article 8 digital taxonomies into the ESEF taxonomy framework

**Question 12:** Do you agree with the technical approach followed by ESMA with regards to incorporating ESRS and Article 8 digital taxonomies from EFRAG into the ESEF taxonomy framework?

<ESMA\_QUESTION\_ESEFEEAP\_12>

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<ESMA\_QUESTION\_ESEFEEAP\_12>

**Question 13:** Should ESMA consider using the EFRAG taxonomy files ‘as-is’ and without developing a ‘technical’ extension, similar to the one developed for IFRS accounting taxonomy scope?

<ESMA\_QUESTION\_ESEFEEAP\_13>

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<ESMA\_QUESTION\_ESEFEEAP\_13>

**Question 14:** Do you have any other suggestions in relation to the future ESEF taxonomy framework and how ESMA can further reduce the burden for the reporting entities?

<ESMA\_QUESTION\_ESEFEEAP\_14>

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<ESMA\_QUESTION\_ESEFEEAP\_14>

Marking up the Notes to the IFRS consolidated financial statements

**Question 15:** Do you agree that it is necessary to revise the marking up rules for the Notes to the IFRS consolidated financial statements? If not, please explain your reasons.

<ESMA\_QUESTION\_ESEFEEAP\_15>

We agree that marking up rules for the notes deserve to be revised. As of today the exercise is too complex and the result is probably not very relevant given the overlapping of too many tags.

<ESMA\_QUESTION\_ESEFEEAP\_15>

**Question 16:** Do you agree with the phased-in approach and the proposed timeline? Do you also agree that the first phase should take effect with the annual financial report for the financial year when the amendment to the RTS on ESEF is published in the OJ before 30 September of the given year? If not, please explain your reasons and suggest any alternative timelines for the implementation.

<ESMA\_QUESTION\_ESEFEEAP\_16>

We disagree with the proposed timeline. Once again, requiring an implementation only few months after the publication of the final regulation is unrealistic.

In addition, we believe that companies cannot be required to combine this work with the implementation of IFRS 18. In this context, we believe that no additional work should be required by 2027 and that the only acceptable evolution between now and then is the removal of nested tags. In addition, companies will also be going through their first year of application for the tagging of sustainability reports and we believe that it is not the ideal timing to ask them for more detailed markup of the notes to the financial statements as proposed.

<ESMA\_QUESTION\_ESEFEEAP\_16>

**Question 17**: Do you agree with the content outlined for phase one? Specifically, do you support the proposed approach to text block mark up the Notes to the IFRS consolidated financial statements? If not, please provide your reasons and suggest alternatives to marking up text blocks in the Notes to the IFRS consolidated financial statements.

<ESMA\_QUESTION\_ESEFEEAP\_17>

We fully support the first step of phase one relating to text block marking up the Notes and we agree with all the proposed elements to consider :

* Following the structure of the Notes and the presentation logic followed by the issuer.
* Avoiding over-marking up.
* Minimising nested- or multi-marking up.

On the other hand, we do not support the second set of proposals for phase 1, ie separate and individual markup of each table disclosed in the Notes. Indeed, such additional markup could be very time consuming with no real usefulness.

<ESMA\_QUESTION\_ESEFEEAP\_17>

**Question 18:** Do you agree with the content outlined in phase two? Do you think there is added value in detailed marking up of the Notes to the IFRS consolidated financial statements, particularly for all figures in a declared currency within the tables? Do you think that detailed tagging of numerical elements for which issuers should create extensions because there is no corresponding core taxonomy element provide added value? If not, please provide your reasons and suggest alternatives to detailed-marking up the Notes to the IFRS consolidated financial statements.

<ESMA\_QUESTION\_ESEFEEAP\_18>

We disagree with the content of phase 2:

* Some issuers may have more than 100 tables in their notes, with a much larger amount of data in a matrix format that should be mark-up. The balance costs / benefits will never be reached.
* Detailed tagging for all numerical elements including but not limited to monetary values, decimals, dates, integers and percentages as well as elements with Booleans and enumerations item is also unrealistic. The narrative elements of the notes change very frequently and it will probably not be possible to simply carry over the tags from one year to the next. These are also elements that can change at the very last minute and the addition of electronic markup will increase the risk of non-update errors. We also think that such detailed and changing markup can cause difficulties for their audit. Finally, the very detailed markup will probably require the use of many extensions. which can also call into question its usefulness.

<ESMA\_QUESTION\_ESEFEEAP\_18>

**Question 19:** Do you agree with the proposal to remove the current list of mandatory core taxonomy elements outlined in Annex II of the RTS on ESEF and replace it with a more concise and targeted list of mandatory taxonomy elements? If not, please explain your reasons.

<ESMA\_QUESTION\_ESEFEEAP\_19>

We agree, however disclosure of elements not required by the IFRS should not be mandated and marked up, in particular the name of the software used to produce the reports. Some elements mentioned in ESMA’s consultation paper, such as the names of the statutory auditors and whether the audit report is qualified or unqualified, are public information but do not belong to the notes to the financial statements. We don’t see the need to mark up these elements.

<ESMA\_QUESTION\_ESEFEEAP\_19>

**Question 20:** Do you agree with the proposed list of mandatory elements? If not, please provide your reasons and suggest any elements that should be removed or added.

<ESMA\_QUESTION\_ESEFEEAP\_20>

We have no objection as long as this does not imply that this information becomes mandatory in financial reports.

<ESMA\_QUESTION\_ESEFEEAP\_20>

**Question 21:** Do you agree with the revised approach towards the creation of extension taxonomy elements for the Notes to the IFRS consolidated financial statements and the principles outlined? If not, please explain your reasons and suggest alternatives.

<ESMA\_QUESTION\_ESEFEEAP\_21>

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<ESMA\_QUESTION\_ESEFEEAP\_21>

**Question 22:** Do you agree with the inclusion of a review clause that would trigger stock-taking by ESMA to consider any necessary adjustments in response to the changing circumstances and to bundle these adjustments with other updates where feasible? If not, please explain your reasons.

<ESMA\_QUESTION\_ESEFEEAP\_22>

We agree.

<ESMA\_QUESTION\_ESEFEEAP\_22>

Targeted improvements to the existing drafting of the RTS on ESEF

**Question 23**: Do you agree with the proposals for the targeted amendments to the RTS on ESEF? If not, please explain your reasons and suggest alternatives. In your response, reference specific proposals by proposal number.

<ESMA\_QUESTION\_ESEFEEAP\_23>

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<ESMA\_QUESTION\_ESEFEEAP\_23>

**Question 24:** Are there any additional targeted amendments that could be brought to the RTS on ESEF which are not considered in this proposed list? If yes, please provide additional comments, providing specific references to the RTS on ESEF and concrete wording proposals for ESMA to take into consideration.

<ESMA\_QUESTION\_ESEFEEAP\_24>

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<ESMA\_QUESTION\_ESEFEEAP\_24>

Amendments to the RTS on the European Electronic Access Point (Delegated Regulation 2016/1437)

**Question 25**: Do you agree that it is necessary to amend the RTS on EEAP and with the way ESMA proposes to do so? If not, please explain your reasons.

<ESMA\_QUESTION\_ESEFEEAP\_25>

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<ESMA\_QUESTION\_ESEFEEAP\_25>

**Question 26:** Do you agree with content of the proposed amendments to the RTS on EEAP? If not, please explain in which regards to you disagree and illustrate any alternative proposal.

<ESMA\_QUESTION\_ESEFEEAP\_26>

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<ESMA\_QUESTION\_ESEFEEAP\_26>

Annex II. Draft Cost/Benefit Analysis on the RTS on ESEF

**Question 27:** Do you agree with ESMA’s high-level understanding of an approximate monetary cost associated with marking up disclosures in IFRS consolidated financial statements and the Notes to the IFRS consolidated financial statements? If you have a different view on the approximate average monetary cost per markup, please supply supporting data.

<ESMA\_QUESTION\_ESEFEEAP\_27>

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<ESMA\_QUESTION\_ESEFEEAP\_27>

**Question 28:** Do you agree with ESMA’s high-level understanding of an approximate monetary cost per markup and other additional costs associated with marking up disclosures of sustainability reporting? If you have a different view on the approximate average monetary cost per markup, please supply supporting data.

<ESMA\_QUESTION\_ESEFEEAP\_28>

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<ESMA\_QUESTION\_ESEFEEAP\_28>

**Question 29:** Do you agree with the above-mentioned possible costs and benefits developed by ESMA with respect to defining the rules to mark up the sustainability statements? Which other types of costs or benefits (qualitative and/or quantitative) would you consider in that context?

<ESMA\_QUESTION\_ESEFEEAP\_29>

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<ESMA\_QUESTION\_ESEFEEAP\_29>

**Question 30:** Do you agree with the above-mentioned possible costs and benefits developed by ESMA with respect to the use of a list of mandatory elements for marking up the sustainability statements? Which other types of costs or benefits (qualitative and/or quantitative) would you consider in that context?

<ESMA\_QUESTION\_ESEFEEAP\_30>

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<ESMA\_QUESTION\_ESEFEEAP\_30>

**Question 31:** Do you agree with the above-mentioned possible costs and benefits developed by ESMA with respect to defining the rules for marking up Article 8 sustainability disclosures in the sustainability statements? Which other types of costs or benefits (qualitative and/or quantitative) would you consider in that context?

<ESMA\_QUESTION\_ESEFEEAP\_31>

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<ESMA\_QUESTION\_ESEFEEAP\_31>

**Question 32**: Do you agree with the above-mentioned possible costs and benefits developed by ESMA with respect to the review of the current marking up approach for the Notes to the IFRS consolidated financial statements? Which other types of costs or benefits (qualitative and/or quantitative) would you consider in that context?

<ESMA\_QUESTION\_ESEFEEAP\_32>

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<ESMA\_QUESTION\_ESEFEEAP\_32>

**Question 33:** Do you agree with the above-mentioned possible costs and benefits developed by ESMA with respect to the review of the list of mandatory elements under Annex II to RTS on ESEF? Which other types of costs or benefits (qualitative and/or quantitative) would you consider in that context?

<ESMA\_QUESTION\_ESEFEEAP\_33>

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<ESMA\_QUESTION\_ESEFEEAP\_33>

Annex III. Draft Cost/Benefit Analysis relating to the amendment to the RTS on the EEAP

**Question 34:** Do you agree with the assessment of costs and benefits developed by ESMA with respect to the review of the RTS on EEAP?

<ESMA\_QUESTION\_ESEFEEAP\_34>

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<ESMA\_QUESTION\_ESEFEEAP\_34>

Annex IV. Legal text RTS on ESEF

**Question 35:** Do you agree with the proposed drafting amendments to the RTS on ESEF? If not, please explain your reasons and suggest alternatives. In your response, reference specific sections and paragraphs of the RTS on ESEF (i.e., Annex III, paragraph 1).

<ESMA\_QUESTION\_ESEFEEAP\_35>

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<ESMA\_QUESTION\_ESEFEEAP\_35>

**Question 36:** Are there any additional drafting amendments that could be brought to the RTS on ESEF which are not considered in this draft legal text? If yes, please provide additional comments, providing specific references to the RTS on ESEF, underlying reasoning and concrete wording suggestions for ESMA to take into consideration.

<ESMA\_QUESTION\_ESEFEEAP\_36>

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