**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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# General information about respondent

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Name of the company / organisation | FEDERATION BANCAIRE FRANCAISE | | | |
| Are you representing an association? |  | | | |
| 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) |
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|  | Non-public interest entity (large non-EU company with securities listed in EU regulated markets) |
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|  | Other (provide comment):  Click here to enter text. |
|  | User of digitalised corporate reporting from EU companies |  | Investor |
|  | Data analyst |
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|  | Other (provide comment):  Click here to enter text. |
|  | Software provider | | |
|  | Auditor of corporate reporting subject to digitalisation requirements in the EU | | |
|  | Other (provide comments) | Professional Association | |

# 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>

It is indeed crucial to maintain the hierarchical structure of the ESRS, which relies on a system of nested elements (known as the parent-children relationship). However, it is important to note that such hierarchization can hinder operational efficiency if not automated. Therefore, we advocate for its automation.

<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>

The implementation timeframe should be extended of one year minimum to ensure better adoption by banks and to ensure that any potential modifications to the texts cited in this consultation do not disrupt the implementation of this digitalization.

The implementation timeframe should be extended following this precise timeframe: if the adoption occurs in 2026 the first publication in digital format should not be expected as earlier as 2028 on data as of 31/12/2027.

This one-year gap is necessary because companies need time to implement these changes in their IT tools (upgrade/acquisition of new software takes time), as foresaw during digitalization of financial statements.

<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>

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<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>

The implementation of digitalization in three staggered phases is necessary. However, requiring a significant volume of digitalization from the initial phase appears overly ambitious.

It has been demonstrated in the digitalization of financial statements that narrative elements are challenging to standardize. Given that Phase 1 demands quantitative, semi-narrative, narrative components, and validation rules, it may be overly burdensome.

A more gradual publication schedule, with a lighter first phase, would facilitate smoother adoption we propose the following phase-in:

Phase 1: Quantitative with complete marking up, all ESRS (except entity specific and “may” datapoints)

Phase 2: Semi-narrative with only E1 and ESRS 2 (including topical IRO-1)

Phase 3:

* Quantitative as phase 1 and additional marking up of other entity-specific and “may” data points
* Semi-narrative with complete marking up and additional marking up of other entity-specific and “may data point”
* Narrative with complete marking up
* Validation rules marking up for ‘EU Datapoints’, ‘Outside MA’, ‘IRO IDs consistency’, ‘Policy IDs consistency’, ‘Target IDs consistency’, ‘Action plan IDs consistency’, ‘Energy unit’, ‘Volume unit’, ‘GHG emissions unit’, ‘Positive fact values’, ‘Dimensional breakdowns’, ‘Dimensional breakdowns-sum to 100%, ‘Dimensional breakdowns- value chain’, ‘Estimated values’, ‘Percentage of employees’, ‘Number of employees (head count), during period’, and ‘Number of employees (head count) at end of period’, ‘Metric not materials’.

Furthermore, we believe that tagging information at level 3 is too complex to implement and lacks relevance in terms of comparability. Therefore, it does not seem appropriate to digitalize level 3.

<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>

Yes, it is necessary to establish a clear timeline and content for each phase from the outset. However, the phases must consider operational challenges

<ESMA\_QUESTION\_ESEFEEAP\_05>

**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 agree with this approach to limit the creation of extension, provided that the tagging covers all the datapoints (coherence with the implementation guidance (IG3), published by EFRAG).

Companies should be able to create new tags for material entity-specific datapoints only.

<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>

It is necessary to include review clause (in particular in the context of the omnibus review). The review must be performed to correct errors (including those spotted by users) and adapt the taxonomy to texts revisions.

As a general rule, authorities should grant companies sufficient time to implement these changes (“grace period”).

Moreover, revision of the taxonomy must be coherent with the revision of the ESRS standards (content and timeframe).

<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>

Yes, a closed taxonomy for Article 8 sustainability disclosures is suitable for quantitative metrics and tables.

Nevertheless, particular attention should be paid to qualitative information (ex: annex XI), which are not standardized : ESMA should make sure that tags exist for this type of information (ex : how to deal with voluntary GAR ?).

<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>

A phased approach should be considered due to the significant number of templates that need to be tagged. Annex VI and XII of Article 8 of the taxonomy requires a multitude of templates (7 KPI with 10 templates for annexe VI).

A more gradual publication schedule, with a lighter first phase, would facilitate smoother adoption we propose the following phase-in:

Phase 1: quantitative part of annex VI (credit institution)

Phase 2: annex XII (gas and nuclear templates)

Phase 3: qualitative part of annex XI (qualitative information, contextual information)

In the initial proposal these is no phase-in proposed for taxonomy disclosures (in particular for credit institutions).

<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>

The implementation timeframe should be extended of one year minimum to ensure better adoption by banks and to ensure that any potential modifications to the texts cited in this consultation do not disrupt the implementation of this digitalization.

The implementation timeframe should be extended following this precise timeframe: if the adoption occurs in 2026 the first publication in digital format should not be expected as earlier as 2028 on data as of 31/12/2027.

This one-year gap is necessary because companies need time to implement these changes in their IT tools (upgrade/acquisition of new software takes time), as foresaw during digitalization of financial statements.

<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>

It is necessary to include review clause (in the context of the omnibus review). The review must be performed to correct errors (including those spotted by users) and adapt the taxonomy to texts revisions.

As a general rule, authorities should grant companies sufficient time to implement these changes (“grace period”).

Moreover, revision of the taxonomy must be coherent with the revision of the Taxonomy regulation (content and timeframe).

<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>

The difficulty of tagging and its implementation must be given more consideration. Additionally, the teams are currently burdened with numerous reports to publish, and tagging would add further complexity. This could potentially lead to implementation delays and further complicate the process. It is important to emphasize that reporting information, which is already difficult to publish and obtain, will be even more challenging to tag, adding an extra layer of complexity and workload for the teams involved.

<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>

If proposed tags by the regulator are enough accurate, not having the possibility to create extensions is not a problem.

<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>

Digitalizing narrative content requires careful consideration. The inherent incomparability and complexity of tagging narrative data present significant challenges, potentially outweighing the benefits. The process is resource-intensive and prone to inconsistencies due to subjectivity. Instead, focusing digitalization efforts on structured data sets may offer clearer insights and better align with organizational goals, ensuring more efficient resource allocation in the digital transformation process.

<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 note that the EFRAG takes the opportunity of new requirements for establishing an ESEF for sustainability reporting to revise the marking-up rules of the Notes to the IFRS consolidated financial statements. EFRAG aims to enhance usability and comparability of the disclosed information and to respond to the feedback gathered from both preparers and users. It is an ambitious project as it will imply to implement a detailed and exhaustive markup of all the individual numerical values and qualitative data of the notes. Carried out in parallel with the digitization of the sustainability reporting, the taxonomies to be implemented will triple (CSRD, Article 8 and IRFRS°.

In that context, we question whether it is appropriate to generalize the marking up to information other than the IFRS primary financial statements. We believe that work on the markup of the Notes should focus on simplifying access to the taxonomy, encouraging reader adoption of the taxonomy, and using it to compare elements that can be compared before engaging in a global project aiming to generalize the markup.

More specifically, we question the two-phased approach proposed by ESMA and we are not in favour of the proposals made for detailed marking up as explained in the answers to the questions below.

<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>

ESMA plans, in a first phase, to implement the changes to the RTS on ESEF for the accounts as at 31.12.2026, i.e. publication of the document by the preparers at the beginning of 2027 (March 2027), if the RTS is published in the Official Journal before 30 September 2026.

The proposed timetable is too constrained for issuers, as it is technically unthinkable to implement.

This would imply that both issuers and software providers would have to develop a new version of their software based on the revised RTS on ESEF, test it, deliver it and, for issuers, test this version in their system and implement it.

To allow issuers to implement the RST on ESEF changes more serenely, we recommend that, for the RTS on ESEF published in year N in the OJEU, the date of application of the RTS on ESEF should be set in the financial statements of year N+1, at the option of the issuer.

In addition, we would like to highlight that IFRS 18 *Presentation and Disclosure in Financial Statements* will come into effect for financial years beginning on or after January 1, 2027, making significant changes to the financial statements.

If the revised RTS on ESEF were to apply to the financial statements as of 31.12.2026, this would imply that within one year, issuers would have to review the taxonomy applied to their financial statements in depth twice: once in 2026 with the implementation of the amendments to the RTS on ESEF and a second time with the application of IFRS 18. This would constitute a very heavy operational burden for them.

As a result, should the phase 1 apply, we recommend that the phase 1 follows the timeline applied to IFRS 18, i.e. financial years beginning on or after January 1, 2027, to avoid issuers having to make two major updates to the marking up elements and the corresponding XBRL elements for the Notes.

<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 support the proposed approach to marking up the tables of the Notes in phase 1, i.e. to link each table of the Notes with the data of the primary statements for each of the tables concerned.

However, we question the obligation of separate marking-up for each table and in particular for accounting principles for which each subsection or sub-paragraph of a text should be subject to separate marking-up, as explained in the example in Figure 11. The example applies to simple cases where each paragraph or subsection of the text of the individual disclosure is a heading. It may be difficult to apply in other cases, for example when the same item appears in different subsections. Therefore, we believe that provisions of the revised RTS on ESEF should be flexible enough to allow issuers to adopt the approach – detailed marking up of subsections or “block” marking up of the section – to provide the most useful information to investors.

<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>

The implementation of the new detailed taxonomy elements to the Notes of the IFRS consolidated financial statements will be challenging for issuers. They will be forced to redefine the mapping between the data in the Notes and detailed taxonomy elements and to update the corresponding marking up, if necessary. This will have to be done as soon as the revised RTS is published, but also for each annual update of the taxonomy elements. It will add operational burden and significant efforts for preparers to meet the new approach.

IFRS accounting standards are prescriptive on the principles and the content of financial information in the Notes to the financial statements. They thus aim to a greater harmonization and comparability of financial information between entities. According to materiality principle enshrined in IFRS standards, entities are permitted not to publish all the disclosures requested unless the information is relevant to users of financial statements. As far as the markup of all the numerical elements of the Notes is concerned, imposing such exhaustive markup means requiring a rigid and specific format that would make the information lose readability in an overall reading of the financial information.

Therefore, in our opinion, defining the marking-up of the Notes at a too granular level will not provide more comparability. We would advocate for a macro-marking up that meets the needs of this already formally defined normative accounting framework.

By imposing marking up of the Notes at such a granular level, issuers will have to use an increased number of extensions to markup the disclosures, notably because there is no corresponding core taxonomy element and because, when a taxonomy element is used for marking up a numerical value, it cannot be used twice because of consistency checks limiting the use of a taxonomy element to the same amount. Moreover, the use of increased number of extensions that will be entity specific by nature appears to be on the opposite direction of enhancing usability comparability of the disclosed information.

For these reasons, we are not in favour of the approach proposed in Phase 2. Moreover, the markup is becoming too complex, cumbersome to update and audit by the auditors, requiring the intervention of experts, with elements that are not comparable between institutions. We do not believe that the approach would contribute to meet the ESMA objectives of more comparability and simplification of the current marking up. In addition, the costs and benefits ratio of an exhaustive marking up of the detailed elements of the notes to the IFRS consolidated financial statements seems to us to be unfavourable as explained in questions 32 and 33.

Therefore, we suggest, as explained above in question 15, to narrow the approach of marking up of the Notes and to focus on simplifying access to the taxonomy, encouraging reader adoption of the taxonomy, and using it to compare elements that can be compared before engaging in a global project aiming to generalize the markup.

Our proposal is to provide a framework of predefined core taxonomy elements that meet the needs of marking up all the disclosures in the Notes to the IFRS consolidated financial statements as required by IFRS 7. This will respond to the constraints of the creation of numerous extensions, the need of more usability and comparability of disclosures and the huge burden of entering in a challenging project as proposed by the consultation paper.

<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>

The objective of the review of marking rules for Notes to the IFRS consolidated financial statements is the usability and comparability of disclosed information.

In our view, the principle of a list of mandatory core taxonomy elements is a way to achieve this objective by providing a framework of core taxonomy elements to be used by preparers and to be understandable by all stakeholders including auditors and readers of ESEF information. In addition, a more comprehensive list of predefined taxonomy elements would contribute to reduce the need for creation of additional extensions that are entity specific to markup disclosed financial information.

The current list of mandatory core taxonomy elements is incomplete to properly mark up all the disclosures in the Notes as required by IFRS 7 and to meet the need for an approach where marked up information is more comparable between entities. For example, regarding financial instruments, the list contains few taxonomy elements or taxonomy elements that are insufficiently detailed compared to the level of detail of information required by IFRS 7.

Also, we would suggest focusing on an in-depth review of the current list of mandatory core taxonomy elements to enrich the list and to define extensive taxonomy elements that correspond to the disclosures in the notes required in IFRS 7.

<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>

As explained in question 19, we are not in favour of a more concise mandatory list.

While we would support most of the mandatory elements of the proposed list as they exist currently, we question the relevance of adding taxonomy elements relating to average number of employees as mandatory considering the information currently required by IFRS accounting standards. Nor we believe relevant to require the name of software used to produce the report

<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>

ESMA's proposals are based on current practices for the creation and use of extensions: an extension is possible if the information does not exist in the current list of mandatory taxonomy elements must be anchored to an existing taxonomy element.

We support the proposed approach and have no comments.

<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 to include a review clause. We would like to highlight that the review clause must be accompanied by sufficient time to implement the necessary adjustments.

<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>

We have no specific comments.

<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>

We have no specific comments.

<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>

We have no specific comments.

<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>

It is currently challenging for institutions to accurately estimate monetary costs of marking up disclosures, given the scale of the project. For further analysis of the costs please refer to the questions below.

<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>

It is currently challenging for institutions to accurately estimate the costs of implementing the tagging of sustainability disclosures. Given the likelihood of regulatory texts evolving and being amended, these changes will necessitate updates to digitalization efforts, leading to additional costs. A flexible and adaptive approach is therefore essential to anticipate these potential changes effectively

<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>

It is important to note that not all digitalized elements will be inherently comparable. Qualitative information poses challenges both in terms of comparability and digitalization. A nuanced approach that accounts for the diverse nature of sustainability information would be preferable.

<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>

The establishment of a list of mandatory elements for tagging sustainability disclosures is a relevant initiative. However, it is crucial to include a mechanism for regularly revisiting and updating this list to align with potential amendments to regulatory texts. This flexibility would ensure consistency between reporting requirements and tagged elements. While this approach may facilitate the comparison of quantitative data, its application to qualitative information remains complex and warrants further consideration.

<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>

Regarding the tagging of Article 8 sustainability disclosures, the detailed approach proposed by ESMA (Option 2: "high detailed marking up approach") does offer advantages in terms of comparability. However, it is important to emphasize that the specificity of the data required from each institution may limit this comparability, particularly for qualitative information. A balanced approach that considers both the need for standardization and the diversity of corporate contexts would be more appropriate.

<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>

We consider that ESMA correctly identified the possible costs and benefits that could result from the review of the current marking up approach for the Notes to the IFRS consolidated financial statements and the review of the list of mandatory elements under three scenarios. ESMA has logically concluded that a phase-in approach is the preferred option.

However, before concluding definitively on the costs and benefits assessment, we would like to draw your attention to the additional burden and considerable efforts that will be needed from all stakeholders, notably issuers and auditors, to achieve a complete markup of the numerical values and qualitative data of the Notes.

Indeed, the XBRL marking up of primary consolidated IFRS financial statements and their Notes requires specialized skills and generates many discussions, both internally and with auditors, during its preparation, implementation, audit and publication. We believe that this effort is justified for identifiable and comparable quantitative data between issuers, for IFRS primary financial statements as the XBRL markup can provide consistency checking.

We have doubt about the favourable costs benefit balance when it comes to marking up all the detailed information in the Notes as proposed in the consultation paper. Indeed, the exhaustive and detailed markup of texts, notes to the financial statements and footnotes is giving rise to debates to allow comparability between issuers, which remains difficult to achieve. The upstream and final discussions regarding taxonomy elements are time consuming and represent a significant workload at the end of the production process of consolidated accounting documents, constituting a bottleneck when publishing financial statements.

Finally, the current aim of European authorities is an overall approach of simplification of financial reporting for relevant financial information and relief of preparers’ burden. The project to update of the taxonomy should be part of this overall orientation of simplification.

Therefore, we believe that a greater attention should be put on those additional costs and efforts when carefully assessing the costs and benefits of the proposed markup approach.

<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>

Please refer to question 32.

<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>

TYPE YOUR TEXT HERE

<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>

We have no specific comments

<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>

We have no specific comments

<ESMA\_QUESTION\_ESEFEEAP\_36>