

# 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.

## **Data protection**

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](#)'.

## 1. General information about respondent

Name of the company / organisation	Dutch Accounting Standards Board (DASB)		
Are you representing an association?	<input type="checkbox"/>		
Country/Region	Netherlands		
Activity	<input type="checkbox"/>	Information provider (issuer, undertaking or preparer) of corporate reports subject to digitalisation requirements in the EU	<input type="checkbox"/> 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)
			<input type="checkbox"/> Non-public interest entity (large non-listed EU company, including large EU company with securities only listed outside EU regulated markets)
			<input type="checkbox"/> Non-public interest entity (large non-EU company with securities listed in EU regulated markets)
			<input type="checkbox"/> Non-public interest entity (SME listed in EU regulated markets)
			<input type="checkbox"/> Other (provide comment): Click here to enter text.
	<input type="checkbox"/>	User of digitalised corporate reporting from EU companies	<input type="checkbox"/> Investor
			<input type="checkbox"/> Data analyst
			<input type="checkbox"/> Data aggregator
			<input type="checkbox"/> Asset manager
			<input type="checkbox"/> Other (provide comment): Click here to enter text.
<input type="checkbox"/>	Software provider		
<input type="checkbox"/>	Auditor of corporate reporting subject to digitalisation requirements in the EU		
<input checked="" type="checkbox"/>	Other (provide comments)	National standard setter accounting/corporate reporting	

## 2. Questions

### 1.1. 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>

[Although from a purely theoretical point of view we concur with the assessment, but for the actual proposed Taxonomy this is not the case. For example disclosures currently listed as Boolean are not in all cases 'straight' true or false statements, as such there is a high risk of data mismatch between the actual disclosure and the digitally tagged information thereby losing usefulness ]

<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>

[We agree with having a phased approach including corresponding timeline and not requiring all the tagging in one go as this would be a disproportionate burden, while the most is gained already by the tagging at a higher level. From a perspective of testing and adopting of the (new) technology we would prefer to have an 'earlier' cut off date than June 30. In effect this means that the taxonomy will be issued just 6 months prior to reporting year-end, which means there is limited time for preparing and testing (especially compared to the current structure where a taxonomy is typically issued between 11 and 13 months prior to becoming effective. We suggest to move this 'cut off date' to 31<sup>st</sup> of March of the reporting year. ]

<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>

[We concur with the staggered approach to the tagging, also because this allows non-listed entities to learn from the practical experiences of listed entities. Giving reporting entities 2 years before introducing new requirements allows these to have a year to 'improve' the tagging before new requirements are added. We expect ESMA to timely communicate specific adjustments or problem solving before entities start tagging. We assume that the suggested approach, including the timelines for phasing in (tagging) will be updated considering the recent Omnibus proposals from the European Commission, as this most likely will change the scope of companies that will be obliged to prepare sustainability reports in compliance with CSRD/ESRS. ]

<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>

[From our perspective the proposed phased approach makes sense as it will gradually introduce the tagging requirements for different types of companies ]

<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, we consider this necessary to enable preparers and assurance providers to act accordingly. This may also ensure that lessons can be learned from the practical experiences of the first reporting years. ]

<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>

[Yes we concur, it will be important that a 'step plan' for determining whether an extension is necessary will be also widely shared / communicated ]

<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 concur, we expect the first review and proposed revised rules to be made after the first phase and, if needed, also for the second phase. We would expect a review after the first year of each phase to evaluate whether that tagging can also be directly applied to the subsequent tagging or that a more phased in approach will be needed. ]

<ESMA\_QUESTION\_ESEFEEAP\_07>

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## 1.2. 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>

[Based on the arguments mentioned, we concur. However, this should be explicitly and clearly communicated as it deviates from the current standard approach. We would expect that ESMA clarifies that possible explanation text will not be tagged if very specific and that specific disclosures for financial institutions will be added. ]

<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>

Based on the arguments mentioned, we concur. It is by default important that non-listed companies will get more time to prepare and use good examples from listed companies |

<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>

We refer to our earlier comment (question 2) about timing and the cut off date on June 30<sup>th</sup>. In addition we would like to give into consideration to limit the amount of new tagging per reporting year, for example adding the article 8 Taxonomy tagging one year after regular ESRS tagging (or the other way around) in order to limit the amount of tagging to be added in one go. |

<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>

We concur with a review clause, but would explicitly expect a review after the first reporting year to evaluate whether that tagging can also be directly applied in the subsequent phase or that a more phased-in approach will be needed. |

<ESMA\_QUESTION\_ESEFEEAP\_11>

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### 1.3. 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>

We concur, incorporating into one taxonomy (and not multiple) would likely ease the tagging. |

<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>

No, considering there is no experience (yet) with the EFRAG taxonomy (contrary to the IFRS taxonomy which is developed by IASB and already widely used while issues are addressed). We expect ESMA to take ownership of the taxonomy to ensure it meets the goals and is technical sound as ESEF taxonomy. Hence, a technical extension should be created. We recommend (extended) field testing with available sustainability reports in order to validate the taxonomy. |

<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>

[Since a prototype taxonomy is not yet available it is hard to do any suggestions or checks on this. There should be a conformance suite available, including the 'new elements', in order to test the validation software available and to test the underlying checks, this also for 'parts' of the taxonomy (like only the ESRS-part or only the IFRS-part). We suggest a 'request for comments' on the yearly update of the reporting manual, because in the past few years sometimes elements were added that raised more questions or (new) concerns (for example statements about using Report Pack speck 1.0 on a 2022 taxonomy contradicting RTS 2022)

<ESMA\_QUESTION\_ESEFEEAP\_14>

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#### 1.4. 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>

[The main reason for the current issues are the lack of an hierarchy in the textblock disclosures and the lack of a clear definition what constitutes a 'Textblock' (and what is not) which implies a lot of interpretation is left to the market instead of being made clear upfront. Although a change is needed from our perspective it is less on the mark-up rules and more on making a clear taxonomy (in line with level 1-3 of the ESRS taxonomy) that would resolve the issues appropriately. We recommend that ESMA initiates to request the IASB to include a Hierarchy in the IASB taxonomy. ]

<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 agree, but only if it relates to a release of a previously required form of tagging and if using the old form is also still allowed (as it tags more than is required). If the 'old norm' of tagging is no longer allowed, the deadline should be earlier in order for companies to have sufficient time to adjust and prepare annual financial reports. Especially considering that potentially in the same reporting year (2026) for annual financial reports also the ESRS tagging for sustainability reports may become required.

Generally the phased in approach should be viewed holistically also to check all additional requirements for a certain reporting year and spread those over the subsequent years (i.e. the current proposal would imply that if published before 30-6-2026 both the ESRS/ART 8 sustainability report tagging would be added as well as a full revision of the annual financial report tagging in the same (single) reporting year. ]

<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>

The overall description of phase one and the proposed timeline (to be published up to 3 months before reporting year end seems to suggest that this should not be much work. However, this does require a full revaluation of all tagging applied. In addition, also the separate tagging of tables is new. Moreover, a requirement is included to mark-up the full set of notes and accounting policies (meaning that company specific disclosures that are not part of the IFRS requirements will require a separate Company extension).

We note that the use of table elements is already recommended, in order to bring this forward we recommend to actually *require* table elements (not a *should* recommendation).

Overall we agree, assuming there will be guidance added for what is considered a Textblock and what reporting companies should take into account. We observed that reference is made to the wider/ higher elements: does this imply that ESMA will also include a Hierarchy in the ESEF-RTS, so entities and auditors can actually (automatically) verify whether it is a higher element or a not related element that would still require multi tagging?

Regarding the tagging of tables the proposal is unclear whether this will be a generic disclosure textblock tag or specific (to be added?) table tag.

This is overall presented as a 'release' for entities, but we doubt whether it will be experienced as such, because currently \*multi tagging' is already applied and any changes in this will require additional efforts. |

<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>

No, we do not agree.

Regarding tables: there should be a clear choice either to require specific (separate from the other notes) tagging or individual numbers tagging.

While removing multi-tagging and nested tags in phase 1 as much as possible, these will come back with an even bigger number in Phase 2 when each individual number in the consolidated financial statements need to be tagged (within those disclosures). This will most likely require a large amount of company specific extensions, with little or no value (because not comparable to other companies).

We would recommend not to require tagging of the numbers in a declared currency in a table, but instead require it to be a (specific) textblock (as in phase 1) required in HTML native table, so it is directly digitally readable without an additional tagging effort. This also taking into account the additional complexities of additional dimensions (f.e. fixed assets overview) and even typed dimensions if different columns are presented in the included table compared to the predefined columns included in the ESEF taxonomy.

We observed that only very little explanation is included why this additional tagging would be beneficial for users. Is this detailed tagging of numbers indeed widely used? (for instance in the US this is already required, but without textblock tagging of the notes) |

<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 concur with this removal. This is a requirement in order to meet the included goals of preventing multi tagging. As long as all elements are required to be used when this information is disclosed in the consolidated financial statements, multi-tagging is needed as the elements are included. We concur with removing the required elements in favour of requiring marking up per paragraph (with the closest wider accounting meaning). ]

<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 agree, but considering these requirements are for listed entities only, we would suggest to remove "Name of the Parent entity" and "Name of the ultimate Parent of the group" since this typically would be the reporting entity itself and currently already leads to a lot of confusion. For instance where the companies own name is reported instead of no reporting, as this is a required field that triggers warnings if not used. By those undertakings that do have a parent entity can still disclose and be marked up using the existing (then no longer mandatory) disclosure tags.

We strongly suggest to remove the Boolean 'Unqualified audit opinion with no emphasis of matter'. In addition to our general concern about using Booleans, the 'no' on this question would cover both an unqualified with an emphasis of matter, qualified, disclaimer or adverse auditor's opinion. Therefore it should be a 'drop down' selection of the different types of opinions.

In addition, in some jurisdictions KAMs (key audit matters) can be added to the auditor's report to give more information. When applying Boolean, readers might assume (incorrectly) that there were no issues of note, without reading the actual auditor's 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>

For the financial statements the current conditions are 'closest equal or wider accounting meaning', We do not understand whether in the revised approach this is not included: in other words, if a disclosure is closest to an element but also contains (limited) additional information from a different element, should it still be (only) tagged with the closest in accounting meaning although it is narrower?

If so, we concur with this approach, because this is a logical consequence of requiring a full mark-up of the consolidated notes. ]

<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>

Yes, we agree ]

<ESMA\_QUESTION\_ESEFEEAP\_22>

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## 1.5. 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>

Proposal 11 and 13: we do not agree, including a reference to a website will raise all kinds of concerns, for instance when an entity has a non-calendar year-end, while already updates will be made to the website in preparation for the next reporting year, creating unclarity to which reporting period these apply. In our view the ESEF-RTS should contain all requirements, whereas only further guidance (not requirements) can be added on websites. This is also in line with the new recommendations from XBRL.org, which are not yet (correctly) included in the applicable taxonomy.

Proposal 15: this was not mentioned earlier and is not a consequence of other changes, but an extension of the required anchoring to all narrower elements. Previously this was only required if an element combined two numeric elements, this now becomes required in all cases including disclosures. The reason for this additional requirement is not disclosed and seems to be a lot of efforts for only little benefits.

Proposal 17: this was not mentioned earlier and is not a consequence of other changes, but an extension of the required anchoring for Subtotal elements. It is unclear why this would be appropriate and seems lots of efforts for only little benefit.

Proposal 18: (see also 11 and 13 above): we are not in favour because this would mean more uncertainty for entities and auditors which set of specification they would need to include / audit |

<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 are missing the following elements:

- addition of a clear definition of what is considered to be a 'textblock' (for tagging purposes)
- Additional requirements around the tagging of tables and the use of HTML native tables in the HTML document when tagging is required |

<ESMA\_QUESTION\_ESEFEEAP\_24>

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## 1.6. 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 cannot answer this, because the consequences of the proposal are unclear for us. ]

<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>

[ We cannot answer this, because the consequences of the proposal are unclear for us. ]

<ESMA\_QUESTION\_ESEFEEAP\_26>

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## 1.7. 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>

[ In our opinion the approximate average costs are not really informative, because this largely depends on the chosen approach, the number of changes in the core taxonomy and other additional factors. The lower recurring costs would only be possible when there are no (or very limited) changes in the core taxonomy and in the reporting manual/other requirements ]

<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>

[ For listed entities this might be accurate, especially when the reporting follows the structure laid out in the ESRS taxonomy. However, for non-listed entities this is not correct, since they will also have to 'move' their annual financial report to XHTML (the ESEF format) if this is currently not required for them. The approximate additional costs associated with this are not included here. ]

<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>

[ We noted and missed the potential impact on (additional) audit costs. ]

<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>

[We concur there is no need to have a mandatory list of tags (next to the proposed phased in approach). ]

<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>

[We noted and missed the potential impact on (additional) audit costs. ]

<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 are missing in option 1-3 that a hierarchy needs to be added to the ESEF taxonomy, this in order to be able to determine which disclosure elements are included in which other elements to select the correct granularity.

We are missing the impact of additional costs due to the technically difficult Baseline solution that would disappear with option 1 and further.

We are missing the additional costs due to marking up the table separately from the other disclosures. (Option 1 and 3, and part of option 2). ]

<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>

[We do not understand the phrase about the auditor's opinion and the outcome thereof 'if included in the consolidated IFRS financial statements'. In our view, and in the Dutch jurisdiction, the auditor's opinion is not part of the financial statements (or the management board report), but separately included in 'Other Information' section ]

<ESMA\_QUESTION\_ESEFEEAP\_33>

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## 1.8. 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>

[In our view it is not possible, since many things are unclear about the EEAP, to assess whether proposed changes will have costs or benefits. ]

<ESMA\_QUESTION\_ESEFEEAP\_34>

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## 1.9. 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 the following detailed comments:

- Article 2 paragraph 2 A we are not sure what the change is trying to say with the addition on the presentation Linkbase?
- Article 2 paragraph 13, for large undertakings it can also be local GAAP (instead of IFRS) was this excluded here on purpose?
- Article 3: wording should it not be all issues and undertakings that do not qualify as issuers but that are subject to....(etc).
- Article 5 paragraph 2 should exclude issuers (who are explained in paragraph 3) otherwise they cannot adhere to both.
- Annex II article 3, here it is now included that the auditors name and conclusion also needs to be marked up if in the annual financial report (so not just IFRS), this is contrary to earlier?
  - Tabel: Unqualified opinion: see objection against this in the earlier part of these questions
- Annex II article 4: how should this be read if a number is written as text? And this introduces a huge increase in effort for tagging as all numbers now needs to be tagged (including those in tables?) with unclear benefit?
- Annex II Article 5-7: it now states 'in addition to previous' so we are introducing multiple levels of tagging if a company needs to tag both Level 1 (article 5), Level 2 (article 6) and Level 3 (article 7) as it is a cumulative requirement. In the consultation paper it seemed to be replacing the higher level?
- Annex III & Annex V: considering the need for companies to know upfront and timely which (new) technical standards should be applied, we propose to keep naming them explicitly in the ESEF-RTS so there can be no misunderstanding or discussion about which technical standards should be applied for which reporting year.
- Annex III article 4: what is meant with 'if ESMA does not publish? Considering the importance to have a clear taxonomy as a basis this sentence should be removed and there should always be a clear taxonomy published by ESMA (approved by the EC).
- Annex III article 7, 8 & 9: it should be clear what the technical standards are (also for auditor's) and these should be known upfront and not prone to last-minute changes. As such this should always be explicit in the ESEF-RTS, and not reference a third party, unless ESMA explains differently (article 7) or a change just before sign off (article 8).
- Annex III article 9: same concern with 'the latest package'.
- Annex IV, article 4 paragraph D, please note we heard that for the Cashflow statement assigning a balance type (debit or credit) can give all kinds of issues (In the IFRS core taxonomy there are some elements without a debit or credit for the same reason), recommend to exclude the Cash Flow Statement here.
- Article 4 lid f, there should be an 'unless a new element is available in the Core Taxonomy' as then even though it is the same as previous year but a switch needed.
  - In line with the above: should the requirement currently in the reporting Manual to look at the new IFRS taxonomy (if not yet included) and use those for the extensions not be included here as well?

- Annex IV article 6: based on the wording, the calculation linkbase will also be required for ESRS and article 8 Taxonomy reporting? Considering the type of disclosures included we suggest to only require the calculation linkbase for the IFRS taxonomy.
- Annex IV article 6: we do not understand the reference to Annex III article 6 (which references the taxonomies), which requirements is ESMA trying to indicate?  
Annex IV article 7: this only relates to issuers as only for the IFRS tagging.
- Annex IV article 9 &10: see above unclear why ESMA is now mandating that all narrower tagging needs to be applied, and subtotals be anchored especially with an unclear hierarchy and taxonomy  
Annex VI-VIII: If the full taxonomy is no longer included in the RTS how will an undertaking know what the specific endorsed taxonomy was/ is for a certain year (considering the yearly updates) |

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**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.

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Firstly, we assume that the suggested approach, including the timelines for phasing in (tagging) will be updated considering the recent Omnibus proposals from the European Commission, as this most likely will change the scope of companies that will be obliged to prepare sustainability reports in compliance with CSRD/ESRS. We recommend to update the phased in approach for this and have a longer gap in the phased approach between listed and non-listed companies (currently only one year). In addition, if there will be improved ESRS (for instance less datapoints) the granularity of the tagged reporting should be reassessed.

Secondly, it would be good to include - in cooperation with the IASB - a hierarchy in the taxonomy, this is needed in order to effectively use a more detailed granularity. Especially considering article 14 of Annex IV this is really needed in all taxonomies.

Thirdly, we have concluded that many entities are uncomfortable with a Boolean data type, as it requires a binary yes/no answer to questions which may require more context or qualification. This form of data type is not really appropriate for narrative text. Although we recognize benefits of using Boolean data type, since it creates simplicity in summarizing and comparing data. However, due to the use of transformation rule there will be extra reporting burden and audit risks in applying the Boolean data type. With development of AI technologies, this transformation potentially might be supported by automation, however, in the first years of application we see a challenge. We recommend reconsidering where to apply Booleans and for which kind of disclosures |

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