

Sustainability Reporting and Sustainable Finance

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European Sustainability Reporting Standards (ESRS)

- 31.7.2023 European Commission adopted **First Set of ESRS**
- ⇒ EP, Council: 2 months Scrutiny Period
- 11.10.2023 Motion for a resolution to reject the ESRS (quantity, complexity, ...)
- 18.10.2023 Vote in Parliament
- 21.10.2023 End of Scrutiny Period
- 18.11.2023 Council Adoption
- ⇒ Official Journal

EFRAG has drafted three **implementation guidance** documents:

- Implementation Guidance for the Double Materiality Assessment
- Implementation Guidance for the Value Chain
- ESRS list of datapoints

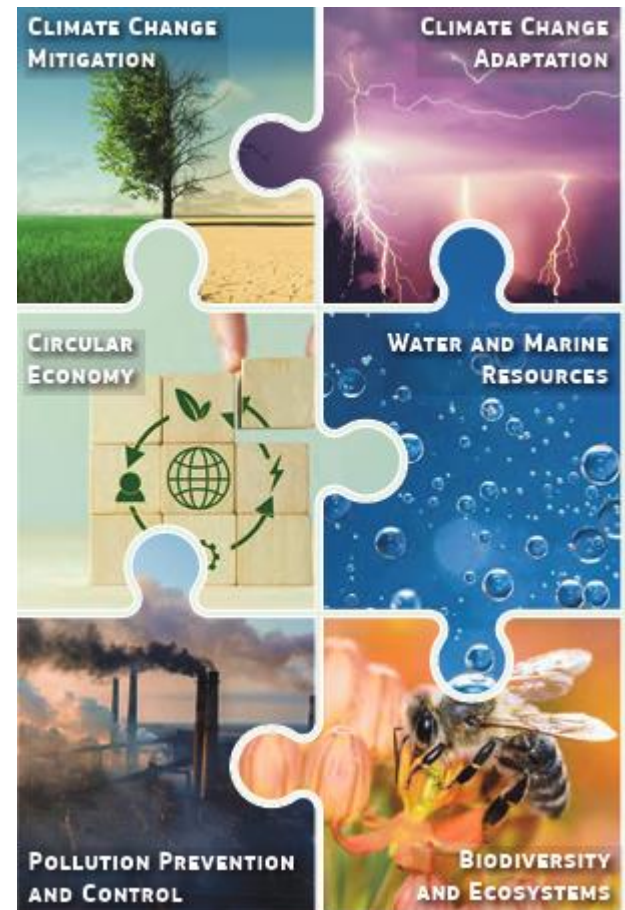
- NaBeG?

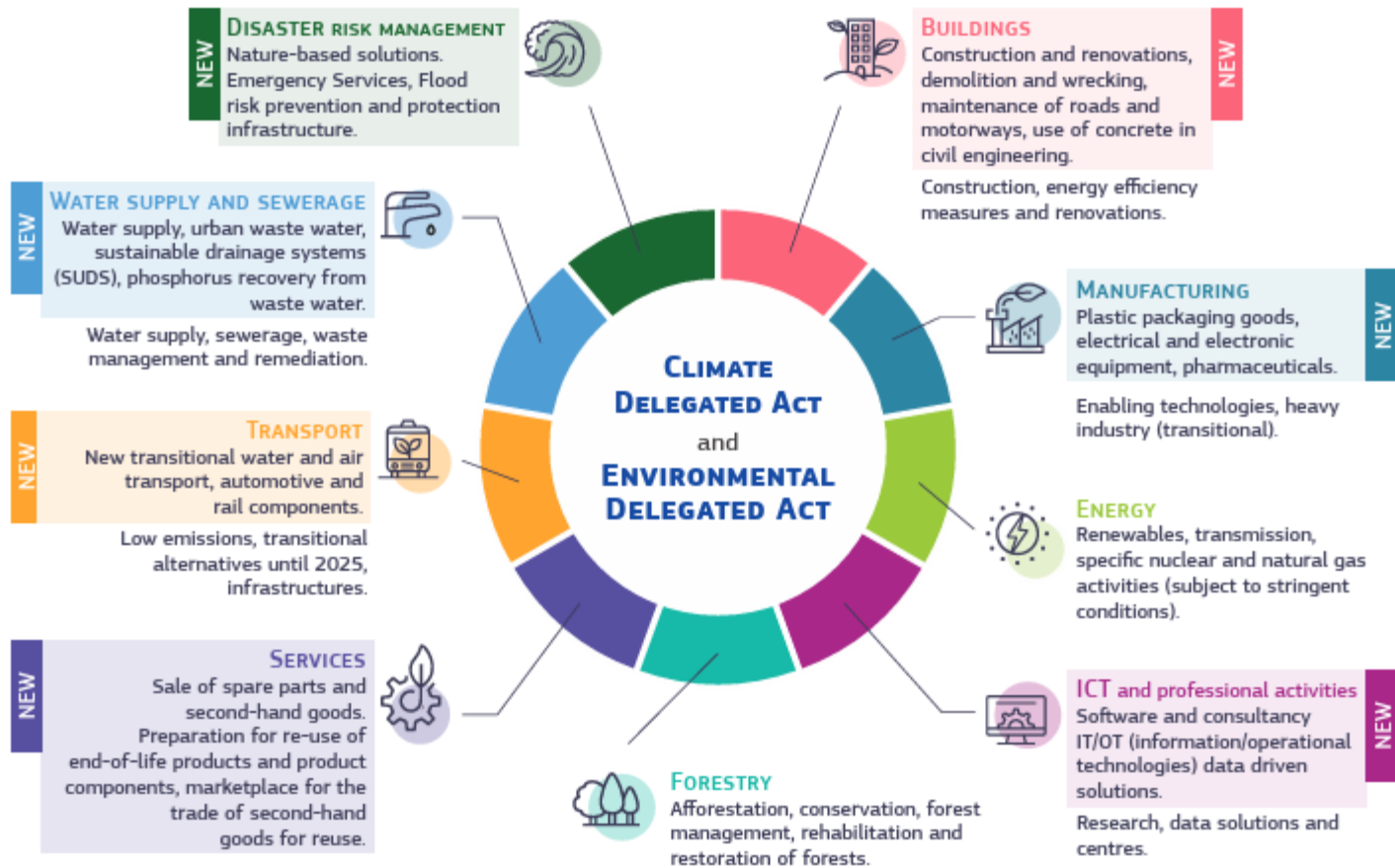
Reduce the burden of reporting requirements by 25%

- Proposal for a Decision to postpone to 30 June 2026 (initially June 2024) the adoption of **sector-specific ESRS** and the standard for certain third-country undertakings.
 - This initiative will allow companies to focus on the implementation of the sector-agnostic standards.
- A delegated directive to adjust the size criteria for micro, small, medium-sized and large undertakings or groups
 - balance sheet total: EUR 25 million (previously 20 million);
 - net turnover: EUR 50 million (previously 40 million); and
 - total employees 250 (no change).
- Call for evidence on the rationalisation of reporting requirements
 - 17 October 2023 - 28 November 2023

EU Taxonomy Delegated Acts

- Amendments to existing Climate Delegated Act
- New: Environmental Delegated Act
 - Sustainable use and Protection of Water and Marine Resources,
 - Transition to a Circular Economy,
 - Pollution Prevention and Control,
 - Protection and Restoration of Biodiversity and Ecosystems.





Sustainable Finance Disclosures Regulation (SFDR)

14.9.2023 - 15.12.2023 Public Consultation and a Targeted Consultation

- Potential Issues with the implementation of the SFDR
 - efficiency and effectiveness of the SFDR in meeting its objectives;
 - clarity of key legal concepts (such as making “sustainable investments”) and how they interact with other sustainable finance legislation.
- Establishment of a Categorisation system for financial products
- Entity-level disclosures
 - streamlining sustainability-related entity-level requirements with eg CSRD
- SFDR’s role in mitigating greenwashing
 - marketing rules concerning accuracy and fairness of communications from products

Thanks!