

Consultation response:

European Commission consultation on the establishment of a European Single Access point (ESAP) for financial and non-financial information publicly disclosed by companies

11 March 2021

General Questions

In this first section of the consultation, the Commission seeks to get stakeholders' views on some general questions regarding the features of the European single access point (ESAP). The Commission seeks views on which information stakeholders generally search for, where they search for it, in which format(s) and the barriers stakeholders might encounter. This will also help the Commission to prioritise which aspects should be considered immediately when developing ESAP, and which could be implemented at a later stage.

- 1. Please rate the following characteristics of ESAP based on how relevant they are according to you (please rate each item from 1 to 5: "1": fully disagree, "2": somewhat disagree, "3": neutral, "4": somewhat agree, "5": fully agree and "no opinion"):**

	1	2	3	4	5	No opinion
The information quality (accuracy and completeness) is most important	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The widest possible scope of the information is most important	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The timeliness of the information is most important	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The source of the information is a key element to know	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The immutability of the information is a key element	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESAP should include information made public on a voluntary basis by non-listed companies of any size, including SMEs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESAP should include information made public on a voluntary basis by financial market actors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other aspects, if so which ones:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please explain your position in the text box below providing your arguments, and where appropriate, concrete examples and data to support your answers:

5000 character(s) maximum

The quality of the information, and therefore its reliability, is the foremost consideration for creating an ESAP, as high-quality data will enable investors to make informed decisions. Scope is also a key consideration but a balance needs to be struck in that regard. We do not agree that the scope needs to be as wide as possible in order to achieve success. We consider that the ESAP could be built incrementally and should respond in the first instance to the need to ensure availability of ESG data and information in order to comply with the EU sustainable finance regulatory framework. Therefore, we think that the priority should be the housing of ESG data, while other aspects could be added over time to meet evolving needs.

The Commission will be aware of the many comments it has received relating to issues with the quality and reliability of ESG data and this links back to the envisaged updating of the NFRD as a way forward. Reporting of ESG data to the ESAP under an updated NFRD needs to be the first priority and these two initiatives should focus on data quality via standardisation. Being able to trace the source of the data and review supporting evidence will be key for parties providing any assurance over the data. Putting a prescribed process in place regarding the provision of the data should help to ensure its immutability and therefore provide confidence to investors. We generally agree that non-listed companies should be able to provide data on a voluntary basis, as this is a proportionate approach but will also enable investors to gather information on these companies that they need in order to comply with regulatory obligations.

Finally, while the ESAP should provide a European solution to challenges relating to data reporting, ultimately, given the interconnected nature of markets and the global nature of both investing and the sustainability challenge, a global solution is required. Therefore, we encourage the EU to support efforts to replicate this initiative internationally. In that regard, having a mechanism for companies not in scope of NFRD to report standardised ESG-related data on a voluntary basis would be of benefit. This would also be useful in the case of companies that for proportionality reasons (i.e. non-listed companies, SMEs) are not always subject to mandatory reporting but could report to the ESAP on a voluntary basis.

2. Which channels do you use when searching for, retrieving or using companies' public information? (Multiple choice allowed)

- Company's website
- Data aggregation service providers
- Stock Exchanges
- Public repositories or databases (OAMs, NCAs, ESAs)
- Other

3. Would you say that the cost for retrieving and using companies' public information is?

- Immaterial
- Average
- High
- Don't know / no opinion / not relevant

Please provide more information on your answer to question 3:

5000 character(s) maximum

Currently the cost for retrieving and using companies' public information is high, particularly in relation to ESG information gathering, owing to the lack of consistency and fragmented nature of the information. Information has to be gathered from disparate sources in multiple formats, requiring research through various documents, which makes this process very manual and therefore labour intensive and costly.

4. In which electronic format is companies' public information provided by these channels?

- XBRL
- PDF
- XML
- HTML
- CSV, TXT
- Excel
- Formats enabling natural language processing
- Other

5. Do you encounter barriers or difficulties when accessing the information?

- Yes
- No
- Don't know / no opinion / not relevant

Please provide more information on your answer (5000 characters):

5000 character(s) maximum

The information is not always easy to source and is not always readily available for use. The variety of formats in which information is contained results in a manual exercise to extract and prepare the data before it can be used.

6. Do you encounter barriers or difficulties when using the information?

- Yes
- No
- Don't know / no opinion / not relevant

Please describe the barriers or difficulties you encountered when accessing the information:

5000 character(s) maximum

There are difficulties in accessing and using ESG data relating to materiality, comparability and reliability, which the update to the NFRD will seek to address. The data content needs to be interpreted as it is not in a prescribed format and this is where the ESAP could assist in bringing about standardisation. The reporting of raw data would be preferable, as different data service providers can provide very different data for the same entity.

The scope of ESAP

7. **Should ESAP include information from the hereunder provided list of EU legislations in the financial area? And if so, please specify whether the ESAP should embed this information immediately (as soon as the ESAP starts) or at a later stage (phasing in) (please choose one of the two options for each EU legislation that you agree to include in ESAP).**

	Fully disagree	Somewhat disagree	Neutral	Somewhat agree	Fully agree	Immediately	At a later stage
The Transparency Directive (2004/109/EC) (e.g. annual/half yearly financial reports, acquisition or disposal of major holdings)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The Accounting Directive (2013/34/EU) (e.g. financial statements, management report, audit report)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The Audit Directive (2014/56/EU) and Audit Regulation (537/2014/EU) (e.g. auditor transparency reports)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The Non-Financial Reporting Directive (NFRD) (2014/95/EU) (e.g. non-financial statement)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The Prospectus Regulation (2017/1129/EU) (e.g. Prospectus, Universal Registration Document, SME Growth Markets-information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Shareholders Rights Directive (2007/36/EC) and (2017/828/EU) (e.g. Remuneration Report)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The Market Abuse Regulation (596/2014/EU) and Market Abuse Directive (2014/57/EU) (e.g. inside information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Fully disagree	Somewhat disagree	Neutral	Somewhat agree	Fully agree	Immediately	At a later stage
The Resolution and Recovery of Credit institutions and Investment firms Directive (BRRD) (2014/59/EU) (e.g. information on the group financial support agreement)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Covered Bonds Directive (2019/2162) (e.g. information on the cover pool)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Capital Requirements Directive (CRD) (2013/36/EU) and Capital Requirements Regulation (CRR) (575/2013/EU) (e.g. prudential information, stress test results)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Credit Ratings Regulation (1060/2009/EU) (e.g. transparency report)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Central Securities Depositories Regulation (909/2014/EU) (e.g. governance arrangements)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Key Information Documents for Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation (1286/2014/EU) (e.g. key information document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Regulation on European Long-term Investment Funds (ELTIF) (2015/760/EU) (e.g. fund-related information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The European Market Infrastructure Regulation (EMIR) (648/2012/EU) (e.g. prices and fees of services provided, risk management model)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Fully disagree	Somewhat disagree	Neutral	Somewhat agree	Fully agree	Immediately	At a later stage
The Financial Conglomerates Directive (FICOD) (2011/89/EU) (e.g. corporate structure of the conglomerate)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Directive of Prudential Supervision of Investment Firms (IFD) (2019 /2034/EU) and the Regulation of Prudential Requirements of Investment Firms (IFR) (2019/2033/EU) (e.g. aggregated information on high-earners, remuneration arrangements)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Directive on the Activities and Supervision of Institutions for Occupational Retirement Provision (IORP) (2016/2341/EU) (e.g. remuneration policy)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Pan-European Personal Pension Products Regulation (PEPP) (2019/1238/EU) (e.g. key information document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Regulation on Wholesale Energy Market Integrity and Transparency (REMIT) (1348/2014/EU) (e.g. inside information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Securities Financing Transactions Regulation (SFTR) (2015/2365/EU) (e.g. aggregate positions)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Solvency II Directive (2009/138/EC) (e.g. solvency and financial condition report)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Short Selling Regulation (236/2012/EU) (e.g. net short position)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Fully disagree	Somewhat disagree	Neutral	Somewhat agree	Fully agree	Immediately	At a later stage
The Take-Over Bid Directive (2004/25/EC) (e.g. Information in the management report on companies' capital and shareholders, voting rights, governance...)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Directive of Markets in Financial Instruments (MIFID) (2014/65/EU) and Regulation of Markets in Financial Instruments (MIFIR) (600/2014/EU) (e.g. volume and price of certain transactions)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Regulation on European Venture Capital Funds (EuVECA) (345/2013/EU) (e.g. fund-related information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Regulation on European social entrepreneurship funds (EuSEF) (346/2013/EU) (e.g. fund-related information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Regulation on Money Market Funds (2017/1131/EU) (e.g. prospectus)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Directive on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (2009/65/EC) (e.g. key investor information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Directive on Alternative Investment Fund Managers (AIFM) (2011/61/EU) (e.g. investment strategy and objectives of the fund)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Fully disagree	Somewhat disagree	Neutral	Somewhat agree	Fully agree	Immediately	At a later stage
The Regulation on EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and sustainability-related disclosures for benchmarks (EU 2019/2089) (e.g. information on measurable carbon emission reduction)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Information on sustainability risks and impacts disclosed pursuant to the Regulation (EU) 2019/2088 on sustainability-related disclosure and The Taxonomy Regulation (2020/852/EU) (e.g. sustainability risks integration policies)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The EU Emissions Trading System (EU ETS)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other aspects, if so which ones: Please indicate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please explain your position in the text box below providing your arguments, and where appropriate, concrete examples and data to support your answers:

5000 character(s) maximum

We believe that there is strong merit in providing for a European Single Access Point. However, this will be a significant undertaking and reporting to the ESAP will create an additional burden for companies that already have other extensive reporting and filing requirements. We would strongly advise against simply creating duplicative reporting requirements in respect of extensive regulatory reporting already provided to existing competent authorities, without first considering an integrated reporting strategy whereby requirements could be streamlined and centralised, rather than the ESAP resulting in another layer of reporting. A balance therefore needs to be struck on a cost-benefit basis. We

suggest prioritising the reporting of ESG information that would assist Financial Market Participants in complying with requirements under the EU sustainable finance regulatory regime. This has been identified by many stakeholders as a critical to the success of the EU sustainable finance regime. The ESAP could then build on this success and evolve to include a wider scope of information where this makes sense on a cost-benefit basis.

Furthermore, it is not clear the extent to which it is intended to centralise filings or reporting under the various Directives and Regulations listed. Some of the Directives listed, such as MMFR, AIFMD and EMIR involve extensive reporting requirements to National Competent Authorities (NCAs). The information that is given by way of example for centralised filing under the ESAP relates to prospectuses (in the case of MMFR), investment strategy and objectives (in the case of AIFMD) and prices and fees of services provided, risk management model (in the case of EMIR). However, in the case of MiFID, the information relates to volume and price of certain transactions and aggregate positions in the case of SFTR. The survey does not give a sense of the extent to which information or reporting under each of these Directives might be centralised under the ESAP in future as the examples given may not be exhaustive. Therefore, we have checked neutral in response to some of the questions and the cost-benefit analysis will vary depending on what is required. Given the extensive reporting obligations to NCAs under the aforementioned regimes, we would recommend against simply adding these reporting requirements to the ESAP as this would be a very disproportionate outcome. In order for such reporting requirements to be centralised and for the benefits to outweigh the associated costs, a more streamlined and integrated EU-wide reporting strategy across the various reporting frameworks should first be considered. A careful cost-benefit analysis would need to be conducted in relation to such a development.

Finally, we are aware of at least one example of a Member State that has created a national central portal for certain information for retail investors. One of the requirements of retail distribution in Italy is the publication of the fund offering documentation, including the subscription form, updates to fund documentation as well as marketing arrangements via a dedicated portal managed by the Consob. The experience of the Consob in managing this portal could be beneficial but also we suggest that in order to avoid any duplicative requirements, that any EU portal would supersede comparable national portals that centralise information in scope of the ESAP.

The usability and accessibility

Investors and users find publicly disclosed financial and sustainability-related information difficult to compare and analyse. This is mainly due to the lack of structured data, of common frameworks and/or interoperable formats for such disclosures, the use of different identifiers for the same entity and the lack of harmonised implementation of reporting obligations at national level. This section of the questionnaire seeks stakeholders' views on format(s) in which the information in ESAP should be made available, in order to make it more usable digitally, and how stakeholders would prefer to have access to and retrieve this information from ESAP.

8. In order to improve the digital use and searchability of the information, for which of the hereunder information would you support the use of structured data formats, such as ESEF (XHTML and iXBRL), XML, etc., allowing for machine readability? (Multiple choice allowed)

- Listed companies' half yearly financial reports
- Financial statements
- Management report
- Payments to governments
- Audit report
- Total number of voting rights and capital
- Acquisition or disposal of issuer's own shares
- Home Member State
- Acquisition or disposal of major holdings
- Inside information
- Prospectuses
- Net short position details
- Fund-related information
- Key Information Document
- Public disclosure resulting from prudential requirements
- Remuneration policies

- Corporate structure of the conglomerate
- Governance arrangements
- Covered bonds - related information
- Solvency and financial condition report
- Sustainability - related information
- Other **Please provide detailed information**

9. Which of the following machine-readable formats would you find suitable? Please rate the following information based on how suitable they are according to you (please rate each item from 1 to 5: “5” being the highest rate and “1” the lowest):

	1	2	3	4	5	No opinion
ESEF (XHTML files + inline XBRL tagging requirements)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
XML files	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CSV files	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Excel	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Formats enabling natural language processing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please explain your position in the text box below providing your arguments, and where appropriate, concrete examples and evidence to support your answers:

5000 character(s) maximum

10. How should the information be accessible in ESAP? (Multiple choice allowed)

- Through Application Programming Interfaces (APIs)
- Bulk download
- Web portals

Other

11. To what extent should the language barrier be tackled? For the following features of the ESAP (web portal, metadata, taxonomy/labels, and content/data), which of the following language arrangements would you favour?

a) Portals / search tools:

in a language that is customary in the sphere of international finance

in multiple or all EU languages

Don't know / no opinion / not relevant

b) Metadata (where variable text):

in original language

in a language that is customary in the sphere of international finance

in multiple or all EU languages

Don't know / no opinion / not relevant

c) Taxonomy / labels (if any):

in original language

in a language that is customary in the sphere of international finance

in multiple or all EU languages

Don't know / no opinion / not relevant

d) Content / data:

in original language

in a language that is customary in the sphere of international finance

in multiple or all EU languages

Don't know / no opinion / not relevant

Infrastructure and data governance (collection of data + validation of data)

The Commission seeks stakeholders' views on the preferred technical solution(s) to establish the architecture of ESAP, and how to ensure the quality and integrity of the information within ESAP. A body in charge of ESAP, which should be non-for-profit, would be responsible for coordinating IT systems, maintenance and budgetary aspects.

12. Should specific categories of stakeholders be involved in the governance of ESAP? (Multiple choice allowed)

- EU authority (ESMA, European Commission etc.) or a consortium of EU authorities. If, so which ones **Please insert here**
- National Competent Authorities **Please specify**
- Investors
- Reporting companies
- Other

Please specify which EU authority should be involved in the governance of ESAP:

5000 character(s) maximum

We agree with the recommendation of the High Level Forum on CMU that ESMA should perform the role of central registrar of the ESAP, as this is in keeping with its role as a European Supervisory Authority and the central registers that it currently operates. We also think that it makes sense, given their remit, for the EU Platform on Sustainable Finance and EFRAG to have a role in the governance of the ESAP.

Please specify which national competent authorities should be involved in the governance of ESAP:

5000 character(s) maximum

The Central Bank of Ireland and other member NCAs of ESMA.

Please specify what other category(ies) of stakeholders should be involved in the governance of ESAP:

5000 character(s) maximum

We believe that national and international accounting standard setters and professional bodies could have a role to play in advising on the establishment and running and updating

of the ESAP.

13. Considering the point in time at which a company makes public some information that is legally required, what would be the ideal timing for the information to be available on the ESAP?

5000 character(s) maximum

Just as the financial year end is used as the appropriate reporting period for so many other purposes (e.g. balance sheets in the case of financial reports, holdings reports and valuation metrics, P/E, dividend yield, etc.), we believe it would also be appropriate to provide snapshot reporting at year-end. This would enable comparability with all companies reporting the same information at the same time and strike a fair balance in terms of the frequency of the reporting obligation. However, we would also stress that reporting timing and frequency in respect of ESG data should correspond with that required to meet obligations under the EU sustainable finance regime. In that regard, we note that under final RTS for SFDR in respect of principal adverse impact (PAI) reporting, the ESAs have required FMPs to calculate the indicators based on the average of the four preceding quarters. FMPs would consequently be requiring underlying investee companies to provide the PAI indicator reporting on a quarterly basis in order to meet with their obligations and this need for quarterly reporting should be reflected in the timing requirements relating to the ESAP. Consistency with the reporting requirements under the EU sustainable finance regime as it evolves is critical.

We also wish to note that the ESAP should allow for delegation to a service provider who inputs data, with due regard to the integrity of the data.

14. Should the integrity of the information and the credibility of the source of data used be ensured, when it is made accessible in ESAP?

- By electronic seals or electronic signatures embedded at source
- By the ESAP platform
- By other means / trust services

15. Should the information in ESAP be subject to quality checks?

- Yes
- No
- Other

16. Should a quality check be needed, what would need to be checked? (Multiple choice allowed)

- Compliance with IT formats
- Certain key tests (matching figures, units, ...)
- Use of a correct taxonomy
- Completeness
- Availability of metadata
- Other

Please explain what you mean by ‘other’ in your answer to question 16:

5000 character(s) maximum

We would suggest that the form and level of checks required is revisited once there is clarity on content to determine what quantitative versus qualitative checks would be effective.

Targeted questions regarding entities with no access to capital markets (non-listed entities), including SMEs

The lack of an integrated data management at the EU level is detrimental to entities with no access to capital markets notably to SMEs that struggle to find investors beyond national borders. Companies of all sizes – and in particular SMEs – need solid market-based funding sources. This was already the case before COVID-19, but will be even more important for the recovery if bank lending might not be sufficient. Therefore, this section of the consultation sets out questions on how ESAP specifically can help ensure that SMEs receive the funding they need.

SMEs, often do not have the technical expertise nor resources necessary to prepare reports in accordance with state-of-the-art, sophisticated standards. At the same time, many SMEs are under increasing pressure to provide financial information as well as certain sustainability related information in order to access market-based funding and for their usual conduct of business. In this respect, entities which cannot provide this information may experience a negative impact on their commercial and/or investment opportunities.

17. Should it be possible for companies other than those with securities listed on EU regulated markets to disclose information on ESAP on a voluntary basis?

Yes

No

17.1 If you replied yes to question 17, please specify, which type of entities should be allowed to disclose data on a voluntary basis in the ESAP? (Multiple choice allowed)

Companies with securities listed on a SME growth-market

Companies with securities listed on other non-regulated markets

Pre-IPO companies not yet listed on an exchange

Any unlisted companies

Other entities:

Please specify what other entities should be allowed to disclose data on a voluntary basis in the ESAP:

5000 character(s) maximum

Further to our comments in response to Question 1, in the absence of such registers internationally, we think that non-EU companies should be allowed the possibility to report under the ESAP in relation to ESG information.

18. What type of information should be disclosed on a voluntary basis in the ESAP? (Multiple choice allowed)

A set of predefined key financial information, allowing to compare data

Any financial information that the issuer would be willing to render public via ESAP

A set of predefined key sustainable related information, allowing to compare the data

Any sustainability related information that the issuer would be willing to render public via ESAP

Other (give a few examples)

Please specify give a few examples of other type(s) of information that should be disclosed on a voluntary basis in the ESAP:

5000 character(s) maximum

19. As regards frequency of the submission of the voluntary information to ESAP, when should it occur?

- Following predefined periodic submission dates
- On an ongoing basis as soon as available
- Don't know / no opinion / not relevant

Please specify what should be the frequency of the periodic submissions:

As per our comments in response to Question 13, a snapshot at predefined periodic submission dates would be best for both administrative purposes and consistency and comparability. Also, as per our earlier comments, we would stress the need for any periodic submission deadlines relating to ESG data to be aligned with reporting obligations under the EU sustainable finance regime.

20. In which language should entities with no access to capital markets be able to encode the voluntary information, please choose one or more preferred language from the list below:

- National language
- A language that is customary in the sphere of international finance
- Any language
- Other (please explain)

21. Should filings done on a voluntary basis by SMEs and non-listed companies follow all the rules of the ESAP as regards for instance identification, data structuring and formats, quality checks, etc.?

- Yes
- No

Don't know / no opinion / not relevant

Please explain your answer to question 21:

5000 character(s) maximum

As explained in our response to Question 1, the quality and reliability of the inputted data is critical in order to enable investors to make informed decisions and to ensure the integrity and comparability of the data. Therefore, the appropriate quality checks should also apply to information that is reported on a voluntary basis.

Costs and benefits

The Commission anticipates that ESAP will lead to multiple benefits. It can, however, also, imply additional costs for i) preparers, in terms of compliance requirements on machine-readability, standards, as well as training of staff, etc., ii) users, in terms of search, collection and processing of the information they need, iii) the development of the ESAP architecture. In some areas ESAP should also lead to cost savings, notably related to fil.

22. Do you expect that costs of introducing ESAP be proportionate to its overall benefits?

- Not at all
- To some extent
- To a reasonable extent
- To a very great extent
- No opinion

23. As a user, can you give an estimation of your yearly cost for retrieving and using companies' public information?

5000 character(s) maximum

Currently, we estimate that a mid-sized fund manager can spend anywhere between EUR 250-600k on ESG data while a larger fund manager can spend anywhere between EUR 600k – EUR 1.5mn (fund managers will often use multiple data vendors to enhance the coverage and as part of the analysis and validation). In the absence of greater standardisation and availability of ESG data, the total spend on ESG data is expected to vastly increase in order to meet requirements under the EU sustainable finance regime.

We also wish to raise a potential challenge relating to depositary oversight of ESG disclosures and performance under the EU sustainable finance regime. ESG data costs to

funds under the EU sustainable finance regime could not only increase but that increased cost could potentially be doubled because data providers expect both the investment manager and a fiduciary actor such as a Depositary to contract separately for the provision of the same ESG data relevant to the fund. This should be addressed in order to prevent a ballooning of costs and to enable effective depositary oversight.

24. As a user, how large share of these costs do you expect to save through the use of ESAP?

- 10%
- 20%
- 30%
- 40%
- More than 50%
- Other (please explain)

Please specify what other proportion of share of these costs you expect to save through the use of ESAP:

5000 character(s) maximum

Any such figures would be difficult to estimate because the scope and detailed requirements around the ESAP have not yet been determined. While costs savings and efficiencies can be expected through the centralising and standardisation of data and resultant increased availability and quality of reported data, as per our answer to Question 7, a cost-benefit analysis would be required taking into account any additional burden imposed in terms of the final reporting requirements. In terms of a general estimate if a common repository of ESG data were made available, cost savings of upwards of 50% could be made in comparison with current processes.

25. Should the user have access for free to all data in the ESAP (based e.g. on an open data policy approach)?

- Yes
- No
- Don't know / no opinion / not relevant

26. Assuming that development and maintenance costs will arise, how do you think the ESAP should be funded? (Multiple choice allowed)

- By EU funds
- By national funds
- By users (i.e. usage fees)
- By preparers (i.e. uploading fee)
- Other (please explain)

Please explain what you mean by ‘other’ in your answer to question 26:

5000 character(s) maximum

We believe that the reporting of ESG data will provide a public good and free access should be available to all stakeholders. Therefore, we think that EU funding should be provided for the establishment and ongoing maintenance of the ESAP. This will keep costs down for stakeholders that may otherwise find the costs of using or reporting under the portal prohibitive.

27. What would be the main benefits for entities with no access to capital markets to disclose this information publicly in ESAP? (Multiple choice allowed)

- Get more visibility and attract a broader range of investors
- Get more transparency on ESG data (easily retrievable)
- Other
- Don't know / no opinion / not relevant

Please specify what else would be the main benefits for entities with no access to capital markets to disclose this information publicly in ESAP:

5000 character(s) maximum

Such entities could create a track record very early in their life cycle – showing a commitment to ESG principles before having an obligation to do so.

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