

Response to the 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

SUMMARY OF KEY PROPOSALS

- **Purpose & users:** Finance Watch supports the creation of a European single access point (ESAP) to strengthen the European Capital Market Union and promote investments in the European Union, especially investments in sustainable projects and economic activities which are needed to meet the EU climate-neutrality goals. We would like to stress that retail investors, academia and civil society should be considered as users of ESAP on an equal footing with institutional investors, asset managers, other finance providers such as banks as well as data, rating and research providers.
- **Scope:** The ESAP project should prioritise inclusion of EU company financial, sustainability and company law disclosures, as well as product-related disclosures relevant for retail investors. We suggest to allow voluntary disclosures by companies outside the scope of the EU disclosure requirements. Those companies could disclose on a voluntary basis as long as clear indication is given to the source, rules and/or standards followed to prepare the information and level of verification.
- **Governance and funding:** ESAP should be organised as a public-private partnership, operated by all three European Supervisory Authorities with a leading role played by the European Securities and Markets Authority (ESMA). All relevant stakeholders should be involved in the governance as the ESAP members. Stakeholders should include: reporting companies, institutional and retail investors, asset managers, other finance providers like banks and data, rating and research providers, academia and civil society. This would mean that the bulk of ESAP funding would come from financial industry participants who will be the biggest economic beneficiaries of ESAP.
- **Usability & format:** ESAP should enable data usage without any specialised software, such as usage via browser, be user-friendly and information disclosed should be in a structured and machine-readable format.

COVER NOTE /LETTER

Finance Watch strongly supports the establishment of a European single access point (ESAP) to facilitate access to comparable, qualitative and reliable financial and sustainability information for investors, other financial market participants, regulators, academia and civil society. If well designed and implemented, ESAP holds the potential for improved access to corporate and product disclosures and, by this, would encourage investment in the European Union. This would help overcome barriers of fragmented national capital markets, thus deepening the European Capital Market Union. This hinges on inclusion of sustainability disclosures within ESAP from day one to facilitate a proper application of EU sustainable finance rules¹ and encourage investments in sustainable projects needed to meet EU climate goals.

The following considerations are essential for the effective implementation and functioning of ESAP:

Scope

Information/ content: The scope of ESAP needs to be determined based on the needs of its users, which should include: **investors**, both institutional and retail; **other providers of finance**, including banks; as well as **regulators, academia and civil society**.

In particular, we consider vital: i) the role of both **entity- and product-level sustainability disclosures** to support integration of sustainability into financing decisions and mitigate the risk of greenwashing; ii) **interests of retail investors**, among others in light of the upcoming EU Retail Investment Strategy; iii) **needs of academia and civil society**, who require access to information for their research – in particular, sustainability-related research is essential to facilitate the transition to a climate-neutral economy.

We strongly support a clear prioritisation during ESAP implementation to ensure feasibility and timely go-live of the project. Doing so achieves project objectives given the rapid changes made to disclosure rules, most notably around sustainable finance.

We recommend the inclusion of the following disclosures as a matter of priority in the ESAP project:

- Financial information in accordance with the **Transparency and Accounting Directives**.
- Entity and product-level sustainability disclosures in accordance with the **Non-Financial Reporting Directive (NFRD)**, **EU Taxonomy Regulation** and **Regulation on sustainability-related disclosure in the financial services sector (SFDR)**.

Specific company (entity)-level sustainability disclosures are of major importance: 1) non-financial disclosures in line with NFRD, 2) Article 8 EU Taxonomy-related disclosures applying to companies in the scope of NFRD, 3) entity-level disclosures by financial market participants in line with SFDR. Both entity and product-level disclosures should be included to facilitate sustainable finance, as retail investors need product disclosures to make informed investment decisions.

- **EU Climate Benchmarks disclosures** in line with the Regulation as regards EU climate transition Benchmarks, EU Paris-aligned benchmarks and sustainability-related disclosures for benchmarks.
- **Key information documents** for packaged retail and insurance-based investment products (PRIIPs), retail investments funds (UCITS) and pan-European personal pensions (PEPP) products.
- Company law disclosures in accordance with the **Market Abuse Directive and Regulation (MAD/MAR)** and **Shareholder Rights Directive (SRD II)** are also relevant from the investor perspective. Market abuse disclosures are already included in the national Officially Appointed Mechanisms (OAM), which the Commission intends to leverage on when creating ESAP.

At a later stage of ESAP implementation, we **support inclusion of additional disclosures**, which prove relevant from supervisory and financial stability perspectives, such as prudential information in accordance with the Capital Requirements Directive and Regulation (CRD/CRR), Resolution and Recovery of Credit institutions and Investment Firms Directive (BRRD), Directive and Regulation of Prudential Supervision of

¹ For example, EU Taxonomy Regulation, EU Sustainable Finance Disclosures Regulation (SFDR), EU Climate Transition Benchmarks Regulation.

Investment Firms (IFD/IFR), Directive on the Activities and Supervision of Institutions for Occupational Retirement Provision (IORP), as well further disclosures with a more narrow product focus such as European venture capital funds, social entrepreneurship funds, money market funds.

Entities covered: The mandatory scope of the entities disclosing information within ESAP should be determined by the **scope of the respective EU rules**, as mentioned above. We understand the scope will be dependent on revisions of any of those rules, in particular the NFRD.

In addition, we see a significant value added in allowing **voluntary disclosures by companies outside the scope of EU rules** – including non-EU entities – wishing to submit their information to ESAP. Transparency should be ensured for such disclosures, such as their voluntary basis, source of information, applicable standards of reporting, verification /assurance procedures applied to the reported information.

To ensure transparency and reliability of the ESAP disclosures, include **data on the source of information, as well as any external assurance** provided over the disclosures – such as external audit report or assurance over the sustainability-related information – conditional on the future requirements. In the cases where no assurance is provided, this should be appropriately disclosed and correctness of the information should be certified / confirmed by the reporting entities.

Governance and funding

For ESAP to achieve its main objective, as well as serve wider purposes in the future such as to centralise information for supervisory/financial stability purposes, the ESAP governance structure should be driven by consideration of **different stakeholder interest representation** and efficient functioning of the project. We recommend the project be organised as a **public-private partnership** with its governance involving all three European Supervisory Authorities, with ESMA playing the key role, and all interested stakeholders such as reporting companies, institutional and retail investors, asset managers, data, rating and research providers, academia and civil society. All stakeholders should be considered on an equal footing.

As a matter of principle, ESAP should be funded by the users that will benefit most from it and for which it will represent the biggest cost saving. Given its public interest dimension, public funding could cover 50% of its development cost whilst financial industry stakeholders would fund the remaining 50%. ESAP running costs should be funded by its users through annual membership fees reflecting the user type and the economic interest derived from its use.

Financial industry participants and service providers – namely rating and research providers, asset managers, institutional investors and banks – will make major savings thanks to ESAP and they should therefore bear the bulk of its running costs through their membership fees. Membership fees should be linked to the level of business interest and its size, for example as a percentage of turnover / revenues in case of data providers, percentage of assets under management for asset managers. Meanwhile, **fees should be symbolic for retail investors, academia and civil society, as their interest in ESAP is not business related**. Reporting companies should be exempted from contributing to the running costs of ESAP.

To ensure easy and open access for retail investors and citizens, who could be discouraged by a paywall, we suggest **setting up an appropriate data download threshold, below which anyone can access information within ESAP free of charge**. Such an approach would address the public interest dimension and encourage retail investors' participation in the capital markets. Membership registration and fees would only apply upon exceeding a pre-defined data threshold, which would also make less costly ESAP user management.

Data format and usability

Data format: We support the widest possible usage of structured data format to ensure the ESAP data is machine-readable. In terms of specific data format, we **suggest the Commission assesses feasibility**

of extending the scope of application of the European Single Electronic Format (ESEF). The Transparency Directive already requires all issuers on EU regulated markets to use ESEF while preparing their annual financial reports. First reports were to be published for financial year 2020 but application date was delayed by one year due to Covid-19. Extending the scope of ESEF to include other disclosures would bring usability benefits by increasing comparability and supporting capability to make analysis across entities and products. We realise challenges exist related to ESEF such as the need for a taxonomy², in particular for sustainability information, as well as certain costs that companies currently not reporting in ESEF would need to bear. Those costs stem from dedicated software purchase and staff training or to pay an external contractor. Hence, we recommend conducting **a proper feasibility assessment and a cost-benefit analysis of different formats.**

Additional advantage of using structured data formats includes the possibility to apply certain **data quality checks** once information is uploaded onto ESAP. We support data quality checks being set up, as suggested in the consultation – verification of correct reporting taxonomy usage, availability of the required metadata, as well as defined key tests, in particular for financial information such as matching figures of the asset and liability side of the balance sheet. On such data tests, we see clear advantages of providing data quality checks on ESAP to boost information reliability; we recommend, however, that development of any rule-based checks should be gradual and based on appropriate validation of such rules. Poorly set up rules may create a burden for reporting companies, as error messages will be generated when submitting information to ESAP. Once there is a sufficient amount of historical/cross-sectional data within ESAP, rule-based checks can be designed and validated to be used for the ESAP submissions.

Use of identifiers: We suggest to **require the use of Legal Entity Identifiers (LEI)** – both for the reporting entities and financial products – as well as **NACE codes** use. This will ensure regulatory consistency, improve comparability and transparency of data and avoid dependency on private providers of classification codes.

LEIs were developed in the wake of the financial crisis of 2007-2008 to help supervisors understand the build-up of risk and interconnections in financial markets. They provide an essential tool for supervisors to follow market trends, prevent systemic crises and manage them if they happen. Their logic is to apply to all financial institutions and funds, and these identifiers are now required for listed companies and entities conducting financial transactions in the European Union. Important too is the use of NACE codes to ensure alignment with the EU Taxonomy Regulation and, more generally, EU legislation.

Database software: The choice of the ESAP software should be guided by a considered approach to ensuring usability and accessibility of information at any time by all types of users. ESAP should be accessible **without the need to invest in a specialised software** / interface that would create barriers for less resourceful financial market participants, civil society and academia. Thus, we welcome access **via web portals and functionality of bulk downloads.**

We suggest using **open-source software** while interconnecting national OAMs. We understand a likely phased approach to occur. Therefore, it is important to consider the need to further develop the central access point facility in future to include any additional reporting information or make adjustments to the existing reporting standards. Open-source software tends to be more flexible, more easily and freely accessible for the users than proprietary solutions. Such software allows to avoid dependence from a particular private developer.

Open source and interoperable software solutions will also be important to facilitate in future interconnection of national OAMs and potential interconnection of ESAP with databases / registers from other jurisdictions.

² We suggest considering the EU Taxonomy Framework and future EU sustainability standards for the development of the reporting taxonomy for the sustainability-related information.

RESPONSES TO SPECIFIC QUESTIONS

Question 1. Please rate the following characteristics of ESAP based on how relevant they are according to you:

	1 (fully disagree)	2 (somewhat disagree)	3 (neutral)	4 (somewhat agree)	5 (fully agree)	Don't know - No opinion - Not applicable
The information quality (accuracy and completeness) is most important					x	
The widest possible scope of the information is most important				x		
The timeliness of the information is most important					x	
The source of the information is a key element to know					x	
The immutability of the information is a key element				x		

ESAP should include information made public on a voluntary basis by non listed companies of any size, including SMEs					x	
ESAP should include information made public on a voluntary basis by financial market actors					x	
Other aspects						

Please specify what are the other aspects you referred to in your response to question 1:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

n/a

Question 1.1 Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Accuracy, completeness, reliability (source validity & certification of the quality assurance), comparability and timeliness of information are of primary importance for ESAP to fulfil its objective of increasing companies' visibility to investors (and other financing providers) and thus fostering investment. If the information cannot be timely obtained or reliably used (such as needs to be verified against additional sources), the key purpose of ESAP cannot be realized, as additional information will need to be searched for with all existing barriers (see questions 3 and 5 below) remaining relevant. From the user perspective, machine readability of the information (in particular, qualitative) is also essential to make the ESAP data easy to retrieve, analyse and compare.

With respect to the immutability aspect, justified updates/amendments to the submitted information should be possible (for example, for the cases of financial statements corrections etc.); however, these should be clearly traceable and explained.

The widest possible scope of information is considered essential, however, conditional on the feasibility of the project to avoid the "scope creep" (i.e., to wide scope and delays in implementation). In line with the priorities as per responses to question 7, the ESAP project should first concentrate on the provision of information deemed key for investors with subsequent additions after the original go-live phase. Still, from the beginning it is important to ensure that the ESAP architecture can be scaled up in the future to accommodate further disclosures to be included/integrated. This means that the inclusion of all intended information should be planned for and the appropriate structure of the database should be designed from the onset of the project.

In order to ensure transparency and reliability of the ESAP disclosures, it is important to include the data on the source of information, as well as any assurance provided over the disclosures (such as external audit report or assurance over the sustainability-related information, conditional on the future requirements). In the cases where no assurance is provided, this should be appropriately disclosed and correctness of the information should be certified / confirmed by the reporting entities.

We also support the inclusion of information by non-listed companies, incl. SMEs and other entities of any type, on a voluntary basis. Hereby the reporting standards and external audit / assurance / data quality certification requirements should equally apply to any entities opting for voluntary disclosure – in order to ensure a level playing field and reliability and comparability of information provided via ESAP.

Question 2. Which channels do you use when searching for, retrieving or using companies' public information?

Please select as many answers as you like

Company's website

Data aggregation service providers

Stock Exchanges

Public repositories or databases (OAMs, NCAs, ESAs)

Other

Please specify what are the other channel(s) you use when searching for, retrieving or using companies' public information:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Not responding to this question, as not relevant/applicable.

Question 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

Question 3.1 Please provide more information on your answer to question 3:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The cost is associated with the access fees charged for private databases / by data providers, which are high, in particular for the individual investors and civil society. Other costs are related to the expertise and time, which are currently required to search, collect and compare information, which is scattered across multiple sources (databases, company websites, national registers etc.).

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

Please select as many answers as you like

XBRL

PDF

XML

HTML

CSV, TXT

Excel

Formats enabling natural language processing

Other

Don't know / no opinion / not relevant

Please specify in which other electronic format is companies' public information provided by these channels:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Not responding to this question, as not relevant/applicable.

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

Yes

No

Don't know / no opinion / not relevant

Question 5.1 Please describe the barriers or difficulties you encountered when accessing the information:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Currently there are numerous barriers / difficulties associated with accessing information on entities and financial products, in particular from a cross-border perspective, specifically:

- Numerous sources of information to be researched in order to obtain different types of information on one entity/product (company websites, business registers, stock exchanges, rating agencies etc.)
- Languages, as detailed information is often available in national language only.
- Formats, as information across entities/countries/types of information is available in different formats, incl. often in an unstructured form, which complicates analysis and comparisons.

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

Yes

No

Don't know / no opinion / not relevant

Question 6.1 Please describe the barriers or difficulties you encountered when using the information:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Refer to the question 5.1 response.

The scope of ESAP

Question 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).

1) The Transparency Directive (2004/109/EC) (e.g. annual/half yearly financial reports, acquisition or disposal of major holdings)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 1):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Entity-level financial information is key for investment decisions, thus its inclusion within ESAP should be prioritized. Moreover, listed companies are already required by the Transparency Directive to file this information with the national Officially Appointed Mechanisms (OAM). This means disclosures stemming from the Transparency Directive

should be automatically accessible through the European Single Access Point if ESAP is created by interconnecting national OAMs (see question 13 regarding the “file only once” principle).

2) The Accounting Directive (2013/34/EU) (e.g. financial statements, management report, audit report)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 2):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Entity-level financial information is key for investment decisions, thus its inclusion within ESAP should be prioritized. Hereby we consider the inclusion of the limited liability companies, which are subject to the Accounting Directive (AD), as equally important from an investor perspective, as is the inclusion of issuers in accordance with the Transparency Directive. This would extend visibility of such companies to investors across the European Union and hence contribute to the ESAP aim of strengthening / deepening the EU capital markets union.

Financial statements by the undertakings subject to the AD are prepared in accordance with different national accounting standards (GAAP) filed with the relevant national business registers. Thus, synergies can be gained by interconnecting national business registers, similar to the OAMs mentioned under the response to question 1(1). This effort could also build on the already existing initiative of interconnecting business registers – Business Registers Interconnection System, which is currently accessible via the e-Justice portal.

3) The Audit Directive (2014/56/EU) and Audit Regulation (537/2014/EU) (e.g. auditor

transparency reports)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 3):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

As mentioned under Question 1.1 with respect to the original scope of ESAP, we deem it appropriate to limit the amount of disclosures to be included within ESAP in order to ensure feasibility of the project and reasonable time for its implementation. Thus, given the limited scope of entities covered, information in accordance with the Audit Directive and Audit Regulation can be considered for inclusion within ESAP at a later stage following its original go-live.

4) The Non-Financial Reporting Directive (NFRD) (2014/95/EU) (e.g. non-financial statement)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 4):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Inclusion of disclosures resulting from the Non-Financial Reporting Directive (NFRD) should be the highest priority for ESAP alongside Art. 8 EU Taxonomy-related disclosures and financial information in line with the Transparency Directive.

Companies currently in the scope of NFRD (public interest entities with more than 500 employees) already disclose non-financial statements. However, currently available sustainability-related disclosures are of insufficient quality, granularity and comparability to meet the needs of investors and financial industry.

The European Commission Action Plan on Financing Sustainable Growth resulted in several regulatory developments aimed at enhancing transparency on sustainability considerations and their integration throughout the financial system. These new rules, including the EU Taxonomy Regulation, the Regulation on sustainability-related disclosure in the financial services sector (SFDR) and the EU Climate Benchmarks Regulation, are key milestones to incorporating sustainability into the financial system.

Unfortunately, their effective application is hampered by insufficient availability of quality and comparable corporate information on how climate change, environmental, social and governance aspects impact companies, and on how companies themselves impact the society and the environment.

The ongoing review of the Non-Financial Reporting Directive is about to address this issue. The review is likely to enlarge the scope of the reporting companies, address the comparability and reliability of disclosures, as well as to align them with the requirements under the EU Taxonomy Regulation, SFDR and the EU Climate Benchmarks Regulation.

Inclusion of disclosures in line with the Non-Financial Reporting Directive within ESAP plays an important, complementary role to the review of the Directive itself for two reasons. Firstly, accessing disclosures of all companies within the scope of the Directive will be much easier compared to the current situation whereby information users need to search for non-financial reports on corporate websites. Secondly, ESAP has a great potential to improve the coverage of sustainability information beyond the scope of NFRD, even after its review, if it allows companies from outside the scope of NFRD to provide disclosures on a voluntary basis. This is a very important point as even if the scope of NFRD is to be significantly enlarged, there will still be many companies outside the scope (e.g. non-EU companies). As investing has more and more often a global perspective, asset managers and investors need sustainability information on as broad a range of companies as possible. Banks are also interested in obtaining sustainability information on companies outside of the scope of

NFRD, such as SMEs, in order to assess the sustainability dimension of the assets financed by the loans they provide. For all those reasons, it is of great importance that ESAP allows companies from outside the scope of EU regulatory requirements to include their disclosures on a voluntary opt-in basis.

5) The Prospectus Regulation (2017/1129/EU) (e.g. Prospectus, Universal Registration Document, SME Growth Markets-information)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 5):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Prospectuses, Universal Registration Documents and SME Growth Markets-information are highly relevant from the investor perspective, which corresponds to the ESAP key objective of fostering investment. However, as explained above in relation to the risks associated with a very broad scope of ESAP at the first stage, we suggest to include such information at a later stage, whereas at the ESAP go-live stage, we suggest to prioritise corporate and product-related disclosures as highlighted in other sub-questions.

6) The Shareholders Rights Directive (2007/36/EC) and (2017/828/EU) (e.g. Remuneration Report)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 6):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Disclosures resulting from the Shareholder Rights Directive are highly relevant from the investor perspective (for the entity-level assessment) and thus should be included in the scope of ESAP immediately.

7) The Market Abuse Regulation (596/2014/EU) and Market Abuse Directive (2014/57/EU) (e.g. inside information)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 7):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Public disclosures resulting from the MAR/MAD (such as insider information and management transactions) are important for investors. Moreover, this information is already filed with the national Officially Appointed Mechanisms (OAM) and therefore in case of interconnecting them, such information should be automatically accessible through the European Single Access Point. Thus, MAR/MAD disclosures should be included in the scope of ESAP immediately.

8) The Resolution and Recovery of Credit institutions and Investment Firms Directive (BRRD) (2014/59/EU) (e.g. information on the group financial support agreement)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 8):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

While the information mandated by the BRRD is useful for assessment of financial institutions by potential investors, it is more relevant from a prudential supervision perspective. The information can also be useful for academics and civil society organisations working on financial regulation and financial stability topics. However, we do not consider this information to be a priority for the ESAP project keeping in mind its goal of stimulating investments across the EU and political and feasibility risks related to an overly ambitious scope from day one. Thus, we recommend that the inclusion of BRRD information should be considered at a later stage of the ESAP project following its go-live.

9) The Covered Bonds Directive (2019/2162) (e.g. information on the cover pool)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

10) The Capital Requirements Directive (CRD) (2013/36/EU) and Capital Requirements Regulation (CRR) (575/2013/EU) (e.g. prudential information, stress test results)

Fully disagree

- Somewhat disagree
- Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 10):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Key financial information on the financial institutions subject to the CRR/CRD is disclosed under the Transparency and Accounting Directive rules which we recommend should be included within ESAP as a matter of priority.

While the information mandated by the CRR/CRD can be useful for an assessment of financial institutions by potential investors, it is more relevant from the prudential/supervisory angle. The CRR/CRD disclosures could be of interest for academics and civil society organisations working on financial regulation and financial stability topics. However, we do not consider this information to be a priority for the ESAP project keeping in mind its goal of stimulating investments across the EU as well as political and feasibility risks related to an overly ambitious scope from day one. Thus, we recommend that the inclusion of CRR/CRD information should be considered at a later stage of the ESAP project following its go-live.

11) The Credit Ratings Regulation (1060/2009/EU) (e.g. transparency report) Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

12) The Central Securities Depositories Regulation (909/2014/EU) (e.g. governance arrangements)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

13) The Key Information Documents for Packaged Retail and Insurance based Investment Products (PRIIPs) Regulation (1286/2014/EU) (e.g. key information document)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 13):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Information required to be disclosed by the PRIIPS Regulation (such as KID data) is highly relevant from the investor perspective and is considered to be a priority for the inclusion within the ESAP database alongside with entity-level data. EU-wide accessibility of the key product-related information is essential in the light of the EU Capital Market Union Plan and the related Retail Investment Strategy. Fostering retail investments across the EU requires easy access for retail investors to product-related information in different EU jurisdictions, as well as comparability of such information.

14) The Regulation on European Long-term Investment Funds (ELTIF) (2015 /760/EU) (e.g.

fund-related information)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

15) The European Market Infrastructure Regulation (EMIR) (648/2012/EU) (e.g. prices and fees of services provided, risk management model)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

16) The Financial Conglomerates Directive (FICOD) (2011/89/EU) (e.g. corporate structure of the conglomerate)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

17) 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)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 17):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Key financial information on the investment firms subject to the IFD/IFR is disclosed under the Transparency and Accounting Directive rules which we recommend should be included within ESAP as a matter of priority.

While the information mandated by the IFR/IFD can be useful for an assessment of investment firms by potential investors, it is more relevant from prudential/supervisory angle. The IFR/IFD disclosures could be of interest for academics and civil society organisations working on financial regulation and financial stability topics. However, we do not consider this information to be a priority for the ESAP project keeping in mind its major goal of stimulating investments across the EU, as well as political and feasibility risks related to an overly ambitious scope from day one. Thus, we recommend that the inclusion of CRR/CRD information should be considered at a later stage of the ESAP project following its go-live.

18) The Directive on the Activities and Supervision of Institutions for Occupational Retirement Provision (IORP) (2016/2341/EU) (e.g. remuneration policy)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 18):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Key financial information on the institutions for occupational retirement provision, subject to the IORP, is disclosed under the Transparency and Accounting Directive rules which we recommend should be included within ESAP as a matter of priority. While the information mandated by the IORP can be useful for an assessment of such institutions by potential investors, it appears more relevant from the prudential supervision perspective. IORP disclosures can be of interest for academics and civil society organisations. We do not consider, however, this information to be a priority for the ESAP project, keeping in mind its goal of stimulating investment across the European Union as well as political and feasibility risks related to an overly ambitious scope from day one. Given these risks, we recommend that inclusion of IORP information should be considered at a later stage of the ESAP project, following its go-live.

**19) The Pan-European Personal Pension Products Regulation (PEPP) (2019 /1238/EU)
(e.g. key information document)**

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 19):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Information required to be disclosed by the PEPP Regulation is highly relevant from the retail investor perspective. In particular, the EU-wide accessibility of the key product-related information on PEPP is essential in the light of aging population and pension adequacy concerns, as well as overall for the Retail Investment Strategy.

20) The Regulation on Wholesale Energy Market Integrity and Transparency (REMIT)

(1348/2014/EU) (e.g. inside information)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

21) The Securities Financing Transactions Regulation (SFTR) (2015/2365/EU) (e.g. aggregate positions)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

22) The Solvency II Directive (2009/138/EC) (e.g. solvency and financial condition report)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 22):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Key financial information on the insurance companies, subject to the Solvency II Directive, of interest to investors will be disclosed within ESAP under the Transparency and Accounting Directive rules. While the information mandated under the Solvency II Directive can be useful for an assessment of insurance companies by potential investors, a more relevant use applies to prudential supervision. The Solvency II disclosures can be useful also for academics and civil society organisations working on financial regulation and financial stability topics. However, we do not consider this information to be a priority for the ESAP project, keeping in mind its goal of stimulating investments across the European Union as well as political and feasibility risks related to an overly ambitious scope from day one. Thus, we recommend that the inclusion of Solvency II information should be considered at a later stage of the ESAP project following its go-live.

23) The Short Selling Regulation (236/2012/EU) (e.g. net short position)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

24) The Take-Over Bid Directive (2004/25/EC) (e.g. Information in the management report on companies' capital and shareholders, voting rights, governance...)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

25) 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)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

26) The Regulation on European Venture Capital Funds (Eureka) (345/2013 /EU) (e.g. fund-related information)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 26):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Venture capital fund-related information is relevant from the professional investor perspective in the context of fostering EU-wide investor engagement. However, since venture capital fund investments are only available to professional investors (i.e. limited investor circle) and as explained above in relation to the risks associated with the ESAP scope at the first stage, such information should be included at a later stage following the ESAP go-live with the key content (as highlighted in other sub-questions).

27) The Regulation on European social entrepreneurship funds (EuSEF) (346 /2013/EU) (e.g. fund-related information)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later

stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 27):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Relevant from a professional investor view, inclusion of EuSEF-related information within ESAP can fosters EU-wide investor engagement. We suggest, however, that EuSUF-related information should be included at a later stage in ESAP. Prioritisation stems from two main reasons: i) Social entrepreneurship fund investments are only available to a limited circle of professional investors; ii) the need to consider ESAP scope feasibility risks as explained in the sections above.

28) The Regulation on Money Market Funds (2017/1131/EU) (e.g. prospectus)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 28)

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Information on money market funds is relevant from the investor perspective, which corresponds to the ESAP key objective of fostering investment. However, given that inclusion of the key product-related information has already been prioritized as per the responses to question 7(13) and 7(29), more detailed information on the MMF is not

considered to be a priority from the investor perspective. As explained above in relation to the risks associated with the ESAP scope at the first stage, such information should be included at a later stage following the ESAP go-live with the key content (as highlighted in other sub-questions). We also understand that information on the MMFs (holdings, volumes) can be of interest for supervisors and academics from a financial stability perspective.

29) 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)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 29)

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Information required to be disclosed by the UCITS Directive (such as KID data), is highly relevant from the investor perspective and is considered to be a priority for the inclusion within ESAP alongside entity-level data. In particular, EU-wide accessibility of key product-related information is essential in the light of the EU Capital Market Union Plan and the related Retail Investment Strategy. Fostering retail investments across the EU requires easy access for retail investors to product-related information in different EU jurisdictions, as well as comparability of such information.

30) The Directive on Alternative Investment Fund Managers (AIFM) (2011/61 /EU) (e.g. investment strategy and objectives of the fund)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 30)

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Information on AIFs is relevant from the investor perspective, which corresponds to the ESAP key objective of fostering investment. However, inclusion of the key product-related information has already been prioritized as per the responses to question 7(13) and 7(29) so that more detailed information on the AIFs is not considered to be a priority from the investor perspective. As explained above in relation to the risks associated with the ESAP scope at the first stage, such information should be included at a later stage following the ESAP go-live with the key content (as highlighted in other sub-questions). Information on AIFs (holdings, volumes traded) can be of interest for supervisors and academics from a financial stability perspective.

31) 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)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 31)

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The benchmark-related disclosures represent an important aspect of sustainability-related information:

- For the financial products, which are linked to any of the benchmarks covered by this regulation
- For any entity- or product-level ESG indicators, which are linked to the benchmarks.

For investors and wider society, benchmark disclosures provide for transparency and comparability of ESG information and mitigate the risk of so-called “greenwashing” related to proprietary benchmark methodologies. Thus, we support immediate inclusion of disclosures in line with the EU Climate Transition Benchmarks Regulation within ESAP.

32) 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)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 32)

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Sustainability-related disclosures, especially those stemming from the EU Taxonomy should be included within ESAP as a matter of priority. We understand there may be a certain preference to start with the company / entity – based disclosures, but Art. 8 of the EU Taxonomy Regulation covers company / entity level disclosures which are essential for financial market participants to prepare their fund disclosures. Therefore, inclusion of the

EU Taxonomy-related disclosures within ESAP would be highly beneficial for investors and other financial market participants, and therefore would serve the objective of facilitating investments in sustainable projects.

At the same time, we believe that sustainability product disclosures, stemming from SFDR and EU Taxonomy, should also be included within ESAP either at inception or in a not-too-distant future. Their inclusion would contribute to promoting such investments to end investors, increase investor protection and contribute to the objective of strengthening the Capital Markets Union.

33) The EU Emissions Trading System (EU ETS)

Fully disagree

Somewhat disagree

Neutral

Somewhat agree

Fully agree

Don't know / no opinion / not relevant

Please specify whether the information should be included immediately or at a later stage:

Immediately

At a later stage

Don't know / no opinion / not relevant

Please explain your position providing your arguments, and where appropriate, concrete examples and data to support your answers to question 7. 33)

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

As mentioned in the responses to other sub-sections herewith, we strongly support the inclusion of entity- and product-specific sustainability disclosures within ESAP (in particular, disclosures as per the NFRD, SFRD and EU Taxonomy). In this context, EU ETS disclosures could complement corporate and product-specific sustainability disclosures with information on the issuance, trade and ownership of ETS allowances. The EU ETS disclosures can be also of interest from the policy-maker's perspective in the context of future changes/enhancements to the EU ETS.

However, we suggest that the EU ETS disclosures are included within ESAP at a later stage upon successful go-live of the project to mitigate feasibility and political risks in case of an overly ambitious scope on day one. Moreover, the EU ETS transactions are already centralised in a single [EU registry](#) operated by the European Commission. In the initial stages, a simple link to the EU ETS registry could be provided for the interested

stakeholders.

34) Other

Yes

No

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.

Question 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?

Please select as many answers as you like

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

Question 9. Which of the following machine-readable formats would you find suitable?

	1 (not at all suitable)	2 (rather not suitable)	3 (neutral)	4 (somewhat suitable)	5 (highly suitable)	Don't know - No opinion - Not applicable
ESEF (XHTML files + inline XBRL tagging requirements)				x		
XML files						x
CSV files						x
Excel						x
Formats enabling natural language processing						x
Other						x

Question 9.1 Please explain your position providing your arguments, and where appropriate, concrete examples and evidence to support your answers:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We support the widest possible usage of structured data format to ensure data is machine-readable.

In terms of specific data format, we **suggest that the Commission assesses the feasibility of extending the scope of application of the European Single Electronic Format (ESEF)** which, in accordance with the Transparency Directive, must be applied by all issuers on EU regulated markets preparing their annual financial reports (first reports were to be published for financial year 2020 but application date was delayed by one year due to Covid-19).

Moreover, use of XBRL is also required for disclosures in prudential regulation (CRR, IFR, Solvency II). Thus, using ESEF and XBRL formats would allow to utilize the existing data taxonomies for the data already reported using those formats.

Extending the use of ESEF for other disclosures would bring usability benefits by increasing comparability and possibility to conduct an analysis across entities and products, amongst others, thanks to the automatic translation in multiple EU languages that ESEF enables. It would also result in marginal additional administrative burdens / cost for the entities which already report in the ESEF/XBRL.

However, we realise there may be some challenges related to such an approach (including a need for a taxonomy to use on sustainability information³, specific software requirements, etc.), and we therefore recommend that **a proper feasibility assessment and a cost-benefit analysis of different formats be conducted**. This assessment should also cover the possibility to extend the usage of structured data formats to other disclosures included within ESAP beyond the ones highlighted under our response to question 8.

Question 10. How should the information be accessible in ESAP? Please select as many answers as you like

Through Application Programming Interfaces (APIs)

Bulk download

Web portals

Other

Don't know / no opinion / not relevant

Please specify how else should the information be accessible in ESAP:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

³ We suggest to consider to what extent the EU Taxonomy framework or future EU sustainability standards could be leveraged on in this respect.

The information should be easy to access for all users, which can be achieved via web portals. Bulk downloads are important to make further analysis/comparisons by the potential investors possible.

Further, APIs can be considered as an extension/addition to the above options to provide more advanced options of data analysis.

Question 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: (one option possible)

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.

Question 12. Should specific categories of stakeholders be involved in the governance of ESAP?

Please select as many answers as you like

EU authority (ESMA, European Commission etc.) or a consortium of EU authorities?

National competent authorities

Investors

Reporting companies

Other

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

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We support the involvement of all three European Supervisory Authorities (ESMA, EIOPA and EBA) in the ESAP governance based on the fact that the entities, whose disclosures will be part of ESAP, are under the supervision of all three ESAs. The leading role in governance should be given to ESMA given its role and expertise in the area of corporate and sustainability reporting and its role as the securities markets supervisor.

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

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We consider public-private partnership to be an appropriate form of organisation and governance for ESAP. This will ensure that all users' interests are reflected and that all stakeholders can share their expertise to make ESAP meet the needs of the different parties interested. This is important if ESAP is to achieve its objective of fostering investment. We believe that an involvement of all stakeholders – reporting entities, retail and institutional investors, asset managers, data, research and rating providers, civil society organisations and academia – in the governance of ESAP is necessary.

Question 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

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In order to ensure the relevance of information for investment decisions, information should be disclosed within ESAP as soon as possible after the disclosures are published/submitted to the national competent authorities by the reporting entities (considering some minimal processing time into the platform). Also, in order to limit the administrative burden for reporting companies, “file only once” principle should be implemented, i.e. any information submitted to national authorities should be further processed to ESAP by the authorities.

Question 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 signature embedded at data emitter level

By the ESAP platform

By other means / trust services

Don't know / no opinion / not relevant

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

Yes

No

Other

Don't know / no opinion / not relevant

Question 16. Should a quality check be needed, what would need to be checked?

Please select as many answers as you like

Compliance with IT formats

Certain key tests (matching figures, units, ...)

Use of a correct taxonomy

Completeness

Availability of metadata

Other

Don't know / no opinion / not relevant

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.

Question 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

Don't know / no opinion / not relevant

Question 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: Please select as many answers as you like

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

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We see a significant value added in allowing voluntary disclosures by companies outside the scope of EU rules (including non-EU entities), wishing to submit their information to ESAP. Transparency should be ensured for such disclosures, i.e. their voluntary basis, source of information, applicable standards of reporting, verification /assurance procedures applied to the reported information.

Question 18. What type of information should be disclosed on a voluntary basis in the ESAP?

Please select as many answers as you like

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

Question 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

Question 20. In which language should entities with no access to capital markets be able to encode the voluntary information?

National language

- A language that is customary in the sphere of international finance
- Any language

Other

Please explain what you mean by 'other' in your answer to question 20:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

A language that is customary in the sphere of international finance should be preferred, if available. Otherwise, national language should be used.

Question 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

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Compliance with the uniform ESAP rules is necessary to ensure a proper functionality of the access point, comparability, reliability and quality of information for potential users, in particular investors. We acknowledge, however, that investors and other financial market participants may benefit from voluntary disclosures by companies outside the scope of EU rules considered in the context of ESAP. Therefore, such companies, especially SMEs, could be granted more flexibility. In case of non-EU companies, disclosures in line with applicable foreign rules and standards could be accepted. However, it should be

considered how different identification, data structuring and format would affect the functioning of the database.

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

Question 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

Don't know / no opinion / not relevant

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

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Not responding to this question, as not relevant/applicable.

Question 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

Don't know / no opinion / not relevant

Question 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

Question 26. Assuming that development and maintenance costs will arise, how do you think the ESAP should be funded?

Please select as many answers as you like

By EU funds

By national funds

By users (i.e. usage fees)

By preparers (i.e. uploading fee)

Other

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

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

As a matter of principle, ESAP should be funded by the users that will benefit most from it and for which it will represent the biggest cost saving. Given its public interest dimension, public funding could cover 50% of its development cost whilst financial industry stakeholders would fund the remaining 50%. ESAP running costs should be funded by its users through annual membership fees reflecting the user type and the economic interest derived from its use. This would mean that the bulk of its funding would come from financial industry participants who will be the biggest economic beneficiaries of ESAP.

The development of ESAP should be funded on an equal footing by public funds and by the users that will benefit most from it, i.e. financial industry participants. Its running costs should be covered by membership fees paid by its users, with members of ESAP gaining unlimited access to the ESAP data. The level of fees should be differentiated based on the stakeholder type, as well as the economic interest.

Financial industry participants and service providers (rating and research providers, asset managers, institutional investors and banks) will make major savings thanks to ESAP and they should therefore bear the bulk of its running costs through their membership fees. Membership fees should be linked to the level of business interest (e.g. as a percentage of turnover / revenues in case of data providers, percentage of assets under management for asset managers, etc.). Meanwhile, fees for retail investors, academia and civil society

should be symbolic, as their interest in ESAP is not business related. Reporting companies should be exempted from contributing to the running costs of ESAP given that as a stakeholder category they will not be the users of such information per se and as they are likely to face additional burdens related to transforming information into the required format. However, in case a reporting company will also act as an ESAP user, i.e. not only submit its own disclosures, the annual fee should apply accordingly based on the user category (meaning asset manager, data, research or rating provider, bank, etc.).

To ensure easy and open access for retail investors and citizens, who could be discouraged by a paywall, we suggest setting up an appropriate data download threshold, below which anyone can access information within ESAP free of charge. Such an approach would address the public interest dimension and encourage retail investors' participation in the capital markets. Membership registration and fees would only apply upon exceeding a pre-defined data threshold, which would also make less costly ESAP user management.

Question 27. What would be the main benefits for entities with no access to capital markets to disclose this information publicly in ESAP? Please select as many answers as you like

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