

# ESRS & CSRD

*Navigating Sustainability Reporting: EU Requirements and  
Moldovan Integration*  
Chisinau, Moldova, 3 June 2025

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# DISCLAIMER

The views expressed in this presentation are those of the presenter, except where indicated otherwise. EFRAG positions, as approved by the EFRAG SRB, are published as comment letters, discussion or position papers, or in any other form considered appropriate in the circumstances.



- Private not-for-profit established **2001**, serving European public interest
- **Missions**: mandated to provide technical advice to the European Commission on
  - i. the development of ESRS (**Sustainability Reporting Pillar**) and
  - ii. the endorsement of IFRS (**Financial Reporting Pillar**)
- Involved in sustainability reporting since **2018 with the creation of the European Lab**
- **Robust governance**: multi-stakeholder composition and involvement
- Member organisations: European Stakeholders Organisations, National Organisations and Civil Society Organisations
- Overall: EFRAG positioned in a **leading role** in support of front-running European reporting regime and in support of global sustainability reporting momentum.

# TABLE OF CONTENTS

1

**THE REGULATORY LANDSCAPE**

2

**CSRD ESSENTIALS**

3

**ESRS**

4

**OMNIBUS PROPOSAL & EFRAG WORKPLAN**

5

**FIRST WAVE EXPERIENCE WITH ESRS IMPLEMENTATION**

6

**VSME**

7

**INTEROPERABILITY**

# FOREWORD: WHY SUSTAINABILITY REPORTING, AND WHY STANDARDISE IT?



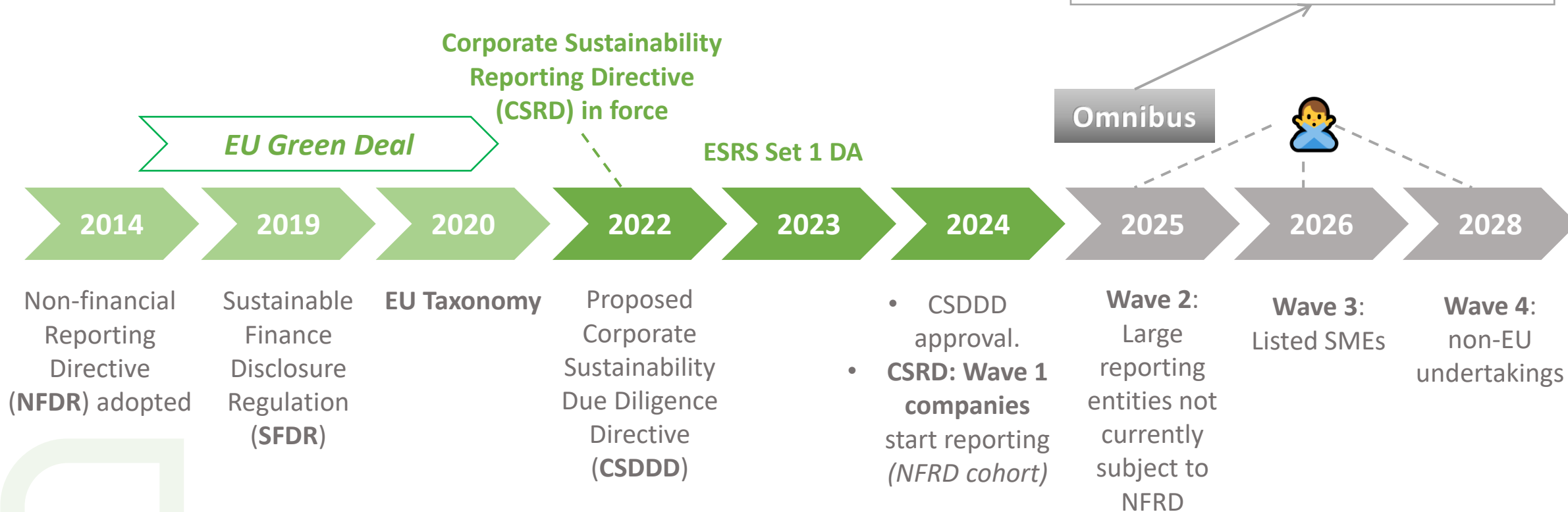
- ✓ **Making the invisible visible**  
*long-term value · climate & people · outside P&L*
- ✓ **Decision-grade data enables action**  
*measure → manage · strategy · financing · policy*
- ✓ **Leveraging proven financial-reporting discipline**  
*mandatory standards · governance & controls · assurance · free public access*
- ✓ **Quality of information**  
*relevance and faithful representation · comparability · verifiability · understandability*
- ✓ **Reflecting the full value story**  
*snapshot + forward look · impacts/risks/opportunities · value-chain · non-monetary units*
- ✓ **Creating coherence and confidence**  
*single public framework · aligned methods · trust*



## THE REGULATORY LANDSCAPE

# EU SUSTAINABILITY REPORTING TIMELINE

(baseline CSRD + 2025 Omnibus package)





CORPORATE  
SUSTAINABILITY REPORTING  
DIRECTIVE (CSRD)

# KEY FEATURES OF CSRD



## Goal

To address the quality of sustainability-related data by placing sustainability reporting on an equal footing with financial reporting

## Key features:

01

### Reporting Regime

Mandatory ESRS reporting (via EC-delegated acts) for large entities covering ESG; finalized voluntary VSME standard available for non-listed SMEs.

⚠ Omnibus proposal

02

### Double Materiality

Financial and impact materiality - companies must assess and report on both their impact on sustainability matters and how these matters affect their financial performance.

03

### Location & Timing

Reporting: in the management report, i.e., at the same time as financial statements

04

### Mandatory audit

Limited assurance to start with, moving to reasonable assurance

⚠ Omnibus proposal

05

### Digitalisation

Digital tagging of the ESRS and Article 8 « EU Taxonomy » disclosures – EFRAG tasked to develop the draft iXBRL taxonomy under European Single Electronic Format (ESEF)

# CSRD TRANSPOSITION STATUS – AS OF MAY 2025

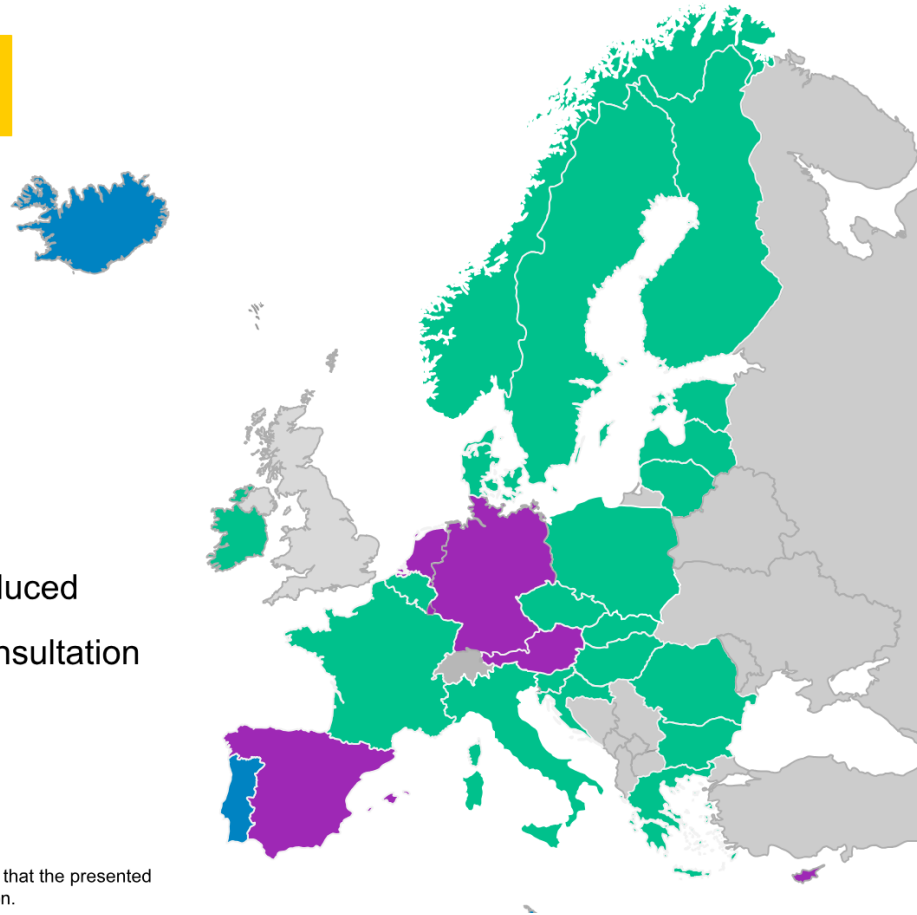
## CSRD TRANSPOSITION STATUS

The map illustrates the transposition progress across EEA countries. We collect and share this information in conjunction with Accountancy Europe members. This tracker is continuously updated as new information becomes available

- 20 Member States: transposed
- 6 Member States: draft proposal introduced
- 3 Member States: draft in progress/consultation

- The map gives an indicative overview as the CSRD transposition is ongoing in some Member States
- Information presented as of 5 May 2025

Disclaimer: Accountancy Europe makes every effort to ensure, but cannot guarantee, that the presented information is accurate, and we cannot accept any liability in relation to this information.



Source: Accountancy Europe. CSRD Transposition Tracker – Presentation Slides. Retrieved from <https://accountancyeurope.eu/publications/csr-transposition-tracker/>, last accessed on 29 May 2025.

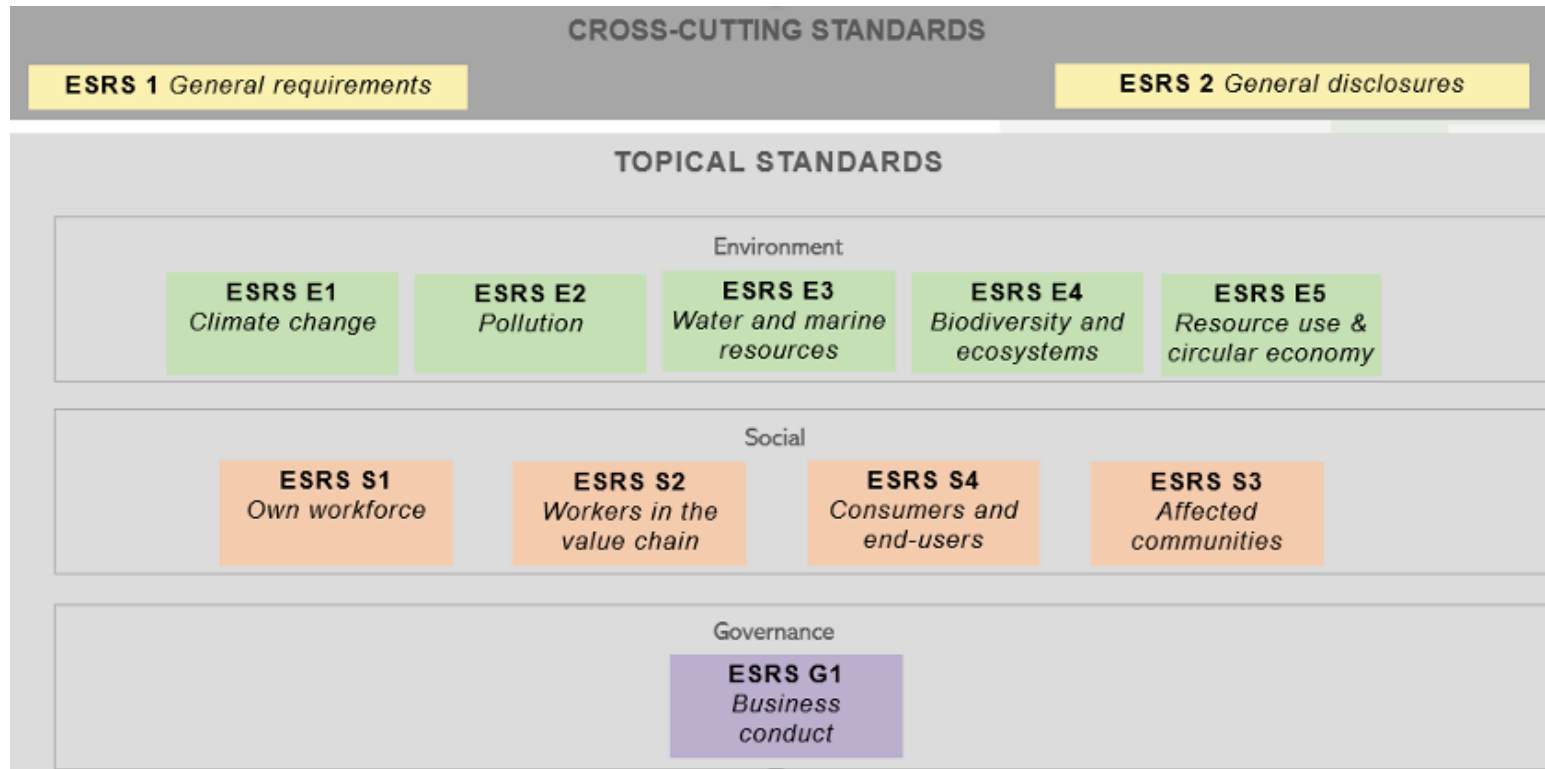
**Note:** To track the evolution of the CSRD, including national transposition and related Omnibus updates, consult:

- European Commission CSRD page: [finance.ec.europa.eu](https://finance.ec.europa.eu)
- EUR-Lex legal text: [eur-lex.europa.eu](https://eur-lex.europa.eu)

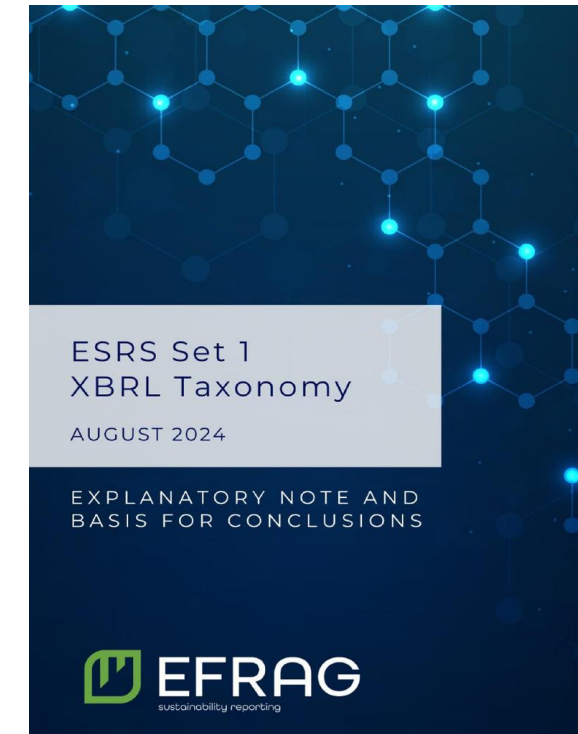


## EUROPEAN SUSTAINABILITY REPORTING STANDARDS (ESRS)

# THE FIRST SET OF SECTOR AGNOSTIC ESRS



Delegated act: <https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX:32023R2772>  
Standards in more user-friendly version here: <https://xbrl.efrag.org/e-esrs/esrs-set1-2023.html>



Proposed XBRL taxonomy for Set 1  
Published on 30 August 2024

## ESRS 1 – **HOW** you report

- Sets the **ground rules** for every ESRS disclosure → drafting conventions, consolidation scope, presentation.
- Defines **double materiality** as the filter (impact + financial).
- Explains treatment of **due-diligence** link, **value chain**, **time-horizons**, **transitional reliefs**.
- • **Qualitative characteristics**: relevance, faithful representation, comparability, verifiability, understandability.

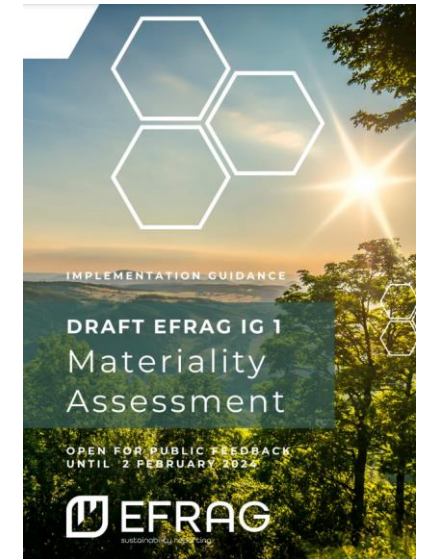
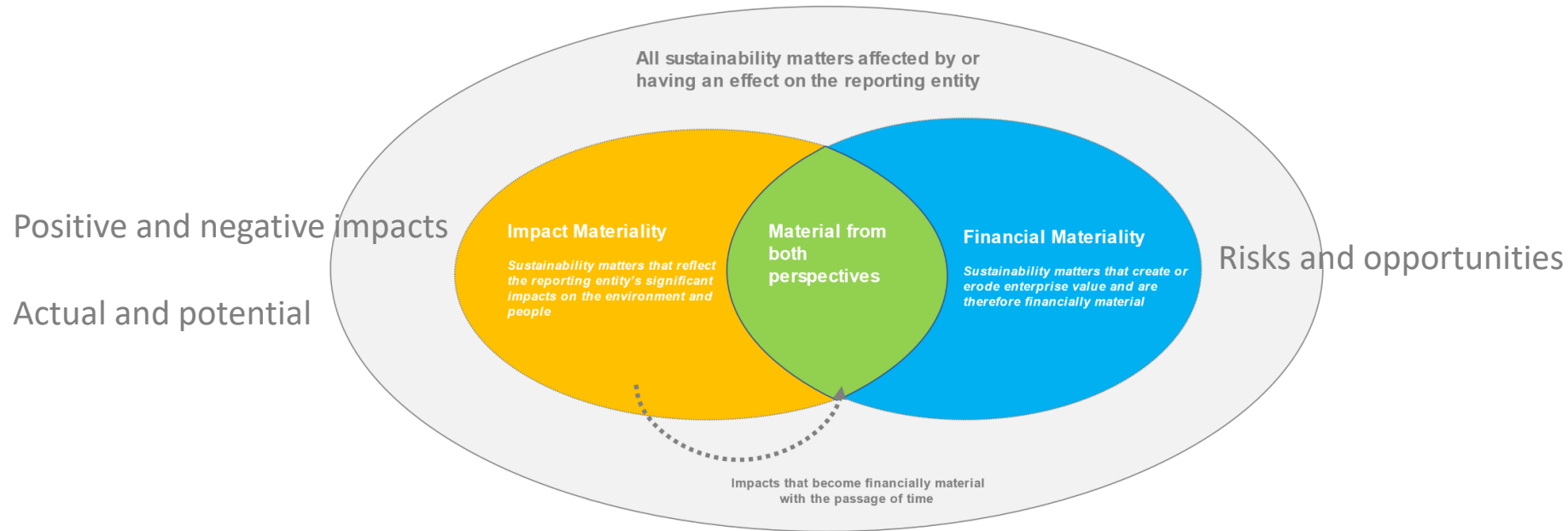
## ESRS 2 – **WHAT** you must always report

**4 mandatory pillars** for all *material* topics:

- 1. Governance** (roles, info flows, incentives, controls)
- 2. Strategy** (business model, stakeholder views, IRO links)
- 3. IRO management** – describe *process* + list the DRs triggered (IRO-2)
- 4. Metrics & Targets – MDR-P / A / T / M** “Policy-Action-Target-Metric” checklist

# DOUBLE MATERIALITY ASSESSMENT

Figure 4



[IG 1 Materiality Assessment\\_final.pdf](#)

	Impact materiality	Financial materiality
Definition	Matter has actual or potential <b>positive or negative impacts on people or the environment</b> across own operations and value chain.	Matter creates <b>risks or opportunities</b> that affect (or could reasonably affect) enterprise value, cash-flows or financial position.
Rule	If material under <b>either</b> lens → disclose.	

# TOPICAL STANDARD: ENVIRONMENTAL



E1

## Climate change

- Climate change adaptation
- Climate change mitigation
- Energy



E2

## Pollution

- Pollution of air
- Pollution of water
- Pollution of soil
- Pollution of living organisms and food resources
- Substances of concern
- Substances of very high concern
- Microplastics



E3

## Water and marine resources

- Water
- Marine resources (Water consumption, withdrawals, discharges, discharges in the oceans, extraction and use of marine resources)



E4

## Biodiversity and ecosystems

- Direct impact drivers of biodiversity loss
- Impacts on the state of species
- Impacts on the extent and conditions of ecosystems
- Impacts and dependencies on ecosystem services



E5

## Resource use and circular economy

- Resources inflows, including resource use
- Resource outflows related to products and services
- Waste

# TOPICAL STANDARD: SOCIAL



## Own Workforce

- Working Conditions
- Equal treatment and opportunities for all
- Other work-related rights



## Workers in the value chain

- Working Conditions
- Equal treatment and opportunities for all
- Other work-related rights



## Affected communities

- Economic, social and cultural rights
- Civil and political rights
- Rights of indigenous peoples



## Consumers / end-users

- Information-related impacts for consumers/end-users
- Personal safety of consumers/end-users
- Social Inclusion of consumers/end-users




## Business conduct


- Corporate culture
- Business conduct
- Protection of whistleblowers
- Animal welfare
- Political engagement
- Management of relationships with suppliers including payment practices
- Corruption and bribery




## OMNIBUS PROPOSAL & EFRAG WORKPLAN


# BACKGROUND

 The European Commission aims to simplify the first set of ESRS and adopt a revised version within 6 months of the Omnibus proposals (announced on 26 Feb 2025).

 EFRAG confirmed its support on the same day and began early preparatory work.

 On 27 March 2025, the European Commission formally mandated EFRAG to deliver technical advice by 31 October 2025.

 EFRAG submitted its detailed timeline and work plan on 25 April 2025.

 The work plan is based on the current Omnibus proposals and may be adjusted if the legislative process brings changes.



# CSRD SCOPE & TIMING

The next two tables show what is legally fixed today versus what might still change under the 2025 Omnibus package. Only the “stop-the-clock” measure (two-year deferral for Waves 2 & 3) is adopted into law. All other elements in the right-hand column remain proposals and are still subject to political negotiation between the European Parliament and the Council.

Item	CSRD	Omnibus proposal (Feb 2025 – still under negotiation)
<b>Stop-the-clock</b>	Wave 2 → first report <b>FY 2025</b> · Wave 3 → <b>FY 2026</b>	<b>Both waves deferred 2 years</b> → large entities report FY 2027, listed SMEs FY 2028
<b>Employee threshold</b>	≥ 250 employees (plus €25 m assets <b>or</b> €50 m turnover)	≥ <b>1 000</b> employees (plus €25 m assets <b>or</b> €50 m turnover - <i>large company per Accounting Directive</i> )
<b>Listed SMEs</b>	Mandatory (Wave 3)	<b>Dropped</b> from mandatory scope; Commission to publish a <b>voluntary SME-ESRS</b>
<b>Non-EU groups</b>	≥ €150 m EU turnover <b>and</b> large sub/branch (€50 m) → first report FY 2028	Turnover threshold ↑ to <b>€450 m</b> ; branch test (€50 m) unchanged

# OTHER KEY LEVERS

Item	CSRD	Omnibus proposal
<b>Assurance</b>	EU limited-assurance std due <b>1 Oct 2026</b> ; later review to “reasonable”	<b>Deletes 2026 deadline</b> and removes reasonable-assurance upgrade; EC will issue <b>non-binding guidelines by 2026</b>
<b>Digital tagging</b>	iXBRL tagging mandatory once ESMA issues RTS (earliest FY 2026 filings)	Tagging deferred until a <b>specific RTS</b> is adopted; no hard date in Directive
<b>Value-chain data</b>	Full value-chain disclosures where material	Introduces a “ <b>value-chain cap</b> ” – entities need not seek data solely for CSRD; may rely on sector-common info
<b>ESRS overhaul</b>	Set 1 (12 standards, ~1 100 datapoints)	Commission must adopt a <b>revised ESRS within 6 months</b> of Omnibus entry, aiming to: <ul style="list-style-type: none"> <li>• cut <b>non-essential mandatory datapoints</b></li> <li>• prioritise <b>quantitative</b> over narrative</li> <li>• mark <b>voluntary vs mandatory</b></li> <li>• Clearer <b>guidance on materiality</b> to avoid unnecessary reporting</li> <li>• <b>Simplify structure and language</b> of the standards</li> <li>• Enhance <b>alignment with EU laws</b> and global standards</li> </ul>
<b>Sector-specific ESRS</b>	Drafts planned for 2026	<b>Paused</b> – no sector ESRS during simplification mandate


## *Indicative timeline:*

31 Jul 2025 – exposure drafts of the streamlined ESRS

31 Oct 2025 – EFRAG technical advice to Commission


Jan 2026 – cost/benefit analysis; Revised ESRS adopted as delegated act by 6 months after omnibus enters into force


# OBJECTIVES OF THE ESRS REVISION

 The European Commission aims to **reduce reporting burdens** while maintaining the goals of the Green Deal.

 Key focus areas for the revision include:

- Focusing on **quantitative data** over narratives
- Cutting **non-essential mandatory datapoints**
- Clearer **guidance on materiality** to avoid unnecessary reporting
- Enhancing **alignment with EU laws** and global standards
- **Simplifying structure and language** of the standards

 EFRAG's objective: deliver streamlined, **decision-useful standards** that reduce reporting effort while preserving quality and consistency.

 The revision will be evidenced based and rely on input from companies and stakeholders who have been confronted with the challenges of the first implementation of ESRS.



# STAKEHOLDER ENGAGEMENT

To ensure a transparent and inclusive revision process, EFRAG is actively engaging with stakeholders across Europe through a multi-phase outreach strategy:

## **Public Call for Input (April–May)**

Open to all stakeholders via an online questionnaire to gather feedback on key simplification areas.

## **Targeted Interviews with Key Stakeholders**

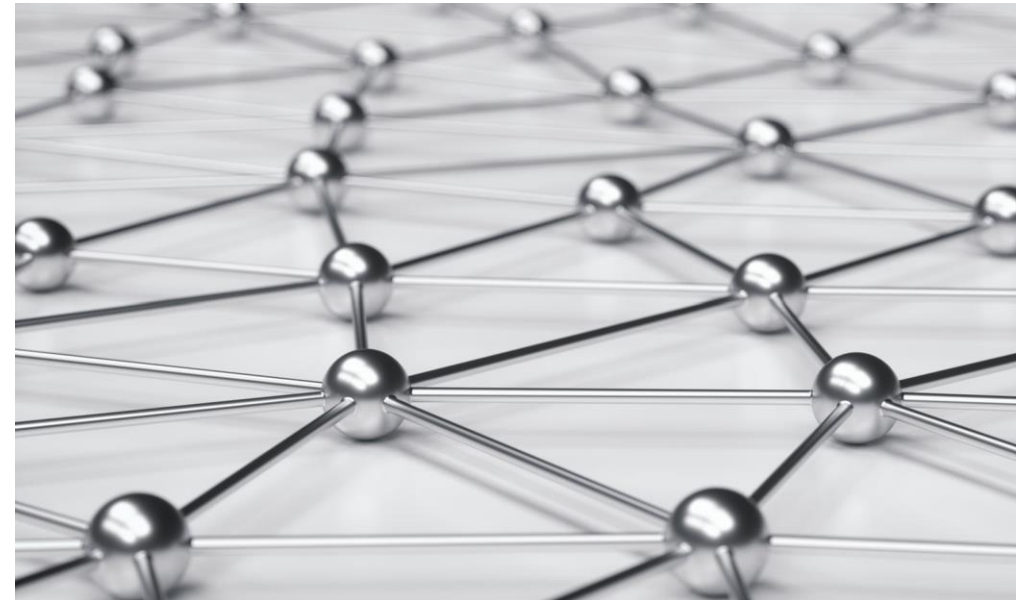
One-on-one interviews with preparers, auditors, investors, civil society organisations, and national standard setters to collect practical insights from the field.

## **Consultation on Exposure Drafts**

A formal consultation period for stakeholders to review and comment on proposed amendments.

## **Outreach Events (Early September)**

Over 10 events planned across Europe to present proposals, gather feedback, and foster dialogue with the reporting community.



# OUR COMMITMENTS

✓ **Transparency & Timeliness:** We ensure an open, timely process with clear communication at every step.

📊 **Evidence-Based Approach:** All recommendations are grounded in real-world input and data.

🔄 **Close Coordination with the EC:** Continuous and agile collaboration to align on priorities and expectations.

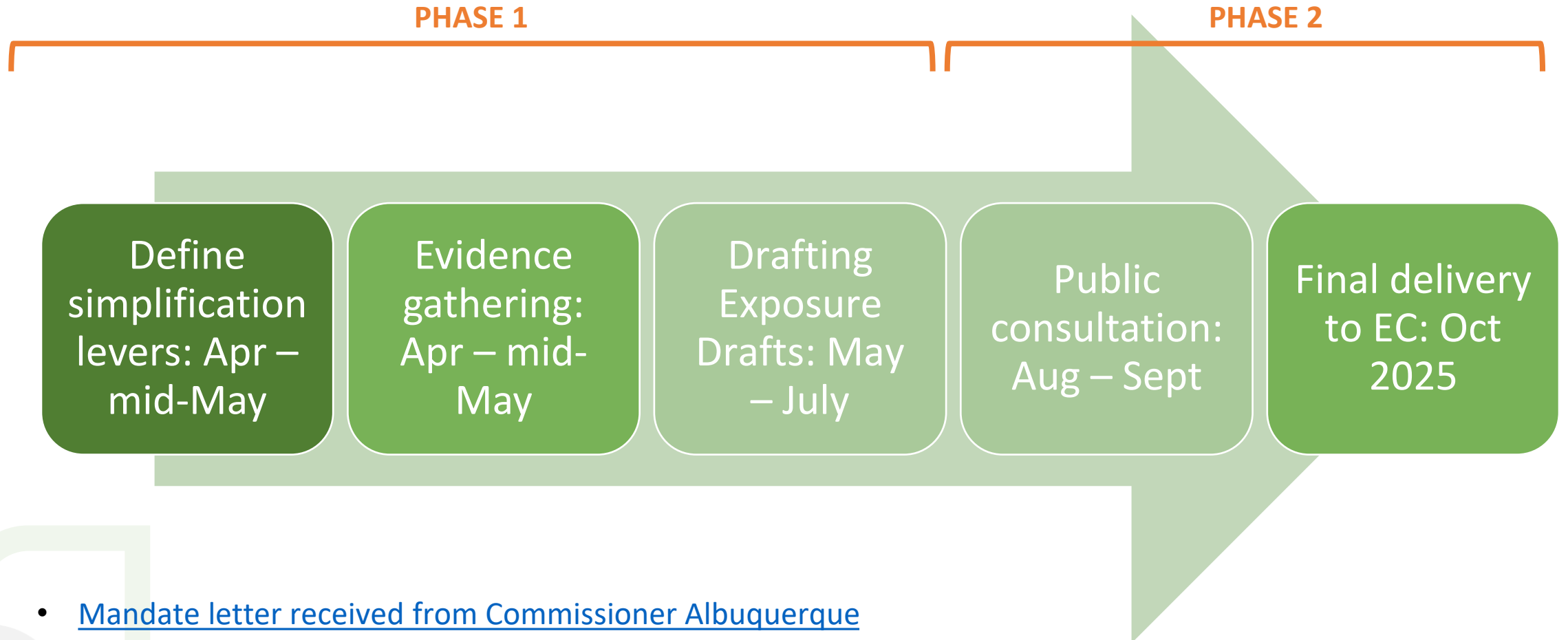
🔒 **Enhancing Disclosure Quality:** Simplification focusing on critical sustainability disclosures and substantial burden/data points reduction.

🌐 **Interoperability:** support to global initiatives and avoidance of duplication of reporting

🌍 **Public Accountability:** All key documents and meetings are made publicly accessible.



# TIMELINE AT A GLANCE

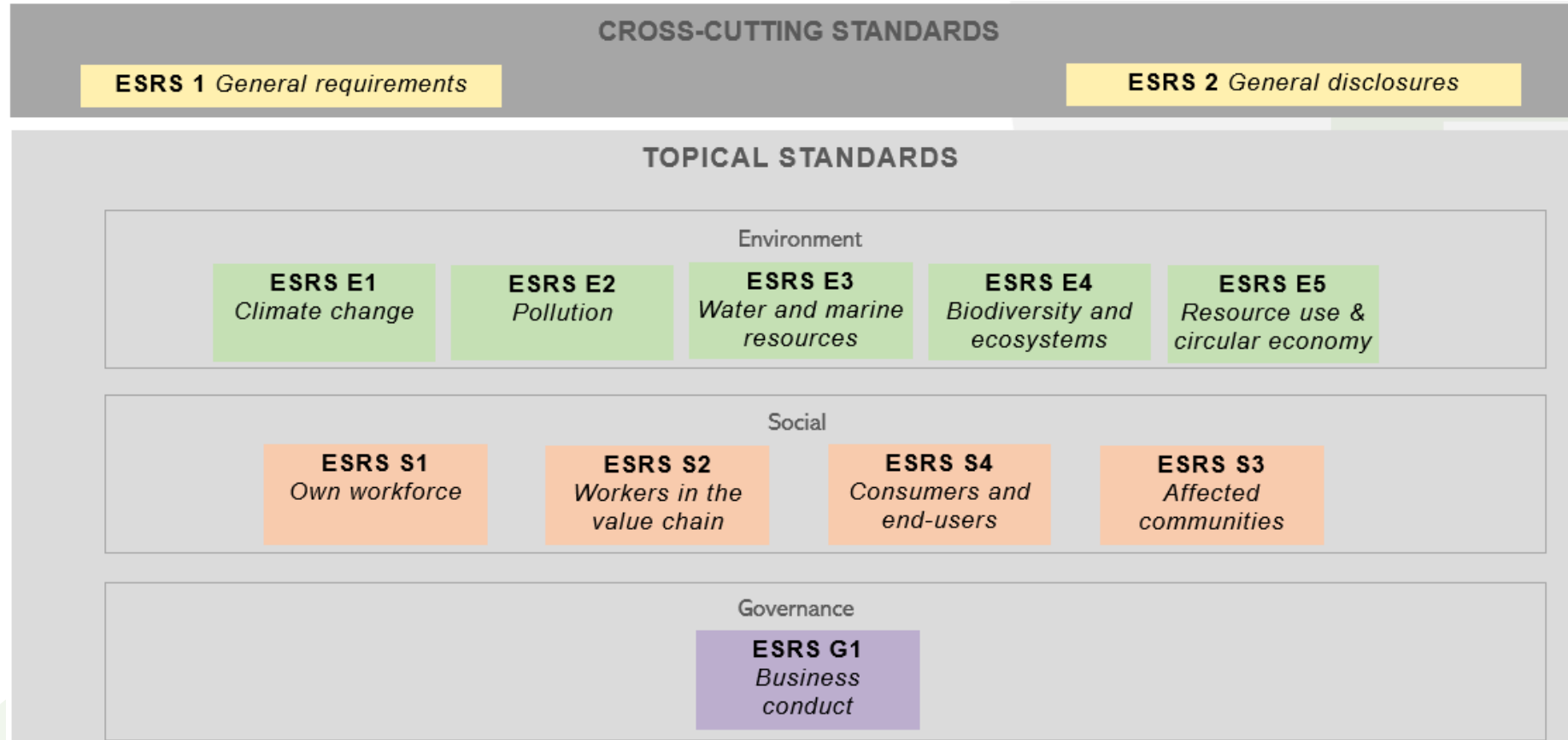


- [Mandate letter received from Commissioner Albuquerque](#)
- [Full workplan](#) sent to EC



## FIRST WAVE EXPERIENCE WITH ESRS IMPEMENTATION

# DELEGATED ACT: REMINDER ON THE STRUCTURE



**Mandatory**  
irrespective of  
materiality  
assessment



**Subject to**  
materiality  
assessment



# EARLY ASSESSED BENEFITS OF CSRD/ESRS IMPLEMENTATION INCLUDE:

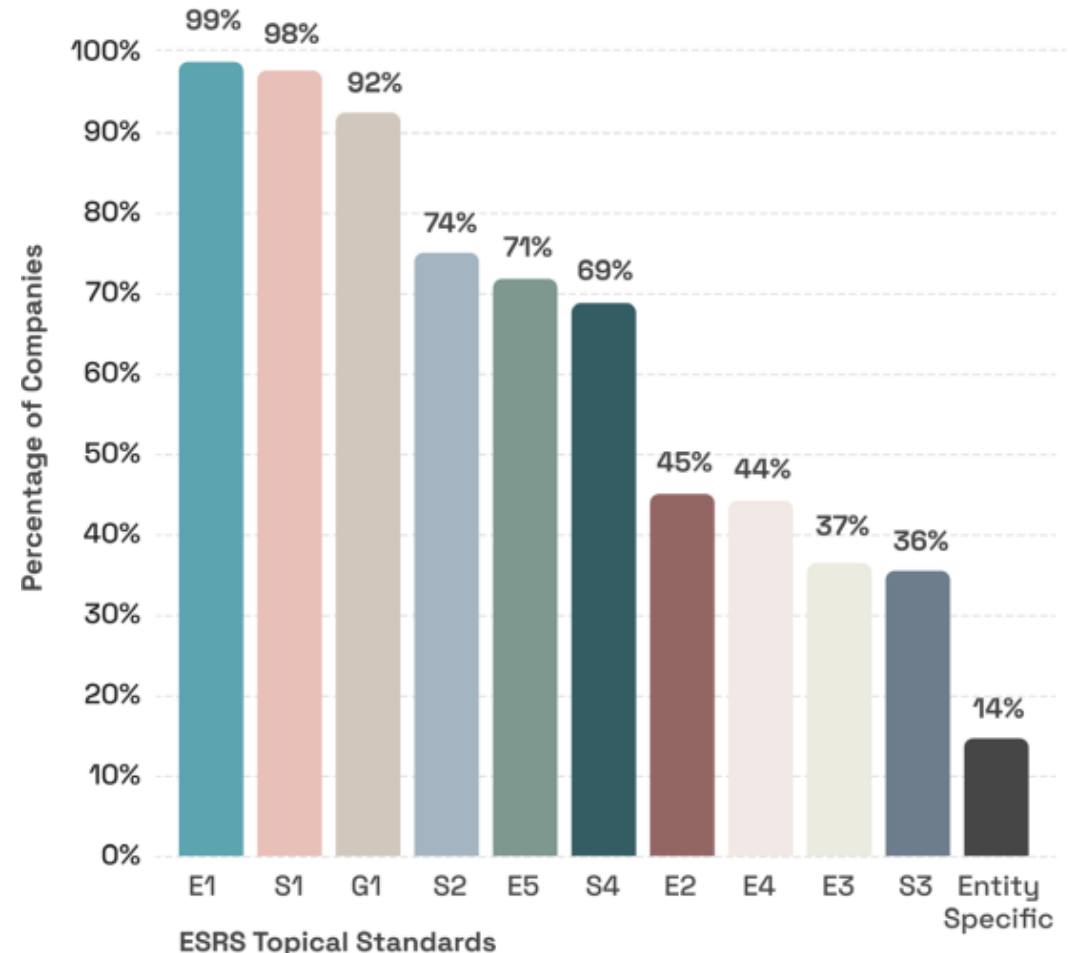
## PERCEIVED BENEFITS:

- ✓ Increased corporate transparency on a variety of sustainability topics; Increased transparency on value chain
- ✓ More consistent, structured and comparable reporting + Information is audited
- ✓ Reported information is based on materiality; Double materiality approach makes reported information relevant for a broader variety of stakeholders
- ✓ Helps companies to inform its strategy and embed sustainability in risk management
- ✓ Encourages better teams collaboration across different business areas / ESRS-aligned reporting has helped companies to improve its data management processes
- ✓ Improved governance and Board involvement (also, reinforces internal mandate to address sustainability issues)

## GENERAL OBSERVATIONS (I)

- First wave of reports has **significant variability** in length, scope and depth of information provided. CSRD sustainability statements **average 100 pages**. Range 30-300 pages.
- On average, companies deemed **6 out of 10 ESRS** topical standards material.
- The most frequently reported material topics are **Climate change** (ESRS E1), **Own workforce** (ESRS S1), and **Business conduct** (ESRS G1).
- **Interoperability** with other standards (GHG protocol, SBTi, GRI...) is still challenging for most companies.

Figure 13 Companies Reporting on ERSR Topics



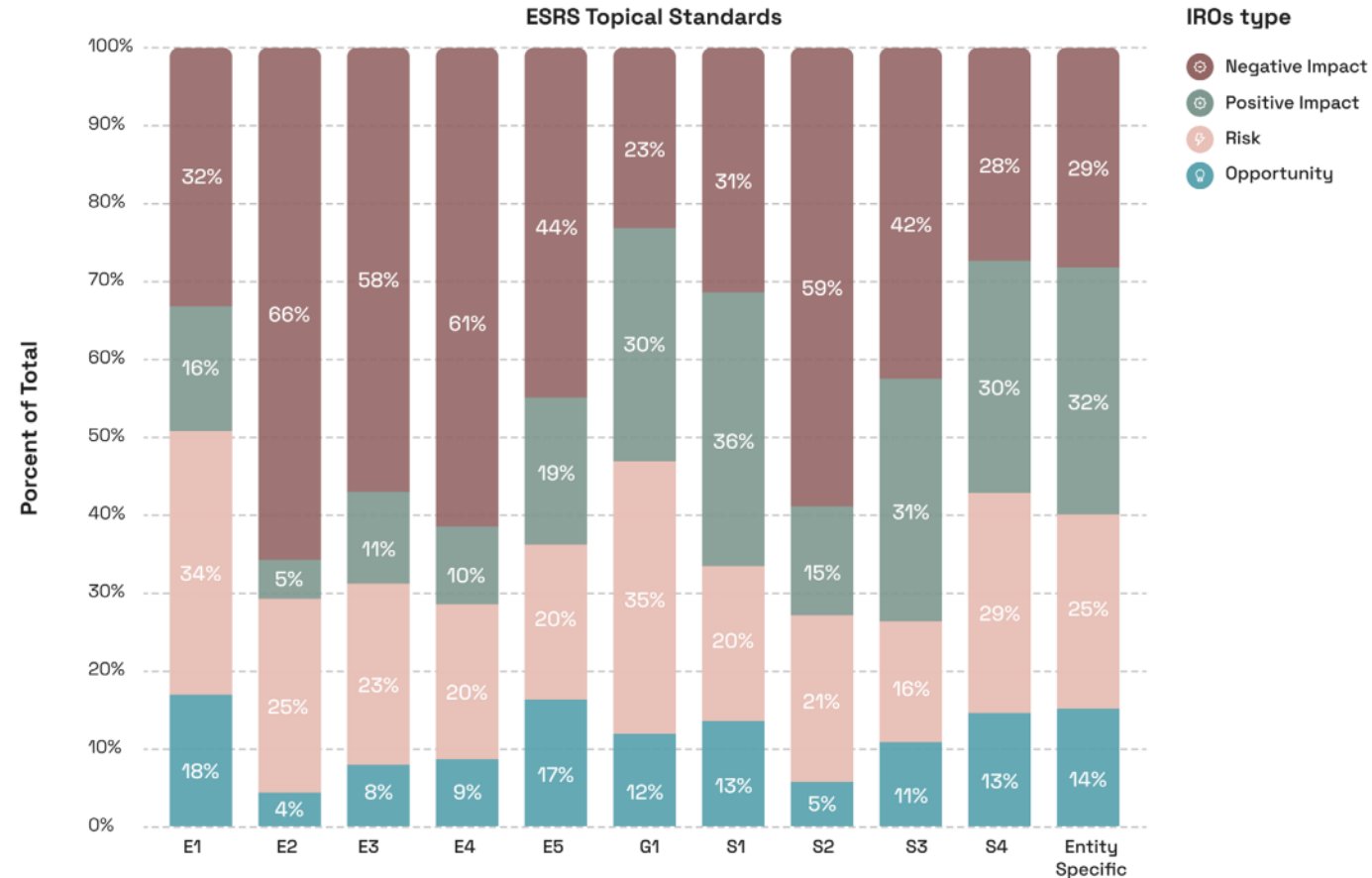
**Most reported CSRD topics (n = 304 reports)**

Source: Datamaran, *CSRD Reports Uncovered*, May 2025, p 18, link: [New Research by Datamaran Uncovers Key Trends in First CSRD Reports from Over 300 Companies Across Europe](#)

## GENERAL OBSERVATIONS (II)

- **DMA & IROs assessment:** 6 to over 130 IROs identified (25-45 material IROs in average). Significant heterogeneity in defining and assessing IROs (lack of standardisation).
- **Negative impacts** dominated CSRD disclosures, characterizing 37% of IROs – nearly triple the share of **opportunities** (13%).
- **Contextual quality gaps:** 31 % omit “actual vs potential” qualifier; 21 % omit time-horizon.

Figure 4 Distribution of IRO Type by ESRS Topic



Source: Datamaran, *CSRD Reports Uncovered*, May 2025, p 8, link: [New Research by Datamaran Uncovers Key Trends in First CSRD Reports from Over 300 Companies Across Europe](#)

- **Best-Performing Sectors:** Energy; Food, Beverages, and Agriculture
  - Broad coverage of sustainability topics: strong focus on climate change mitigation and adaptation, transition plans aligning with decarbonisation goals, high disclosure rates for social impacts and consumer safety.
  - Comprehensive IROs assessments, with more IROs identified per company than the average.
- **Sectors Needing Improvement:** Financial Services, Technology and Communications, Construction and Materials.
  - Fewer material topics identified on average; limited focus on environmental impacts (especially regarding biodiversity and pollution)
  - Reports are lengthy but often lack depth in environmental and social dimensions.
  - Focus remains on governance.



VSME

## DISCLAIMER (II)

The European Commission in the Omnibus proposal released on 26 February 2025 proposes to use the VSME Standard as the basis of a future voluntary standard to be used for companies up to 1000 employees. The VSME Standard has been developed for use by non-listed SMEs including micro-enterprises and has not been tested for use by other larger and more complex companies. The VSME support guides that are being developed in the current EFRAG work are to be understood as supporting the application of the VSME Standard by companies with less than 250 employees. The content of the VSME guides under discussion is being developed to be proportionate to these small and less resourced undertakings, taking into account of the (low) complexity of their operations. Should they be destined to a different group of companies, their content could be different and less simplified.

It is important to note that the European Commission will shortly adopt EFRAG's VSME as a Recommendation in its current form (with possible minor editorial changes) as indicated in the Explanatory Note accompanying the Omnibus proposal. With regard to the endorsement of the VSME as a Delegated Act, at the moment, no information is available on the proposed Delegated Act of a voluntary standard to be used by companies with 250 to 1000 employees, besides the European Commission's 26 February Omnibus proposal.

# VSME OBJECTIVE AND SCOPE

EFRAG delivered the final version of the Voluntary Sustainability Reporting Standard for non-listed SMEs (the VSME) to the European Commission on 17 December 2024\*.

## ➤ Why a voluntary standard for SMEs?

- i. [EC Q&A Delegated Acts ESRS in July 2023](#): “EFRAG is developing simpler, voluntary standards for use by non-listed SMEs [...] **to respond to requests for sustainability information in an efficient and proportionate manner**, and so facilitate their participation in the transition to a sustainable economy.”
- ii. [EC SME Relief Package of September 2023](#) Action 14 tasks EFRAG to develop a simple and standardised framework for SMEs to report on ESG issues, creating **better opportunities to obtain green financing** and thus facilitating the transition to a sustainable economy. In particular, Action 14 mentions that the “Commission will ensure that SMEs have a simple and standardized framework to report on ESG issues ... ensuring the rapid delivery of voluntary standards for non-listed SMEs.”
- iii. **Commitment of market participants** (larger corporates and banks) essential for the success of the standard

➤ **Not legally binding** – outside CSRD- but to fulfill market needs.

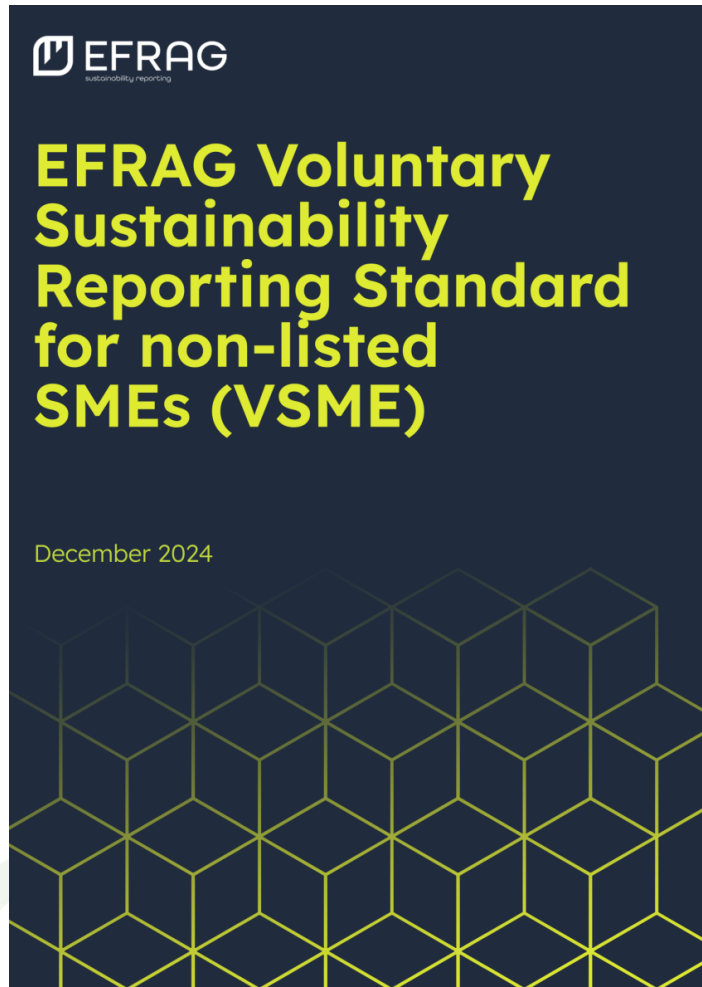
➤ **Proportionality** = simplified language + modularity + overall ESRS consistency

➤ Scope: Non-listed Micro and SMEs in EU

99.8% of total EU companies

\* <https://www.efrag.org/en/news-and-calendar/news/efrag-releases-the-voluntary-sustainability-reporting-standard-for-nonlisted-smes>

# VOLUNTARY SUSTAINABILITY REPORTING STANDARD FOR NON-LISTED SMEs (VSME)



- *December 2024:* Delivery of the VSME to the EC
- *February 2025:* Creation of the **VSME Ecosystem**

# VSME: STRUCTURE AND MODULES

## BASIC MODULE

- Entry level for non-listed SMEs
- Target for micro-undertakings
- Simplified language
- 11 Disclosures including narrative disclosures simplified and ESG Topical Metrics.
- Simplification: all required BUT whenever it is appropriate 'IF APPLICABLE'



## COMPREHENSIVE MODULE

- To provide more comprehensive information on top of Basic module, requested by business partners.
- Sustainable Finance datapoints (Table 1 SFDR PAI, EBA Pillar 3, Benchmark Regulation) as proxies for ESG management.
- Further language simplification achieved, wherever it is appropriate "IF APPLICABLE"
- 9 disclosures
- Applying the Basic module is a prerequisite for applying the Comprehensive module

# VSME BASIC MODULE – APPLICABILITY OF DISCLOSURES

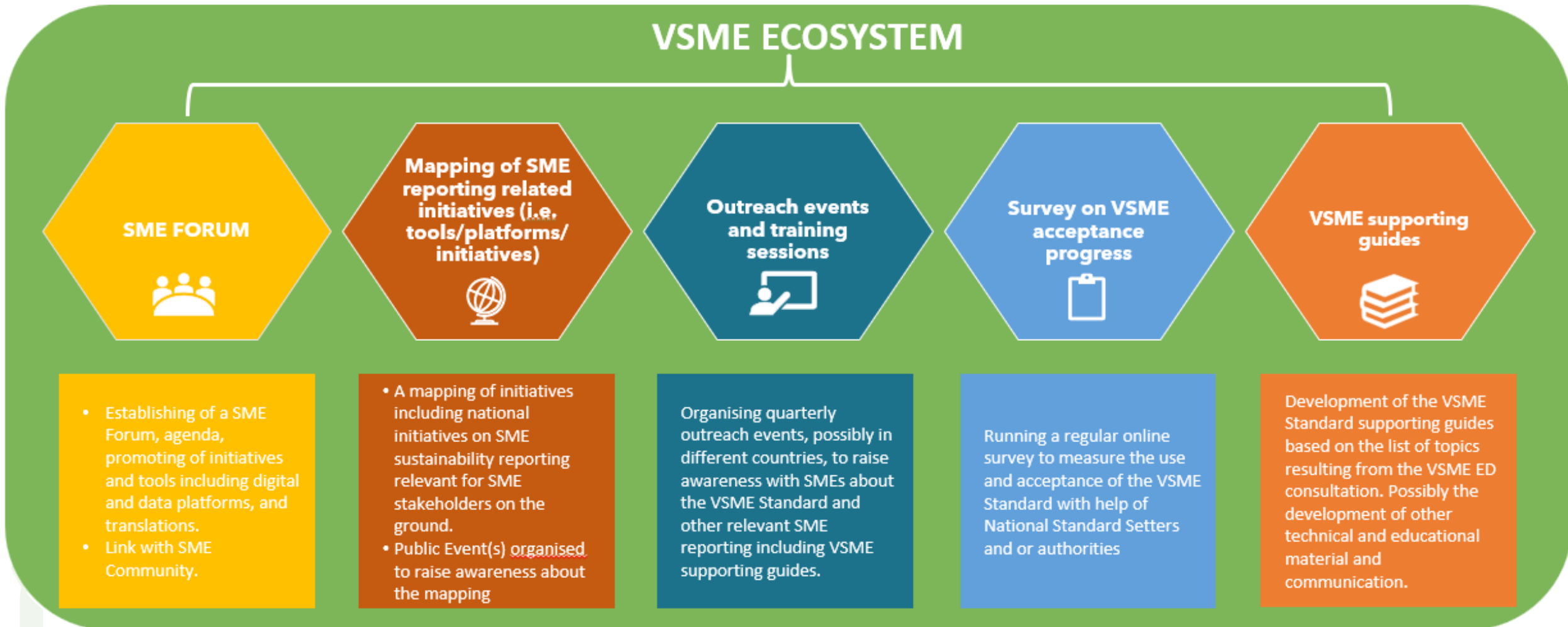
BASIC MODULE	Questionnaires in which it is asked (#)	"If applicable"/ Always to be reported on/ May disclosure
B1 – Basis for Preparation	Public Consultation	Always to be reported on
		If applicable
B2 - Practices, policies & future initiatives for transitioning towards a more sustainable economy	7	If applicable
B3 – Energy and greenhouse gas emissions	12	Always to be reported, breakdown if available
		Always to be reported on
B4 – Pollution of air, water and soil	7	If applicable
B5 – Biodiversity	4	If applicable
		May disclosure
B6 – Water	9	Always to be reported on
		If applicable
B7 – Resource use, circular economy and waste management	9	If applicable
		Always to be reported on
B8 – Workforce – General characteristics	8	Always to be reported on
		If applicable
		To be reported on when above the threshold
B9 – Workforce – Health and safety	3	Always to be reported on
B10 – Workforce – Remuneration, collective bargaining and training	7	Always to be reported on
		To be reported on when above the threshold
B11 – Convictions and fines for corruption and bribery	4	If applicable

For more information, please see EFRAG's [Educational Videos on the VSME](#).

# VSME COMPREHENSIVE MODULE – APPLICABILITY OF DISCLOSURES

COMPREHENSIVE MODULE	Questionnaires in which it is asked (#)	"If applicable"/ Always to be reported on/ May disclosure
C1 – Strategy: Business Model and Sustainability – Related Initiatives	10	Always to be reported on
		If applicable
C2 – Description of practices, policies and future initiatives for transitioning towards a more sustainable economy	7	If applicable
		If applicable + may disclosure
Consideration when reporting on GHG emissions under B3 (Basic Module)	9	If applicable
C3 – GHG reduction targets and climate transition	7	If applicable
		If applicable + may disclosure
C4 – Climate risks	9	If applicable
		May disclosure
C5– Workforce (General) Additional characteristics	Public Consultation	May disclosure + threshold included
C6 – Additional own workforce information - Human rights policies and processes	6	Always to be reported on
		If applicable
C7 – Severe negative human rights incidents	3	Always to be reported on
		If applicable
C8 – Revenues from certain sectors and exclusion from EU reference benchmarks	5	If applicable
		Always to be reported on
C9 – Gender diversity ratio in governance body	6	If applicable

For more information, please see EFRAG's [Educational Videos on the VSME](#).



# SME FORUM & VSME COMMUNITY

## SME Forum (Total members: 47)

### Objective of the SME Forum:

Contribute to the development of the VSME Ecosystem by:

- Awareness raising - promoting the VSME at national or regional level
- Facilitate exchanges between initiatives and promoting best practices
- Providing survey-based advice to the EFRAG Secretariat for the deliverables of the VSME Ecosystem

Stakeholder groups	No. of members
Preparers/ Accountants (as proxy for preparers)	13
Users & rating agencies	12
Platforms	6
Observers	16

\*SME Forum member selection based on organisational representativeness and to contribution during the VSME's Public Consultation.

## VSME Community (Total members: 521)

### Purpose of the VSME Community:

Providing survey-based advice to the EFRAG Secretariat with the deliverables of the VSME Ecosystem

Stakeholder groups	No. of members
Preparers	165
Users	69
NGOs & Academics	63
Consultants	196
Governmental Institutions	11
Non-EU members	17

\*All applicants to the VSME Community Call for Interest (deadline 14 February 2025) have been admitted + previous existing VSME Community members from the VSME Public Consultation

# VSME OUTREACH EVENTS AND TRAINING SESSIONS

## Educational Videos on the VSME Standard (2 Series)

**Series 1: Overview and introduction to the standard + introduction to the VSME Ecosystem (3 videos):**

- **Part 1 - Introduction to the VSME**: Chiara Del Prete (EFRAG SR TEG Chairwoman) & Elisa Bevilacqua (EFRAG Sustainability Reporting Senior Technical Manager)
- **Part 2 – Basic Module**: Mathias Mingazzini (EFRAG Sustainability Reporting Junior Technical Manager).
- **Part 3 – Comprehensive Module and introduction to the VSME Ecosystem**: Elisa Bevilacqua (EFRAG Sustainability Reporting Senior Technical Manager)



**Series 2: Environment, Social and Governance Disclosures educational videos (10 Videos):**

- **ENVIRONMENT** - Presented by Olena Liakh [EFRAG Sustainability Reporting] and Bernhard Frey [EFRAG SR Senior Technical Manager]
- **SOCIAL** - Presented by Giulia Faedo [EFRAG SR Technical Manager] and Rosalie Devroye [EFRAG SR Junior Technical Manager]
- **GOVERNANCE** - Presented by Aisa Batista [EFRAG SR Junior Technical Manager]

## Past and Upcoming EFRAG VSME outreach events and training sessions

- **7 April 2025**: VSME in Action – Empowering SMEs for a Sustainable Future
- **29 April 2025**: VSME hybrid training session with the European Commission
- **11 June 2025**: VSME online outreach event with the OECD (more details will follow)



The public consultation and field test of the VSME allowed to identify the following implementation needs:

## Complementary Support Guides

1. Examples of **practices, policies and future initiatives for transitioning towards a more sustainable economy** (Disclosure C2) to be used as a dropdown menu for a future VSME online template
2. Examples of **GHG reduction targets and climate transition** (Disclosure C3)
3. Examples of actions being taken to address **severe negative human rights incidents** (Disclosure C7)

## Digital Support Guides

4. A **digital template** reflecting the VSME standard illustrating the data entry and validation;
5. An **XBRL Taxonomy** reflecting the VSME standard, enabling a single and open data exchange format

# MAPPING OF SME REPORTING RELATED INITIATIVES (INCLUDING TOOLS, ONLINE PLATFORMS AND OTHER INITIATIVES)

- The EFRAG Secretariat issued a [call for interest regarding initiatives, tools and platforms for SME sustainability reporting from 4-24 February 2025](#).
- Through a self-assessment form, EFRAG is seeking to map existing and ongoing initiatives on SME sustainability reporting, digital platforms, and digital tools.
- EFRAG Secretariat has received **224 responses to the survey on platforms and SME related initiatives** (95 platforms in operational phase)
  - EFRAG Secretariat has revised the criteria while keeping the same proportions (i.e. 125 preparers and 50 users) in order to incorporate a more statistically significant pool of respondents (35 platforms)
  - EFRAG Secretariat will send the instructions for the self-assessment in the following weeks.
- EFRAG Secretariat has received **99 responses to the survey on tools** (68 in operational phase).
- Please note that taking part of the self-assessment does not mean that EFRAG is certifying the “VSME compliance” or giving any forms of accreditation to such platforms.



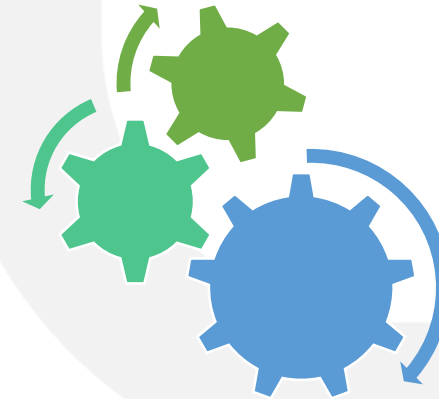
## INTEROPERABILITY

# INTEROPERABILITY

- Illustration of the **correspondence** of detailed requirements in ESRS that correspond to other standards, with clarification of differences in terminology and substance

## Objective: To avoid double reporting

- Required by CSRD
- Financial materiality definition aligned with IFRS Foundation
- Impact materiality definition aligned with GRI
- Implementation support material issued jointly
- Paving the way to digital interoperability



## Collaborations and achievements

- EFRAG and IFRS Foundation [interoperability guidance](#) (ESRS and IFRS S standards)
- GRI-ESRS interoperability [index](#)
- Mapping with the [TNFD](#)
- MoUs with CDP; CEN-CENELEC
- MoU with TISFD
- EFRAG is observing activity on GHG Protocol (April 2025)





BECOME A FRIEND OF  
EFRAG

# BECOME A FRIEND OF EFRAG

*Entities can support EFRAG's mission and activities in the development of draft ESRS!*

## ADVANTAGES

- Visibility on website
- Private meetings with the EFRAG high-level representatives
- Mention in EFRAG's Annual report
- Reserved seats at physical events
- A possible EFRAG representation in the entities' events
- Use of “**Friend of EFRAG**” logo



### How to apply?

Complete the [online application](#) form indicating your legal information, a description of your entity's mission and activities and a motivation statement in support of EFRAG's mission in its financial reporting activities.

Access more info about the [Friends of EFRAG](#). If you want to request a meeting, please write to [friendsofefrag@efrag.org](mailto:friendsofefrag@efrag.org).

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THANK YOU!  
VĂ MULȚUMESC PENTRU  
ATENȚIE!





## **APPENDIX 1**

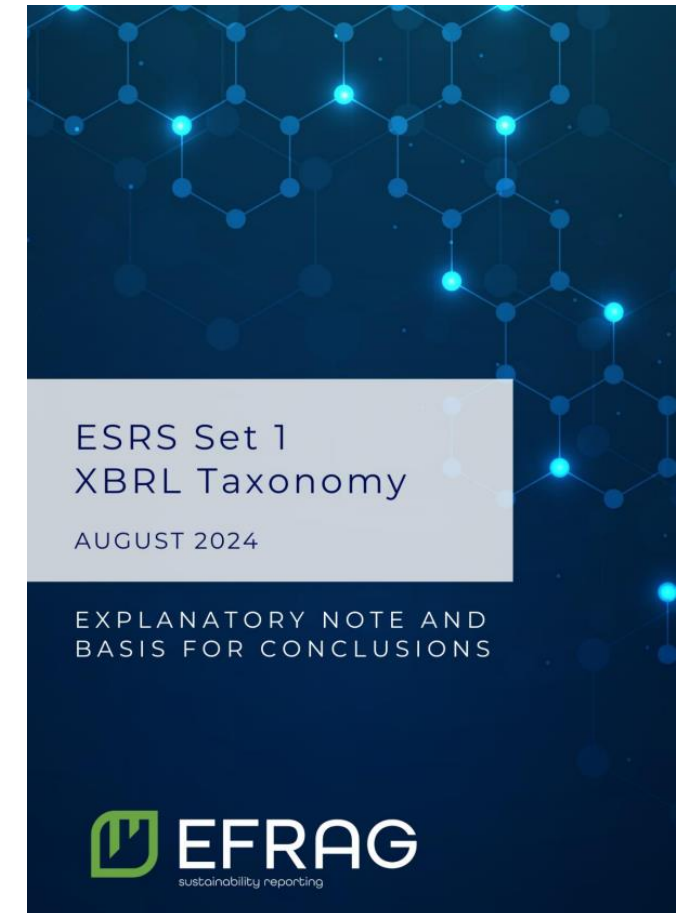
### CFRR CONFERENCE XBRL



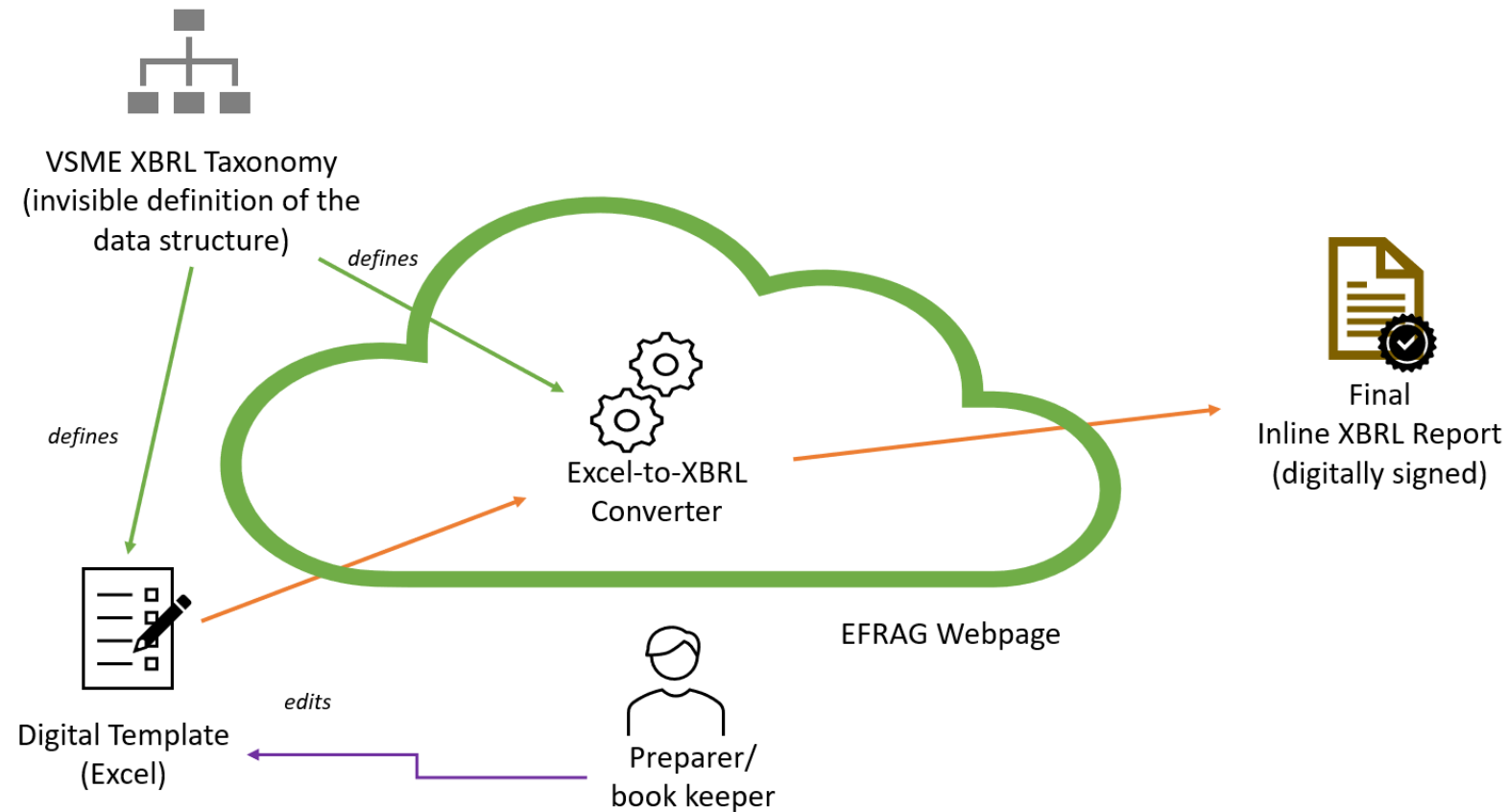
## DIGITAL SUSTAINABILITY REPORTING, XBRL

# XBRL ESRS SET 1 TAXONOMY RELEASED ON 30 AUGUST 2024

- Digitisation of the sustainability disclosures is **mandatory** according to the CSRD, using the **free and open XBRL format**.
- ESRS Set 1 XBRL taxonomy released by EFRAG represents **the correct digital transposition of the human-readable ESRS Set 1**, in EFRAG's opinion as the technical advisor to the European Commission that developed those standards.
- It will be **the basis for ESMA to develop Regulatory Technical Standards** for tagging the ESRS sustainability statement.
- It has been released jointly with an “**Explanatory Note & Basis for Conclusions**” document, including *illustrations of application instructions* (IAI).
- EFRAG is providing **guidance around digital taxonomies**: Workshops, documents, mailboxes (FAQs), videos and digital illustrative reports help undertakings and software vendors to comply with the requirement of preparing digital instead of paper.



# EXAMPLE OF THE VSME DIGITAL TEMPLATE AND XBRL TAXONOMY EFRAG



The **VSME Digital Template** and **XBRL Taxonomy** fall within the fifth deliverable “VSME Support Guides” as they were requested by preparers and users during the public consultation of the VSME Exposure Draft that took place from the 22 January to 21 May 2024.

The primary purpose of the VSME Digital Template and converter is to illustrate a **technical reporting solution** and **provide educational materials**.

**The VSME Digital Template** will enable user-friendly data-entry, such as:

- Auto-calculation of totals, Validations and consistency checks using formulae and data validation;
- Drop-downs and checkboxes for semi-narrative disclosures;
- Links to the VSME Text (paragraph level) for each cell/column;
- Color-coding and tool tips for different categories of datapoints (e.g. Basic/Comprehensive Module, If Applicable).

**The VSME XBRL taxonomy** enables digitalization of VSME disclosures by:

- Providing a tool-independent data model of the VSME disclosures, enabling reporting in various technical formats (Inline XBRL, XBRL-XML, XBRL-JSON, XBRL-CSV);
- Facilitating data exchange and import to databases with a structured, license-free and open format, standardizing the custom questionnaires many companies are faced with today;
- In contrast to ESRS Set 1, the VSME XBRL Taxonomy can be used as a template, making digital tagging obsolete.

## Excel-to-XBRL converter:

The EFRAG Secretariat has developed a Digital Template to XBRL Converter, in order to enable the conversion of the VSME Digital Template into a digital human- and machine-readable XBRL report.

# EFRAG PROVIDES ADDITIONALLY: ILLUSTRATIVE EXAMPLES OF TAGGED ESRS XBRL REPORTS, CREATED WITH AN OFF-THE-SHELF TAGGING TOOL

## Inline Viewer

with SLB and Linde, aims to capture and store up to 9 million metric tons of CO<sub>2</sub> annually by the end of 2027.

Collaboration with suppliers and partners: the company actively supports projects that contribute to GHG removals. Upstream: the company is part of the Oil and Gas Climate Initiative (OGCI), which invests in technologies to reduce methane emissions during gas production. Through OGCI Climate Investments, company supports projects like Wabash Valley Resources in Indiana, aiming to capture and sequester 1.5 to 1.75 million tons of CO<sub>2</sub> annually from an ammonia plant. Downstream: the firm collaborates with customers to promote the use of our lower-carbon products, such as advanced biofuels and hydrogen, which contribute to GHG removals by displacing higher-emission fuels in the market. [using monitoring, reporting, and verification (MRV) processes to ensure accurate accounting of GHG removals across operations and value chain].

This commitment aligns with the Greenhouse Gas Protocol standards, which emphasize the importance of comprehensive GHG inventories encompassing Scope 1, 2, and 3 emissions.

### Requirements of AR60

Quantitative information on GHG removals may be presented by using the following tabular format.

Removals	Comparative	N	% N / N-1
GHG removal activity 1 (e.g., forest restoration)	/	200.000	10%
GHG removal activity 2 (e.g., direct air capture)	/	150.000	25%
Total GHG removals from own operations (tCO <sub>2</sub> eq)	/	350.000	15%
GHG removal activity 1 (e.g., forest restoration)	/	100.000	8%
GHG removal activity 2 (e.g., direct air capture)	/	120.000	20%
Total GHG removals in the upstream and downstream value chain (tCO <sub>2</sub> eq)	/	220.000	12%
Reversals (tCO <sub>2</sub> eq) (i)	/	30.000	-5%

Disclosures related to 59 (a), 59 (b) and AR61, AR62 and AR63

### Requirements of 59 (a) and 59 (b)

Disclosure on carbon credits	Total amount of carbon credits verified outside value chain [CO <sub>2</sub> eq]
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Highlight ? ☒ XBRL Elements ⚠

## Fact Properties



### Concept

- (esrs) GHG removals and storage

*The value should be presented in tCO<sub>2</sub>e.*

### Dimensions

- ☒ Name of removal and storage activity [typed axis]

Activity 1

- ☒ Undertaking scope [axis]

Own operations [member]

### Properties

**Date** 1 Jan 2024 to 31 Dec 2024   
**Fact Value** 200.0000 tCO<sub>2</sub>e  
**Accuracy** 4  
**Scale** Unscaled  
**Change** No prior fact in this report  
**Entity** [LEI] EFRAG  
**Concept** esrs:GHGRemovalsAndStorage

< 1 of 1 >

> Validation

References

### ESRS

**Name** ESRS  
**Number** E1  
**Paragraph** 58  
**Subparagraph** a  
**Section** E1-7  
**URI** <https://xbrl.efrag.org/e-esrs/esrs-set1-2023.html#4966>

# EXAMPLE: OUTPUT OF THE CONVERSION OF THE VSME DIGITAL TEMPLATE

Inline Viewer Company XYZ — XBRL Sustainability Report — 2024

[B11.000] - Governance - Convictions and fines for corruption and bribery

Total number of convictions for the violation of anti-corruption and anti-bribery laws

1.00

Total amount of fines for the violation of anticorruption and antibribery laws

€ 5,000.00

Fact Properties

Concept

(vsme) Total amount of fines for the violation of anticorruption and antibribery laws

Properties

Date

1 Jan 2024 to 31 Dec 2024

Fact Value

€ 5,000.00

Accuracy

cents

Scale

Unscaled

Change

No prior fact in this report

Entity

[LEI] TestCode1234

Concept

vsme:TotalAmountOfFinesForTheViolationOfAnticorruptionAndAntibriberyLaws

Type

Monetary

Labels

Standard Label

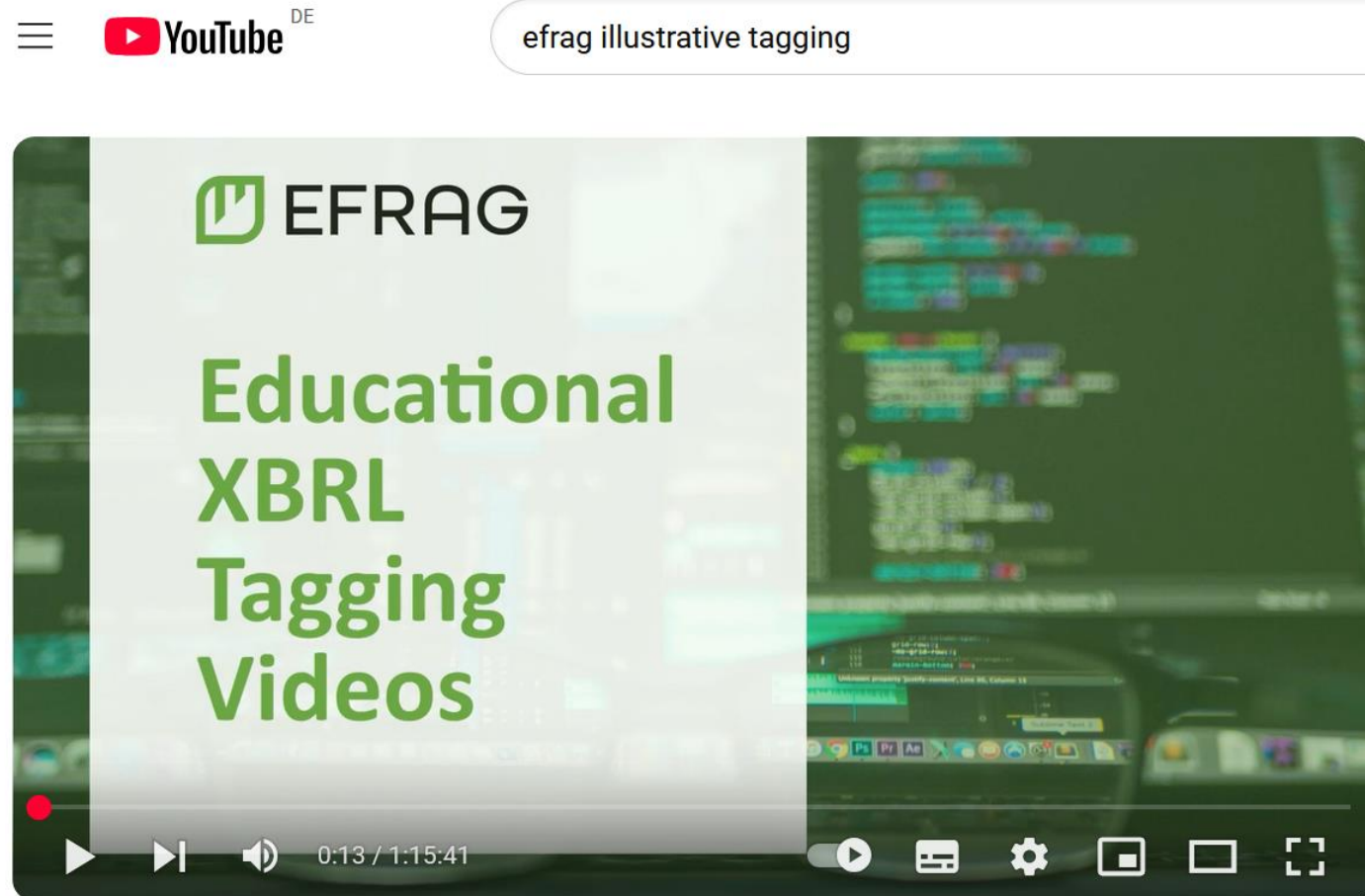
Total amount of fines for the violation of anticorruption and antibribery laws

References

VSME

Name	VSME
Section	Basic Module
Number	B11
Paragraph	43
URI	<a href="https://xbrl.efrag.org/e-esrs/2024-12-17-efrag-vsme.xhtml#id-101">https://xbrl.efrag.org/e-esrs/2024-12-17-efrag-vsme.xhtml#id-101</a>
RelatedVsmeGuidance	206-209
URI	<a href="https://xbrl.efrag.org/e-esrs/2024-12-17-efrag-vsme.xhtml#id-390">https://xbrl.efrag.org/e-esrs/2024-12-17-efrag-vsme.xhtml#id-390</a>

# CHECK OUR EDUCATIONAL XBRL TAGGING VIDEOS



[Educational XBRL Tagging Videos - Part 01](#)

[Educational XBRL Tagging Videos - Part 02](#)