

**EFAMA's RESPONSE TO THE
EUROPEAN COMMISSION'S
CONSULTATION ON THE
ESTABLISHMENT OF A EUROPEAN
SINGLE ACCESS POINT (ESAP) FOR
FINANCIAL AND NON-FINANCIAL
INFORMATION PUBLICLY
DISCLOSED BY COMPANIES**

12 March 2020

EFAMA'S RESPONSE TO THE EUROPEAN COMMISSION'S CONSULTATION ON THE ESTABLISHMENT OF A EUROPEAN SINGLE ACCESS POINT (ESAP) FOR FINANCIAL AND NON-FINANCIAL INFORMATION PUBLICLY DISCLOSED BY COMPANIES

EXECUTIVE SUMMARY

EFAMA supports the European Commission's initiative to establish the European Single Access Point. We see it as a unique opportunity for the Capital Markets Union to centralise all publicly available ESG and financial transparency information data in one place.

In EFAMA's view, the overarching aim of the ESAP should be to **improve access to publicly available information** that is currently submitted under various national, EU or third-party information systems. The Platform should neither duplicate any existing reporting requirements, nor include information that is not subjected to public distribution, such as information communicated confidentially to investors.

The Platforms' **scope** should be carefully calibrated to ensure efficiency, data quality and bring an added value to investors. We recommend that the ESAP is built incrementally, differentiating the priority level attributed to ESG and financial information data. In light of the recently adopted transparency requirements under the EU sustainable finance framework, we believe that ESAP's immediate priority should be **centralising access to ESG data**, while **financial information is added gradually** as the Platform evolves. When completed, the ESAP should include both ESG and financial information.

The **access to standardised sustainability data** reported by investee companies is essential to enable Financial Market Participants to satisfy investors needs and demands, and comply with the sustainability disclosure obligations under the Taxonomy and Sustainable Finance Disclosure regulations. In this context, the development of ESAP should be closely aligned with the review of the **Non-financial Reporting Directive** (NFRD), which may extend the scope of reporting companies and establish European sustainability reporting standards. Company information disclosed under NFRD should be centralised in the ESAP on the principle of open access. As a result, the costs of retrieving and using companies' public information would be reduced, granting access to data that will allow asset managers to make better-informed investment decisions.

We are proposing that all information included in the ESAP should be comparable in terms of content and rendered in a **structured, machine-readable format compatible with artificial intelligence**. This would help in making the information easily consumable by cross-border investors, who could seamlessly extract large amounts of data based on precise definitions of terms and concepts. The **development and governance** of the Platform should not only include EU authorities (ESMA, European Commission, Eurostat), national authorities, investors and reporting companies, but also the **European Financial Reporting Advisory Group** and the working group on data and usability of the **Platform on Sustainable Finance**. EFAMA would also support a public-private partnership governing the Platform.

By acting as a tool to attract EU investors, the Platform should allow companies not subject to regulatory reporting obligations to provide **voluntary disclosures**. For this purpose, ESAP should incorporate a set of pre-defined sustainability data for companies choosing to disclose their information voluntarily, regardless of their size or geographic location. It would be also important for the Platform users to know whether voluntarily disclosed information is audited or not.

As **information users**, asset managers see the most significant potential of ESAP in:

- i. Standardising and centralising the reporting of company sustainability data, resulting in better data availability and comparability.
- ii. Reducing search costs for disclosed raw ESG data.
- iii. Providing a transparent data source for ESG ratings, which are increasingly used to guide investment decisions.
- iv. Incentivising voluntary reporting on pre-defined sustainability criteria for SME, non-EU and/or non-listed companies in a single platform.

As **information providers**, we believe the ESAP would:

- i. Streamline some of the existing financial and non-financial disclosures and reducing the reporting burden to financial institutions.
- ii. Reduce reporting and verification costs of financial market participants in compliance with the taxonomy and disclosure regulations.
- iii. Reduce the degree of reliance of asset managers on sector-based coefficients and methodologies estimating Taxonomy alignment of companies outside the scope of NFRD.

As a **public good** serving the needs of stakeholders beyond the financial services industry, we believe that central EU budgets should primarily incur costs associated with the platforms' development and management. Nonetheless, we would not find it unreasonable to levy a small fee on those that report under and use the ESAP in the same manner as central company registers. However, the user's status should differentiate between end-users and data providers, whereby end-users should have access to the database for free.

GENERAL QUESTIONS

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

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

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

The ESAP should provide a European solution to challenges relating to data reporting, ultimately, given the interconnected nature of markets and the global nature of both investing and the sustainability challenge, a global solution is required. Therefore, we encourage the EU to support efforts for a worldwide data register, building upon IFRS's ongoing work, the "group of 5" and TCFD in developing common global sustainability reporting standards.

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

Although we fully acknowledge the added value of including non-ESG financial information in ESAP, we disagree that the Platforms' scope needs to be as wide as possible. We recommend that the ESAP is built incrementally, differentiating the priority level attributed to ESG and financial information data. In the context of the recently adopted EU sustainable finance framework, we believe that ESAP's immediate priority should be the housing of ESG data, while financial information is added gradually as the Platform evolves.

We believe that the priority of ESAP should be to address the lacking **quality, reliability and availability** of data, with particular focus on gaps in the **ESG data** landscape in terms of missing and non-standardised sustainability data collected under existing and forthcoming legislation (i.e. Taxonomy, SFDR, revised NFRD). Data following possible European sustainability reporting standards, to be adopted under the upcoming NFRD review, should be seamlessly channelled into the ESAP.

An essential prerequisite for the success of ESAP is data **standardisation** in the form of common data terms, concepts and structure, which will be critical for making data available in a digital, machine-readable format. A good example of an ISO data standard for the machine-readable element is XBRL.

High **data quality assurance** will also be essential, including data consistency, integrity, reasonableness and timeliness, and full transparency on the data source. Tracing the source of the data and reviewing supporting evidence will be key for parties providing any assurance over the data. We would find it necessary to incorporate identifiers, such as LEIs, who can more easily retrieve information on entities and those that are part of a larger group.

Immutability of information is a meaningful element of reliability that can restrict data manipulation, enhance comparability and provide confidence to investors. As a general principle, we believe that a right-first-time approach should be prioritised whereby constant data corrections are minimised.

We also note that a mandatory precondition of any information to be made accessible under ESAP is a corresponding publication requirement under EU law. Information that does not need to be published must not be covered by the scope of ESAP. In the list compiled by the Commission, this pertains in particular to any information on alternative investment funds. We support the inclusion of pre-defined sustainability data made public voluntarily from non-financial companies, particularly when these companies are not included within the regulations' scope, such as SMEs under NFRD. Whilst applying the principle of proportionality to smaller companies, we believe voluntary disclosure of pre-defined sustainability information under ESAP would improve the access of green SMEs to finance. It would be also important to know whether this voluntarily disclosed information is audited or not.

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

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

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

Media and newspapers, as critical information is often drawn from media coverage and reports.

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:

Data in any structured form, enabling practical use, usually comes from various data providers (i.e. index or benchmark providers like MSCI, data vendors like Bloomberg etc). Access to this data comes with fees, whereas use of this data and additional (ESG) datasets entail further fees.

The **cost for retrieving and using companies' public information is high**, particularly concerning ESG information gathering, owing to the lack of consistency and fragmented disclosure of the information. The information has to be gathered from disparate sources in multiple formats, requiring research through various documents, which makes this process very manual and labour-intensive and costly. As a result, asset managers are increasingly dependent on datasets, research and ratings from ESG data providers, whose methodologies and data sources suffer from a lack of transparency.

We also note that general financial statements are not the biggest cost contributor, the biggest cost challenge is related to the cost of ESG data.

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

- XBRL

- PDF
- XML
- HTML
- CSV, TXT
- Excel
- Formats enabling natural language processing
- Other
- Don't know / no opinion / not relevant

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

Papers and specific file formats of national repositories.

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

Data is currently stored in multiple formats in different places, which makes access costly and cumbersome. The variety of information formats results in a manual exercise to extract and prepare the data before it can be used. Furthermore, accessing this information can have a high financial cost because data providers also charge for the aggregation of publicly accessible information. We also encounter challenges due to unstructured data, different methodologies used to calculate the data, and incomplete data. Various accounting standards can also create issues.

Additionally, there are licence restrictions when using the information outside the entity or unit that has obtained the information. Such reuse of data is essential for regulatory reporting or client reporting.

The ESG data market suffers from a lack of comparable, reliable and inconsistent ESG data. This challenge hinders Financial Market Participants' ability (FMP) to comply with EU legislation, such as Sustainability-Related Financial Disclosures Regulation (SFDR) and EU Taxonomy, where company sustainability disclosures serve as the main source of input for FMP's reporting obligations. Therefore, FMP need to have access to a range of information that should be publicly available and standardised as much as possible.

We believe it is of paramount importance to establish adequate sustainability reporting requirements under the Non-Financial Reporting Directive (NFRD) review and centralise this company information in ESAP. If successful, synergies between these two initiatives will allow asset managers to better integrate sustainability into their business and investment decisions.

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:

The existing ESG data universe is fraught with **quality challenges spanning across materiality, comparability and reliability issues**. The data is often neither standardised nor audited, and its content needs to be interpreted due to the absence of prescribed formats. Given that many of these inconsistencies stem from data providers' use of different data sources for the same entity, we believe the ESAP should focus on centralising raw ESG data.

The existing patchwork of channels to access ESG information further complicates the usability and comparability of investee company sustainability reporting. Therefore, in centralising and standardising this information, the ESAP could decrease search costs for financial market participants.

Regarding ESG ratings, different methodologies in terms of scope, units and weights attributed to environmental factors lead to irreconcilable discrepancies between ratings for the same entities reporting on the same indicators. A better coherence on raw ESG data availability enabled by ESAP, together with a European regulatory framework for ESG data, research and ratings, could resolve these challenges.

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)

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

The Resolution and Recovery of Credit institutions and Investment firms Directive (BRRD) (2014/59/EU) (e.g. information on the group financial support agreement)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Covered Bonds Directive (2019/2162) (e.g. information on the cover pool)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Capital Requirements Directive (CRD) (2013/36/EU) and Capital Requirements Regulation (CRR) (575/2013/EU) (e.g. prudential information, stress test results)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Credit Ratings Regulation (1060/2009/EU) (e.g. transparency report)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Central Securities Depositories Regulation (909/2014/EU) (e.g. governance arrangements)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Key Information Documents for Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation (1286/2014/EU) (e.g. key information document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Regulation on European Long-term Investment Funds (ELTIF) (2015/760/EU) (e.g. fund-related information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The European Market Infrastructure Regulation (EMIR) (648/2012/EU) (e.g. prices and fees of services provided, risk management model)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Financial Conglomerates Directive (FICOD) (2011/89/EU) (e.g. corporate structure of the conglomerate)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The Directive of Prudential Supervision of Investment Firms (IFD) (2019/2034/EU) and the Regulation of Prudential Requirements of Investment Firms (IFR)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2019/2033/EU) (e.g. aggregated information on high-earners, remuneration arrangements)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Directive on the Activities and Supervision of Institutions for Occupational Retirement Provision (IORP) (2016/2341/EU) (e.g. remuneration policy)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Pan-European Personal Pension Products Regulation (PEPP) (2019/1238/EU) (e.g. key information document)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Regulation on Wholesale Energy Market Integrity and Transparency (REMIT) (1348/2014/EU) (e.g. inside information)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Securities Financing Transactions Regulation (SFTR) (2015/2365/EU) (e.g. aggregate positions)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Solvency II Directive (2009/138/EC) (e.g. solvency and financial condition report)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Short Selling Regulation (236/2012/EU) (e.g. net short position)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Take-Over Bid Directive (2004/25/EC) (e.g. Information in the management report on companies' capital and shareholders, voting rights, governance...)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The Directive of Markets in Financial Instruments (MIFID) (2014/65/EU) and Regulation of Markets in Financial Instruments (MIFIR) (600/2014/EU) (e.g. volume and price of certain transactions)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Regulation on European Venture Capital Funds (EuVECA) (345/2013/EU) (e.g. fund-related information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Regulation on European social entrepreneurship funds (EuSEF) (346/2013/EU) (e.g. fund-related information)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Regulation on Money Market Funds (2017/1131/EU) (e.g. prospectus)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Directive on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (2009/65/EC) (e.g. key investor information)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The Directive on Alternative Investment Fund Managers (AIFM) (2011/61/EU) (e.g. investment strategy and objectives of the fund)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Regulation on EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and sustainability-related disclosures for benchmarks (EU 2019/2089) (e.g. information on measurable carbon emission reduction)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Information on sustainability risks and impacts disclosed pursuant to the Regulation (EU) 2019/2088 on sustainability-related disclosure and The Taxonomy Regulation (2020/852/EU) (e.g. sustainability risks integration policies)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

The EU Emissions Trading System (EU ETS)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other aspects	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

In EFAMA's view, the overarching aim of the ESAP should be to **improve the access to publicly available ESG and financial transparency data for investors**. The Platform should encompass both financial and ESG information, thereby supporting the political objectives of SMEs and ESG-financing and better access to public information. Therefore, the Platform should concentrate, in a single place, all public financial information, to the maximum extent and standardisation possible.

We fully acknowledge the need to include a broader data scope in ESAP, including financial information that builds upon the European Financial Transparency Gateway initiative. Nonetheless, we recommend **differentiating in terms of timelines** between ESG and financial information, giving a clear priority to ESG data in light of the recently adopted disclosure and taxonomy regulations. A narrower amount of data points in the first phase of ESAP's development would also enable more entities to meet the standard of the access point cost-efficiently, thereby enhancing its coverage.

The access to company sustainability data is essential to enable Financial Market Participants (FMP) not only to satisfy investors needs and demands but also to allow them to comply with their own sustainability-related disclosures obligations (the Taxonomy Regulation and SFDR).

For example, the success of EU's sustainable finance policy initiatives hinges upon the ability to review compliance against the Taxonomy, which in turn depends on the availability of high-quality sustainability data. Therefore, ESAP's focus on ESG data should include:

- **NFRD**, including its forthcoming revision that may extend to non-listed companies and establish European sustainability reporting standards.
- Disclosures under the **EU Taxonomy Regulation**
 - This will be especially important at the sector level when testing against technical screening criteria (TSC), for example, energy performance (certificates) in the building sector in each national market.
 - Compliance with "do no significant harm" and minimum social standards introduced under the EU Taxonomy. As clarified by the JRC, the screening against DNSH and the minimum safeguards will be with great difficulties even by entities who meet all the Taxonomy's TSCs. The problem that most companies do not disclose such information could be addressed by ESAP. DNSH and MSS reporting would also reduce the reliance of investors on ESG controversy screens produced by was of due diligence in-house or by ESG data and rating providers.

- Data needed by asset managers to adhere to legal requirements under **SFDR**. In particular, data necessary for the calculation of **Principle Adverse Impact indicators under the Regulatory Technical Standards** is currently not widely available and accessible in a single database. We also understand that adverse impacts of the investment on sustainability factors may also be reflected in delegated acts amending the UCITS, AIFM and MiFID II legal frameworks. To be able to comply with those requirements, this company information should be centralised in ESAP.

Without rejecting any expansion of ESAP's scope beyond regulation on whose inclusion we "fully agree", a thorough analysis is needed on the cost and benefit of expanding ESAP's scope further. Introduction of requirements to report data to a new platform (ESAP) may also require the review of relevant regulation to **avoid the duplication of existing reporting obligations** at national or EU level (e.g. ESMA registers), which could lead to additional costs for issuing entities. For example, fund specific, PEPP, AIF, ELTIF and MMF information are already freely available to all investors in regulatory disclosure documents and marketing information. This information can be found seamlessly through a Google search and is also freely available on the websites of asset managers, distributors or third-party platforms. Therefore, we think its integration in ESAP could be done at a later stage.

It is also not clear what information from financial transparency Directives and Regulations listed in this question would be centralised in ESAP. Some of the Directives listed, such as MMFR, AIFMD and EMIR involve extensive reporting requirements to National Competent Authorities (NCAs). The information that is given by way of example for centralised filing under the ESAP relates to prospectuses under MMFR, investment strategy and objectives under AIFMD, and risk management models under EMIR. However, in the case of MiFID, the information relates to volume and price of certain transactions and aggregate positions in the case of SFTR. To be able to take a more nuanced view, future consultation opportunities should give a sense which exact information under each of these Directives and Regulations might be centralised under the ESAP in future, as the provided examples are not exhaustive.

PRIIPS: We believe that a more coordinated work at European level could be useful if it would reduce the reporting obligations at national level. A central repository for monitoring the market of PRIIPs marketed, distributed or sold in the EU would avoid the creation of asymmetries. As a result, asset managers would only bear the functional costs of fulfilling their obligations without facing additional burdens depending on the country where the PRIIP is marketed. The application of technological innovation to control tools, such as the use of machine learning and text mining techniques, would also reduce the information needed to be collected to the KID document.

AIF: Pre-contractual and periodic disclosures on AIFs that are not subject to public distribution are communicated directly to investors and often subject to confidentiality agreements, especially in the case of customised fund solutions set up for specific investor(s). Such information must remain outside of the scope of ESAP.

Other: The ESAP should also include information of the ultimate beneficial ownership as required in EU regulation 2015/849 (Money Laundering Directive). Under the 4th Money Laundering Directive, companies and other legal entities have to identify their ultimate beneficial owners. The beneficial

owner of a company or other legal entity is generally a person who owns or controls over 25 % of the shares or interest in that entity. The member states are required to hold this information in a central register and provide access, amongst other, to the competent authorities.

We recommend that ESAP also **includes ESG ratings** by registered professional rating companies. Such information would provide asset managers with the necessary information to comply with sustainable finance legislation and help companies understand what they must do to improve their ESG ratings. Such inclusion of ESG ratings would make it easier and more affordable for all financial market participants to evaluate their portfolios. The ratings used would be subjected to minimum standards on transparency and conflicts of interest to be developed under a possible European regulatory framework for ESG data, research and ratings.

Currently, issuing entities report information to different competent authorities, disclosure initiatives, public databases, stock exchanges, and in different jurisdictions. For this reason, we believe that systems of EU or national bodies, where there is regulation requiring to provide information to national or EU bodies, should transmit the information to ESAP a day after the filling period ends. In this context, the ESAP should leverage as much as possible on the existing data reporting channels and infrastructure which has been successfully implemented within the EU. The ESAP should be complementary to the Business Registers Interconnection System (BRIS) and should not alter the latter's functions. In the longer term, the European Commission could also consider the feasibility of developing a **single reporting channel for issuing entities under ESAP, under the conditions that it does not lead to duplication with existing databases and reporting channels.**

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? (Multiple choice allowed)

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

Solvency and financial condition report

Sustainability - related information

Other

We note that the Final Report of the High-Level Forum on the Capital Markets Union made a specific reference to the LEI as part of its recommendation to create the EU Single Access Point (ESAP) under the cluster "A:Creating a vibrant and competitive business environment". In the recently published Digital Finance Strategy for the EU, it is announced that by 2024, the EU aims to put in place the necessary conditions to enable the use of innovative technologies, including RegTech and SupTech tools, for supervisory reporting by regulated entities and supervision by authorities. The Commission commits to making full use of available international standards and identifiers, including the LEI. The use of international ISO standards consistently will facilitate the use of RegTech tools for reporting and SupTech tools for data analysis by authorities in a digital environment.

Moreover, we strongly support ESMA`s view that all information included in the ESAP should be comparable in terms of content (i.e. prepared on the basis of the same or similar standards or requirements) and rendered in a structured/machine-readable format. This would help make the information easily consumable by cross border investors, who automatically extract large amounts of data in a seamless way, based on precise definitions of terms and concepts.

Furthermore, it should be ensured that all reports provided by the ESAP are machine-readable and artificial intelligence compatible. For example, an analysis from 2018 by the SEC found that 85% of visits to EDGAR (public US database for all SEC Reports, prospectuses, financial reports and etc.) were from computer bots and not from analysts).

Finally, we recommend that future sustainability reporting standards, to be introduced under the NFRD review, incorporate the principles and content of existing frameworks, namely the Sustainability Accounting Standards Board and Task Force on Climate-related Financial Disclosures.

Other: Standard entity identifier (LEI ISO17442) and ISIN (ISO6166) issue information and mapping of both.

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)	No opinion
ESEF (XHTML files + inline XBRL tagging requirements)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
XML files	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CSV files	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Excel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Formats enabling natural language processing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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

All of the formats listed except for NLP are already used and imposed under certain regulatory requirements.

Asset managers are familiar with XML and CSV which are simple, light and multi-use formats that can be processed in most data analytics tools and are easily converted to most other formats. However, the conceptual design must be decided before any decisions regarding formats can be taken.

Nevertheless, we also recognise that formats like CSV files and Excel still present some advantages, since they are easy to create, edit and read by any common user. We therefore suggest that at least in the initial stage, the information should be available in more than one format so that users can adapt their systems gradually.

We also recognise that Natural Language Processing is the most recent technology using IA. However, its definition should be clarified to understand what NLP would cover.

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

- Through Application Programming Interfaces (APIs)
- Bulk download
- Web portals
- Other
- Don't know / no opinion / not relevant

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

Other: Delta files beside bulk download on a preselection of entities.

Access to the ESAP could also be provided through traditional data providers such as Bloomberg and Refinitiv without any data license to be paid for such information.

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:

- 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? (Multiple choice allowed)

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

Please provide more information on your answer :

We believe that national and international accounting standard setters and professional bodies could have a role to play in advising on the establishment and running and updating of the ESAP. We would particularly call for the inclusion of **EFRAG** in the context of its preparatory work for the development of possible European sustainability reporting standards.

We would also call for the inclusion of the disclosures and ESG data workstream of the **EU Platform on Sustainable Finance**.

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?

In an ideal situation, companies would publish information in required formats at the **same time and upload it to ESAP in the same legally required time frame**. Allowing for transfer and necessary IT procedures within ESAP, this data should be automatically and simultaneously channelled to ESAP without notable time-gaps.

Just as the financial year end is used as the appropriate reporting period for so many other purposes, we believe it would also be appropriate to provide **snapshot reporting at year-end**. However, reporting timing and frequency of ESG data should also correspond to requirements under the EU sustainable finance regime. For example, under final RTS for SFDR on principal adverse impact (PAI) reporting, the ESAs have required FMPs to calculate the indicators based on the average of the four preceding quarters. FMPs would consequently be requiring underlying investee companies to provide the PAI indicator reporting on a quarterly basis. We believe that such quarterly reporting should be also reflected in the timing requirements of the ESAP.

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

Currently, issuing entities report information to different competent authorities, disclosure initiatives, public databases, stock exchanges, and in different jurisdictions. For this reason, we believe that systems of EU or national bodies, where there is regulation requiring to provide information to national or EU bodies, should transmit the information to ESAP a day after the filling period ends. In the longer term, the European Commission could also consider the feasibility of developing a **single reporting channel for issuing entities under ESAP, following the file only once principle.**

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 signatures embedded at source
- By the ESAP platform
- By other means / trust services
- Don't know / no opinion / not relevant

Please provide more information on your answer:

EIDAS certification, including the LEI of the entity issuing the report/document, and the LEI of the individuals acting in a business capacity (e.g. board members on documents requiring signature). For a practical example, see [annual GLEIF report](#) (XBRL).

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

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

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

It is important that a high level of compliance and information quality requirements are adhered to as the information included in the ESAP may influence investment decisions and impact market prices. It is also important that ESMA, European Commission or other EU authorities are involved and in charge of the architecture, structure and security surrounding the included information and the database.

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

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

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

The timeliness of data should be ensured to minimise latency.

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? (Multiple choice allowed)

- Companies with securities listed on a SME growth-market

- Companies with securities listed on other non-regulated markets
- Pre-IPO companies not yet listed on an exchange
- Any unlisted companies
- Other entities:

Please provide more information on your answer:

Other: Small entities that wish to be financed by sustainable finance through solidarity or impact finance.

We see no reason to limit the ability of certain groups of companies to disclose data in the ESAP on a voluntary basis. Should non-EU listed and unlisted entities not be allowed to disclose data under ESAP, large portions of the investment universe would have no available information, impeding the monitoring of ESG factors. On the contrary, by acting as a tool to attract EU investors, the Platform should provide an incentive for companies not subject to regulatory reporting obligations to provide voluntary disclosures. For this purpose, ESAP should incorporate a set of pre-defined sustainability data for companies choosing to disclose their information voluntarily, regardless of their size or geographic location.

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

- A set of pre-defined key financial information, allowing to compare data
- Any financial information that the issuer would be willing to render public via ESAP
- A set of pre-defined key sustainable related information, allowing to compare the data
- Any sustainability related information that the issuer would be willing to render public via ESAP
- Other (give a few examples)

Please provide more information on your answer:

To comply with Article 8 of the Taxonomy Regulation, asset managers will need specific **pre-defined final data** on EU Taxonomy aligned revenues of companies (and in some cases on CapEx and OpEx) and **pre-defined sustainability data** to assess a company's activities against the Taxonomy technical screening criteria, DNSH and minimum safeguards. The lacking company information on their Taxonomy alignment is the main data gap hindering the development of "green asset ratios" by asset managers as part of their reporting obligations under Article 5 and 6 of the Taxonomy Regulation.

However, the ESAP should also allow for voluntarily disclosing further information on top of the pre-defined key sustainability related information. Such an optionality would improve the information base of potential investors.

In any case, a precondition of any information to be disclosed voluntarily should comply with the

relevant EU requirements and standards. In particular, any disclosures on ESG matters should be in **full conformity with the future NFRD requirements**, including specific sustainability reporting standards to be potentially developed by EFRAG.

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

- Following pre-defined periodic submission dates (if, so please specify frequency)
- On an ongoing basis as soon as available
- Don't know / no opinion / not relevant

In case first option is chosen, please specify here:

At least annually and quarterly if the company in question provides quarterly reports.

We also stress the need for aligning any periodic submission deadlines with reporting obligations under the EU sustainable finance regime.

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

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

Please provide more information on your answer:

Although local language documents should be acceptable (for example if transactions are geographically limited to one or a few countries), we would propose that information should also always be accessible in English as the main language used in capital market transactions.

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:

All data filed to ESAP should follow the same rules regarding structure, format, checks and etc. The quality and reliability of the inputted data is critical to enable investors to make informed decisions and ensure the integrity and comparability of the data. Therefore, the appropriate quality checks should also apply to information that is reported on a voluntary basis.

The quality of the voluntary information provided via the ESAP must conform with the general requirements for data supply. It is not practicable for data users to differentiate between information disclosed on a mandatory or voluntary basis when referring to the ESAP as a data base.

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
- No opinion

As long as ESAP does not add reporting and administrative costs for financial undertakings who already incur increasing resources and IT costs to comply with the disclosure regulation, we believe the Platform's benefits will outweigh its costs.

The cost/benefit calculation for potential users of ESAP will be essential in determining the platforms' utility and business model. As a public good serving the needs of stakeholders beyond the financial services industry, we believe that costs associated with the platforms' development and management should be primarily incurred by central EU budgets. The forthcoming ESAP impact assessment should outline possible governance and business models that will provide more clarity on the cost reduction potential of information users.

As **information users**, we see the most significant potential of ESAP in the form of:

- Standardising and centralising the reporting of company sustainability data, resulting in a better data availability and comparability.
- Reducing search costs for disclosed raw ESG data.

- Providing a transparent data source for ESG ratings, which are increasingly used to guide investment decisions.
- Incentivising voluntary reporting on pre-defined sustainability criteria for SME, non-EU and/or non-listed companies in a single platform.

As **information providers**, we see the most significant potential of ESAP in the form of:

- Streamlining some of the existing financial and non-financial disclosures and reducing the burden to financial institutions.
- Reducing reporting and verification costs of financial market participants in compliance with the taxonomy and disclosure regulations.
- Facilitate standardised reporting of (ESG) data across Member States, thereby reducing obligations across jurisdiction and simplifying reporting processes.

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

Such cost is challenging to estimate and varies based on asset managers' internal arrangements and contractual agreements with data providers.

However, we identify the presence of a significant additional cost caused by the time need to search, collect, standardise and complete information using numerous existing access points. This extra-cost is translated into the fees paid to data providers.

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 (please explain)

Please provide more information on your answer:

As explained in question 23, **expected reduced costs are difficult to estimate** and vary between asset managers. Nonetheless, most of our members expect a reduction of at least 40%, as long as information included in ESAP will be comparable, standardised and audited when necessary.

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

A significant component of asset managers' ESG data costs involves the mere extraction and aggregation of sustainability data from open-access domains, registers and annual reports. We believe that this "raw" or aggregated ESG data in the ESAP derived from freely available disclosures should remain free. This would encourage open access beyond the industry, ESG integration by investors and incentivise reporting by companies who want to demonstrate their ESG progress.

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

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

Please provide more information on your answer:

As a **public good** serving the needs of stakeholders beyond the financial services industry, we believe that costs associated with the platforms' development and management should be primarily incurred by **the central EU budget**. It should be borne in mind that the rationale for the ESAP is to bring costs down and remove prohibitive barriers, particularly for smaller companies in accessing such information.

A significant component of asset managers' ESG data costs involves the mere extraction and aggregation of sustainability data from open-access domains, registers and annual reports. We are convinced that this "raw" or aggregated ESG data in the ESAP derived from freely available disclosures should remain free. Moreover, this would encourage open access beyond the industry, ESG integration by investors and incentivise reporting by companies who want to demonstrate their ESG progress.

Nonetheless, it would not be unreasonable to levy a small fee on those that report under and use the ESAP in the same way as central company registers. However, the status of the user should be defined to differentiate between end users and data providers. We would suggest that data providers are subject to financial fees, while end-users should have access to the database for free. For instance, the user's financial participation could be determined by the volume and frequency of exported data.

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

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

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

The ESAP would become a visible instrument of the Capital Markets Union, providing all ESG and financial transparency information in one place.



About EFAMA

EFAMA, the voice of the European investment management industry, represents 28 Member Associations, 57 Corporate Members and 23 Associate Members. At end Q4 2020, total net assets of European investment funds reached EUR 18.8 trillion. These assets were managed by more than 34,350 UCITS (Undertakings for Collective Investments in Transferable Securities) and almost 29,650 AIFs (Alternative Investment Funds). At the end of Q2 2020, assets managed by European asset managers as investment funds and discretionary mandates amounted to an estimated EUR 24.9 trillion.

More information is available at www.efama.org.

Contact

Dominik Hatiar

Regulatory Policy Advisor

Dominik.hatiar@efama.org | +32 477 992 710