

ESMA Consultation

General Comments

We understand that the ESMA was established on 1 January 2011 as part of the European System of Financial Supervision (ESFS). The ESMA contributes to the work of the European Systemic Risk Board (ESRB) also a part of the aforementioned system.

We support the mission of the ESRB and have taken this into account in answering the questions raised in the consultation paper. The mission of the ESRB reads: "The ESRB shall be responsible for the macro-prudential oversight of the financial system within the Union in order to contribute to the prevention or mitigation of systemic risks to financial stability in the Union that arise from developments within the financial system and taking into account macro-economic developments, so as to avoid periods of widespread financial distress. It shall contribute to the smooth functioning of the internal market and thereby ensure a sustainable contribution of the financial sector to economic growth."

We understand that along with the two other European Supervisory Authorities belonging to the ESFS and contributing to the ESRB, the European Banking Authority (EBA) and the European Insurance and Occupational Pensions Authority (EIOPA), ESMA forms part of the Joint Committee which works to ensure cross-sectorial consistency and joint positions in the area of supervision of financial conglomerates and on other cross-sectorial issues.

We notice that the other two authorities EBA and EIOPA but also many countries and other regulators in the financial sectors, have already chosen to introduce electronic structured data for their prudential reporting. In almost all cases, the choice has been made for XBRL.

Our answers have to be read in conjunction with our general comments.

#	Question	Answer
1	The provisions included in the amended Transparency Directive requiring a single electronic format were not subject to a formal impact assessment by the European Commission. While from a legal point of view ESMA could not address in this CP whether there is a need for the provisions included in the amended Transparency Directive, do you believe that a wider assessment should be performed on the requirements of introducing a single electronic reporting format in Europe? Please indicate your opinion and provide arguments.	
2	Do you agree with the description of the policy objectives as included in this section? Are there	

	any further elements that you believe should be analysed? If yes, please indicate them.	
3	Do you believe that the introduction of electronic reporting should serve as a basis for further debate on auditing of electronic structured data? Please explain your reasoning.	
4	Are you aware of any further elements which are necessary to provide an accurate picture of the current reporting for the purpose of this CP?	

5	Do you agree with the description of the technologies included in the CP?	
6	Do you agree with the choice of the technologies to be further analysed as part of the CBA? If not, please indicate which other technologies you would propose for further analysis.	
7	Do you agree with ESMA's proposal to use the IFRS taxonomy as issued by the IFRS Foundation for reporting under IFRS, subject to formal endorsement in the European Union?	
8	Do you agree with ESMA's preliminary conclusions not to use regulatory and entity specific extensions? Please provide arguments in your answer in relation to the impact on issuers and users.	

9	Do you agree with the proposed approach in relation to the taxonomies of third countries GAAPs deemed equivalent to IFRS?	

10	Do you believe that taxonomy shall be developed for other parts of the AFR (outside financial statements)? If yes, please indicate which ones and explain why.	
11	Do you agree that non-structured electronic reporting should be required for the entire Annual Financial Report? Do you agree that the format used shall be PDF? If you disagree, please explain your opinion by providing arguments on the policy objectives and impact on the CBA.	

12	Do you agree with the solution of a single electronic format composed of structured and non-structured data (option B)? If not, please explain your opinion as well as the impact on the CBA.	
13	Do you agree that iXBRL and XBRL are the most relevant options available for the ESEF?	Yes, we agree.
14	Could you please indicate what is your preferred solution between iXBRL and XBRL? Please explain the reasons.	
15	Do you agree that structured reporting format should in a first stage be required for consolidated IFRS financial statements and eventually in a second stage for individual financial statements?	
16 a	Do you agree with a different approach for the financial statements under national GAAPs	

	compared to IFRS on the grounds of the existence of a taxonomy?	
16 b	Do you agree with the proposed approach in terms of potential development of a EU core taxonomy to be used for national GAAPs in the future?	
17	Do you agree that a single electronic format should not be required for financial statements under third country GAAP?	
18	Would you be in favour for a phased approach for SMEs, if it would be allowed under the legal mandate? Would it be relevant in the context of the development of the Capital Markets Union?	
19	Do you have any other comment to make?	

