

Consultation strategy for the European Single Access point (ESAP)

1. Background information

Industrial and commercial data are key drivers of the digital economy. In its European Data Strategy of February 2020, the Commission declared its intention to make more data available for use in the economy and society. The strategy suggests the roll out of common European data spaces in crucial sectors such as the green deal and the financial sector. The need to improve accessibility, comparability and usability of information is also a key element of establishing a common financial data space in order to promote data-driven innovation in Europe, as announced in the Digital Finance Strategy¹.

In order to make investment decisions, investors in capital markets must have easy access to public information on companies and financial products. Investor confidence and willingness to invest in capital markets will depend on the availability, quality and comparability of such information. The EU legislation requires companies to publish several hundreds of datasets in order to increase the transparency and reduce asymmetry of information. Datasets may have regard to e.g. an entity's financial performance, environmental, social or governance matters, products and services provided.

The collection and dissemination of data is fragmented as per EU law in the financial services and CMU area. The entity's web sites are usual channels. EU law establishes a few national registers for certain datasets like companies' financial statements, such as the Officially Appointed Mechanisms (OAMs) for listed companies, or the Business Registers for all limited liability companies². In the CMU area, the European Markets and Securities Authority (ESMA) maintains registers for a few datasets (MiFiD, Credit Ratings). The ECB's Anacredit database may also contain a number of relevant information, even though its main purpose is to maintain analytical credit datasets. EU law rarely provides for a specific format which is detrimental to reaping benefits of digitalisation (e.g. comparable, machine readable data). This is true both for financial and sustainability-related information. Companies may have several identifiers, including a legal identifier³, and the lack of consistent use of common identifiers is an impediment to searchability and comparability.

The Commission's new CMU Action Plan of September 2020 proposes to improve the situation by building a European Single Access Point (ESAP / Action #1).

2. Consultation scope and objectives

The ESAP will address primarily information published by companies that are capital market participants, as well as SMEs looking for funding, as foreseen in the new CMU action plan. It will encompass information disclosed pursuant to the Non-Financial Reporting Directive and it could also be extended to other categories of ESG information disclosed by financial institutions.

¹ In order to facilitate real-time digital access to all regulated financial information, the Digital Finance Strategy suggests that, by 2024, the information to be publically released under the EU financial services legislation should be disclosed in standardised and machine-readable formats.

² The European Commission maintains the business registers interconnection system, which provides data on limited liability companies on the European e-Justice Portal

³ EU company law provides for a unique identifier for all limited liability companies

In terms of scope, we aim to consult stakeholders with an interest in the ESAP, such as users of data, preparers of data, registers, regulators and other stakeholders with vested interest.

In terms of objectives, the consultation activities would allow the services of the Commission to:

- Get the views of stakeholders on the legislative scope for data, governance, data collection, ESAP functionalities, legal framework;
- Get evidence or views on impacts, costs and benefits of the ESAP;
- Act as a sounding board for certain topics.

3. Mapping of stakeholders

Stakeholders with an interest or impacted by the ESAP are of various types, and can be tentatively classified as follows:

- Preparers: companies, issuers, SMEs, asset managers, private entities, market participants, etc.;
- Users: investors, analysts, asset managers, consumers, NGOs, data vendors, credit risk assessment entities, banks, etc.;
- Regulators: authorities, governments, European Authorities, National Competent Authorities, EFRAG ECB, etc.;
- Registers / repositories: OAMs, trading venues, ESMA, business registers, etc.;
- Stakeholders with vested interest: software vendors, standard setters, data vendors, e-identifiers, accounting firms, certain not for profit organisations, academia, etc.

An upfront analysis allowed to determine the average level of interest and influence per category, and to identify the type information that they could provide, as follows:

Type of stakeholder	Average level of influence (1-5)	Scope	Governance (collection of data)	Governance (dissemination of data)	Legislative approach	Specification / features of access point	Usability / formats	Costs	Bene-fits
Preparers	4	X	X				X	X	X
Users	5	X		X		X	X	X	X
Regulator / authorities	4	X	X	X	X	X	X	X	X
Registers	4	X	X	X		X		X	
Other	3	X					X		X

4. Selection of consultation activities & their accessibility

The ESAP initiative will draw from the many open public consultations and feedbacks received on questions with close relationship within the following activities, such as:

- [Open public consultation on the Fitness check on the EU framework for public reporting by companies](#) (21 March 2018 - 31 July 2018);
- [Open public consultation on the European Strategy for Data](#) (20 February 2020 - 3 June 2020);
- [Open public consultation on Non-financial reporting by large companies](#) (20 February 2020 - 11 June 2020);
- [Open public consultation on a new digital finance strategy for Europe / FinTech action plan](#) (3 April 2020 - 26 June 2020);
- [Stakeholder consultation on the Renewed sustainable finance strategy](#) (8 April 2020 - 15 July 2020);

- [Open public consultation on the CMU High Level Forum final report](#) (10 June 2020 - 30 June 2020).

In addition, there will be an ad hoc targeted online consultation of 6-8 weeks spanning Q4/2020 and Q1/2021, in English, available on FISMA’s web site (EU Survey).

This consultation will be complemented by targeted workshops and by discussions within standing committees and expert groups, between December 2020 and March 2021, as follows:

Workshops (tentative)	Expert Groups / Committees
<ul style="list-style-type: none"> • Workshop 1: preparers / SMEs • Workshop 2: regulator /authorities • Workshop 3: users • Workshop 4: Stakeholders with vested interest • Workshop 5: access point wrap up - scope / governance / main specifications • Workshop 6: machine readability / usability wrap up – scope / main specifications 	<ul style="list-style-type: none"> • Accounting Regulatory Committee • Committee of European Audit Oversight Bodies • Financial Services User Group • Expert Group of the European Securities Committee • Technical Expert Stakeholder Group on SMEs (TESG)

Bilateral meetings have started and will continue to be held with key stakeholders.

Further sources of evidence will include:

- Study on the “Regulatory framework analysis for potential integration into the European Electronic Access Point (EEAP)” (FISMA);
- Study on the “Governance for a DLT / Blockchain enabled European Electronic Access Point (EEAP)” (FISMA);
- Impact Assessment study on the list of high-value datasets to be made available by the Member States under the PSI Directive (CNECT);
- Recommendations of the High Level Forum on the Capital Markets Union, including their report: “A New Vision for Europe’s Capital Markets: Final Report of the High Level Forum on the Capital Markets Union”, 10 June 2020;
- Data available from desk research (Find-eR, web, press, etc.).

Additional data and information will be gathered with the assistance of a contractor with expertise in the crossing fields of financial services legislation and digitalisation (from December 2020), with a focus on mapping, data management, governance and SMEs.

Finally, it is envisaged to set up a Sounding Board. It would comprise a limited number of key high level stakeholders from various horizons. Several successive meetings would be held under the aegis and with the assistance (secretariat) of DG FISMA.

5. Summary /overview on consultation activities by stakeholder groups and indicative timing

The table below strives to provide an overview of the consultation activities per each stakeholder group. The indicative timeline should enable to have a suitable sequencing:

Consultation activity	Targeted online consultation	Workshop 1	Workshop 2	Workshop 3	Workshop 4	Workshop 5	Workshop 6	Sounding Board	Committees / expert groups etc.
<i>Indicative planning</i>	Q4/2020 – Q1/2021	Q1/2021	Q1/2021	Q1/2021	Q1/2021	Q1/2021	Q1/2021	Q4/2020 – Q2/2021	Q4/2020 - Q1 / 2021
Any business / citizen / stakeholder	X								
Preparers	X	X				X	X	X	
SMEs	X	X				X	X	X	X
Regulators / authorities	X		X			X	X	X	X
Users	X			X		X	X	X	X
Registers	X			X		X	X	X	
Other stakeholders with vested interest	X				X	X	X	X	

6. Consultation webpage & communication activities

DG FISMA plans to have the following communication activities in relation to the targeted online consultation:

- Creation of a specific online questionnaire (based on EU survey);
- Announcement of the consultation in the FISMA Newsletter (email + web page) – providing a web link toward the consultation page;
- Announcement in social media (Twitter, etc.);
- Information by units towards their ‘usual’ stakeholders to inform of the consultation.