**Annex: GDV’s response to the targeted consultation document on the establishment of a European Single Access Point (ESAP) for financial and non-financial information publicly disclosed by companies.**

**Overall, the GDV fully supports the ESAP as it is a comprehensive approach to centralise companies' publicly available data.** However, in case of any unforeseen delays in establishing the ESAP, the German insurers advocate considering the availability and access to **ESG data as a key priority**, as it recognises the lack of robust, comparable and reliable ESG data as well as the disclosure obligations of the SFDR and the EU Taxonomy Regulation for financial market participants which come into force in 2022 already. Therefore, as a starting point, the ESAP should contain the data required under the SFDR and EU Taxonomy Regulation as well as other data useful for the better assessment of sustainability risks and opportunities in investment decisions and for risk management purposes. Until the ESAP is in place for a transitional period, the required ESG data should be published on the companies’ website.

Nevertheless, the financial information in the scope of the ESEF format should be immediately reported in ESAP in a standardised digital form (standardised and machine-readable); other financial information, that is available but not yet in a standardised digital form, could be provided via upload. In a similar vein, sustainability information should be immediately required in ESAP via upload.

**Regarding financial and non-financial reporting, the GDV would like to stress the importance of considering the following:**

* **The ESAP should be established as soon as possible. It is an important initiative of the CMU 2.0-package, which the GDV fully supports.** Nevertheless, any alignment/standardisation required in the underlying legislation to report in the ESAP should not lead to any delay, as dissemination via the ESAP alone would be already beneficial.
* The ESAP should be strictly oriented to the **actual information needs of companies and investors** and not lead to additional reporting obligations in financial and regulatory reporting. It is indeed essential that the **ESAP** does not create new reporting requirements but **represents the database and reporting system to comply with existing and upcoming reporting requirements**. This understanding should apply with view to all relevant dimensions, including actual information to be reported as well as timing, frequency, and language. This means that proposals related to actual requirements should be made with view to the underlying legislations (e.g. the NFRD for ESG data) and not via the ESAP.
* The data should be accessible free of cost, in a standardised digital form and allow for automated data feed and data analysis to ensure cost-efficient analysis. Therefore, the ESAP should be established as a **public good**.
* Technically, formats and processes should be associated with a reasonable effort for companies. As stated in this consultation, ESAP should build to the greatest extent possible on existing EU and national IT infrastructure.
* Redundant reporting channels should be avoided, where possible. Therefore, the EU should promote a **“file only once”-principle** where data is uploaded once but used for different purposes and different stakeholder groups. However, additional reporting formats should be maintained where necessary to ensure the best possible way of communication with different stakeholder groups, yet to be made accessible via the ESAP (please see below the “differentiated approach” regarding non-financial reporting).
* Furthermore, the ESAP should also provide data coverage necessary to comply with national legislation as much as possible so that it is clear and more efficient for companies to deal with national regulations. Great attention should be paid to the "file-only-once"-principle, as numerous interfaces are likely to exist here. In this respect, an intensive exchange with the EU member states seems necessary, and national solo regulations should be avoided.
* As an **ultimate objective**, the data should be made available in a standardised digital form (standardised and machine-readable) to be accessed and processed efficiently by investors. In this context and as a **starting point for further consideration** how to **proceed** **with the ESAP expeditiously,** the GDV would like to suggest that proper acknowledgement is given to the matter of fact that **there are in general three** **categories of information available** which need to be considered:
  + **Financial information in the scope of the ESEF as it is already tagged and standardised** could be filed immediately in the ESAP once established. In this regard, the ESAP could immediately achieve good progress with this kind of standardised, well-established, and periodic financial information to the extent already existent in a standardised digital form.
  + Secondly, regarding both financial and non-financial information that is not yet existent in a standardised digital form, the information could be made available in the ESAP via an upload. **Even dissemination via the ESAP alone would be already beneficial and superior to the current status quo**, as access across companies' financial and non-financial information would already be centralised.
  + The ultimate objective should be that all the information (financial and non-financial) in the ESAP should be made available in a standardised digital form so it can be accessed efficiently by investors. Here, the GDV advocates considering the **availability and access to ESG data as a key priority when establishing the ESAP**, as it requires the intensified efforts when compared e.g. to established financial data sets disclosed using ESEF.
* In order to achieve even better informed investment decisions, the **ESAP should also be open for information to be reported on a voluntary basis** by an investee company (e.g. forward-looking ESG data of companies which is not required by any underlying legislation).

**Regarding the development of non-financial reporting, the GDV would like to stress the importance of considering the following:**

In the following section, the GDV would like to highlight the need to consider the interplay of the establishment of ESAP with the review of the NFRD. If both initiatives are being properly aligned, the German Insurers see great potential for the development of non-financial reporting in a broader picture (esp. NFRD, SFDR, EU Taxonomy Regulation, and the possible involvement of the EU non-financial standard-setter):

* **The Review of the NFRD:** Whenconsidering the extension of the scope of the NFRD, the GDV proposes a “**differentiated approach**” to integrate the different needs and expectations of both data providers and data users. The differentiated approach is based on two different formats, the ESG data register (with the ESAP as a good starting point) and the non-financial statement (hereafter as “NFS”), with different stakeholder groups, types of information, contents, and scopes.
* **Management Report:** The principles-based approach is a particular strength of the NFRD that should be maintained for the NFS. Even if a certain degree of standardised information in the NFS is needed, material and immaterial information should not be mixed to counteract information overload. The principles-based approach enables a company to focus on material information and to better tailor their non-financial reporting to the information needs of wider stakeholder groups, including customers and the public. These stakeholder groups prefer information that is understandable, comprehensive, qualitative with a few KPIs. However, this approach also means that the NFS will never fully satisfy the information needs of institutional investors. Institutional investors need ESG data that is comparable, quantitative, and machine-readable (“ready-to-use”). Only then investors can compare investees, improve their own investment decisions, and fulfil their disclosure obligations resulting from the SFDR and the EU Taxonomy.
* **ESAP:** The GDV considers the ESAP **an excellent starting point to establish an EU ESG data register**. To fully achieve the intended objectives of the ESAP as a data platform for non-financial (and financial) information, **investees should be obliged (via the revised NFRD) to both: to submit their NFS via an upload to the ESAP and to file additional standardised ESG data directly to the ESAP.** In order tobe fully successful, the ESAP should satisfy the needs of institutional investors to the extent possible. At the same time, ESAP should not lead to any additional reporting obligations in financial and supervisory reporting. The ESAP is only a technical tool building on existing reporting requirements defined in respective legislative acts. The data stored in ESAP should be accessible free of cost, in a standardised form and allow for automated data feed and data analysis to ensure cost-efficient analysis.
* **Investees under the scope of the revised NFRD:** The German insurers strongly recommend that the ESAP is established as soon as possible as a platform and that the NFRD introduces the obligation to file the required data to the ESAP as an ESG data register. This obligation should **cover all investees in which institutional investors, such as insurers, invest, or which are refinanced by them**. For this purpose, an appropriate threshold of e. g. 50 or 100 million EUR refinancing volume could be implemented. Additionally, third country companies that have a secondary listing in the EU should be obligated to report the required data to the ESAP. In this way, the NFRD would establish the framework that would ensure that investors have access via the ESAP to the ESG data of a considerably larger investment universe, that includes both companies with securities listed in EU regulated markets as well as more illiquid asset classes such as private equity, real estate, or infrastructure companies. Foremost, the ESAP should contain the data already required under the SFDR and the EU taxonomy Regulation as well as other data useful for the better assessment of sustainability risks and opportunities in investment decisions and for risk management purposes. Until the ESAP is in place for a transitional period, the required data should be made accessible on the companies’ website. For the sake of clarity and as a matter of principle, public interest entities which are not investees in which institutional investors invest, or which are not refinanced by them should not be obliged to file data to the ESAP.
* **Possible involvement of the EU non-financial standard-setter** *– the GDV would like to highlight a general idea that would have to be determined in the revised NFRD (as the ESAP does not create new reporting requirements but represents the database and reporting system to comply with existing and upcoming reporting requirements. This understanding should apply with view to all relevant dimensions, including actual information to be reported as well as timing, frequency, and language.):*

In general, sets of predefined key sustainable related information could be developed for companies that report on a mandatory and a voluntary basis, allowing to compare the data. The European non-financial standard-setter (Level II of the revised NFRD) could not only develop EU non-financial reporting standards (EU NFRS) for the NFS under the management report (as discussed in the EFRAG outreach events on preparatory work for the elaboration of possible EU NFRS), but also for investees obliged to file information “ready-to-use” directly in the ESAP. As a starting point, this could be the information that is relevant

* + with regard to the SFDR, in the first place but not limited to, the proposed principal adverse sustainability indicators defined in the draft regulatory technical standards (Level II of the SFDR) and
  + with regard to the EU Taxonomy Regulation, in the first place but not limited to, the KPIs that are required according to Article 8 Taxonomy Regulation and the delegated acts that will specify content, methodology and presentation of the KPIs.

After this work is done, the focus could move on developing EU NFRS for companies that report in the ESAP voluntarily.

**Regarding the EU commission’s measures for a European data economy, the GDV would like to stress the importance of taking into account the following:**

* The GDV welcomes the EU commission’s goal of creating a European data economy.
* With regards to data and data spaces, we note that several legislative proposals have already been announced, both on national and EU level.
* Given the broad scope of insurance activities, it is likely that the insurance industry will want to participate in several data spaces.
* For this reason, close coordination between the various initiatives is key in order to ensure that companies are not faced with multiple efforts when implementing the data spaces. As far as possible, the data spaces should use compatible technical standards, interfaces and formats that enable interoperability.