

08 March 2021

On behalf of the Public Affairs Executive (PAE) of the EUROPEAN PRIVATE EQUITY AND VENTURE CAPITAL INDUSTRY

Response to European Commission Targeted Consultation on the Establishment of a European Single Access Point (ESAP) for financial and non-financial information publicly disclosed by companies

General questions

Question 1. Please rate the following characteristics of ESAP based on how relevant they are according to you (please rate each item from 1 to 5: "1": fully disagree, "2": somewhat disagree, "3": neutral, "4": somewhat agree, "5": fully agree and "no opinion"):

	1	2	3	4	5	No opinion
The information quality (accuracy and completeness) is most important					X	
The widest possible scope of the information is most important		X				
The timeliness of the information is most important			X			
The source of the information is a key element to know					X	
The immutability of the information is a key element				X		
ESAP should include information made public on a voluntary basis by non-listed companies of any size, including SMEs					X	
ESAP should include information made public on a voluntary basis by financial market actors					X	

Other aspects, if so which ones: The date of the information is a key element to know / information should be as far as possible kept up to date				X		
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Question 1.1: Please explain your position in the text box below providing your arguments, and where appropriate, concrete examples and data to support your answers (5000 characters maximum):

We consider the key characteristics that all data part of the ESAP should have are quality, accuracy, and completeness. If the data is not of high quality, it cannot be relied on and therefore it would be of very little use. Moreover, we consider it is essential to have the information on the source and date. This can also partially ensure the quality of the data, on top of being essential if users want to work with it.

On the other hand, we see the scope as not that important. We believe is more important to have less information of very high quality than trying to collect too much information therefore risking hampering quality.

Finally, it should be ensured that the data available in the ESAP does not infringe business secrecy. We believe certain data that might be considered as highly sensitive by companies should not be presented via the ESAP as this could breach confidentiality.

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 - [If other please provide detailed information](#)

Question 2.1: Please specify what are the other channel(s) you use when searching for, retrieving or using information (5000 character maximum):

Another channel used to retrieve data is trade magazines, if we assume these are not included under 'Data aggregation service providers'.

Question 3: Would you say that the cost for retrieving and using companies' public information is?

- ☐ Immaterial



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- ☐ Average
☒ High

Question 3.1: Please provide more information on your answer to question 3 (500 characters maximum):

The cost of retrieving and using companies' public information is currently high, particularly costly for high quality 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 - [If other please provide detailed information](#)

Question 5: Do you encounter barriers or difficulties when accessing the information?

- ☒ YES - [Please describe](#)
☐ NO

Question 5.1: If yes, please describe the barriers or difficulties you encountered when accessing the information (5000 character maximum):

Yes, we often encounter barriers when accessing the information. The main barrier we have identified is the lack of quality assessment, meaning the quality and accuracy of the data is not being ensured. Therefore, we need to heavily rely on the source of information. All in all, having the right quality assessment will facilitate the access of information.

Question 6: Do you encounter barriers or difficulties when using the information?

- ☒ YES - [Please describe](#)
☐ NO

Question 6.1: If yes, please describe the barriers or difficulties you encountered when using the information (5000 character maximum):



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The main barrier identified when using the information is the lack of comparability of the information across sources. Therefore, we believe that increased standardisation ensured via a quality check would help to maximise all the benefits of data comparability.

Please, see also response to Question 1.

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) (please choose one of the two options for each EU legislation that you agree to include in ESAP)

	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)					X	X	
The Accounting Directive (2013/34/EU) (e.g. financial statements, management report, audit report)					X	X	
The Audit Directive (2014/56/EU) and Audit Regulation (537/2014/EU) (e.g. auditor transparency reports)					X	X	
The Non-Financial Reporting Directive (NFRD) (2014/95/EU) (e.g. non-financial statement)					X	X	

The Prospectus Regulation (2017/1129/EU) (e.g. Prospectus, Universal Registration Document, SME Growth Markets-information)			X				
The Shareholders Rights Directive (2007/36/EC) and (2017/828/EU) (e.g. Remuneration Report)				X			X
The Market Abuse Regulation (596/2014/EU) and Market Abuse Directive (2014/57/EU) (e.g. inside information)				X		X	
The Resolution and Recovery of Credit institutions and Investment firms Directive (BRRD) (2014/59/EU) (e.g. information on the group financial support agreement)			X				
The Covered Bonds Directive (2019/2162) (e.g. information on the cover pool)			X				
The Capital Requirements Directive (CRD) (2013/36/EU) and Capital Requirements Regulation (CRR) (575/2013/EU) (e.g. prudential information, stress test results)			X				
The Credit Ratings Regulation (1060/2009/EU) (e.g. transparency report)			X				
The Central Securities Depositories Regulation (909/2014/EU) (e.g. governance arrangements)			X				X

The Key Information Documents for Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation (1286/2014/EU) (e.g. key information document)		X					
The Regulation on European Long-term Investment Funds (ELTIF) (2015/760/EU) (e.g. fund-related information)			X				
The European Market Infrastructure Regulation (EMIR) (648/2012/EU) (e.g. prices and fees of services provided, risk management model)		X					
The Financial Conglomerates Directive (FICOD) (2011/89/EU) (e.g. corporate structure of the conglomerate)			X				
The Directive of Prudential Supervision of Investment Firms (IFD) (2019/2034/EU) and the Regulation of Prudential Requirements of Investment Firms (IFR) (2019/2033/EU) (e.g. aggregated information on high-earners, remuneration arrangements)			X				
The Directive on the Activities and Supervision of Institutions for Occupational Retirement Provision (IORP) (2016/2341/EU) (e.g. remuneration policy)			X				
The Pan-European Personal Pension Products Regulation (PEPP) (2019/1238/EU) (e.g. key information document)		X					

The Regulation on Wholesale Energy Market Integrity and Transparency (REMIT) (1348/2014/EU) (e.g. inside information)			X				
The Securities Financing Transactions Regulation (SFTR) (2015/2365/EU) (e.g. aggregate positions)			X				
The Solvency II Directive (2009/138/EC) (e.g. solvency and financial condition report)				X			X
The Short Selling Regulation (236/2012/EU) (e.g. net short position)			X				
The Take-Over Bid Directive (2004/25/EC) (e.g. Information in the management report on companies' capital and shareholders, voting rights, governance...)				X		X	
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)				X			X
The Regulation on European Venture Capital Funds (EuVECA) (345/2013/EU) (e.g. fund-related information)			X				
The Regulation on European social entrepreneurship funds (EuSEF) (346/2013/EU) (e.g. fund-related information)			X				
The Regulation on Money Market Funds (2017/1131/EU) (e.g. prospectus)			X				

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)			X				
The Directive on Alternative Investment Fund Managers (AIFM) (2011/61/EU) (e.g. investment strategy and objectives of the fund)			X				
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)				X			X
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)				X			X
The EU Emissions Trading System (EU ETS)			X				
Other aspects, if so which ones:					X		X

If others, please specify from what are other EU legislation(s) in the financial area should ESAP include information, and your position providing your arguments, and where appropriate, concrete examples and data to support your answer (5000 characters maximum):

The ESAP should be set up gradually, as it will not be possible to do it all at once. In the beginning only the most relevant information should be included. More information and different data points should be progressively added over time.

It should be reminded here that PE/VC firms not only data users but also data providers. Our members, as financial companies, produce data, and they are subject to supervisory reporting requirements and disclosure obligations towards investors. In this respect, it will have to be determined whether data will be requested from companies by the ESAP or input/uploaded in the ESAP by companies.

Moreover, the ESAP should be scalable, so that any future legislation, which does not currently exist, can be added.

Please explain your position in the text box below providing your arguments, and where appropriate, concrete examples and data to support your answers (5000 characters maximum per Directive/Regulation):

We welcome the possibility of some of the information being disclosed “immediately” since the launching of the ESAP, while other information being disclosed, if so, at a later stage. This will give sufficient time to companies to adapt internal processes to disclose this data in the ESAP. It would as well be necessary as some changes in certain Directives and Regulations mentioned above will be needed. For example, changes to Annex IV of the AIFM Directive will be needed, yet any envisaged changes (e.g. to facilitate a central reporting hub) should be subject to a public consultation to ensure the industry and other relevant stakeholders can feed in comments at that stage.

Moreover, it should be noted that companies already disclose a substantial amount of information to their national authorities. For instance, ONDE is the centralised French system for submitting information to the Autorité des Marchés Financiers (AMF) published by or on listed companies. Likewise, the Banque de France FIBEN centralizes information on companies and their managers. As a first step, the ESAP could rely on automatic exchanges of information among these authorities. The ESAP should not lead to a multiplication of data sharing by companies.

The usability and accessibility

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 - [Please provide detailed information](#)

Question 9: Which of the following machine-readable formats would you find suitable? Please rate the following information based on how suitable they are according to you (please rate each item from 1 to 5: "5" being the highest rate and "1" the lowest):

	1	2	3	4	5	No opinion
ESEF (XHTML files + inline XBRL tagging requirements)		X				
XML files					X	
CSV files				X		
Excel					X	
Formats enabling natural language processing		X				
Other: Please indicate						

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

- ☐ Through Application Programming Interfaces (APIs)
- ☒ Bulk download
- ☒ Web portals
- ☐ Other - [Please insert here](#)

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

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

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

d) Content / data:

- ☐ in original language
- ☐ in a language that is customary in the sphere of international finance
- ☒ in multiple or all EU languages

Infrastructure and data governance

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 - [Please insert here](#)
- ☒ National Competent Authorities - [Please specify](#)
- ☒ Investors
- ☒ Reporting companies
- ☐ Other - [Please insert here](#)

Question 12.1: If EU Authority, please specify which EU authority should be involved in the governance of the ESAP (5000 characters maximum):

The Governance of the ESAP is a very relevant issue. A lot of information from companies would be published. We understand that this information will be individual and not aggregated, for example by sector of activity. Therefore, we propose that companies, acting as stakeholders of ESAP, should participate in the governance of the database and not only the EU authorities, national authorities and investors.

Question 12.2: If national competent authorities, please specify which national competent authority should be involved in the governance of the ESAP (5000 characters maximum):

N/A

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? (5000 characters maximum)

N/A

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

[Please insert here](#)

Question 14.1: If other, please explain what you mean by it in your answer to question 15 (5000 characters maximum):

As expressed in Question 1, the reliability of the information disclose is of essence for the success of the ESAP. Therefore, we believe that the credibility of the data should be ensured by the ESAP Platform. Moreover, and also aiming at ensuring reliability, we believe is important for those providing the data to have access to the database and be able to change the data submitted if internal changes or modification are carried out to ensure that the final data of the company matches that of the ESAP. We believe that under certain circumstances will be needed to allow and authorise companies to double-check and if necessary, modify the data.

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

- ☒ YES
- ☐ NO
- ☐ Other [Please insert here](#)
- ☐ Don't know/ no opinion/ no relevant

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 insert here](#)

Targeted questions regarding entities with no access to capital markets (non-listed entities), including SMEs

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

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 insert here](#)

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

- ☐ A set of predefined key financial information, allowing to compare data
☒ Any financial information that the issuer would be willing to render public via ESAP
☐ A set of predefined 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 insert here](#)

Question 18.1: Please, specify give a few examples of other type(s) of information that should be disclosed on voluntary basis in the ESAP (5000 characters maximum):

Some examples of sustainability related information that we believe the issuer should be willing to provide, always on voluntary basis, is taxonomy and ESG information.

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

- ☐ Following predefined periodic submission dates
☒ On an ongoing basis as soon as available
☐ Don't know/ no opinion/ not relevant

Question 19.1: Please, specify what should be the frequency of the periodic submissions (5000 characters maximum):

We believe the information should be made available on an ongoing basis as soon as possible, since one of the purposes of this platform should be to always have up to date information. Moreover, we believe that companies providing information on a voluntary basis should not only comply with the format but also with the frequency of the submission of information.

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)

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.? Please explain your position in the text box below:

Yes, we believe so. Otherwise, the data would not be comparable and if the quality is not ensured the usability of this data would be minimal. We agree with the opinion expressed by the High Level Forum on the Capital Markets Union final report, that given the operational challenges and costs for SMEs to obligatory submit all ESAP data, the inclusion of non-listed firms in the ESAP should be on a voluntary basis and be based on the condition that non listed firms will be voluntarily complying with all format and content requirements, however, we believe is important that if they choose to voluntarily submit the data they comply with the format and quality checks. Otherwise, the data would not be comparable and if the quality is not ensured the usability of this data would be minimal.

Costs and benefits

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

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

We believe it is important to consider all costs, not only those of accessing the information per se in form of licenses or agreements, but also hidden costs in employees time to retrieve the information, time of analysts looking for public information etc.

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)

Question 24.1: Please, specify what other proportion of share of these costs you expect to save through the use of ESAP (5000 characters maximum):

We think it is too early to say how big the cost saving will be. This percentage will very much depend on the functioning of the ESAP once constituted. The higher the quality and reliability of the data and the easier access and retrieving of information the bigger value-added and time savings, and therefore the higher cost saving. We need to see and use the platform to be able to say to what extent this will help. But we are convinced that if constituted in the right way cost savings can be important.

Moreover, we believe the cost of populating the ESAP should be taken into account too as PE/VC firms not only use but also provide data.

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

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)

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 [Please insert here](#)



Contact

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About the PAE

The Public Affairs Executive (PAE) consists of representatives from the venture capital, mid-market and large buyout parts of the private equity industry, as well as institutional investors and representatives of national private equity associations (NVCAs). The PAE represents the views of this industry in EU-level public affairs and aims to improve the understanding of its activities and its importance for the European economy.

About Invest Europe

Invest Europe is the association representing Europe's private equity, venture capital and infrastructure sectors, as well as their investors.

Our members take a long-term approach to investing in privately held companies, from start-ups to established firms. They inject not only capital but dynamism, innovation and expertise. This commitment helps deliver strong and sustainable growth, resulting in healthy returns for Europe's leading pension funds and insurers, to the benefit of the millions of European citizens who depend on them.

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