

Chiara Del Prete
EFRAG Sustainability Reporting TEG (EFRAG SR TEG) Chair

10 March 2026

Subject : EFRAG calls for expression of interest on VSME digital tools and platforms

Dear Ms Del Prete,

The European Confederation of Directors' Associations (ecoDa) welcomes EFRAG's initiative to map existing and "in development" initiatives supporting voluntary sustainability reporting by SMEs, including specialised tools such as GHG calculators, geolocation tools, water stress and biodiversity tools, and climate risk tools.

From a board perspective, these tools are most valuable when integrated into a coherent sustainability information system aligned with the ESRS and the VSME framework. Board members need a clear and structured view of the tools available in order to exercise effective oversight and to challenge management appropriately when selecting solutions. One of the challenges organisations face, including the SME's, in implementing sustainability factors, is the lack of reliable data and concrete solutions to integrate ESG risks and opportunities into decision making processes that enable positive policy shifts to accelerate scalable, competitive and low-carbon economies.

While ecoDa does not endorse any specific platform, we would like to share a few considerations that may help inform your mapping exercise.

First, VSME reporting should not be treated as a simple or "light-touch" compliance exercise. When implemented effectively, it can support SMEs' competitiveness, resilience, and long-term value creation. This potential, however, depends on the use of reliable, well-designed tools supported by sound data governance and data contextualization (Providing the necessary background, methodology, and boundaries to make data meaningful and comparable). It should also be noted that for many mid-caps and listed SMEs, the VSME framework remains intentionally high-level. Boards will therefore often need to complement it with more comprehensive frameworks (for example ESRS Set 2 or mid-cap frameworks such as WeAreEurope) in order to obtain decision-useful data.

Second, from a board perspective, digital platforms (whether AI-enabled or not) should be based on a robust and transparent data model, ensure full traceability through an audit trail, and support directors in fulfilling their fiduciary duties. In practice, this implies:

- **Data structures aligned with European standards** (ESRS, VSME), reducing duplication and improving comparability;
- **Structured data collection processes**, including workflows, controls, and supporting documentation, ensuring confidence in the reliability of non-financial information;
- **Advanced analytics**, including AI where relevant, used to support analysis—such as double materiality assessments, identification of emerging risks, and synthesis of information for board-level decision-making;
- **Interoperability with specialised tools** (GHG, geolocation, climate, biodiversity, water), enabling these inputs to feed into a coherent view supporting board discussions on strategy, risk management, and financial planning.

Finally, strategic autonomy should also be considered. European companies should seek to reduce reliance on non-European digital suppliers, while European solution providers should continue strengthening their offerings by building on the ESRS framework and ensuring the integration of specialised tools within a coherent European architecture.

We hope these reflections are helpful and look forward to the outcomes of this initiative.

Yours sincerely,



Maria Pierdicchi
ecoDa's Chair



Béatrice Richez-Baum
ecoDa's Director General