



DG FISMA – Corporate Reporting, Audit & Credit Rating Agencies  
Sven Gentner, Head of Unit  
Cc: Petr Wagner, Deputy Head of Unit

3 June 2026

***Subject: ecoDa response to the open feedback on the final revised ESRS***

Dear Mr Gentner,

The European Confederation of Director Associations (ecoDa) welcomes the revised ESRS framework as an important step towards simplifying sustainability reporting requirements for companies and preserving the value of sustainability disclosures for both companies and investors. The Sustainability Omnibus package has been positively received by the business community, notably because it introduces a more proportionate and manageable approach to reporting obligations.

Although sustainability considerations are increasingly integrated into strategic decision-making at board level, the necessity to re-orientate financing towards those companies actively future-proofing their business model underlines the importance of a framework that allows for comparability and at the same time remains practical and supportive of long-term value creation. In this context, ecoDa appreciates the opportunity to contribute to the ongoing consultation.

ecoDa's key observations and recommendations are set out below for consideration.

## **1. Core Principles of the ESRS Framework**

**1.1.** ecoDa strongly supports the preservation of the **double materiality assessment (DMA)**. In particular, ecoDa welcomes the top-down approach to the DMA, with its focus on strategy, sector-specific considerations, geographical context, and the value chain.

**1.2.** ecoDa also supports clearly positioning the revised ESRS as a **fair presentation framework**, in line with the objectives of the CSRD and the underlying requirements of the ESRS. Such an approach will help avoid a purely box-ticking exercise, strengthen

comparability across companies, and provide sufficient flexibility for companies to exercise professional judgement in determining whether the information disclosed presents a true and fair view of the company's sustainability-related impacts, risks, opportunities, and performance.

In addition, a fair presentation approach encourages a more forward-looking perspective and supports the provision of decision-useful information for stakeholders. It would also align the ESRS more closely with the ISSB framework, which is similarly based on fair presentation principles.

ecoDa further welcomes the clarification that fair presentation applies to the sustainability statement as a whole. In this respect, the framework clearly establishes the company's responsibility for ensuring the completeness, reliability, and fairness of the information it discloses.

We acknowledge that fair presentation in the context of a phased-in approach might make the wording of the external sustainability auditors' opinion more complex but believe this can be managed.

## **2. Interoperability with the ISSB Framework**

ecoDa believes that companies have the option to structure their sustainability information in a way that enables compliance with both the ESRS and ISSB frameworks. By analogy, a comparable approach has previously been used in the context of IFRS and US GAAP in the US capital markets, where reconciliation disclosures supported a form of interoperability between both reporting frameworks.

As we understand it, ESRS 1.112 allows undertakings to structure and present financially material sustainability information in a manner consistent with the ISSB framework. In addition, ESRS 1.48 clarifies the distinction between financial materiality and impact materiality within the double materiality assessment.

The non-obscuring principle embedded in the ESRS, in particular with regard to financially material information, further supports interoperability with ISSB-aligned reporting by ensuring that material information is presented in a clear and decision-useful manner.

## **3. Implementation Support and Transition Pathways**

ecoDa supports the development of practical guidance to assist companies in transitioning from the VSME framework to the ESRS. In particular, ecoDa would welcome Q&A guidance setting out how companies can better structure the application of the VSME to facilitate the progressive move from VSME reporting towards full ESRS application.

Companies currently reporting under the VSME framework that voluntarily begin applying selected ESRS requirements should be provided with a clear and structured pathway towards full ESRS compliance within a defined transition period, for example three years. This would help ensure consistency and avoid fragmented “pick-and-choose” reporting approaches. It would also provide investors with greater clarity regarding a company’s reporting trajectory and level of commitment to full ESRS alignment over time.

#### **4. International Level Playing Field**

ecoDa reaffirms the importance of ensuring a level playing field between EU and non-EU undertakings operating in the EU market. Non-EU undertakings active in the EU market should not be given a free pass and therefore remain subject to equivalent sustainability reporting requirements to avoid regulatory arbitrage, to preserve fair competition and provide decision-makers and the civil society (not only investors) with key information as to their ESG impact.

In this context, ecoDa looks forward to the forthcoming development of separate sustainability reporting standards for non-EU groups (NESRS), which should contribute to ensuring consistency and comparability across all undertakings operating within the EU market.

#### **5. Value chain information requests and effectiveness of the VS framework**

ecoDa supports the objective of the Voluntary Sustainability reporting framework to reduce fragmented and repetitive sustainability information requests across value chains and to provide a workable alternative to multiple parallel questionnaires used in the market today.

At the same time, ecoDa notes a growing risk that the practical scope of the framework’s limiting mechanism on value chain information requests may be narrower than initially expected. A significant portion of data points that are central to environmental, social and governance disclosures appear to fall outside the intended protection, which may reduce the effectiveness of the approach in practice.

ecoDa further observes that the limitation mechanism is confined to situations where information is requested strictly for corporate reporting purposes. However, in practice, sustainability-related data is frequently collected for a wider range of legitimate business needs, including risk assessment, financing decisions, and supply chain management. In these situations, the mechanism would not apply, which may further limit its real-world impact.

Using this analysis, ecoDa questions whether the current design will be sufficient to meaningfully reduce the administrative burden associated with value chain information

flows, or whether companies may continue to rely primarily on bespoke questionnaires outside the framework.

In order to strengthen legal certainty and improve usability for both data providers and users, ecoDa suggests considering whether clearer signalling within the standard, for example, more explicit classification of information as non-applicable where relevant, could help reduce ambiguity while maintaining the overall policy intent.

To conclude, in light of the forthcoming adoption of the revised ESRS, ecoDa considers it important to ensure a sufficient degree of regulatory stability going forward. A stable, consistent, and predictable regulatory framework is essential for companies to implement the standards effectively, invest in the necessary internal systems, and progressively improve the quality and comparability of reported information. As such, ecoDa encourages the European Commission not to reopen the ESRS framework in the coming years.

We remain at your disposal should you require any further clarification.

Yours sincerely,

Béatrice Richez-Baum  
ecoDa's Director General

Maria Pierdicchi  
ecoDa's Chair

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**About ecoDa:** The European Confederation of Directors Associations (ecoDa) is an independent and unique umbrella organization representing the main national institutes of directors across Europe. Our member institutes collectively encompass around 50,000 individual directors from 24 countries, who serve on the boards of companies spanning various sizes and sectors. Our mission is to promote the highest standards of boardroom governance and to ensure that directors across Europe are well-equipped to meet the challenges and opportunities of their roles.

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