



N° AMF: LET 2024 02 – EFRAG – Consultation Taxonomy
XBRL – ESRS Set 1

Corporate Accounting Direction

EFRAG
ESRS Taxonomy Team

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Subject: Response to the Draft ESRS Set 1 XBRL Taxonomy

Dear ESRS Taxonomy Team,

The Autorité des Marchés Financiers (AMF) welcomes the opportunity offered by the EFRAG to comment on its draft ESRS Set 1 XBRL Taxonomy.

The AMF warmly welcomes the EFRAG's attempt to develop a digital taxonomy to transpose ESRS Set 1 into this digital XBRL format, considering the usability of the XBRL format from the user's perspective.

The digitally tagged ESRS will bring benefits to users (analysts, data providers, financial institutions, investors, etc.) and facilitate the widespread utilisation of sustainability information.

AMF agrees that the draft ESRS Set 1 XBRL Taxonomy (the "XBRL ESRS taxonomy") adequately represents the ESRS disclosure requirements. However, while recognising that ESMA will have to play a key role in the phasing-in and in determining the level of granularity of the tagging for example, we have strong concerns regarding the practicability of the draft XBRL ESRS taxonomy developed on namely three areas as well as the possible associated burden for reporting entities. Those concerns are based on our experience with the existing ESEF regulation and the tagging of financial information.

1. Build on the experience gained in tagging financial statements to design the tagging of sustainability information

First and foremost, the AMF supports the digital connectivity in the tagging of financial and sustainability information. Hence, for similar concepts in both the sustainability and financial statements, the AMF strongly supports the design of digital linkages between financial and sustainability statements.

Moreover, the AMF strongly advises to take advantage of the experience gained through the implementation of a digital reporting for financial information in designing the future XBRL ESRS taxonomy. For instance, the
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XBRL dimensions are very challenging to implement as experienced by issuers in tagging their financial statements. Hence, XBRL dimensions should be limited to situations where it is absolutely necessary, in the XBRL ESRS taxonomy. Another example is the granularity of the tagging (Levels 1, 2 and 3), where AMF encourages the EFRAG to consolidate certain narrative information of the levels 2 and 3 taggings especially when it helps increase usability.

2. Ensure the correspondence of human-readable and machine-readable versions of sustainability statements

Machine-readability should facilitate the digital usability of the information but should not provide additional information beyond the one given in the human-readable version. This could in particular be the case when an issuer resorts to functionalities such as Booleans and that they translate into additional information in the machine-readable version.

Hence, among others, Booleans, which are not used at this stage in the ESEF regulation for financial information, should be handled scarcely and prudently in the XBRL ESRS taxonomy.

3. Interoperability with other sustainability reporting standards

The AMF believes that the digital concordance and interoperability with IFRS S1 and S2 is crucial. To alleviate the tagging burden and increase comparability, we suggest identifying in the XBRL ESRS taxonomy critical sustainability information where digital concordance is crucial (such as scope 1, 2 and 3). Moreover, we emphasise the importance of the concordance table.

Should you wish to discuss our comments further, please do not hesitate to contact us.

Yours sincerely,

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Chief Accountant

