

PRESS RELEASE

PROGRESS REPORT PUBLISHED FOR PROJECT ON PREPARATORY WORK FOR THE ELABORATION OF POSSIBLE EU NON-FINANCIAL REPORTING STANDARDS

Preliminary high-level assessment points emerging from the assessment phase of the project have been submitted to the European Commission.

Brussels, 13 November 2020:

On 25 June 2020, the European Commission (EC) issued a [request for technical advice](#) mandating EFRAG to undertake preparatory work for the elaboration of possible EU non-financial reporting standards in a revised Non-Financial Reporting Directive (NFRD), the ultimate objective being to allow for the swift development, adoption and implementation of European standards, should that be the choice of the European Union following the wider revision of the NFRD.

This preparatory work is being carried out by a [multi-stakeholder Project Task Force \(PTF-NFRS\)](#) that was appointed by the Steering Group of the European Reporting Lab @EFRAG (European Lab), within which the project operates.

In line with the requirements of the EC mandate to EFRAG, the PTF-NFRS submitted a [progress report](#) to the EC on 6 November 2020.

This progress report provides a view of the PTF-NFRS organisation and activities up to 31 October 2020, and the preliminary high-level assessment points emerging from the assessment phase of the project, which is still under finalisation.

Patrick de Cambourg thanked the PTF-NFRS members for their commitment and contribution to the project, commenting: “I am grateful to what the PTF-NFRS has managed to achieve so far, and for the speed and efficiency with which the progress report has been produced. The Task Force is open to input from stakeholders, in particular through outreach activities that will be undertaken between now and the end of January.”

The PTF-NFRS will continue with the next phases of its work, involving the development of proposals and outreach activities to stakeholders, aiming to conclude its work by the end of January 2021.

The EC also issued a separate [ad personam mandate](#), inviting EFRAG Board President and European Lab Steering Group Chairman, Jean Paul Gauzès, to consider the possible need for changes to the governance and financing of EFRAG, if it were to be entrusted with the development of European non-financial reporting standards under a revised NFRD. Jean-Paul Gauzès submitted his [progress report](#) on his mandate to the EC on 6 November 2020. The report included preliminary proposals for the future governance of EFRAG. The input received from stakeholders through the [invitation for the contribution of views launched on 1 October 2020](#) was considered in these preliminary proposals. The progress report, the input received and additional contributions expected will form the basis of a public consultation document that will soon be published, inviting public comments on these preliminary proposals of Jean Paul Gauzès.

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Notes for editor:

1. Press release regarding the EFRAG mandate to provide recommendations on possible European non-financial reporting standards is available [here](#).
2. Contact us: EFRAG, 35 Square de Meeûs, B-1000 Brussels; Tel: +32 (0)2 207 93 00; info@efrag.org
3. About EFRAG (www.efrag.org)
 - a. The European Financial Reporting Advisory Group's (EFRAG) mission is to serve the European public interest by developing and promoting European views in the field of financial reporting and ensuring these views are properly considered in the IASB standard-setting process and in related international debates. EFRAG ultimately provides advice to the European Commission on whether newly issued or revised IFRS meet the criteria in the IAS Regulation for endorsement for use in the EU, including whether endorsement would be conducive to the European public good. EFRAG also stimulates innovation in corporate reporting through the European Reporting Lab @EFRAG's work on identifying and sharing good reporting practices, which complements and contributes to our work on financial reporting.
 - b. EFRAG seeks input from all stakeholders, and obtains evidence about specific European circumstances, throughout the standard-setting process and in providing our endorsement advice. Our legitimacy is built on transparency, governance, due process (which may include field tests, impact analyses and outreaches), public accountability and thought leadership. This enables EFRAG to speak convincingly, clearly and consistently, and be recognised as the European Voice in financial reporting.
4. About the European Lab
 - a. The European Corporate Reporting Lab @EFRAG (European Lab) was established by EFRAG following the call by the European Commission in its March 2018 [Action Plan on Financing Sustainable Growth](#). The European Lab serves the European public interest and its objective is to stimulate innovation in the field of corporate reporting in Europe by identifying and sharing good reporting practices through:
 - facilitating dialogue between preparers, users and other relevant stakeholders; and
 - documenting the content and outcomes of this dialogue in reports and other means, and making them available in the public domain.
 - b. The European Lab has a multi-stakeholder Steering Group (European Lab SG) and under its direction project task forces may be established for specific projects (European Lab PTFs).
 - c. For more details see the relevant section on the EFRAG website [here](#).

5. About the PTF-NFRS

- a. Following the request for technical advice issued by the European Commission (EC) mandating EFRAG to undertake preparatory work for the elaboration of possible EU non-financial reporting standards in a revised Non-Financial Reporting Directive, the European Lab Steering Group has appointed a multi-stakeholder Project Task Force (PTF-NFRS) to operate the project and act in the public interest.
- b. The appointed PTF-NFRS incorporates a balanced representation of a broad range of stakeholders with a legitimate interest in non-financial information, spanning the public sector, the private sector, SMEs and civil society from across the EU, in line with the EC request for technical advice. The term of appointment of the PTF-NFRS is for the duration of the project.
- c. The project is operated by the PTF-NFRS within the European Corporate Reporting Lab @EFRAG (European Lab) and is expected to be completed in early 2021.
- d. For more details see the relevant section on the EFRAG website [here](#).

