

13rd September 2021

Dear Mr. Gauzès,

ANIA, the Italian Insurance Association, believes the insurers play a key role towards a sustainable transformation, both as investors and as providers of protection. Indeed, the Association considers it necessary to improve sustainability information and corporate sustainability reporting.

In this context, the **disclosure** should be **standardised through the definition of common European sustainability standards** and ANIA **fully supports EFRAG in its role** as technical advisor to the European Commission **in the preparation of the draft EU Sustainability Reporting Standards (ESRS).**

The Italian insurance sector is particularly interested in the preparation of such standards, both as preparers and as users. Quality, comparable and accessible ESG data are therefore essential for insurers.

It is undeniable that **the European Union is already at the forefront in developing such standards** and ANIA believes that **EFRAG should take a leading role also in developing global sustainability reporting standards.**

ANIA fully supports the EU ambition in developing rapidly sustainability reporting standards but, at the same time, considers it necessary to have an adequate due process, that allows for a proper stakeholders involvement.

ANIA would like to bring forward its contribution, providing some considerations on some issues developed in the EFRAG consultation.

CHAPTER 2: PRINCIPLES

ANIA fully supports that EFRAG's legitimacy is built on transparency, governance, due process, public accountability and thought leadership and shares the mentioned principles which ensure that the diversity of environments and stakeholder views are inclusively taken into account while developing ESRS.

In this context, and above all by considering the less maturity of the sustainability framework in comparison with the financial reporting one, ANIA would like to point out the importance of systematically evaluate the need for field testing in order to guarantee the feasibility, proportionality and practicability of the standards. **The field-testing approach should be evaluated case by case, especially if these standards concern new requirements (not related to requirements already introduced such as the SFDR or the Taxonomy Regulation).** Indeed, the financial reporting experience has shown the importance of adequately taking into account the results of specific legislations and, therefore, the need for field testing.

Transparency is essential also on the timeline, the workplan and the interrelations with other international initiatives.

CHAPTER 4: AGENDA SETTING

ANIA deems of the utmost importance to guarantee **full consistency between Corporate Sustainability Reporting Standards and the broader EU sustainable finance framework**, which comprises the SFDR and Taxonomy Regulation (TR) that have already introduced sustainability reporting requirements for the insurance sector.

The **consistency has to be assured at the double level of contents and timing**. As for the **contents**, it is essential to **avoid duplication and redundant reporting**. Regarding the **timing**, the **timelines of CSRD, SFDR and TR should be aligned**.

Therefore, **in this context**, it is key to adopt a staged approach, starting with **an initial phase to define the minimum set of standards to be required by the CSRD legislation, with particular reference to the SFDR and TR requirements already in place**.

A consistent and organic sustainability framework is essential to achieve EU sustainability objectives and ensure a level playing field.

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