

## PRESS RELEASE

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### REPORTS PUBLISHED ON DEVELOPMENT OF EU SUSTAINABILITY REPORTING STANDARDS

Two reports are published today, prepared in response to the mandates given by the European Commission on 25 June 2020 to EFRAG and to EFRAG Board President Jean-Paul Gauzès. The reports set out recommendations to the European Commission for the elaboration of possible EU sustainability reporting standards and for possible changes to EFRAG's governance and funding if it were to become the EU sustainability reporting standard setter.

Brussels, 8 March 2021:

EFRAG published today two reports submitted to the European Commission setting out recommendations on the development of EU sustainability reporting standards.

The reports were prepared in line with European Commission [mandates received by EFRAG and EFRAG Board President Jean-Paul Gauzès](#) on 25 June 2020. The first mandate was a [request for technical advice](#) mandating EFRAG to undertake preparatory work for possible EU sustainability reporting standards in a revised EU Non-Financial Reporting Directive. The second mandate was an [invitation to EFRAG Board President Jean-Paul Gauzès](#), to provide recommendations on the possible need for changes to the governance and funding of EFRAG if it were to become the EU sustainability reporting standard setter.

The [report](#) of the multistakeholder [Project Task Force on preparatory work for the elaboration of possible EU non-financial reporting standards](#) established by EFRAG (the 'Task Force'), was submitted after five months of very intensive work, proposing a roadmap for the development of a comprehensive set of EU sustainability reporting standards. The Chair of the Task Force, **Patrick de Cambourg**, President of the French accounting standard setter (*Autorité des normes comptables*), commented: *'This report is the outcome of the collective and intensive work of the Task Force which has required constant dedication and commitment from its members, representatives and seconded support staff. The Task Force also carefully considered input from global initiatives, as well as the feedback received from outreach events organised by EFRAG across the EU with a large number of panelists and unprecedented participation from all EU horizons. The detailed report taken as a whole reflects a large consensus. The proposals in the report do not constitute a first attempt at standard-setting, but rather describe the scope and structure of future sustainability reporting standards that contribute to the achievement of the EU's policy objectives. Meeting the technical challenges of EU sustainability reporting standard-setting also has implications in terms of governance and resources which are not in the Task Force's remit, but which are critical success-factors, addressed in the report of Jean-Paul Gauzès.'*

Jean-Paul Gauzès' [report](#) proposes reforms to EFRAG's governance structure and funding, to ensure that future EU sustainability reporting standards are developed using an inclusive and rigorous process. For his recommendations, Jean-Paul Gauzès considered feedback from two public consultations and input from extensive outreach. **Jean-Paul Gauzès** commented: *'The confidence of the European Commission in its requests to EFRAG and myself in my personal capacity, for the development of corporate sustainability reporting, were a great honour. The roadmap proposed by the Task Force for the development of EU sustainability reporting standards provides a clear vision for the future in this area. My proposals address how to develop sustainability reporting standards that fully reflect the public interest. My recommendations also address how national and European authorities will be involved, while ensuring that the process also draws upon the expertise of the private sector and civil society.'*

Notes for editor:

1. Press release regarding the EFRAG mandates to provide recommendations on possible EU 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](mailto:info@efrag.org)
3. About EFRAG ([www.efrag.org](http://www.efrag.org))
  - a. EFRAG's 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 Standards 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.
  - b. EFRAG seeks input from all relevant 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.
  - c. EFRAG is operating in a fast evolving environment and cares about adapting its activities and its governance to meet the opportunities and challenges in corporate 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 multistakeholder Steering Group ([European Lab SG](#)) and under its direction project task forces may be established for specific projects (European Lab PTFs).

## 5. About the PTF-NFRS

- a. Following the request for technical advice issued by the European Commission mandating EFRAG to undertake preparatory work for the elaboration of possible EU non-financial reporting standards in a revised EU Non-Financial Reporting Directive, the European Lab Steering Group 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 Lab.
- d. For more details see the relevant section on the EFRAG website [here](#).

## 6. Bios

- a. **Jean-Paul Gauzès:** On 1 July 2016 Jean-Paul Gauzès was appointed as EFRAG Board President, nominated by the European Commission. From the establishment of the European Corporate Reporting Lab @EFRAG he is also Chair of its Steering Group. From 2004 till 2014 Jean-Paul was a member of the European Parliament. During the whole of this period he was a member of the Committee on Economic and Monetary Affairs (ECON). From 2008 till 2014 he was the Coordinator of the European People's Party (EPP) Group in ECON. He has been the rapporteur on various important dossiers including the Directive on Alternative Investment Fund Managers (2010); the Regulation on the supervision of credit rating agencies (2010); and the Regulation on the strengthening of economic and budgetary surveillance of Member States experiencing or threatened with serious difficulties with respect to their financial stability in the euro area (2012). Jean-Paul is an honorary member of the Bar at the Conseil d'État and the Cour de Cassation. From 1998 till 2007 he was a member of the Executive Board and Tax and Legal Director of Dexia Crédit Local. From 1973 till 1998 he worked as a lawyer and legal counsel in France.
- b. **Patrick de Cambourg:** Since March 2015, Patrick de Cambourg has been President of the Autorité des normes comptables (ANC), the French accounting standard-setting Public Authority. As such, he is also a member of the Board of the Autorité des marchés financiers (AMF), the Board of the Autorité de contrôle prudentiel et de Résolution (ACPR), the Board of the CNOCP, the consultative body for public accounting standards and member of the Haut Conseil de Stabilité Financière. Patrick is also a member of the EFRAG Board. Since September 2020 he chairs the Project Task Force on preparatory work for the elaboration of possible EU non-financial reporting standards established by EFRAG following the mandate to EFRAG by EVP Dombrovskis. Patrick, a graduate from Sciences Po Paris, holds degrees in public and business law and is bachelor in Arts. As chartered accountant and auditor, he has spent his entire career within the Mazars Group, successively as junior, manager, and partner. He became President of Mazars in 1983. In 1995, he was appointed Chairman of the Management Board of the newly created international partnership, and in 2012 he became Chairman of the Supervisory Board. Since late 2014, he has been Honorary President of the Mazars Group.