

This paper has been prepared by the EFRAG Secretariat for discussion at a public meeting of EFRAG SRB. The paper forms part of an early stage of the development of a potential EFRAG position. Consequently, the paper does not represent the official views of EFRAG or any individual member of the EFRAG SRB or EFRAG SR TEG. The paper is made available to enable the public to follow the discussions in the meeting. Tentative decisions are made in public and reported in the EFRAG Update. EFRAG positions, as approved by the EFRAG SRB, are published as comment letters, discussion or position papers, or in any other form considered appropriate in the circumstances.

[Draft] ESRS-TNFD interoperability mapping

Cover note

Objective

1. EFRAG will provide an update on the SR TEG 18 January discussion of the mapping.

Background

2. The CSRD requires that in adopting the Delegated Acts the European Commission shall to the greatest extent possible take account of the work of global standard-setting initiatives. In addition, ESRS should contribute to convergence of global standards to reduce the risk of inconsistent reporting requirements for undertakings that operate globally.
3. EFRAG and TNFD have worked closely together to ensure continuous exchange in the development of the ESRS environmental standards and the TNFD recommendations. This collaboration has ensured a strong level of consistency in the language, approach and definitions.
4. In December 2023, EFRAG and TNFD signed a Memorandum of Understanding (MoU), highlighting the importance of advancing corporate sustainability assessment and reporting to address nature-related issues, reflecting their shared commitment to enhance corporate transparency related to nature, including biodiversity and ecosystems. As part of this MoU, EFRAG also officially became the twentieth knowledge partner of the TNFD.
5. The [draft] mapping will be discussed by SR TEG in its meeting of 18 January.

Purpose of the [draft] mapping

6. This [draft] mapping tool helps entities understand the commonalities between the TNFD recommended disclosures and ESRS. It lists the ESRS disclosure requirements that map to the ones recommended by TNFD, supporting interoperability.
7. The mapping demonstrates strong alignment and a notable level of consistency between TNFD disclosure recommendations and ESRS.

Question[s] for EFRAG SR TEG/SRB

8. Does EFRAG SRB have any comments on documents 08-02 and 08-03 (subject to changes based on SR TEG comments) or on the mapping exercise overall?

Next steps

9. Subject to changes based on SR TEG and SRB comments, the [draft] ESRS-TNFD Interoperability mapping will be sent to the SRB for approval and subsequently released.

Agenda papers

10. In addition to this cover note, agenda papers for this session are:
 - (a) Agenda paper 08-02 – [Part 1 of the mapping];
 - (b) Agenda paper 08-03 – [Part 2 of the mapping].