

Feedback on EFRAG's due process procedures

Para #	Extract	Comment	Priority
2.7	EFRAG conducts its activities in a transparent manner: (...) Such private discussions would normally relate to administrative (e.g. nominations) and other non-technical matters. Meetings of working groups are generally held in closed form.	Clarification: The use of the word "normally" in the second to last sentence suggests that, on occasion, these discussions may relate to something else than administrative and non-technical matters. Does that mean that technical discussions could happen in private?	Medium
2.12	(...) However, the EFRAG SRB and EFRAG SR TEG may decide, at their discretion, to make selected agenda papers not publicly available. This may be the case , for instance, if it is determined that making the material publicly available would be harmful to individual parties.	Clarification: Similar to normally above. It may be the case suggest there are also other reasons why it may not be publicly available. What would these be?	Medium
2.22	The purpose of impact analyses is to permit EFRAG to understand the impacts of proposed ESRS and amendments from various stakeholders' points of view on a systematic basis to enable informed judgements about how to balance the needs of competing interests, including costs and benefits but also wider impacts on sustainability matters.	Clarification: The current draft does not make it clear which impacts will be assessed, and what the scope is to assess the impacts (on what and on who?). I would suggest adding a clearer articulation of what the objective of the analysis is, what the scope (and limits) of the assessment is and what the assessment is trying to achieve.	High
4.5	EFRAG undertakes a public consultation on its activities and its work plan every [three] years (agenda consultation).	Clarification: This paragraph is explaining that EFRAG is to conduct a public agenda consultation every three years. Is that three years from when EFRAG published the last agenda consultation, from when the comment letter period finished or from when EFRAG started to consider the work on the agenda consultation? This level of clarity should be added. If EFRAG were to start work on the agenda consultation two years before it was published, then every three years could practically mean between three to five years.	High
5.19-5.24		Clarification: This section does not include a minimum comment period (e.g., 90 days). I would suggest adding a minimum comment period, any potential exceptions to that rule, and who determines the necessary process period (e.g., IFRS has a due process oversight committee).	High
5.29	EFRAG provides feedback statements that explain how the feedback received from stakeholders has been considered and how its conclusions have been reached.	Clarification: This should include a description of where the full comment letters are going to be made publicly available (e.g., EFRAG's website?).	Medium