

Finnish Energy response to ESMA consultation on proposals to digitalise sustainability and financial disclosures

Questions

QUESTION 2: *Do you agree with the phased approach and the proposed timeline? Do you concur that the first phase should be implemented for the same financial year or the following financial year depending on the publication date of amendments to the RTS on ESEF in the OJ (before or after 30 June of the given year)? If not, please provide your reasons and suggest any well-founded alternative timelines for implementation.*

Finnish Energy is a branch organization for the industrial and labor market policy of the energy sector. It represents companies that produce, acquire, transmit and sell electricity, gas, district heat and district cooling and offer related services.

Finnish Energy generally supports ESMA's proposal for the phased implementation of digital reporting, as it would provide companies with additional time to adapt to evolving requirements. However, considering the Commission's Omnibus I initiative, which is likely to postpone the sustainability reporting obligations for second- and third-wave companies by two years, we believe that the proposed timeline is no longer up to date and should be adjusted accordingly to align with the delayed reporting obligations.

Furthermore, we question the necessity of mandatory digital reporting altogether. Instead of imposing such a requirement, we suggest exploring the potential of AI-driven solutions for collecting the required data. Eliminating mandatory digital reporting would significantly reduce the administrative burden on companies and simplify reporting processes, thus being aligned with the Commission's competitiveness objectives and the Omnibus initiative.

For additional information, please contact:

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