

26 March 2024

# The European Financial Reporting Advisory Group (“EFRAG”) publishes Technical Explanations on European Sustainability Reporting Standards (“ESRS”)

## 1.0 Background

Reference is made to the [Authority's Circular of 13 November 2023](#), prepared in the context of the Corporate Sustainability Reporting Directive (“CSRD”) and the corresponding European Sustainability Reporting Standards (“ESRS”). The CSRD, effective since 05 January 2023, extends the scope of the Non-Financial Reporting Directive (“NFRD”) to bolster sustainability efforts in the EU. In this regard, the European Financial Reporting Advisory Group (“EFRAG”), advises on the development of the ESRS, as designated by the European Commission.

As outlined in the aforementioned Authority's Circular, EFRAG established the [ESRS Q&A Platform](#).<sup>1</sup> This platform aims to further support the implementation of ESRSs and improve the quality, comparability, and relevance of sustainability information disclosed by the entities within scope. Through EFRAG's Q&A Platform, stakeholders have the opportunity to pose technical inquiries regarding ESRS that might otherwise remain unresolved.

## 2.0 Publication of the Technical Explanations on ESRS

The Authority would like to bring to your attention the issuance of the [first batch](#) (01/2024) and [second batch](#) (02/2024) non-authoritative responses (collectively referred to as “Explanations”) to technical implementation inquiries concerning ESRS.

The Explanations address technical questions regarding the ESRS by indicating where the relevant content is located within the standards and providing guidance on how to navigate them effectively.

Issuers are encouraged to familiarise themselves with EFRAG's Q&A Platform and the Explanations provided therein. Moreover, Issuers are reminded that they may submit their

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<sup>1</sup> EFRAG's homepage on the ESRSs Q&A Platform can be found in the following link: [EFRAG ESRS Q&A Platform - EFRAG](#)

own questions relating to issues where additional explanations are deemed relevant and necessary.

### **3.0 Contacts**

Should you have any queries relating to the above, kindly contact the Authority on [transparency@mfsa.mt](mailto:transparency@mfsa.mt).