



European Securities and
Markets Authority

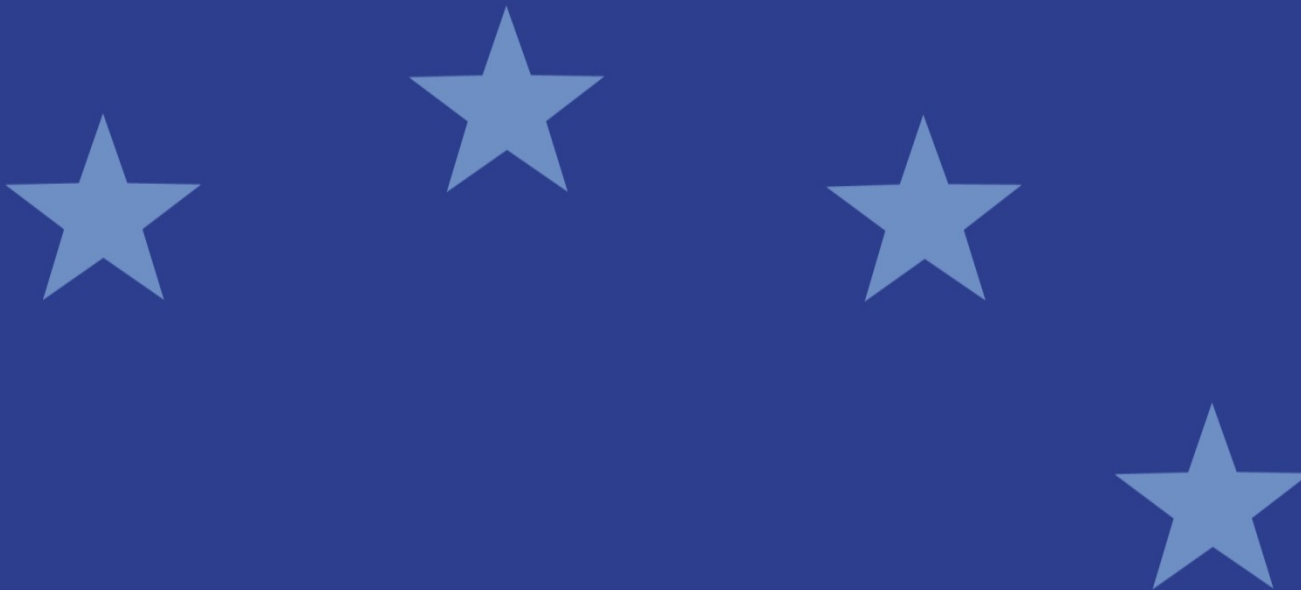
ESMA REGULAR USE

29 May 2019

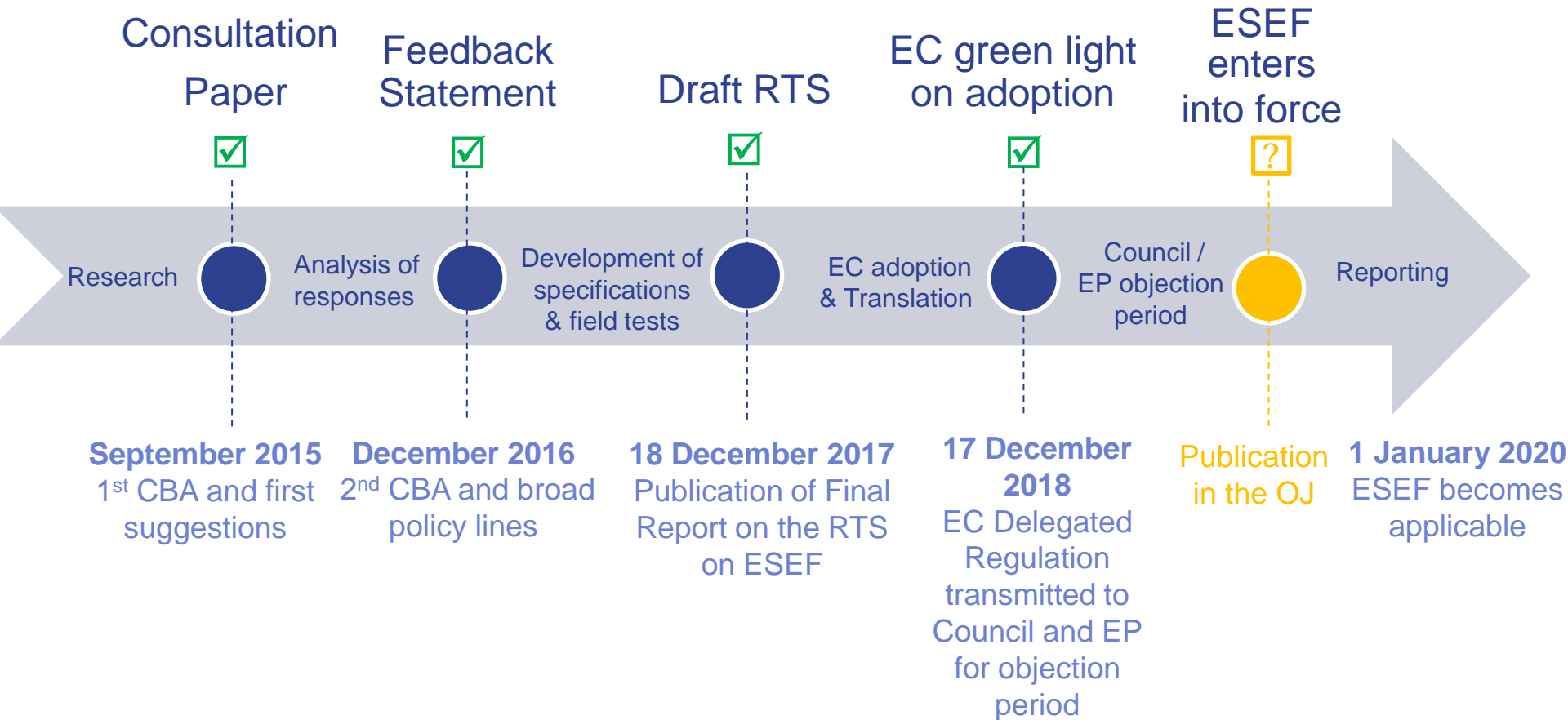
The European Single Electronic Format (ESEF)

What's coming up next

Anna Sciortino



An overview of the development process





Key requirements set out in the RTS

- **From 2020, all annual financial reports shall be prepared in xHTML format**
- **Consolidated IFRS Financial Statements** shall be marked-up with XBRL tags
- **1 document, 2 views:** Tags embedded in human readable doc. via *InlineXBRL*
- **ESEF Taxonomy** = IFRS Taxonomy incl. limited ESMA customisation
- **Extensions:** only if no existing IFRS tag reflects the intended accounting meaning
- **Anchoring:** extensions shall be linked to the closest taxonomy element
- **Level of tagging:** detailed tagging of primary statements, block tagging of notes



What do embedded XBRL tags look like

The screenshot shows a web browser window displaying a financial statement. The browser address bar shows the file path: C:\Users\lasciortino\AppData\Local\Temp\1\Temp1_f -20161231_iXBRLviewer.html. The page title is "Financial statements" and the main heading is "Consolidated Income Statement". The data is presented in a table with columns for "Notes", "2016", and "of which with related parties". The value "68,604" is circled in red. An "Online XBRL" sidebar is visible on the right, showing a "Highlight all tags" checkbox and a list of XBRL tags including "Line item", "Value", "Period", "Units", and "Entity".

| Millions of euro | Notes | 2016 | of which with related parties |
|---|------------|---------|-------------------------------|
| Revenue | | | |
| Revenue from sales and services | 7.a | 68,604 | 4,550 |
| Other revenue and income | 7.b | 1,928 | 20 |
| | [Subtotal] | 70,532 | |
| Costs | | | |
| Electricity, gas and fuel purchases | 8.a | 32,036 | 6,603 |
| Services and other materials | 8.b | 17,363 | 2,577 |
| Personnel | 8.c | 4,837 | |
| Depreciation, amortization and impairment losses | 8.d | 8,365 | |
| Other operating expenses | 8.e | 2,785 | 312 |
| Capitalized costs | 8.f | (1,668) | |
| | [Subtotal] | 61,338 | |
| Net income/(expense) from commodity contracts measured at fair value | 9 | (133) | 29 |
| Operating income | | 8,921 | |
| Financial income from derivatives | 10 | 1,884 | |
| Other financial income | 11 | 2,288 | 21 |
| Financial expense from derivatives | 10 | 2,821 | |
| | | 4,432 | |

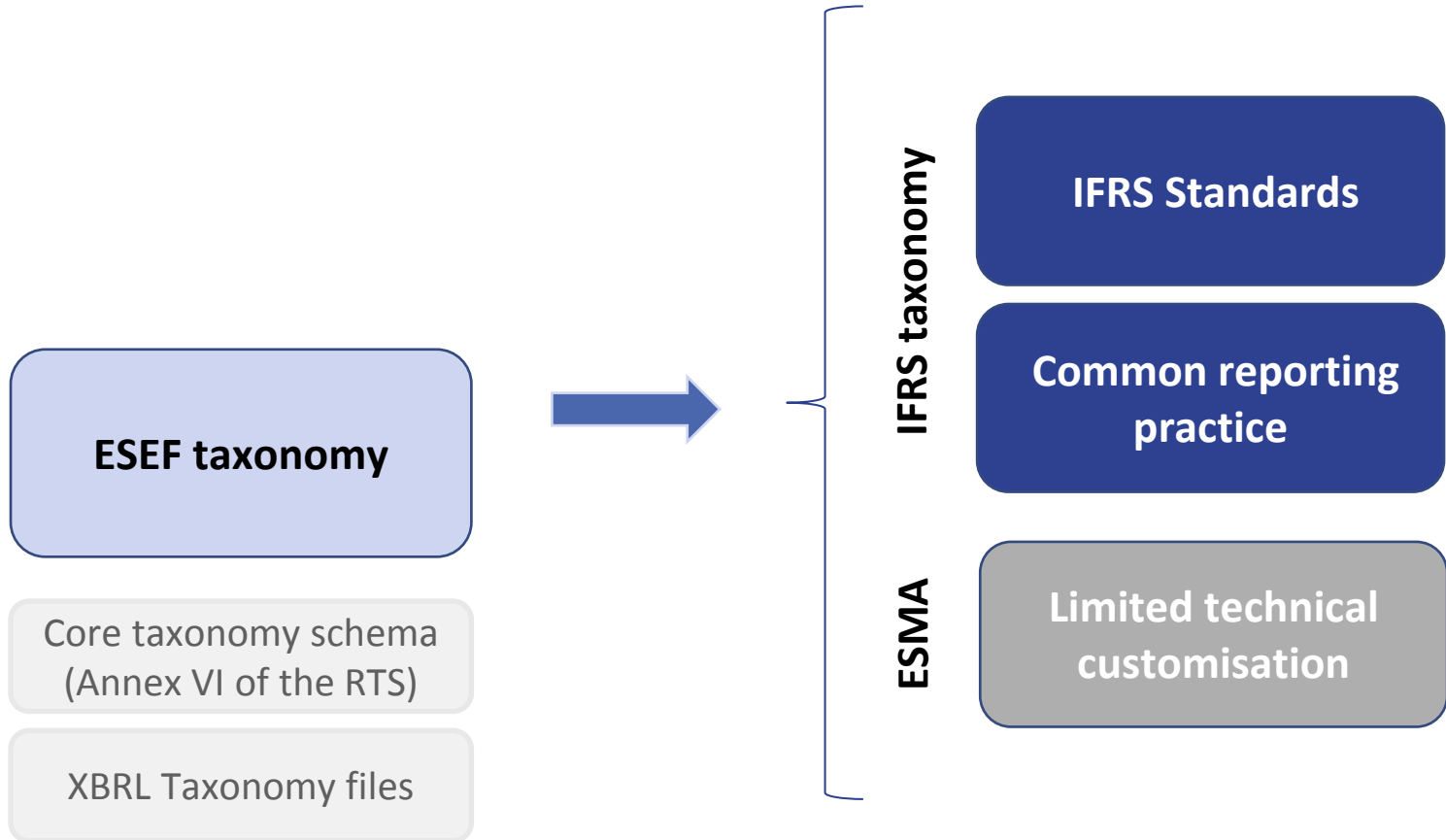
... like a standard web page with an additional layer of information that can be displayed when clicking on a certain tagged element



Level of tagging required by ESEF RTS

| | IFRS consolidated FS | individual financial statements | 3rd country GAAP FS |
|------------------------------|----------------------------|---|---------------------|
| primary financial statements | mandatory from 2020 | | |
| block tagging of notes | mandatory from 2022 | voluntary (if MS provides taxonomy) | Forbidden |
| detailed tagging of notes | voluntary | | |

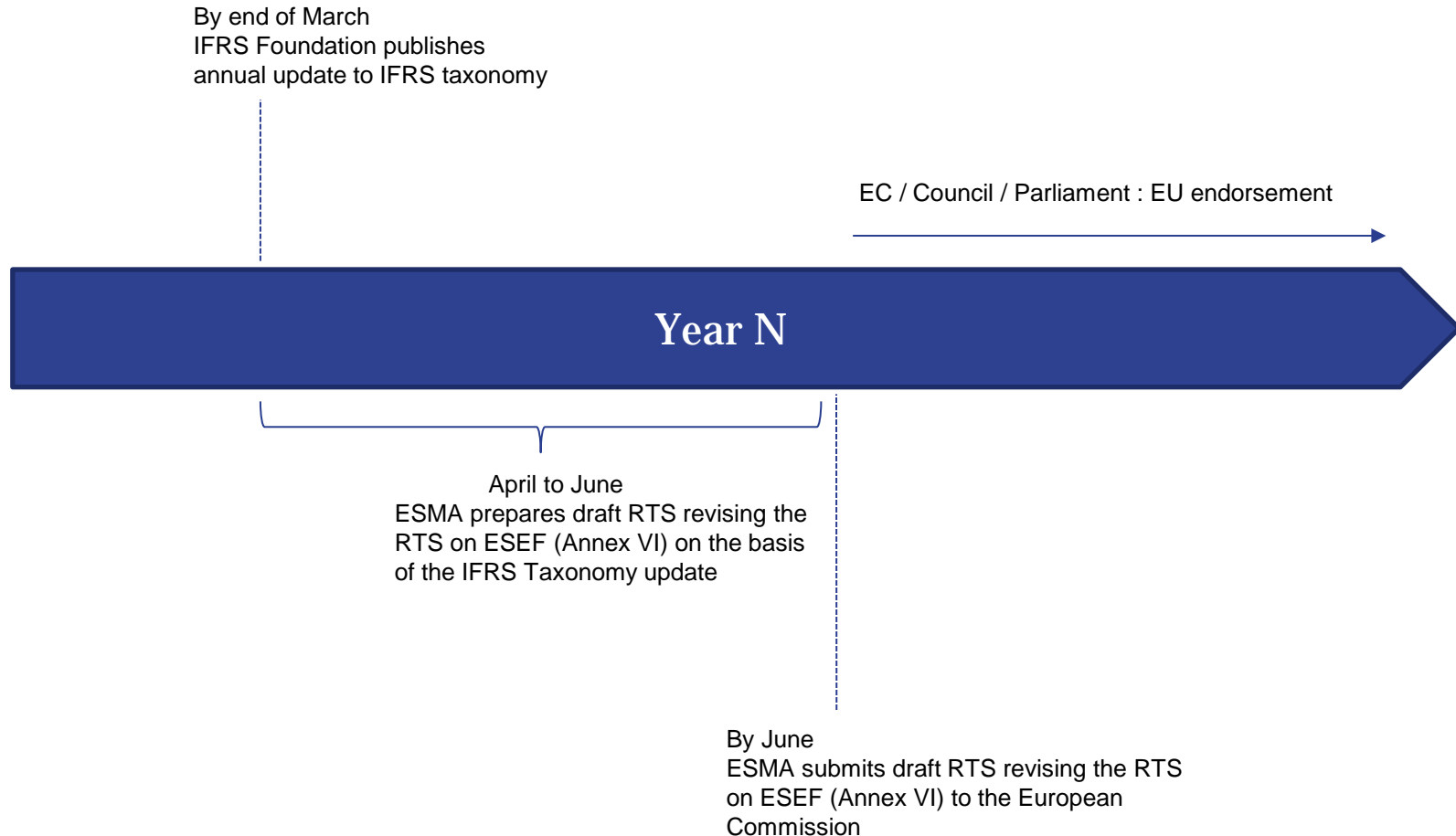
The ESEF taxonomy





RTS on ESEF

Target process for future updates of the core taxonomy





ESEF taxonomy

Target process for future updates of taxonomy files

By end of March
IFRS Foundation publishes
annual update to IFRS taxonomy

June/ July
IFRS Foundation publishes taxonomy
formula linkbases

TBC
Green light on EC adoption of the revising
RTS on ESEF

EC endorsement of the revising RTS
(incl translation of taxonomy labels)

Year N

July to October
ESMA prepares updates to the
ESEF taxonomy files

ASAP after EC green light: ESMA
includes translated labels in the
ESEF taxonomy files

TBC depending on the availability of EC translations:
ESMA incorporates translated labels in ESEF taxonomy
files and publishes them on ESMA's website



The ESEF Reporting Manual

Upcoming revision and future updates

- Update of the ESEF Reporting Manual expected for publication in July 2019
- Some updates related to Guidance for issuers, including (amongst other)
 - Clarifications on the use of taxonomy elements corresponding to IFRS standards or interpretations that are not yet adopted in the EU (only provided for third country IFRS issuers)
 - Clarification on the anchoring requirements for extensions of the Notes
 - Clarifications on block tagging requirement
- Other technical updates related to Guidance for software firms taking into account feedback received from members of XBRL Europe and other members of the XBRL community
- Future updates may be published in 2020 if deemed necessary, on the basis of feedback received (esef@esma.europa.eu)



Where to find out more

On ESMA's website:

- The ESEF webpage <https://www.esma.europa.eu/policy-activities/corporate-disclosure/european-single-electronic-format>
- The Final Report on the draft RTS on ESEF (ESMA32-60-204)
- The ESEF Reporting Manual (ESMA32-60-2540)
- Video tutorials on ESEF : Video 1 <https://www.youtube.com/watch?v=IOg9ETFpAhg>
Video 2 https://youtu.be/FImK-_H2x8w
- The Feedback Statement on the Consultation Paper on the RTS on ESEF (ESMA/2016/1668)

On the IFRS Foundation website:

- General resources on the IFRS Taxonomy <https://www.ifrs.org/issued-standards/ifrs-taxonomy/#resources>
- Using the IFRS Taxonomy : A Preparer's Guide
- IFRS Taxonomy illustrative examples



Thank you!