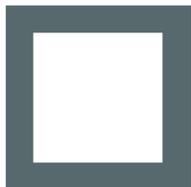


AVANCEMENT DU PROJET ESEF

Marie SEILLER, Direction des Affaires Comptables



Background

Requirements:

- ❑ From 1 January 2020 issuers will have to prepare their annual financial reports (AFR) in a **single electronic reporting format**
- ❑ **Recital 26 of the Transparency Directive sets out the policy objectives of ESEF:**

*“A harmonised electronic format for reporting would be very beneficial for issuers, investors and competent authorities, since it would **make reporting easier and facilitate accessibility, analysis and comparability of annual financial reports...***

*ESMA should develop draft technical regulatory standards, for adoption by the Commission, to specify the electronic reporting format, with due reference to current and future technological options, **such as eXtensible Business Reporting Language (XBRL)**”*

Background

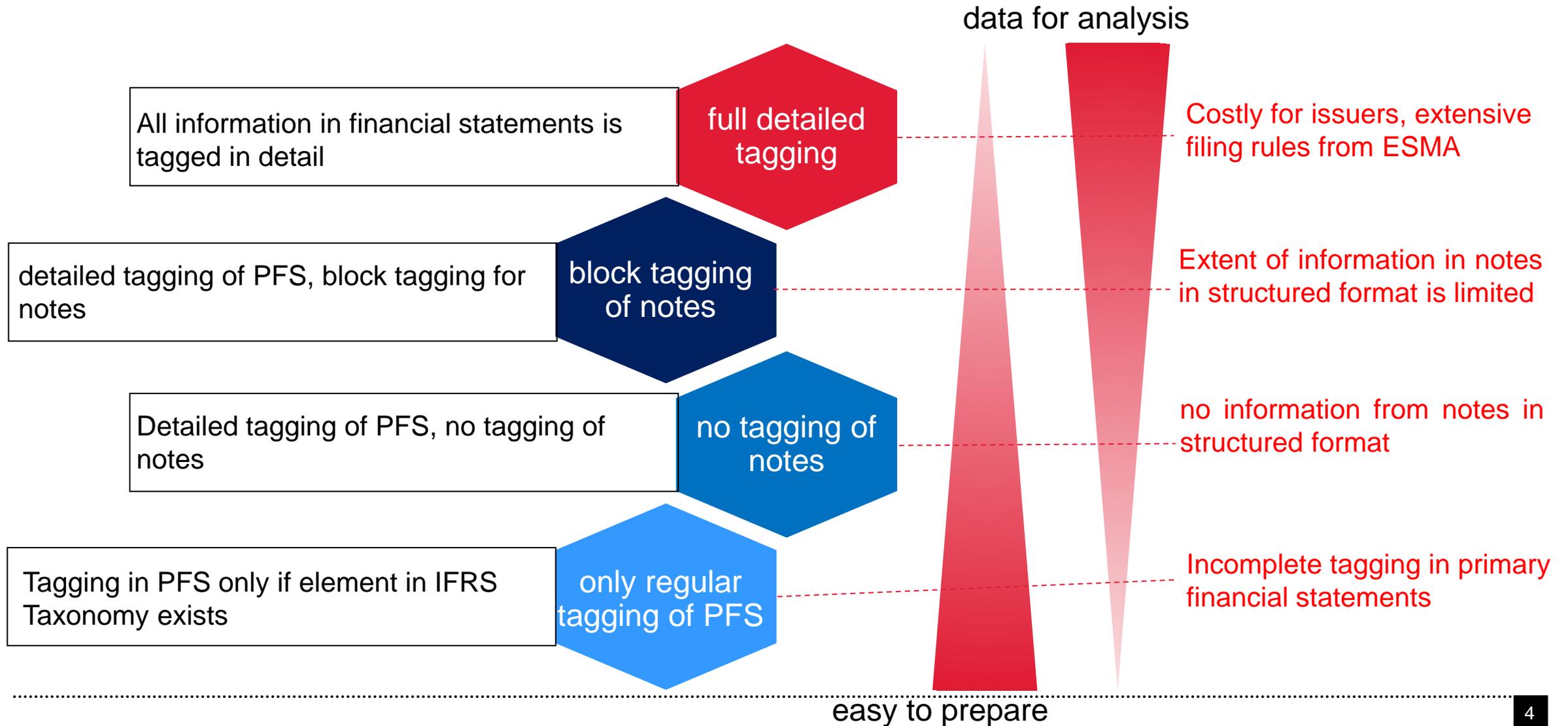
A lot of concerns raised by French stakeholders and issuers in the Consultation process:

- PDF should remain the required format: no specific need for an electronic reporting, very significant costs to put in place
- The scope should be narrow down: only consolidated financial statements under IFRS, only the primary financial statements
- Extensions should be allowed and an endorsement process of the taxonomy should be put in place

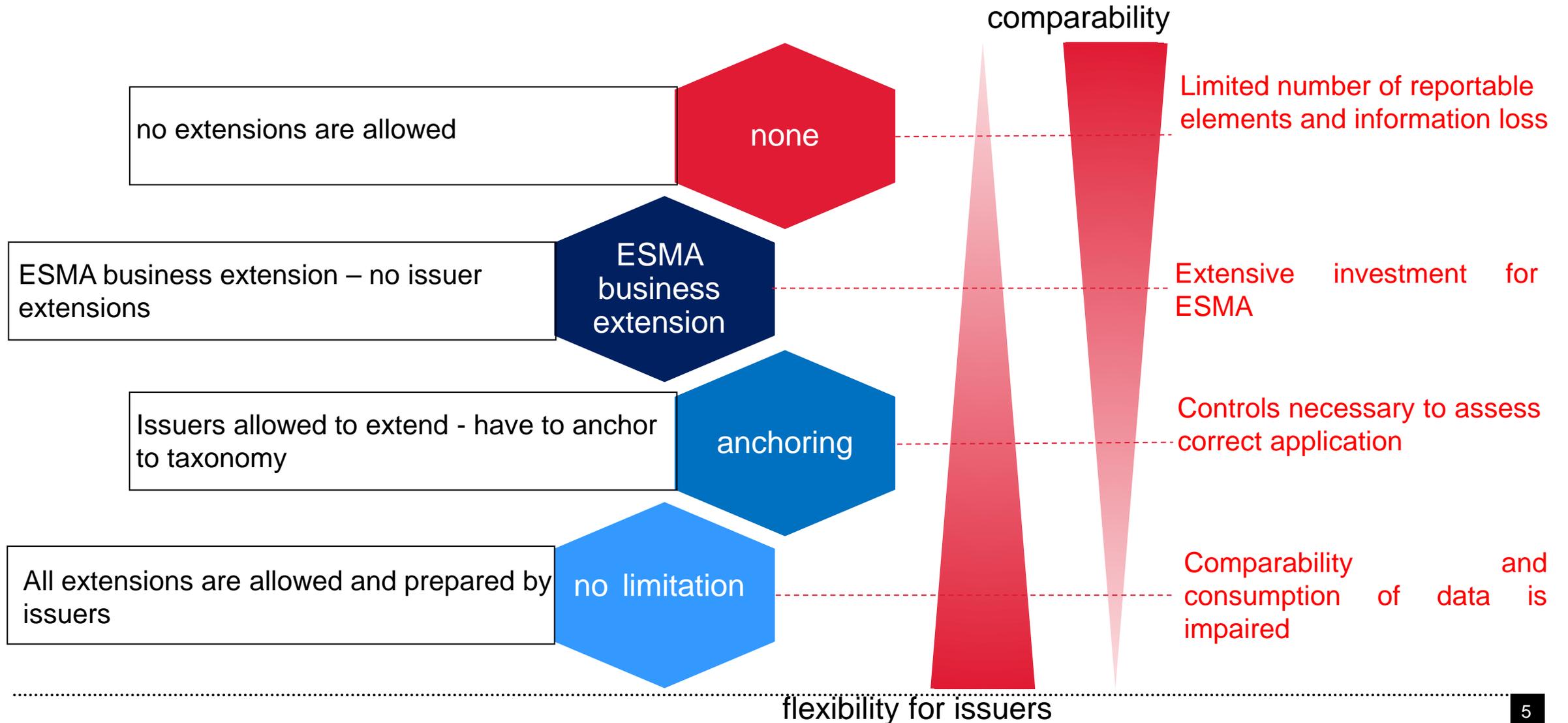
□ A lot of these concerns were taken into account in the final document

- Requirement only for the consolidated financial statements and even only the primary statements in a first step
- iXBRL was chosen: readable by all users
- Extensions will be allowed and the taxonomy will be in the RTS that will be updated regularly

Contradicting objectives – level of tagging



Contradicting objectives - extensions



A pragmatic solution

□ Extensions and level of tagging

- Allow extensions but with some restrictions and ability
- Start with a relatively small level of tagging
- Block tagging vs. detailed tagging

□ French issuers and market seem to be less skilled and prepared than in some other European countries

- XBRL already used in some countries for some specific files
- Few issuers are already skilled

□ A still pending issue: audit of the tagging?

Field tests

□ 3 French issuers participated

- A small biotech, two issuers of the SBF 120
- AMF is currently organising short debrief with them
 - A generally positive feedback
 - An IFRS knowledge is needed to tag correctly
 - Extensions needed for entity-specific aggregates
 - Extensions needed for “résultat opérationnel courant” which is used by many French issuers in their P&L

□ Modification in the US

- US FPI will have to file to US SEC using iXBRL as of 31/12/2017



QUESTIONS ?

