

To: Corporate Reporting - Investments & Sustainable Finance WG, Sustainability WG
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Subject: ESMA 2024 Common Enforcement Priorities for Corporate Reporting

Summary

On 24 October, the European Securities and Markets Authority (ESMA) released its annual [Public Statement](#) outlining the European Common Enforcement Priorities (ECEP) for the 2024 annual financial reports of issuers listed on European Economic Area (EEA) regulated markets.

The statement identifies key priorities across three areas – IFRS financial statements, sustainability statements, and European Single Electronic Format (ESEF) reporting – along with general considerations and reminders. ESMA further provides detailed recommendations and remarks for each topic, intended as a prioritised guide for issuers, auditors, and supervisory bodies in view of the 2024 annual financial reports.

The public statement lists the following priorities:

1. IFRS financial statements:
 - **Liquidity considerations** including supplier finance arrangements (SFA), covenants, and statement of cash flows (SCF).
 - **Accounting policies, judgements and significant estimates** including control, joint control and significant influence, and revenue from contracts with costumers.
2. Sustainability statements:
 - **Materiality considerations in reporting under ESRS** such as detailed considerations of the assessment process, engagement with affected stakeholders, and the materiality regime associated with ESRS disclosures.
 - **Scope and structure of the sustainability statement** which shall be for the same reporting undertaking as the financial statements.
 - **Disclosures relating to Article 8 of the Taxonomy Regulation** including use of templates, avoidance of double counting, and reporting on CapEx plans.
3. ESEF reporting:
 - **Common errors found in the Statement of Financial Position** including correctness of mark-ups, extension taxonomy elements and anchoring, consistency and completeness of mark-ups, correctness of signs, scaling and accuracy, and consistency of calculations.

Next Steps

The Secretariat will monitor the implementation of these priorities by ESMA.