

This paper has been prepared by the EFRAG Secretariat for discussion at a public meeting of EFRAG SR TEG. The paper forms part of an early stage of the development of a potential EFRAG position. Consequently, the paper does not represent the official views of EFRAG or any individual member of the EFRAG SRB or EFRAG SR TEG. The paper is made available to enable the public to follow the discussions in the meeting. Tentative decisions are made in public and reported in the EFRAG Update. EFRAG positions, as approved by the EFRAG SRB, are published as comment letters, discussion or position papers, or in any other form considered appropriate in the circumstances.

Value Chain Implementation Guidance Cover Note

Objective

1. The objective of the session is to collect remaining comments, if any, before the document approval scheduled for 6 November 2023. Members are therefore invited to provide remaining comments in this meeting.

Important information

2. EFRAG can only issue non-authoritative guidance in its role as technical advisor to the EC. Furthermore, while drafting guidance, EFRAG cannot develop concepts or requirements that go beyond the content of the July 2023 delegated act. The guidance aims to illustrate the delegated act but not go beyond it. For new provisions, separate standard-setting activities in accordance with the standard-setting process has to be concluded.
3. The content of the guidance presented for this meeting has not been validated by the ISSB, GRI or FISMA.
4. EFRAG is also in the process of establishing a process to answer questions from constituents similar to the IFRIC decisions under the IFRS framework.

Next steps

5. The EFRAG SRB envisages releasing the guidance in draft for public feedback for a period of four weeks as per EFRAG's due process procedures.

Additional agenda paper

6. In addition to this paper, the EFRAG Secretariat presents the following additional papers:
 - a. Agenda paper 05-02 *Feedback on VCIG* – the main paper for discussion;
 - b. Agenda paper 05-03 Updated VCIG (clean); and
 - c. Agenda paper 05-04 Updated VCIG (in tracked changes).

Questions for EFRAG SR TEG on agenda paper 05-02

7. Does EFRAG SR TEG members agree with the proposal in paragraph 5?
8. Does EFRAG SR TEG members agree with the EFRAG Secretariat analysis about VC and entity-specific disclosures as set out in paragraphs 9 to 15?
9. Does EFRAG SR TEG agree with the EFRAG Secretariat analysis in paragraphs 18 to 21?
10. Does EFRAG SR TEG agree with the EFRAG Secretariat analysis in paragraph 24?

