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[Draft] ESRS-TNFD interoperability mapping

Cover note

Objective

1. The purpose of this EFRAG SR TEG session is to approve the [draft] ESRS-TNFD Interoperability mapping jointly developed by EFRAG Secretariat and TNFD Secretariat.

Background

2. The CSRD requires that in adopting the Delegated Acts the European Commission shall to the greatest extent possible take account of the work of global standard-setting initiatives. In addition, ESRS should contribute to convergence of global standards to reduce the risk of inconsistent reporting requirements for undertakings that operate globally.
3. EFRAG and TNFD have worked closely together to ensure continuous exchange in the development of the ESRS environmental standards and the TNFD recommendations. This collaboration has ensured a strong level of consistency in the language, approach and definitions.
4. In December 2023, EFRAG and TNFD signed a Memorandum of Understanding (MoU), highlighting the importance of advancing corporate sustainability assessment and reporting to address nature-related issues, reflecting their shared commitment to enhance corporate transparency related to nature, including biodiversity and ecosystems. As part of this MoU, EFRAG also officially became the twentieth knowledge partner of the TNFD.

Purpose of the [draft] mapping

5. This [draft] mapping tool helps entities understand the commonalities between the TNFD recommended disclosures and ESRS. It lists the ESRS disclosure requirements that map to the ones recommended by TNFD, supporting interoperability.
6. The mapping demonstrates strong alignment and a notable level of consistency between TNFD disclosure recommendations and ESRS.

Question[s] for EFRAG SR TEG/SRB

7. Does EFRAG SR TEG approve the documents 04-02 and 04-03?

Next steps

8. This [draft] ESRS-TNFD Interoperability mapping will be subject to the SRB's approval and subsequently released.

Agenda papers

9. In addition to this cover note, agenda papers for this session are:
 - (a) Agenda paper 04-02 – [Part 1 of the mapping];
 - (b) Agenda paper 04-03 – [Part 2 of the mapping].