

CSRD PRACTICE FORUM MEETING – 21 APRIL 2026

Accountancy Europe and the European Contact Group (ECG) convened the fourth invitation-only [CSRD Practice Forum](#) in Brussels on 21 April 2026. As on previous occasions, the Forum brought together preparers, assurance providers, users, standard setters, regulators / enforcers to reflect on the second year of Corporate Sustainability Reporting Directive (CSRD) implementation and to look ahead to the next phase of change.

Against the backdrop of ongoing simplification efforts at EU level – including the “Omnibus I” package and forthcoming revisions to the European Sustainability Reporting Standards (ESRS) – the Forum provided a timely opportunity for an open exchange on what is working in practice, what remains challenging and what is still evolving, with a shared emphasis on collaboration and mutual learning across the CSRD ecosystem.

The Forum was held under the Chatham House Rule.

YEAR 2 EXPERIENCE: WHAT HAS STABILISED, WHAT HAS NOT

Reflecting directional insights from [a survey](#) of sustainability assurance teams across the six ECG networks, Year 2 can be characterised as smoother, but not yet settled. Companies have generally been better prepared, with reporting and assurance processes less disruptive than in the first year. Survey feedback points to improved readiness and data quality, with lessons from Year 1 applied and initial practices refined. At the same time, maturity remains uneven. While progressing, internal sustainability reporting systems and controls remain largely less robust than financial reporting systems, with interpretation challenges persisting in several areas. Ongoing uncertainty is noted in relation to GHG emissions (notably Scope 3), climate related disclosures, certain social metrics and application of the EU Taxonomy. Forward looking and qualitative disclosures are also identified as being consistently challenging to assure. That said, the scope of reporting appears to be stabilising, with the survey suggesting that the number and nature of material impacts, risks and opportunities disclosed in Year 2 remains broadly consistent with Year 1. However, there are some signs of increased grouping and rationalisation in presentation – practice that can be built on going forward.

SIGNALS FROM SUPERVISORY PERSPECTIVES

The survey’s indication that CSRD implementation is not yet at a stable end state is also echoed from a supervisory perspective. In July 2025, ESMA emphasised the need for a proportionate and realistic approach to enforcement in the early years of ESRS application, while reaffirming the need for transparent sustainability reporting. As also noted by ESMA in public statements, supervisors are themselves on a learning curve, with enforcement activity still largely focused on Year 1, even as companies have moved through Year 2 reporting. Uneven CSRD transposition means that some national competent authorities continue to exercise their mandates under the Non-Financial Reporting Directive (NFRD). Supervisory attention in the first year centred on materiality, scope and structure issues as well as EU Taxonomy disclosures. ESMA’s October 2025 fact-finding exercise highlights that while overall issuer efforts have been seen as encouraging there remain recurring areas for improvement, including reducing boilerplate language, strengthening entity specific judgement and improving the clarity and placement of materiality disclosures. Limited misalignments between sustainability and financial statements were generally explained, though the widespread use of incorporation by reference

sometimes impacted readability. Linkages between transition plans and taxonomy reporting remained limited. Many of these observations are being considered in the ongoing ESRS revision process.

DIFFERING EXPERIENCES ACROSS COMPANIES AND COUNTRIES

CSRD implementation is not one-size-fits-all; experiences diverge by company size, sector and location. Very large companies are seen as often producing more exhaustive reports, seeking to address all requirements and address all assurance provider queries. Smaller or less-resourced companies may struggle to cover the same ground. Participants highlighted that Wave 2, and first-time reporters may face a steeper learning curve, particularly in the absence of prior sustainability reporting experience. Geographic differences also persist, with some preparers from northern Member States reporting relatively straightforward assurance provider interactions, compared to others in central or southern Member States. The lack of a uniform assurance approach evident in Year 1 was only partly reduced in Year 2. Preparer-assurance provider differences continue to surface, including differing views on whether reporting should prioritise fair presentation or take a more compliance-driven approach.

Many participants described Year 2 as a conscious “roll forward” exercise, building on Year 1 structures and judgements rather than reopening foundational decisions – all the while awaiting greater clarity on regulatory changes. For some preparers, Year 2 shows a higher documentation burden even as internal processes have become more established.

MATERIALITY AS A KEY LEVER

A central theme was the need to sharpen the focus of reporting through proper application of materiality. Participants stressed the need to apply materiality not only at topic level but also to the specific information disclosed. Avoiding the impulse to report “everything, everywhere” would allow greater focus on providing decision-useful disclosures, improving both the usefulness and conciseness of CSRD reporting to their intended users.

Important questions were also raised by some on the user and market reception of the first CSRD reports, particularly their decision-usefulness for investors. Several preparers observed little or no feedback from investors or analysts on their sustainability disclosures. Similarly, credit rating agencies are perceived to still be requesting data relying on their proprietary models with limited regard to what is assessed as material in CSRD reports. Going into Year 3, it is hoped that such engagement will increase as interest grows in CSRD reports.

SUSTAINABILITY ASSURANCE: PROGRESS, WITH PRESSURE POINTS

Turning to assurance, both preparers and assurance providers noted clear progress in Year 2, with companies making evident efforts to better structure sustainability reports, refine double materiality assessments (DMA) and strengthen governance. At the same time, important challenges persist. Estimates and forward-looking information consumed an important share of assurance effort, much as complex estimates do in financial audits. While more straightforward disclosures raised limited issues, assurance teams spent significant time on higher risk areas – such as Scope 3 GHG emissions– focusing on management assumptions, methodologies and supporting evidence. In areas characterised by high estimation uncertainty or less mature data, assurance providers were perceived to have requested extensive documentation on management assumptions, contributing to some preparers’ perceptions that limited assurance can feel close to reasonable assurance in practice.

Benchmarking also featured in the assurance discussion. Some preparers described using peer comparisons to inform internal judgements and to demonstrate that materiality assessments had been tested against market practice. At the same time, participants stressed that benchmarking cannot substitute for entity-specific judgement – particularly for complex or highly diversified groups – and should be seen as a useful but secondary sense-check. Reporting decisions and assurance judgements need to be grounded in a clear understanding of the company’s business model and risk profile.

THE CASE FOR A COMMON EU SUSTAINABILITY ASSURANCE STANDARD

Inconsistency in assurance approaches was also raised, alongside strong support for the rapid development of a common EU sustainability assurance standard based on ISSA 5000. This standard is expected to help clarify expectations around evidence, sampling and documentation, and reinforce the role of professional judgement. There was a strong call to preserve reasonable assurance elements in the final EU standard; enabling clearer differentiation of the work effort expected for limited and reasonable assurance, while safeguarding quality. This would also help address preparers requests for reasonable assurance on part of their sustainability reporting.

EMBEDDING SUSTAINABLE ASSURANCE

Several preparers argued that materiality should play a more central role in assurance over sustainability information. Some expressed frustration with assurance providers' extensive evidence requests for data points of limited relevance to users, although improvements compared to Year 1 were acknowledged. Assurance providers, for their part, emphasised that assurance relies on obtaining evidence and performing inquiries – and that a more mature internal control environment can support a lighter touch approach in lower risk areas. Looking ahead, more risk-based scoping of sustainability audits, grounded in materiality and professional judgement, will be key to focusing effort where potential misstatements may matter most, reducing burden without undermining reliability.

A positive development highlighted during the discussion was the growing integration of sustainability reporting into companies' internal control frameworks. Several first wave companies described extending internal controls to sustainability data, including the appointment of dedicated "sustainability controllers" at entity level. Over time, such moves will help improve data quality and reduce assurance effort. At the same time, some companies may be delaying significant further investment in controls until the regulatory framework stabilises.

LOOKING AHEAD: REVISED ESRS AND A EUROPEAN ASSURANCE STANDARD

CSRD implementation – and the broader framework – is still a moving target. Transposition rates vary, and the final set of revised ESRS still need to emerge. While the move to streamline reporting requirements is welcomed, many urge a period of calm to allow the framework to settle, so that companies can focus on improving reporting quality and avoid a roller-coaster of continual change. At the same time, no reporting regime is static; just as financial reporting standards evolve, sustainability standards will need periodic updates. Nor do well-established standards eliminate interpretation challenges: as in financial reporting, these can remain, reflecting evolving practices and broader changes in the economic, political and market environment.

EARLY ESRS ADOPTION AND TIMING SENSITIVITIES

Looking ahead to the application of revised ESRS standards in Years 3 or 4, some preparers anticipated the need to revisit certain reporting approaches and data requirements, introducing renewed uncertainty. There are differing intentions regarding early adoption of the revised ESRS for 2026 sustainability reports. Some are open to early adoption to benefit from the burden reductions they have been advocating and to capitalise on the availability of experienced teams built up over Years 1 and 2 to implement changes. This willingness, however, is contingent on the final revised standards being published in time (around August 2026) and on the extent to which any changes diverge compared to the technical advice issued by EFRAG in late 2025. Any slippage in timelines, or the introduction of new data points and potential new complexity, will erode appetite for early adoption. Maintaining the expected timeline is critical; further delays will exacerbate uncertainty and risk undermining confidence in the simplification agenda.

FORWARD-LOOKING DISCLOSURES AND ANTICIPATED FINANCIAL EFFECTS

Discussion also centred on how to handle forward-looking disclosures, with disclosures on anticipated financial effects particularly challenging. Some preparers view this information as inherently qualitative and are uncomfortable speculating about long-term financial impacts of issues like climate change – given the high

uncertainty and potential implications for share prices and liability exposure. Other preparers differed, viewing anticipated financial effects in particular as very significant information leading for example to impairment of assets or allocation of capex to fund transition planning. Companies have been using available relief provisions; these need to remain available to them over time. Some investors cautioned against dropping these disclosures, at least for climate-related topics. Investors are accustomed to working with scenarios and estimates and value forward-looking insights. Practice is likely to improve over time (perhaps with methodologies co-developed alongside the ISSB), making such data points more decision useful.

ISSA 5000 AND THE FUTURE EU SUSTAINABILITY ASSURANCE STANDARD

Turning to the EU sustainability assurance standard, participants repeatedly emphasised the importance of a globally aligned, widely accepted and high-quality framework anchored in ISSA 5000 – already being implemented in jurisdictions outside Europe, including Australia. ISSA 5000 is generally seen as well placed to address many of the practical assurance challenges highlighted during the discussion, including those related to DMA evidence, connectivity and forward-looking information. Participants stressed the need for consistency and global operability, with EU specific add ons or carve outs limited to what is strictly necessary. This will help avoid fragmentation, increased costs and divergent global practices. Some practical application considerations were nevertheless raised, including questions around procedures to determine the extent of substantive testing, use of third-party evidence, fraud considerations and the interaction with financial materiality concepts.

In this context, the Committee of European Audit Oversight Bodies (CEAOB) shared an update on work underway to prepare technical advice to inform the delegated act, due to be delivered to the European Commission by end September 2026. The Commission’s plan to launch a public consultation in late 2026 on the draft delegated act was welcomed, but accompanied by calls for broader stakeholder involvement as the CEOB’s work progresses. In parallel, some preparers reported engaging in informal national or sector-based exchanges to share experiences – with industry associations in some Member States already compiling members’ assurance “pain points” to inform the eventual consultation process.

GLOBAL ALIGNMENT AND INTEROPERABILITY

The need for global alignment and interoperability was also highlighted from a reporting perspective. Companies with global footprints are keen to avoid a scenario in which they need to produce multiple, different sustainability reports to meet the requirements of different jurisdictions. This concern is particularly acute for non-EU groups that have paused their CSRD implementation to prioritise ISSB reporting given shifting timelines. While the ISSB-ESRS interoperability tables are welcomed as a step in the right direction, frictions remain. Some preparers specifically called for a “single passport” approach, allowing one report to meet the needs of both EU and international frameworks. While alignment between ESRS and ISSB standards remains an overall objective, there are differing views on the potential inclusion of a “non-obscuring clause” for both financial and impact material information in the revised ESRS.

CLOSING REFLECTIONS: MATERIALITY, MATURING PRACTICE AND WHAT COMES NEXT

In closing, participants reiterated the need for a “laser focus on materiality.” By concentrating on what truly matters for businesses and stakeholders, reporting can move beyond compliance and better engage senior management. There is also an urgent need to unlock the value of CSRD disclosures for investors and other users. Reflecting on limited engagement with first year reports, many cautioned against “reporting for the sake of reporting,” emphasising that each disclosure should serve a clear investor, stakeholder or internal management need. Maintaining focused, relevant and forward-looking reports is critical to decision usefulness, sustained C suite buy in and the long-term credibility of the CSRD framework.

The discussion reflected a mix of fatigue and pragmatism, with participants acknowledging the strain of early implementation while expressing determination to make the framework work as it stabilises. Practice is maturing, but full maturity remains some distance away. Progress is dependent on forthcoming changes and greater clarity and stability on the framework. Preparers, assurance and supervisors alike described themselves

as “rolling forward” with what was built in Years 1 and 2, embedding lessons and refining approaches. From an assurance perspective, preparers called for greater clarity on what constitutes “enough” work effort for limited assurance. Participants highlighted the importance of close coordination among supervisors and regulators to support a more proportionate, risk-based assurance approach, contributing to making the CSRD regime sustainable for all parties involved.

Looking ahead to Years 3 and 4, the overall mood was cautiously optimistic. If the framework stabilises as intended, participants expect sustainability reporting and assurance to become more efficient, more comparable and more impactful, delivering clearer and more investor friendly disclosures with less friction. The Forum closed by returning to its opening theme: CSRD implementation is a shared journey, and continued dialogue and shared learning will be essential. There is clear appetite to reconvene once the first reports under the revised ESRS are available and the assurance framework has progressed further, allowing the CSRD ecosystem to continue comparing experience and building a collective understanding of shared practice.