

## Success Story

*This user testimonial was developed in the frame of the Regulatory Reporting Community of Practice to share the experiences and insights of small and medium enterprises (SMEs) in their efforts to streamline regulatory reporting processes. The objective of the user testimonial is to highlight good practices that can have a positive impact on SMEs in the European Union (EU).*



Emmanuel Poidevin – President Founder of e-Attestations

**e-Attestations.com** is a French SME created in 2018 dedicated to the development of software for the management of regulatory data of third parties for public or private entities.

They operate both in B2B (Business to Business) and B2A (Business to Administration).

### Could you please briefly describe your work and how it is related to SMEs' regulatory reporting?

As a software provider, our main objective at e-Attestations is to **reduce the burden on public and private entities** that are required by law to collect a range of regulatory data on third parties with whom they interact (e.g. contractors, suppliers, clients). e-Attestations enables these clients to gather the required data and documentation from these third parties, who are the end users of the product, in a streamlined and simplified manner. The users are often SMEs, which account for 60% of the users filling in information in the software.

### What type(s) of regulatory data should SMEs provide to regulators?

Overall, I believe that the type of regulatory data requested from SMEs goes beyond what is legally required from them and is in line with the **UN Global Compact's Sustainable Development Goals (SDGs)** framework. It encompasses all aspects for which data can be reported to regulators (e.g. human rights, labour, environment, cybersecurity, anti-corruption) and for which SMEs could be required to provide information to justify their implementation of these principles and associated regulations.

Additionally, topics around cybersecurity and data privacy have been at the forefront of current trends and we have noticed an increased need for reporting on environmental policies and in particular the greenhouse gases (GHG) footprint of companies.

### What are some of the challenges, if any, that you have encountered through your work associated with the regulatory reporting process?

In my experience in e-Attestations, the first major challenge faced by the SMEs we work with is the **complexity and specificity of the reporting requirements** they have to fulfil. The regulatory documents do not take into account the specificities of companies and sectors, as the requirements cannot be the same for all. This leads to a **shift from due diligence to overdue diligence**, creating a very heavy framework that burdens SMEs, as there is little consideration of the size, sector and

geographical location of the company. I believe the setting of regulatory requirements often underestimates the operational impact on companies.

The second challenge I see for SMEs, when required to collect and report a large amount of data, is the **shift from a compliance approach to a risk approach**, as they are pushed by the ever-growing regulatory reporting requirements to prioritise the areas/sectors/domains where the risk is greater in order to streamline their reporting efforts, as meeting all the requirements is too much of a burden.

The third challenge I have noticed in SMEs is to ensure the **reliability of the data**. It is difficult to find data from external sources that stays reliable over time (e.g. the entity issuing the data may stop collecting it from one reporting period to the next, if there is no contract ensuring it). On our own scale at e-Attestations, we have had to rely on privately supplied data purchased from external contractors to be included in our system, which is quite costly. This allows us to ensure reliable data that will be provided to our client on as consistent basis for the duration of the contract with the external company.

### How can SMEs overcome these challenges? How does e-Attestations support them?

To overcome these challenges, I believe that SMEs would benefit from an **assessment by design** that considers their geographical location, sector and business activity.

At e-Attestations, we offer companies multiple solutions to streamline their process in line with the Once Only Principle. When an SME provides data, it is recorded and stored for reuse if needed, so they do not need to provide it again. Following the same principle, the tools are plugged to a series of Application programming interfaces (APIs) that provide data from external sources in the objective of reducing the burden on SMEs as much as possible.

### What role do emerging technologies play in streamlining the regulatory reporting process? How do you believe the use of technology for this purpose will evolve?

The solutions we provide are based on a variety of technologies, as follows:

- / Big Data to process large datasets
- / Artificial Intelligence to detect for each company the size, geographical location and nature of business activity to adapt the data collection as well as understand what type of data can be extracted from documents
- / Machine Learning to draw conclusions from patterns observed in a set of companies
- / Digital eIDAS signature
- / APIs to plug to existing databases and create inflows of data to be reused

This allows us to ensure that the **data is accurate, reliable, relevant, and complete**, including when it has to be provided in real-time as it is more and more often the case.

### What is the main insight that you want the reader to remember?

Looking to the future of SMEs' regulatory reporting process, I believe the two main needs to work on are:

- / the use of **prepopulated forms** to avoid duplicate reporting. Pre-populating forms reduces the burden on the entities reporting data by minimising their efforts, which can save both time and resources.
- / the use of **responsive (or mobile) applications** to enable the submission of regulatory data from a mobile phone. For us as individuals, many administrative processes can be done via mobile, either through a dedicated application or using a responsive website on a mobile. However, for companies this is not the case yet and efforts should be made in this direction to enable the reporting of regulatory data from mobile device.