



Using XBRL for Sustainability Reporting under the European Green Deal

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ABSTRACT

The European Green Deal brings into attention a new strategy to support the transition to a society that will meet the challenges of climate change and environmental degradation, improving the quality of life. Given the multitude of actors involved in the process of collecting, processing and communicating information on the impact of different activities on the environment and citizens, it is necessary to have a legal framework on sustainability reporting as rigorously as possible, in order to ensure the comparability in time and space of the information provided. For this information, reported at the European Union (EU) level, to allow decision-making at the right time, it is necessary to use digital technologies to facilitate the process of collecting, analysing and interpreting information. In this paper the authors tried to offer a practical example on how eXtensible Business Reporting Language (XBRL) works in order to highlight the benefits of this modern language in the context of the Green Deal. In this regard, using Altova MissionKit 2023, the authors designed an XBRL taxonomy which is the basis for the development of an instance in which we find some representative indicators for the circular economy, an environmental objective of the EU taxonomy. The XBRL language simplifies the transfer of information from sustainability reports prepared in different countries to the European Commission, improving and accelerating the decision-making process.

Key words: European Green Deal; sustainability reporting; circular economy; EU taxonomy; digital technologies; XBRL;

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