

A large, abstract green graphic on the left side of the page, composed of overlapping geometric shapes in various shades of green, creating a modern, layered effect.

VSME Reporting Frequently Asked Questions



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Many small and medium-sized enterprises still find sustainability reporting complex. While expectations from banks, investors, and customers are rising, clear guidance and internal resources are often lacking. To simplify the process, our experts have compiled the most frequently asked questions about VSME reporting and provided answers to help you understand how this voluntary standard can bring structure, credibility, and confidence to your sustainability journey.

Q1: What is the VSME and why was it created?

The Voluntary Sustainability Reporting Standard for SMEs (VSME) is a practical and proportionate EU framework developed by EFRAG and endorsed at EU level. It helps small and medium-sized enterprises (SMEs) structure and disclose key environmental, social, and governance (ESG) information in a clear and comparable way, while responding to rising expectations from customers, banks and value chain partners.

While voluntary, the VSME is aligned with the European Sustainability Reporting Standards (ESRS) used under CSRD, translating them into simplified, SME-appropriate requirements and offering a credible entry point into sustainability reporting.

Q2: Why is VSME reporting relevant for my company?

Even if your company is not legally required to report ESG data, customers, banks, and investors are increasingly asking for it. VSME reporting helps you respond consistently to these requests using a single, standardized framework, reducing duplicate questionnaires while improving data quality, transparency, and credibility.

VSME reporting is particularly relevant for non-listed SMEs that act as suppliers to CSRD-reporting companies or operate within complex value chains, where structured and credible sustainability information is increasingly expected. At the same time, it helps companies build internal ESG structures and prepares them for potential future European sustainability reporting requirements.

Q3: What does a VSME report include?

A VSME report combines narrative disclosures with quantitative ESG indicators. It typically covers

- ▶ Governance and the reporting setup
- ▶ Environmental topics such as energy use and greenhouse gas emissions
- ▶ Social aspects including workforce and health and safety
- ▶ Business conduct and ethics

Unlike CSRD or ESRS reporting, the VSME does not require a full materiality assessment. SMEs use an “if-applicable” approach, reporting only relevant topics and omitting non-relevant disclosures with a short justification.



More advanced reports may also include strategy, targets, and selected human rights disclosures. The level of detail can be tailored to the company's size, sector, and stakeholder expectations.

Q4: How does DEKRA support SMEs in the VSME reporting process?

DEKRA provides a structured, guided process based on the official VSME framework:

- ▶ **Project Setup:** Define the scope and reporting boundaries in a kick-off workshop.
- ▶ **Data Collection & Validation:** Gather the necessary ESG information using structured templates, plausibility checks, and ongoing expert support.
- ▶ **VSME Report:** Draft, review and finalize the report with actionable insights, ensuring completeness, consistency, and credibility.

Q5: Which VSME service package is right for my company?

DEKRA offers three packages to match SME size and ESG maturity:

- ▶ **BASIC:** for micro-enterprises up to 10 employees. Covers 11 core ESG topics and provides an accessible introduction to structured sustainability reporting.
- ▶ **STANDARD:** for SMEs with 11 to 250 employees. Includes all Basic content plus 9 additional ESG topics, meeting typical stakeholder expectations.
- ▶ **PLUS:** for SMEs with advanced ESG ambitions. Extends the Standard package with sector-specific data and alignment with international frameworks, such as CDP, GRI, SBTi, and EcoVadis.

All packages follow the same structured DEKRA process; the scope and depth of ESG content scale with your company's size and sustainability maturity.

Q6: How long does the VSME reporting process take?

The duration depends on your company's size, data availability, and which VSME Module is applied. Most SMEs complete their first VSME report – including workshops, data collection, and review – within a few weeks to a few months when supported by structured templates and expert guidance.

Once the initial report is completed and the underlying processes and templates are in place, subsequent reporting cycles typically require significantly less time and effort.



Q7: Does a VSME report need to be published or audited?

VSME reporting is voluntary. Companies can decide whether to keep the report for internal use, share it selectively with business partners, or publish it more broadly. Sensitive information can be aggregated or anonymized where appropriate.

External audit or verification is not required under the VSME standard. However, independent review can increase credibility, support discussions with banks and investors, and strengthen internal governance and confidence in the reported data.

Q8: What happens after the report is completed?

Once your report is finalized, DEKRA will review the results with you and highlight key insights and practical next steps. These may include deeper ESG analysis, carbon accounting, preparation for CSRD-level reporting, and guidance on how to use the results with banks, investors, and customers.

A photograph showing two men in a meeting. One man is in the foreground, partially visible, looking towards the other man. The second man is in the background, looking at a laptop screen. They are in an office setting with greenery visible in the background.

DEKRA Sustainability Advisory & Training

Supporting your efforts to ensure a safe workplace, a healthy workforce and environmentally sustainable operations, our training and advisory services help you to develop, implement and maintain effective management and reporting strategies. Experts in modern teaching techniques pick the best fitting learning approach to provide the knowledge you need to successfully integrate efficient procedures. Consultants with years of experience are on hand to guide you when targeting your unique corporate sustainability and carbon footprint goals by using appropriate digital tools and databases.

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