

Fact check: Omnibus

Are you ready?

On 26 February 2025, the European Commission (EC) introduced the Omnibus sustainability reporting simplification package. This initiative marks the first step in a comprehensive simplification agenda designed to bolster European economic competitiveness and to alleviate administrative and reporting burdens on companies, thereby unlocking their investment potential.

The EC anticipates that these efforts will enhance the competitiveness of European companies while upholding the climate and decarbonisation objectives of the Green Deal. The Omnibus package proposes amendments to sustainability legislation, including

- the Corporate Sustainability Reporting Directive (CSRD),
- the Corporate Sustainability Due Diligence Directive (CSDDD),
- the EU Taxonomy Regulation on reporting turnover, CapEx and OpEx in sustainable economic activities, and
- the Carbon Border Adjustment Mechanism (CBAM).

The European Commission proposes a three-step approach to simplification:

CSRD 1.1

„Stop the clock“
CSRD reporting **postponed until reporting period 2027 for:**

COM(2025)80

- (1) The second wave: large undertakings that are not public interest entities
- (2) The third wave: listed SMEs, small and non-complex credit institutions, captive insurance and reinsurance undertakings

Approval by the European Parliament 3 April 2025.
Adoption by the member states by the end of 2025 (“urgent procedure”)

CSRD 2.0

Reduction of CSRD

COM(2025)81

- New thresholds for CSRD scoping: >1,000 employees and either >EUR 50 million turnover, or >EUR 25 million total assets
- Value chain cap
- Removal of reasonable assurance
- Removal of sector-specific and LSME standards
- Revised VSME standards^(a) to be adopted as a delegated act

Reduction of ESRS & EU Taxonomy

- New thresholds for the EU Taxonomy: >1,000 employees and EUR 450 million turnover
- Materiality threshold of 10% of total turnover, CapEx, OpEx
- Reduction of 75% of the data points for the EU Taxonomy
- Development of simplified ESRS
- Revision and reduction of the number of ESRS data points, focusing on quantitative data

Note: ^(a) Voluntary Sustainability Reporting Standard for non-listed SMEs and micro-entities

What do you need to consider?

For companies still in scope

- 1 Transposition status of CSRD in different EU member states
- 2 Re-evaluate reporting scope
- 3 Reassess and consider stakeholder and capital market expectations
- 4 Continue implementation effort

For companies potentially out of scope

- 1 Transposition status of CSRD in different EU member states
- 2 Reassess and consider stakeholder and capital market expectations
- 3 Evaluate voluntary ESG reporting requirements, e.g., VSME
- 4 Begin collecting necessary data based on stakeholder expectations



[Find out more](#)

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