

Brussels, 25 July 2025

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From:	General Secretariat of the Council
To:	Antici Group (Simplification)

Subject:	Omnibus IV (Small mid-caps) - Commission presentation
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Delegations will find attached the presentation on the Omnibus IV (Small mid-caps) simplification package as prepared by the Commission for the AGS meeting on 24 July.

Small mid-caps (SMCs)

Omnibus proposals

Omnibus IV Simplification Package

Simplification Working Party meeting, 24 July 2025

General questions

Recitals 5 + 13 of Reg.

Suggested change: “To make business easier for SMCs and reduce their administrative burden, a number of existing acts which provide for specific mitigating rules for SMEs should be adapted to extend the scope of those provisions and include SMCs **-without undermining the existing support and financing at European level for SMEs. (BE)**”

Article 4 GDPR:

Ensure the consistent use of the definitions of SME and SMCs with other EU and national acts (PL)

Automaticity of changes if the relevant COM recommendations are amended (PL)?

The definitions of SMEs and SMCs should not refer to COM recommendations but explicitly lay down the definitions in the legal act (SI).

Date of entry into force and period of applicability of the Recommendation (PL)?

General questions (continued)

Transposition deadline: Article 3 (Directive on Markets in Financial Instruments, MiFID)
Suggested change: “Member States shall adopt and publish, by ~~42~~ 18 months after entry into force of this Directive] (CZ)”

We recommend considering an exemption on the SMC also for Directive 2022/2381
(Directive on improving the gender balance among directors of listed companies and related measures) (CZ)

Batteries

Q: One should consider ensuring consistency with CSDDD and its Article 7, due diligence policies should be updated every 24 months at the latest. This is especially important for the battery sector as it involves operations in high-risk areas. Therefore, in Art. 5(2) we should replace “*at least every three years thereafter*” with “*at least every 24 months thereafter and without undue delay after a significant change occurs*”. (PL)

COM: The proposed three-year period strikes a balance between the two-year timeline in Article 7 of the CSDDD and the (proposed change to) five years in CSDDD’s Article 15.

Q: If more battery manufacturing companies are exempted from the requirement to trace raw materials, suppliers, and countries of origin, how can it then be ensured that the extraction of these raw materials does not lead to soil and water pollution from mining activities? (SE)

Resilience of critical entities

Could the Commission clarify whether any impact is foreseen on other Union legislative acts beyond that Directive – in particular Directive (EU) 2022/2555 (the NIS 2 Directive) – notably given that Directive 2022/2555 also relies on the SME definition set out in Recommendation 2003/361/EC for determining its scope of application? (PT)

Trade defence

Recital 13:

Suggested change: add “*without undermining the existing support at Commission level for SMEs.*” (BE)

Article 5 (1a) AD and 10 (1a) AS :

Suggested change: add “The Commission shall facilitate equal access” (BE)

Prospectus act

Prospectus regulation :

Art. 4(1) a:

Could the Commission explain in detail the reasons why such exemption is essential for a resolution. (IT)

Art. 4(6):

We understand the *ratio legis* of the amendment is to favour the growth of MTF? (IT)

MiFID

We would like to receive an explanation concerning the methodologies used to establish the threshold and to estimate the number of companies falling in this new category compared to the total number of listed companies in the EU. (IT)

Article 1(1):

Suggested change: '(13a) 'small mid-cap enterprises or 'SMCs'

(Adding the abbreviation in the definition would make the references to 'SMEs' and 'SMCs' in Art. 33(3) more clear. (SE))

Article 1(1):

Suggested change: In point (a), add:

thereafter while at least 20 % of the issuers whose financial instruments are admitted to trading on the MTF are SMEs, at the time when the MTF is registered as an SME growth market and in any calendar year thereafter. (CZ)

MiFID (continued)

At the meeting on 25 June, the Commission mentioned that the goal is that 50 % of all listed companies on an SME growth market should be SMEs. Considering the proposed amendment under this line, could the Commission elaborate its comment? (SE)

Article 3

Suggested change: “Member States shall adopt and publish, by [Note to PO: insert exact date – [...] ~~12~~ 18 months after entry into force of this Directive] (CZ)”



F-gases

Is the current threshold set by the regulation for the registration of HFOs (100 tonnes) sufficient to limit quantitatively significant circumvention phenomena? (IT). What possible measures can be adopted to prevent this risk? (IT)

COM: HFOs (that are not in blends with HFCs) are not covered under the HFC quota system, i.e. for HFOs there are no quantitative limitations to circumvent. The 100 tCO₂e threshold applies also for the ex-post reporting obligations for HFOs and the importer must in any event be registered in the F-gas Portal to report.

F-gases (continued)

Suggested change: “(ii) ~~the placing on the market of products and equipment containing fluorinated greenhouse gases that requires reporting under Article 26~~ **above 10 tonnes of CO2 equivalent of hydrofluorocarbons, per year**” (ES). Suggested change: “(ii) ~~the placing on the market~~ **import** of products and equipment containing fluorinated greenhouse gases that requires reporting under Article 26 **10teq CO2 or more of hydrofluorocarbons or 100teq CO2 or more of other fluorinated gases**” (FR)”

COM: The reporting thresholds 10 and 100 tCO2e could be inserted. The obligation should cover *placing on the market* only, not *all imports*. Covering transit would be ineffective for products and equipment, because their customs code in transit (HS 6-digits code) is not sufficiently detailed for customs to detect if the goods contain F-gases, i.e. if a licence is required.



F-gases

The simplification proposal removes the registration requirement for companies importing pre-charged fluorinated gas equipment in quantities of less than 10t CO₂ equivalent per year. How will it be monitored that companies are not importing larger quantities? There seems to be a risk that some companies may use this exemption to import without quota, splitting their imports so that each import is less than 10 t CO₂ equivalent. We wonder whether such imports should be accompanied by a declaration of responsibility from the importer, so that the volume of gas imported in pre-charged equipment can be counted? (ES)

COM: The Single Window Environment for Customs stores and accumulates the imported quantities and customs will be alerted when an importer has a shipment that brings the accumulated annual placing on the market of HFCs above 10 t CO₂e, regardless of in which MS the shipment enters.



F-gases (continued)

Suggest to delete as follows: *(iii) the export of products and equipment as referred to in Article 22(3) containing or whose functioning relies upon, fluorinated greenhouse gases with a GWP of 1000 or more as from the prohibition date stated in Annex IV;*. (FR)

COM: The intention is those products and equipment that are normally covered under the export ban, but in the given case, may be exported, because there is an applicable exemption (Article 22(3) second subparagraph).

I.e. if it is intended for military purposes, or if the safety requirements clause in Annex IV applies in the destination country (the use of a gas with GWP higher than 1000 is needed to meet safety requirements), or if there is no EU placing on the market ban (yet) with a GWP below 1000 for that type.

GDPR

Recitals

In the recitals: Refer to the accountability principle and usefulness of record-keeping (IT)

Recital 8: Replace the word 'obligation' with '*exemption*' (BE, IE); clarify the meaning of 'organisation' (IT); assessment of raising the threshold to 750 employees (PL).

Recital 9: Refer to the need for controllers to carry out a risk assessment to benefit from the derogation (IT); clarify that a record of processing would only be mandatory for those processing *activities* that are likely to result in a high risk (IT); clarify that the derogation does not apply in the case of processing personal data under Article 9 or 10 GDPR (SI).

Recital 10: Clarify that some processing activities falling under Article 9(2)(b) GDPR could result in a high risk and trigger the record-keeping obligation (IT); add in this regard a reference to Article 35(3)(b) GDPR on large-scale processing ('*without prejudice to...*') (FI).

GDPR (continued)

Art. 1(2) (Amendments to GDPR):

Risk for exemption despite possibly failing to identify companies' processing as “high risk” or incorrectly assessing the risk as low? (PL)

Consider potential strengthening of the role of supervisory authorities in supporting smaller organisations in conducting risk assessments? (PL)

Operative part of the text (amending the following GDPR provisions)

Article 30(5) GDPR:

A compromise approach: retain the current threshold of 250 employees but simplify the scope of records for processing that is not large-scale or involve special categories of personal data (PL); add the requirement of *not* processing special categories of personal data or data on criminal offences for the derogation to apply (SI).

GDPR (continued)

Operative part of the text (amending the following GDPR provisions)

Article 40(1) GDPR:

Add "In drawing up codes of conduct, the aforementioned entities shall comply inter alia with the principles of regulatory burden minimization, digitalization and 'once only'" (IT)

Article 42(1) GDPR:

Add "The Commission shall define the requirements for the establishment of data protection certification mechanisms and of data protection seals and marks, [...]"

The Member States, the supervisory authorities and the Board shall encourage the adoption of the aforementioned data protection certification mechanisms and data protection seals and marks. [...]" (IT)