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General Secretariat

PUBLIC

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MEETING DOCUMENT

From: To:	General Secretariat of the Council Antici Group (Simplification)
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Subject:	Omnibus I CSRD/CSDDD: Examination of the EP position – Presidency presentations for AGS on 21/11

With a view to the meeting of the Antici Subgroup (Simplification) on 21 November, delegations will find attached two presentations regarding the examination of the EP position on Omnibus I (CSRD/CSDDD).

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Antici Group on Simplification

Friday, 21 November 2025

Omnibus I: CSRD/CSDDD

Examination of EP position - CSDDD

Article 1 – Material scope

PUBLIC

Council

Amendment to Article 1(1)(c), corresponding to amendment in Article 22.

Article 1(4), which clarifies the material scope of the Directive.

European Parliament

Article 1(1)(c) deleted corresponding to deletion of Article 22.

Article 2 – Personal scope

PUBLIC

Council

>5000 employees
and
>EUR 1.5 billion net worldwide turnover

Thresholds for franchising companies adjusted from EUR 22,5 mio. and EUR 80 mio. to EUR 75 mio. and EUR 275 mio. To correspond the general change made to scope

European Parliament

>5000 employees
and
>EUR 1.5 billion net worldwide turnover

Article 3 – Definitions

PUBLIC

Council

Changes made to definitions of ‘**stakeholders’** and ‘**risk factors’**

European Parliament

Changes made to definitions of ‘**stakeholders’** and ‘**reasonably available information’**

Article 4 – Harmonisation

PUBLIC

Council

Maximum harmonisation of Articles 6, 8, 10(1)-(5), 11(1)-(6), and 14.

European Parliament

Maximum harmonisation of Articles 6-16.

Deletion of Article 4(2).

Article 6 – Due diligence support at a group level

PUBLIC

Council

N/A

European Parliament

When a company covered by the Directive acquires a company that was not in the scope of the Directive, the acquiring company has two years to integrate the processes of the purchased company into its own due diligence policy.

Article 8 – Identifying and assessing adverse impacts

PUBLIC

Council

Scoping exercise and in-depth assessment, based on reasonably available information', limited to direct business partners (tier 1).

Map chain of activities to identify indirect business partners.

Carry out an in-depth assessment of indirect business partners in case of 'objective and verifiable information'.

European Parliament

Risk based approach not limited to direct business partners.

Scoping exercise based on 'reasonably available information'.

Possibility to prioritise direct business partners when performing further assessments, in line with severity and likelihood of the adverse impacts.

Article 8 – SME-shield

PUBLIC

Council

For the scoping exercise, companies shall only request to obtain information from direct business partners where that information is necessary and, in case of direct business partners with fewer than 1000 employees, cannot reasonably be obtained by other means.

COM to issue guidance on information requests.

European Parliament

For the scoping exercise, companies shall rely solely on information that is already reasonably available.

For the further assessment, and in case of business partners with less than 5000 employees, companies may only seek information as a last resort.

Companies shall not be penalised if they did not take appropriate measures to address adverse impacts, if they could not obtain all the necessary information on their chain of activities .

Article 8 – Contractual assurances

PUBLIC

Council

Companies may seek contractual assurances from direct business partners that that business partner will ensure compliance with the company's code of conduct from their business partners.

European Parliament

Deletes paragraph on contractual assurances.

Article 9 – Prioritisation of adverse impacts

PUBLIC

Council

N/A

European Parliament

Companies **may** prioritise the most severe and most likely adverse impacts.

Once most severe and most likely is addressed the company **shall** address less severe and less likely adverse impacts

Where prioritisation decisions are made in accordance with Article 9, Member States shall ensure that companies are not penalised under Article 25 or 27 for any harm stemming from any less significant adverse impacts that have not yet been addressed.

Article 10(6) and 11(7) – Suspension of business relations

PUBLIC

Council

Removes requirement for companies to terminate business relationships as a last resort, while requirement for suspension remains.

If reasonable expectation that enhanced/corrective action plan will succeed, the mere fact of continuing the business relationship will not result in penalties or civil liability.

European Parliament

Removes requirement for companies to terminate business relationships as a last resort.

Suspension made voluntary.

Reasonable expectation that action plan will succeed shall not expose the company to penalties pursuant to Article 27 or to liability under Article 29.

Exception for critical raw materials, services etc. if substantial prejudice to the company.

Article 13 and 3(1)(n) – Stakeholder engagement

PUBLIC

Council

Simplifies the notion of ‘stakeholder’ in Article 3(1)(n).

Limits the stages of the due diligence process which require stakeholder engagement by removing Article 13(3)(c) and (e).

European Parliament

Same as Council.

Article 15 – Monitoring

PUBLIC

Council

Extends the frequency of the periodic assessments to 5 years.

European Parliament

Extends the frequency of the periodic assessments to 4 years.

Article 19 – Commission guidelines

PUBLIC

Council

Postpones COM guidelines to correspond to postponement of transposition.

European Parliament

The guidelines referred to in paragraph 2, point (a), (b) and (d) to (g) shall be made available by 26 July 2026.

Guidelines on climate planes deleted corresponding to deletion of art. 22.

Article 22 – Climate transition plans

PUBLIC

Council

Companies should only ‘outline amongst other things implementing actions’.

Companies shall ensure through ‘reasonable efforts’ to ‘contribute to’ high-level climate targets.

Removes the ‘1,5 degree’ target while keeping the reference to the Paris Agreement and the objective of climate neutrality in the EU climate law.

Further limits the obligation to their adoption and gives companies more flexibility on the content and design of the plan (“design may contain”)

Postpones the obligation to adopt plans by two years to 26 July 2031 (voluntary for the first two years).

European Parliament

Art. 22 is deleted.

Article 25 – Powers of supervisory authorities

PUBLIC

Council

Article 25(1): Supervisory authorities should no longer supervise the design of the climate transition plans.

Article 25(10): Empowers supervisory authorities to advice companies on adoption, design and implementation of transition plans.

European Parliament

Changes made to correspond to the deletion of art. 22.

Article 27 – Penalties

PUBLIC

Council

Includes a maximum limit of pecuniary penalties, which is set at 5% of the net worldwide turnover.

COM to issue guidance on penalties in collaboration with Member States.

Slight change in regards to franchising companies.

European Parliament

In line with the COM proposal, the minimum-maximum limit is removed.

COM to issue guidance on penalties in collaboration with Member States.

Deletion of paragraph 2, point (d) about prioritisation

Article 29 – Civil liability

PUBLIC

Council

Removes the specific, EU-wide liability regime as set out in Article 29(1).

Removes requirement for Member States to allow for victims to be represented by civil society associations before courts in Article 29(3).

Removes requirement to ensure overriding mandatory application in Article 29(7).

European Parliament

In line with the Council and COM.

Article 36 – Review and reporting

PUBLIC

Council

Removes review clause on financial undertakings.

Adds review clause on tier 1 limitation in Article 8.

European Parliament

Removes review clause on financial undertakings.

Removes review clause on climate plans to correspond to deletion of art. 22.

Article 37 – Transposition

PUBLIC

Council

Further postponement: Member States have until July 2028 to adopt the Directive in national law and companies have until July 2029 before they have to comply with the measures in the Directive.

European Parliament

N/A

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Antici Group on Simplification

Friday, 21 November 2025

Omnibus I: CSRD/CSDDD

Examination of EP position - CSRD

Sustainability reporting

Audit Directive
Accounting Directive
Corporate Sustainability Reporting Directive

PUBLIC

Audit Directive

PUBLIC

Assurance requirements (Council)

Article	Nature of change
Article 3(4) & 24b(1)	Legal clarity as regards requirements for approval of audit firms and organisation of their work
Article 26a(3)	Removal of deadline for COM adoption of assurance standards (limited assurance) – replaced with targeted guidelines [Same as COM]
Article 45(5)	Simplification/proportionality of approval requirements for 3rd country auditors

Assurance requirements (EP)

Article	Nature of change
Article 3(4) & 24b(1)	N/A
Article 26a(3)	Re-insert deadline of Oct 2026 for adoption of assurance standards (limited assurance) “Shall adopt” instead of “may adopt”
Article 45(5)	N/A

Accounting Directive: Art. 19a + 29a

PUBLIC

Scope (Council)

Issue	Council mandate
Scope	Thresholds: • # Employees: 1000 • Net turnover: €450 million
Subsidiary exemptions	Also exempt subsidiaries that are public interest entities - if included in parent undertaking's consolidated reporting

Scope (EP)

Issue	EP mandate
Scope	Thresholds: • # Employees: 1750 • Net turnover: €450 million
Subsidiary exemptions	Also exempt subsidiaries that are public interest entities - if included in parent undertaking's consolidated reporting
Other exemption	Exempt financial holding companies

Accounting Directive: Art. 19a(3) + 29a(3)

PUBLIC

Value chain cap (Council)

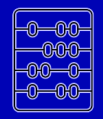
Issue	Council mandate
Coverage	Undertakings with up to 1000 employees
Main elements	Rewords and adds elements to ensure: i. MS are not obliged to ensure undertakings do not seek to obtain… ii. freedom of contract, iii. possibility of sharing of information on a voluntary basis (instead of "commonly shared" which is assessed as ambiguous), iv. improved protections for value chain companies, incl. that they should be informed if information requests exceed voluntary standard and of their right to deny.

Value chain cap (EP)

Issue	EP mandate
Coverage	All undertakings not in scope of CSRD
Main elements	Same wording as COM except for coverage
Additional provisions regarding value chain reporting	Removes reference to the duration (3 years) of the transition phase exemption for providing value chain info if it is difficult to acquire (unlimited exemption option)












Accounting Directive: Art. 19a(2) (iii)

PUBLIC

Climate Transition Plans (Council)

Issue	Nature of change
Climate Transition Plans	Changed *"are compatible with"* to *"contribute to"* the transition to a sustainable economy […] in line with the Paris agreement (deletion of reference to 1.5 degrees)

Climate Transition Plans (EP)

Issue	Nature of change
Climate Transition Plans	Same as COM (i.e. Commission text i.e. *"are compatible with"* and with reference to 1.5 degrees)

Accounting Directive: Art. 19a(4a) + 29a(5a)

PUBLIC

Possibility to omit info (Council)

Issue	Council mandate
Types of data that can be omitted	a) Information that would prejudice the commercial position of the preparer b) Intellectual capital/property, know-how or results of innovation that qualify as trade secrets c) Classified information d) Other sensitive info that should be protected according to EU or national law or privacy or security reasons.
Criteria for omission	For all types: (i) Discloses omission (ii) Reassesses at each reporting date For a) also: (iii) only if no prevention of fair and balanced understanding, and (iv) impossible to disclose in another manner

Possibility to omit info (EP)

Issue	EP mandate
Types of data that can be omitted	1) Same as COM text re. MS option to allow information that would prejudice the commercial position of the preparer to be omitted 2) Intellectual capital/property or know-how, business information or technological information which constitutes trade secrets (as per Trade Secrets Directive)
Criteria for omission	Ad. 1) only if no prevention of fair and balanced understanding Ad. 2) No criteria

Accounting Directive: Art. 29a(1)

PUBLIC

Recent acquisitions (Council)

Issue	Nature of change
Recent acquisitions	N/A

Recent acquisitions (EP)

Issue	Nature of change
Recent acquisitions	24 month transition period for newly acquired subsidiaries

Accounting Directive: Art. 29b

PUBLIC

Sector-specific guidance (Council)

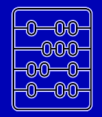
Issue	Council mandate (IN RECITAL)
Type of guidance	The Commission could provide sector-specific ESRS guidance, including guidance on the conduct of the double materiality assessment for a typical undertaking operating in that sector.
Opportunity or obligation	”could provide”
Stakeholder consultation	“Depending on the demand from undertakings”

Sector-specific guidelines (EP)

Issue	EP mandate (IN ARTICLE TEXT)
Type of guidance	The Commission shall develop voluntary sector-specific guidelines to assist undertakings in the same sector in conducting their materiality assessment
Opportunity or obligation	”shall develop”
Stakeholder consultation	“after consultation with relevant stakeholders”











Accounting Directive: Art. 34(2b)

PUBLIC

Limited assurance (Council)

Issue	Nature of change
Opinion of auditor	2a. Assurance opinion shall respect value chain cap 2b. (new EP proposal) N/A

Limited assurance (EP)

Issue	Nature of change
Opinion of auditor	2a. Assurance opinion shall respect value chain cap (coverage: all not-in-scope undertakings) 2b. (new EP proposal) Auditors opinion shall respect the possibility to omit information if an undertaking in a third country risks sanctioning

Accounting Directive: Art. 40a

PUBLIC

Third country reports (Council)

Issue	Council mandate
Criteria for EU subsidiary or branch	• Subsidiaries: large undertakings as per Accounting Directive art. 3(4) • Branches: €50 million net turnover in the preceding year
Additional criteria for parent undertaking	• Consolidated net turnover within the EU: €450 million (two last consecutive financial years)

Third country reports (EP)

Issue	EP mandate
Criteria for EU subsidiary or branch	• Subsidiaries: **€450 million** net turnover in the preceding year • Branches: **€450 million** net turnover in the preceding year
Additional criteria for parent undertaking	• N/A

CSRD: Art. 5(2)

PUBLIC

CSRD Transposition (Council)

Issue	Nature of change
Legal certainty for wave-1 undertakings	Explicitly indicates reporting period for wave-1 undertakings as financial years starting between 1 Jan 2024 and 31 Dec 2026
MS option	Option to exempt wave-1 undertakings, that from FY 2027 will fall out of scope, from reporting for FY 2025 and FY 2026

CSRD Transposition (EP)

Issue	Nature of change
Legal certainty for wave-1 undertakings	N/A
MS option	N/A

CSRD: Art. 6

PUBLIC

Review clause (Council)

Issue	Nature of change
Review clause	Assessment of: - Number of undertakings that make use of voluntary standard - Extension of scope with reference to large undertakings

Review clause (EP)

Issue	Nature of change
Review clause	N/A

EP proposal for new article 4a

PUBLIC

Art. 4a: Digital solutions

1. The Commission shall establish a dedicated digital reporting portal serving as a onestop-shop for companies. The portal shall provide free access to all templates, guidelines and information relating to all reporting requirements imposed on companies in Union law including voluntary tools, tailored to a company's size, sector, products and services, and risk exposure. It shall also provide access to information on funding and tendering opportunities to help companies implement, comply with and benefit from their due diligence obligations.
For the purposes of the first subparagraph, the Commission shall ensure that the relevant data platforms providing information to companies and data users are interoperable and that data can be transmitted, exchanged and analysed in a technically seamless manner and complement the European Single Access Point.

2. The Commission shall submit a report to the European Parliament and the Council by ... [24 months after the entry into force of this Directive] on the need to provide for technological solutions for the purposes of this Directive, including the use of trustworthy artificial intelligence in accordance with Regulation (EU) 2024/1689.

- 1 stop shop:
  i. Document repository
  ii. Voluntary tools
  iii. Information on funding and tenders relating to due diligence obligations
  iv. Data exchange and analysis
  v. Complementary to ESAP
- Assessment of need to provide technical solutions, incl. AI, for sustainability reporting and due diligence.



