

Table 1. Proposed changes to European sustainability reporting in the Omnibus draft.

Regulation	Element	Previous requirement	Proposed changes in the Omnibus draft
Corporate Sustainability Reporting Directive (CSRD)	CSRD firm size	Companies with 250+ employees and €50 million in turnover.	Only companies with >1,000 employees and €50 million in revenue or €25 million in balance sheet total will be required to report.
	CSRD number of companies covered	> 50,000	< 7,000
	CSRD third-country undertaking threshold	€150 million turnover.	Raised to €450 million turnover.
	CSRD assurance	Limited assurance required, with plans to transition to reasonable assurance.	Remains limited assurance (removal of reasonable assurance).
	CSRD reporting deadlines	Set deadlines for first disclosures and audits.	Delayed by up to two years for second and third wave companies.
	Double materiality	Required (both financial and impact materiality).	Retained in the proposed draft.
	ESRS sector-specific standards	Mandatory sector-specific reporting standards to be introduced.	Scrapped.
	CSRD reporting data points	Companies must report on a broad range of qualitative and quantitative sustainability disclosures across all ESRS standards.	Reduction of required data points, with greater emphasis on quantitative KPIs and less focus on narrative/text-based disclosures.
Corporate Sustainability Due Diligence (CSDDD)	CSDDD scope	Covers entire value chain.	Now limited to direct suppliers only.
	CSDDD supplier risk assessment	Assessment included indirect suppliers.	Indirect suppliers assessed only if plausible risks exist.
	CSDDD supplier monitoring	Annual monitoring.	Changed from annual monitoring to once every five years.
	CSDDD contract termination	Companies required to terminate contracts for non-compliant suppliers.	No longer required.
	CSDDD civil liability	Companies could face civil liability for non-compliance.	Civil liability provisions removed.
	CSDDD transition plans	Mandatory implementation of transition plans.	Only adoption required (implementation is not mandatory).
	CSDDD downstream due diligence	Due diligence requirements for financial institutions were under consideration.	These requirements are removed.
	CSDDD penalties	Maximum penalties not less than 5% of global turnover.	This provision is removed.
	CSDDD harmonisation	Member states could impose stricter requirements in certain areas.	Stricter national due diligence requirements may no longer be allowed in key areas such as risk assessment, value chain due diligence, and penalties. Moves toward greater harmonisation across EU member states, limiting flexibility.
EU Taxonomy	EU Taxonomy reporting obligation	Mandatory reporting under Taxonomy rules.	Opt-in regime for large undertakings with >1,000 employees and either €50 million turnover or €25 million balance sheet total, provided their net turnover does not exceed €450 million.
	EU Taxonomy data points	Detailed reporting on multiple indicators.	Reduction of data points by almost 70%.
	EU Taxonomy disclosure requirements	Companies must report on revenue, CapEx, and OpEx KPIs.	Companies claiming Taxonomy alignment (full or partial) must disclose turnover and CapEx KPIs, while OpEx KPI disclosure is optional.