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Momentum on Voting on the Omnibus Delay and Updating Corporate Sustainability Reporting Requirements

Regulatory & Compliance on **April 1, 2025**

Vote to delay

On 1 April 2025, the European Parliament approved the “urgent procedure” with regards to the “Omnibus” package of proposals to streamline corporate sustainability requirements.

The next step to vote on the "stop-the-clock" proposal will take place on **3 April 2025**.

The approval of the urgent procedure of the Omnibus passed with a comfortable majority, but the division among political groups remains evident. If the stop-the-clock proposal is approved on 3 April 2025, co-legislators, being the European Parliament and the Council of the European Union, will begin negotiations to finalize the legal text.

Movement on substantive requirements

On 28 March 2025, Maria Luís Albuquerque, the European Commissioner for Financial Services and the Savings and Investments Union, sent a letter to the EFRAG Sustainability Reporting Board (EFRAG SRB) outlining the European Commission's mandate for simplifying the first set of European Sustainability Reporting Standards (ESRS), which are the standards followed for Corporate Sustainability Reporting (CSRD). Commissioner Albuquerque emphasized the urgency of implementing these simplifications, highlighting their significance in the current geopolitical and economic context.

In response to this mandate, EFRAG has committed to a fast-track process aimed at substantially reducing mandatory data points and easing the practical application of the ESRS. The key dates are:

- **15 April 2025:** EFRAG will inform the European Commission of its internal timeline to simplify the ESRS; and
- **31 October 2025:** EFRAG has been tasked by the European Commission to provide its technical advice by this date so that the European Commission has time to adopt legislation in time for "companies to apply the revised standards for reporting covering financial year 2027, potentially with an option to apply the revised standards for reporting covering financial year 2026 if companies wish so".

On this basis, it appears that the European Commission plans to adopt the revised and streamlined ESRS before the end of 2026, and that companies in the first wave of reporting would have the option to utilise the new ESRS should they wish to do so.

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