

Tougher CSRD Position Endorsed by European Parliament – What Happens Next

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On 13 November 2025, the European Parliament (“**Parliament**”) adopted its negotiating position on the review of the Corporate Sustainability Reporting Directive (“**CSRD**”), as part of the European Union’s (“**EU**”) broader simplification agenda for companies in the so-called “Omnibus”. The Parliament’s position raises the company-size thresholds for entities in scope, setting considerably higher limits than those proposed by the European Commission and the Council of the European Union (“**Council**”). In addition, the Parliament’s proposed position on CSRD drops the requirement for companies to publish a dedicated transition plan — a major change compared to earlier drafts.

Below is a summary table comparing the negotiating mandates from the three key institutions — the European Commission, the Council and the Parliament — with respect to company size thresholds, employee numbers and differentiating between EU companies versus third-country companies with an EU subsidiary or branch.

Institution	Scope: EU companies (standalone or in a group)	Scope: Non-EU based (third-country) parent companies with an EU subsidiary or branch
European Commission	1,000 employees + €50 m net turnover OR a balance sheet total exceeding €25 m	€450 m EU derived net turnover + an EU subsidiary meeting the revised thresholds OR an EU branch with EUR 50 million in turnover
Council of the European Union	1,000 employees + €450 m net turnover	€450 m EU derived net turnover + an EU subsidiary or branch also with €450 m net turnover
European Parliament	1750+ employees + €450 m net turnover	€450 m EU derived net turnover + an EU subsidiary or branch also with €450 m net turnover

What happens next?

The next phase is the **trilogue negotiations** between the European Commission, Council and Parliament. The three must agree on a final text. We expect one or more rounds of informal and formal talks through the rest of this year, with a compromise text potentially adopted in the first half of next year. After their agreement, the Directive will be formally adopted at EU level and Member States will then transpose the rules into national law, meaning full implementation is likely to lie beyond 2025, depending on transitional provisions.

Please contact us at ukreg@proskauer.com if you would like to discuss how your organisation can navigate the changes ahead.

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