

# Commission welcomes political agreement on Omnibus I simplification package\*

The European Commission welcomes the political agreement reached yesterday between the European Parliament and EU Member States on the Omnibus I simplification package, a significant step forward in relieving companies from administrative burden.

Amendments to the Corporate Sustainability Reporting Directive (CSRD) and Corporate Sustainability Due Diligence Directive (CSDDD) are at the heart of this first Omnibus package. They aim to simplify and harmonise sustainability reporting and due diligence practices across EU Member States, ensuring businesses benefit from fewer hurdles and greater consistency in compliance – without compromising the integrity and objectives of the existing directives.

Overall, the Omnibus I simplification package reduces complexity and enhances efficiency. By focusing sustainability obligations on the largest companies, which are likely to have the biggest impact on the climate and the environment, it ensures smaller entities are not disproportionately impacted. Changes include removing reporting and due diligence requirements for many companies, introducing more flexibility for companies that remain subject to the mandatory requirements, and protecting smaller companies from excessive information requests from larger companies, all designed to ease business operations while upholding the original policy objectives of the directives.

Since the beginning of the mandate, the Commission is working hard towards reducing administrative burdens for companies - 25% overall and 35% for SMEs – which will unlock billions in investment capacity.

The proposed measures to reduce the scope of the CSRD - as well as the future changes to the ESRS that will streamline, simplify and reduce the reporting requirements for companies remaining in scope - will generate significant cost savings for companies.

The changes to the CSDDD eliminate unnecessary complexities and ultimately reduce compliance burden while preserving the Directive's goals to reduce adverse environmental and human rights impacts, including in global value chains of large companies active in the EU, and advance the sustainability transition of our economies.

The provisional agreement is a significant step forward in creating a more favourable business environment to help EU companies grow, innovate, and create quality jobs.

## Next Steps

The provisional agreement reached in the trilogue discussions now awaits formal approval from both the European Parliament and the Council. Upon adoption by co-legislators, the amendments will be published in the Official Journal of the European Union and will become effective on the day of their publication.

## Background

The Commission works to strengthen EU competitiveness while protecting economic, social, and environmental objectives. Simpler regulation and reducing regulatory burdens are instrumental to a more competitive and attractive Europe. From January and until now, the Commission has adopted seven omnibus proposals and other simplification initiatives aiming to simplify rules across key sectors, including energy and energy product legislation, taxation, defence, competitiveness and innovation.

On 26 February 2025, the Commission [adopted](#) a package of proposals to simplify EU rules, boost competitiveness, and unlock additional investment capacity. On 14 April 2025, the Council adopted the 'Stop-the-clock' mechanism and postponed by two years the entry into application of the CSRD requirements for large companies that have not yet started reporting, as well as listed SMEs, and by one year the transposition deadline and the first phase of the application (covering the largest companies) of the CSDDD.

\*updated on 09/12/2025 - 10:18

