

Company law: time limits for the adoption of sustainability reporting standards for certain sectors and for certain third-country undertakings

2023/0368(COD) - 29/01/2024 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Legal Affairs adopted the report by Axel VOSS (EPP, DE) on the proposal for a decision of the European Parliament and of the Council on amending Directive 2013/34/EU as regards the time limits for the adoption of sustainability reporting standards for certain sectors and for certain third-country undertakings.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

Title

Members proposed to change the title of the proposal to a Directive instead of a Decision.

Reducing the reporting burden

It is noted that EU companies have recently been facing many challenges and heavy bureaucratic burden in times of the COVID pandemic as well as the war in Ukraine and its impact on energy prices etc. The Commission has committed to simplify reporting requirements for companies. It proposed to postpone the adoption of the second set of standards under the Corporate Sustainability Reporting Directive (CSRD) by two years to give companies more time to digest the first set of standards and to focus on their proper implementation. This would mean these standards are adopted in June 2026 instead of June 2024, as currently foreseen.

The report stipulated, however, that this change does not prevent the Commission from publishing the sector specific sustainability reporting standards before that date and the Commission should endeavour to adopt eight of the sector-specific sustainability reporting standards as soon as each is ready.