

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

2023/0368(COD) - 08/05/2024 - Final act

**PURPOSE:** to delay reporting obligations for certain sectors and third country companies.

**LEGISLATIVE ACT:** Directive (EU) 2024/1306 of the European Parliament and of the Council 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.

**CONTENT:** sustainability reporting requirements play a key role in ensuring market transparency and in ensuring that undertakings are accountable for their impacts on people and on the environment.

Directive 2013/34/EU of the European Parliament and of the Council requires the Commission to provide for sustainability reporting standards by means of delegated acts, by 30 June 2024, specifying the information that undertakings are to report with regard to sustainability matters and the reporting areas specific to the sector in which an undertaking operates, in addition to the information that undertakings are already required to provide under Commission Delegated Regulation (EU) 2023/2772.

This directive postpones for two years (**until 30 June 2026**) the adoption of sector-specific sustainability reporting standards for EU companies and general sustainability reporting standards for non-EU companies.

However, that postponement should not prevent the Commission from publishing the delegated acts containing the sector-specific sustainability reporting standards before that two-year period has elapsed, and the Commission should endeavour to adopt delegated acts containing eight of the sector-specific sustainability reporting standards as soon as each is ready.

This directive will allow companies to focus on the implementation of the first set of European Sustainability Reporting Standards and limit the reporting requirements to a necessary minimum. It will also allow more time to develop these sector specific sustainability standards and standards for non-EU companies.

**ENTRY INTO FORCE:** 28.5.2024.