

Directive Omnibus et allégement de la CSRD

Mercredi 19 mars 2025

Commission « finance durable et notations »

Président



Matthieu BOUCHERY

Directeur du financement et de la trésorerie
Orange

Référent notations



Charles PUISSANT

Ingénieur financier
Thales

Rendez-vous sur la page
de la commission :



Synopsis

La finance durable est sous le feu des projecteurs. La directive Omnibus a été publiée le 26 février propose de sérieux allègements sur les textes CSRD, CSDDD ainsi que la taxonomie.

Décrypter le projet et comprendre quels sont les changements qui affectent votre entreprise.

Programme

- Introduction aux textes de la CSRD, Taxonomie et CS3D
- Impacts de la directive Omnibus sur CSRD
- Changements à venir pour la Taxonomie
- Quid de la CS3D ?

EU Omnibus Package

CACIB PRESENTATION TO AFTE
19TH MARCH 2025

Today's speakers



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EU Sustainable finance Regulation

Omnibus package

- On February 26th, the European Commission published **the Omnibus package**, which includes proposed changes to the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD), the Carbon Border Adjustment Mechanism (CBAM) and the EU Taxonomy
- These proposals remain subject to European Parliament and Council approval or scrutiny and, for some proposals, transposition into domestic law by EU Member States

EU Sustainable Finance Regulation (key texts)

CSRD	EU Taxonomy	CSDDD	SFDR	EU ETS
<p>Aims to harmonize and extend the scope of sustainability reporting across Europe</p> <ul style="list-style-type: none"> mandatory indicators defined in the ESRS Improvement of the communication, reliability, and quality of published data Disclosure of the Principal Adverse Impact (PAI) indicators needed for the reporting of financial institutions under SFDR Expansion of the range of companies subject to mandatory sustainability reporting 	<p>Defines a common classification of economic activities contributing to one of the below 6 environmental objectives of the EU without doing</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <small>CLIMATE CHANGE MITIGATION</small> </div> <div style="text-align: center;">  <small>CLIMATE CHANGE ADAPTATION</small> </div> <div style="text-align: center;">  <small>POLLUTION PREVENTION</small> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;"> <div style="text-align: center;">  <small>CIRCULAR ECONOMY</small> </div> <div style="text-align: center;">  <small>SUSTAINABLE USE OF WATER AND MARINE RESOURCES</small> </div> <div style="text-align: center;">  <small>HEALTHY ECOSYSTEM</small> </div> </div>	<p>Requires companies to conduct appropriate human rights and environmental due diligence with respect to:</p> <ul style="list-style-type: none"> their operations operations of their subsidiaries, and operations of their business partners in companies' chains of activities 	<p>Aims to improve transparency disclosure at investor and fund level:</p> <ul style="list-style-type: none"> ESG risks and policies, types of funds (mainstream, light green (i.e. Article 8 funds), and dark green (i.e., Article 9 funds)) with Article 9 funds to be invested in Sustainable Investments 	<p>EU carbon Market that requires polluters to pay for their greenhouse gas emissions based on a "cap and trade" principle with emission allowances giving right to emit one tonne of CO₂ eq</p>
				<h3>CBAM</h3>
				<p>EU's tool to put a fair price on the carbon emitted during the production goods that are entering the EU</p>



Impacted by Omnibus Package

Not impacted, revision expected H2 2025



Impacted

European Commission's Omnibus Package Overview

Main changes proposed for each type of entities

		CSRD				CSDDD				
CSRD	Entities	Listed companies with 500+ employees and a >50m€ turnover or a >25m€ balance sheet	Listed or certain EU companies but non-listed ones with 250+ employees and a >50m€ turnover or a >25m€ balance sheet	EU listed SMEs, small and non-complex credit institutions, and captive insurance and reinsurance undertakings	Non-EU companies, with at least one EU branch with a >40m€ turnover and a >150m€ turnover in the EU area	CSDDD	Entities	EU companies with 5000+ employees and a >1.5bn€ turnover worldwide and non-EU companies with a >1.5bn€ turnover in the EU	EU companies with 3000+ employees and a >900m€ turnover worldwide and non-EU companies with a >900m€ turnover in the EU	EU companies with 1000+ employees, and a >€450m turnover worldwide and non-EU companies with a >€450m turnover in the EU
	Initial reporting	FY 2024 in 2025 Wave 1	FY 2025 in 2026 Wave 2	FY 2026 in 2027 Wave 3	FY 2028 in 2029 Wave 4		Reporting delay	2028 (1 year)	2028 (1 year)	2029 (1 year)
	Reporting delay	Not impacted	FY 2027 in 2028	FY 2028 in 2029	Not impacted		Impacts	• Simplification of the reporting requirements		
	New thresholds for reporting	Only applicable to companies with 1000+ employees and a >50m€ turnover or a >25m€ balance sheet		Out of scope	Increased thresholds: an EU branch with a >50m€ turnover and a >450m€ turnover in the EU area					
	Impacts	<ul style="list-style-type: none"> • Simplification of the reporting requirements for companies in new Omnibus scope (1000+ employees) • Voluntary reporting option aligned with VSME standards from EFRAG for companies out of new Omnibus scope (<1000 employees) 								
Taxonomy	Proposed scope	• Mandatory reporting for companies with 1000+ employees and a >450m€ turnover from 2028 and voluntary reporting for companies below 450m€ turnover		Out of scope	• Mandatory and voluntary reporting based on same thresholds					
	Impacts	• Reporting template reduced by around 70%								

Details of the changes introduced by the Omnibus package

CSRD proposals

Topic	Existing requirements	Changes proposed by the European Commission
CSRD reporting deadlines	Initial reporting requirements for 2026 (large EU companies) and 2027 (listed SMEs)	Delays of up to two years (until 2028) for companies that have not started reporting yet, required to report as of 2026 (second wave) or 2027 (third wave)
CSRD scope	Companies with 250+ employees and either >€50M turnover or a >€25m balance sheet	Companies with 1000+ employees and either a >€50m turnover or a >€25m balance sheet
CSRD number of companies covered	>50,000 companies	In-scope companies reduced by 80% (around 7000 companies), removing listed SMEs and large undertakings with up to 1000 employees
CSRD Assurance	Limited assurance required, with future plans for reasonable assurance	Remains limited assurance ; reasonable assurance requirement proposal removed
Double materiality	Required	Retained (companies to report on both sustainability risks and impacts)
ESRS standards	Database with up to 1200 data points	Revised and simplified , removing those deemed least important for general purpose sustainability reporting, prioritizing quantitative datapoints over narrative text Expected clear guidance and harmonized definitions
ESRS sector-specific standards	To be introduced	Abolished to reduce reporting complexity
CSRD value chain reporting	ESRS specify what the value-chain cap is	Companies can no longer require SMEs in their value chain to disclose data exceeding the voluntary SME reporting standard
Voluntary reporting standard	N/A	For companies not in the CSRD scope (i.e., less than 1000 employees), voluntary reporting based on the standard for SMEs (VSME) developed by EFRAG

Key takeaways

- Fewer companies will have to do less ESG reporting
- Could lead to **further market fragmentation** between companies within the scope and companies out of scope
- For companies out of scope, it will **introduce an internal debate** to strategically think about their ESG reporting beyond legal requirements, i.e., on the benefits of using the voluntary standard (ESG risk management, external communication)
- Likely to **widen the gap in corporate accountability and the sustainability data required by investors and financial institutions** (SFDR, CSRD reporting)
- **Limited access to reliable and comparable public ESG data** for main stakeholders
- **ESG data providers** expected to **remain influent to source the data**

Details of the changes introduced by the Omnibus package

EU Taxonomy consultation

Topic	Existing requirements	Changes proposed by the European Commission
Taxonomy Reporting Deadlines	Initial implementation in 2025 for large companies	Postponed in line with CSRD delays
EU Taxonomy scope	Mandatory reporting for CSRD-covered companies	Mandatory reporting for companies with 1000+ employees and a >450m€ turnover with a voluntary approach for companies with a turnover between 50 and 450m€
EU Taxonomy reporting	Strict reporting	<ul style="list-style-type: none"> • More flexibility for companies subject to voluntary reporting: Possibility to report on activities that meet certain taxonomy technical screening criteria without meeting all of them (partial alignment) • Introduction of materiality thresholds: exempt companies from assessing EU Taxonomy-eligibility and alignment of their economic activities that are not financially material for their business (not exceeding 10% of turnover, CapEx or total assets (25% threshold to apply for OpEx eligibility/alignment KPI))
GAR calculation	Strict GAR calculation	Non-reporting entities under CSRD excluded from GAR denominator and postponement by 2 years of the reporting of the GAR on trading book and fees & commissions
EU Taxonomy DNSH criteria	Strict DNSH criteria	Simplifications to the most complex “Do no Significant harm” (DNSH) criteria (Pollution prevention initial and announcement of a global revision of the DNSH in a 2 nd stage)

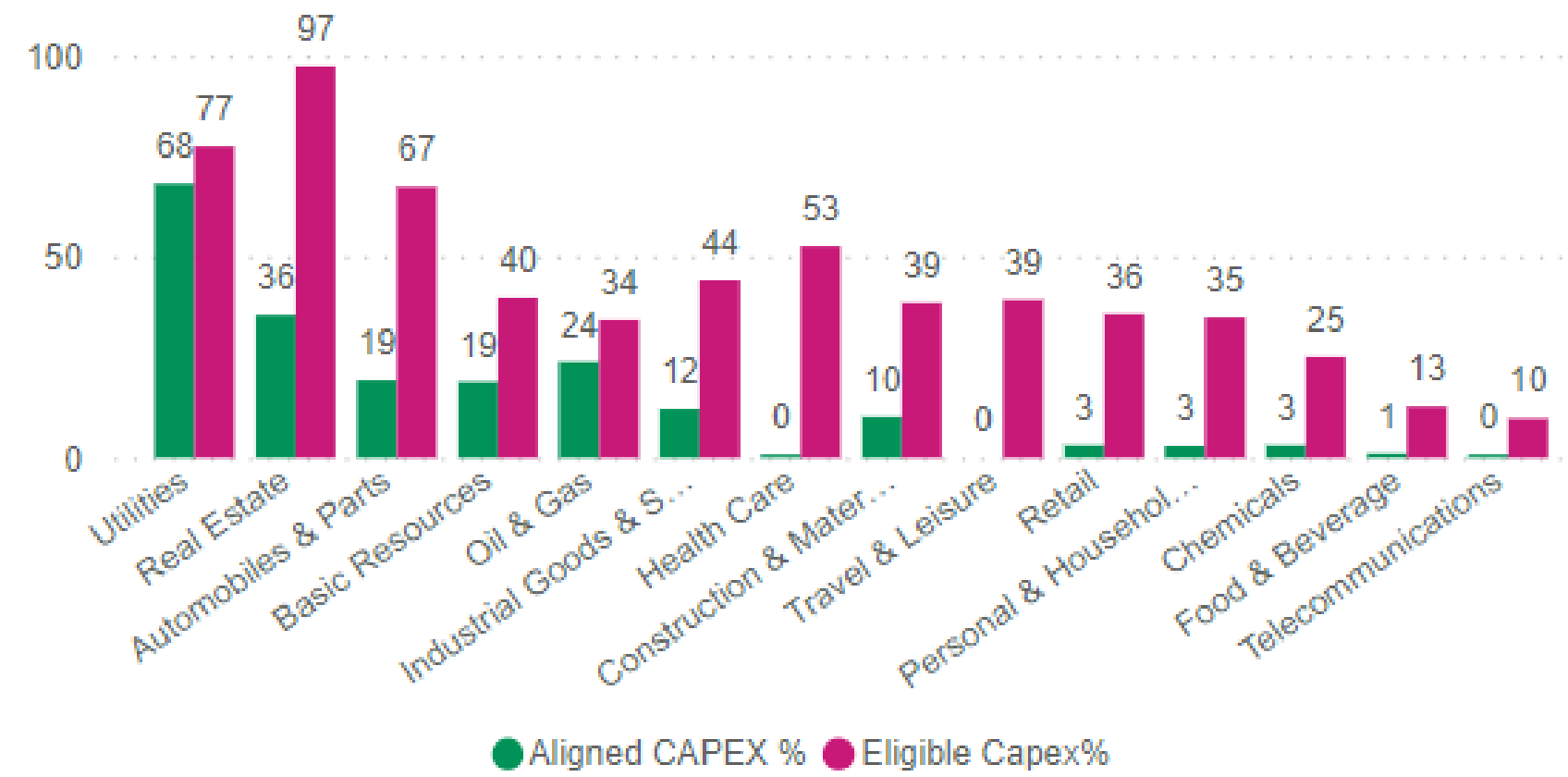
Key takeaways

- Moving to voluntary reporting for companies below a certain **threshold would potentially create a two-speed market**
- **Reduction of the scope will imply a limited access to reliable and comparable Taxonomy alignment data** for main stakeholders
- The proposed changes **aim to improve the usability of the regulation**
 - DNSH criteria simplification
 - Materiality threshold
- **For financial institutions, the revision of the GAR calculation will harmonize the scope covered on the denominator and the numerator** and is expected to ease the benchmarking of this indicator among banks

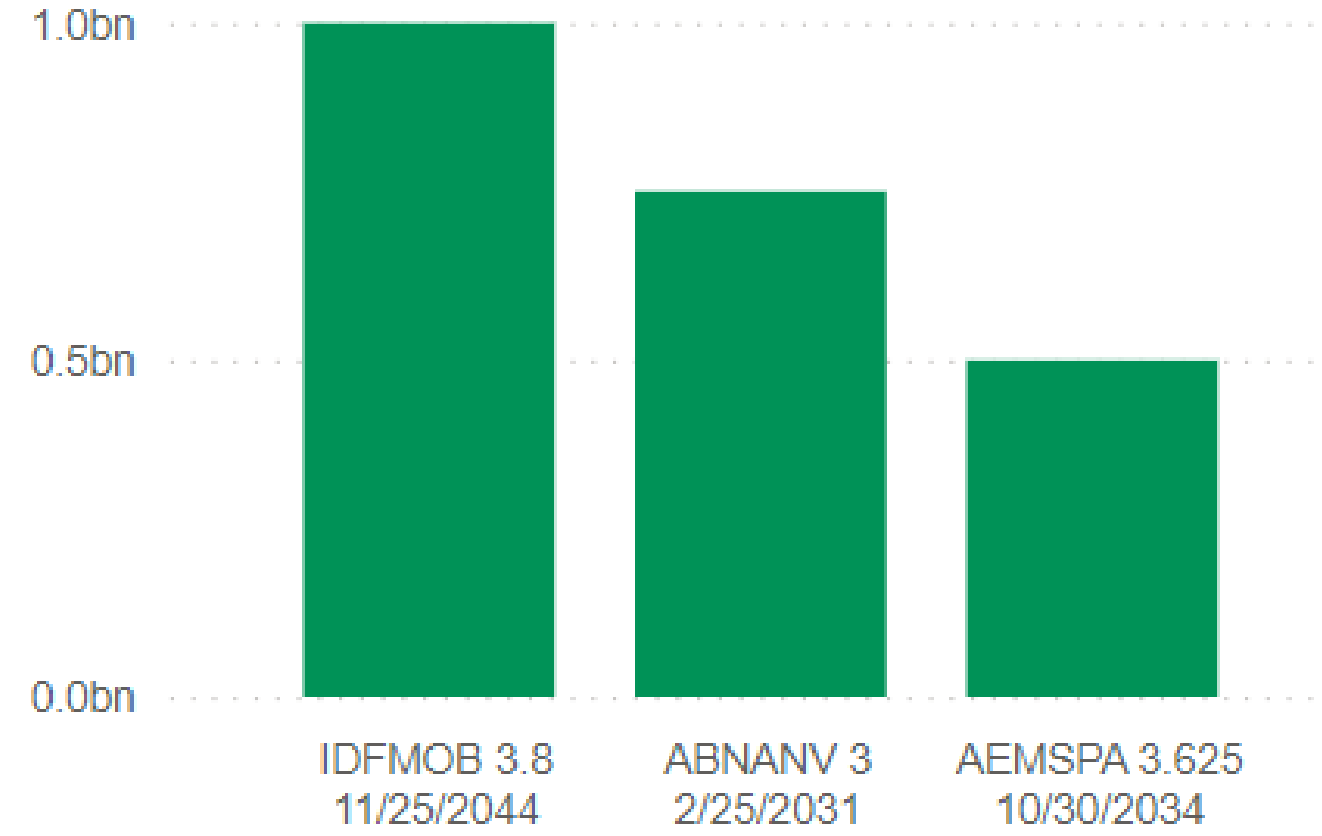
EUR sustainable bonds

YTD market update

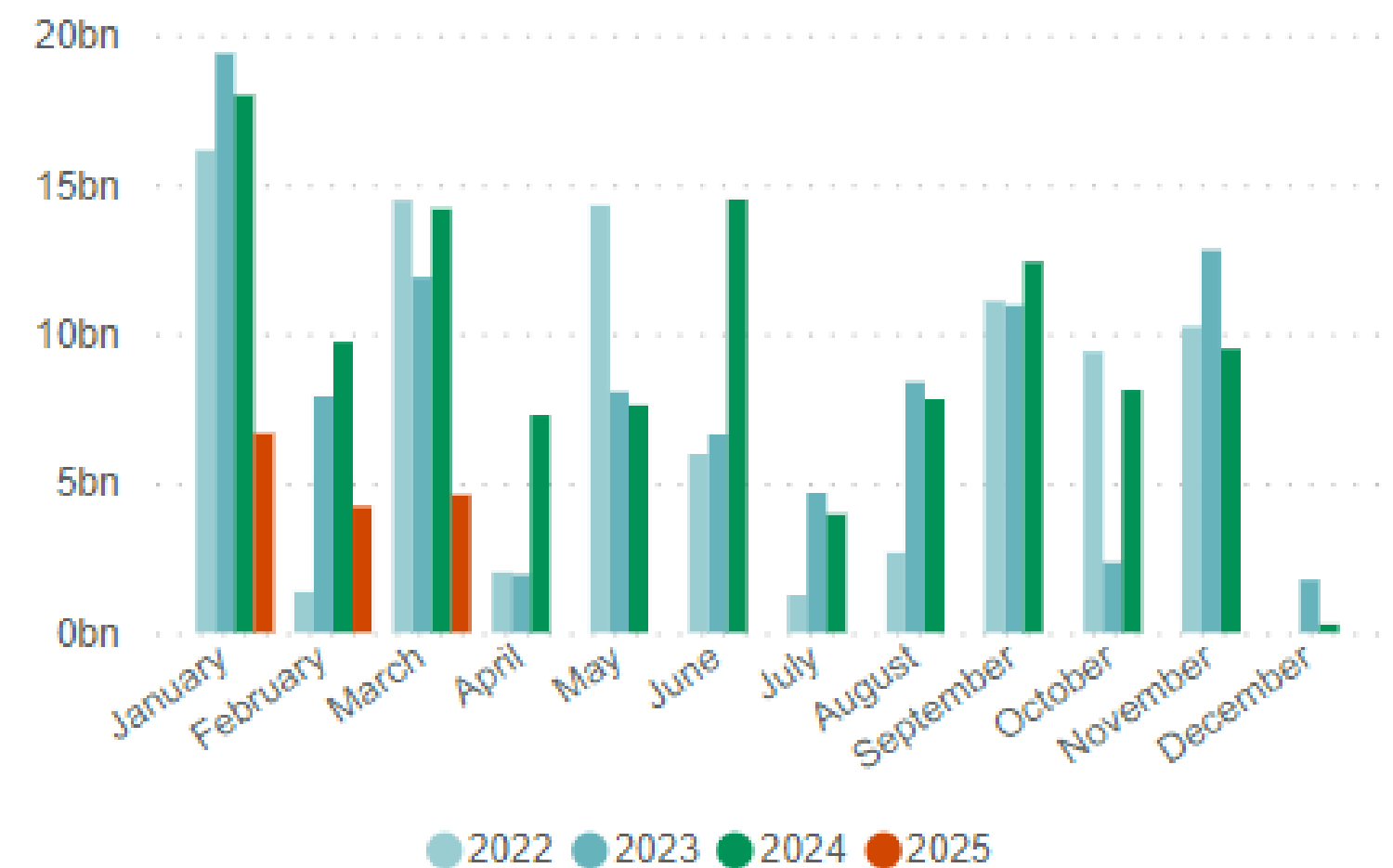
Non-Financials - EU Taxonomy alignment (2023 average sector data)



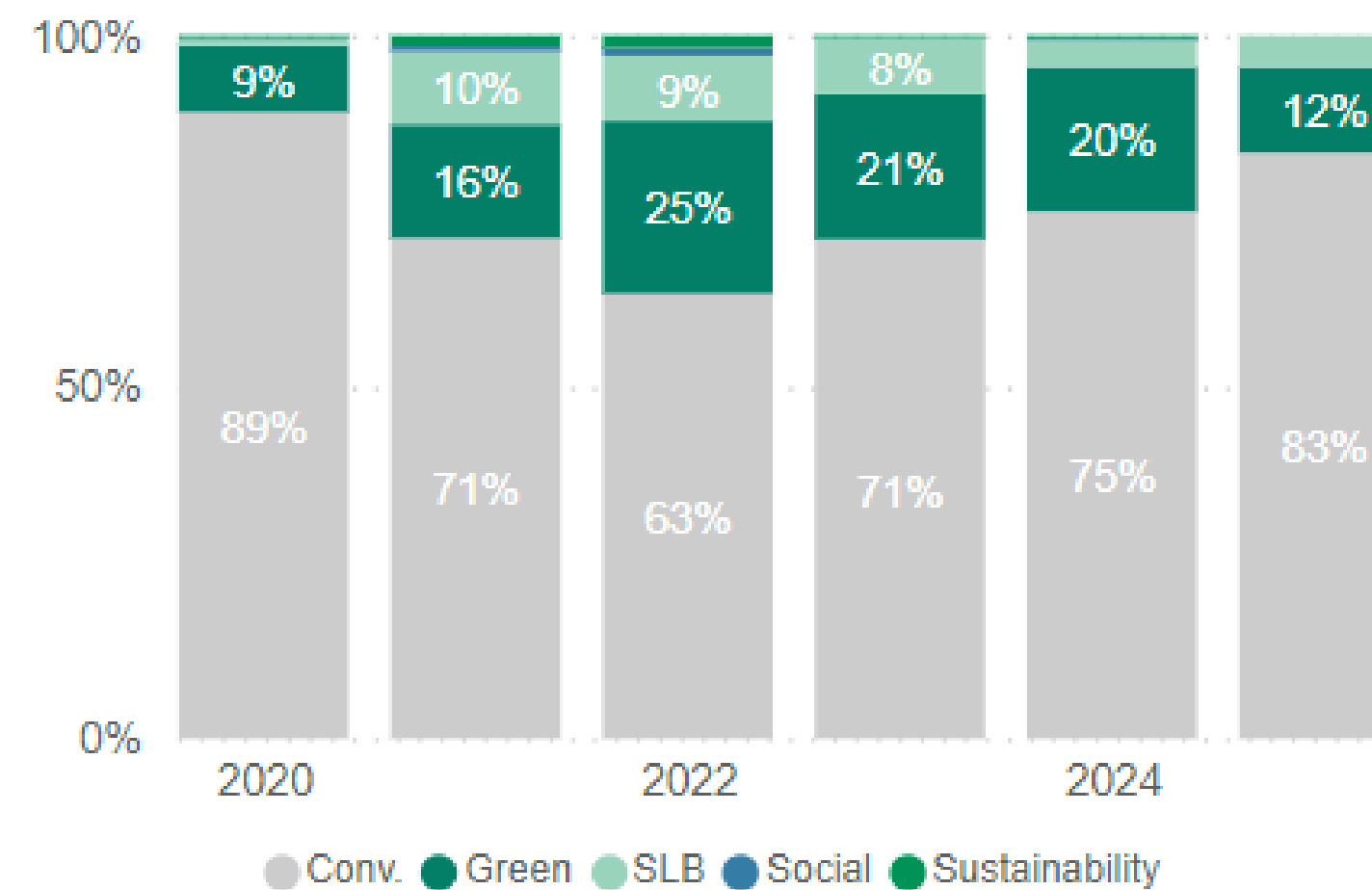
EuGB issuance (EURbn)



Non-Financials - EUR sustainable issuance by month



EUR Non-Financials - Share of Sustainable Bonds



Key takeaways

- Weak start of the year for EUR sustainable bonds new issuance across segments
- Within EUR Non-Financials, YTD trend suggests 2025 sustainable supply below our current forecast
 - CACIB Research 2025 forecast for EUR Non-Financials: EUR115bn (vs. EUR112bn in 2024)
- Low green bond supply YTD in the most active traditional sectors; eg, Utilities
- 3 European Green Bonds priced since the entry into application of the Standard in December 2024
 - 100% alignment to the EU Taxonomy
- Taxonomy alignment matters also in the ICMA Green Bond frameworks
- Proposed changes to the EU Taxonomy – in particular the DNSH review – could boost the issuer/sector diversification profile of the green bond market

Details of the changes introduced by the Omnibus package

CSDDD proposals

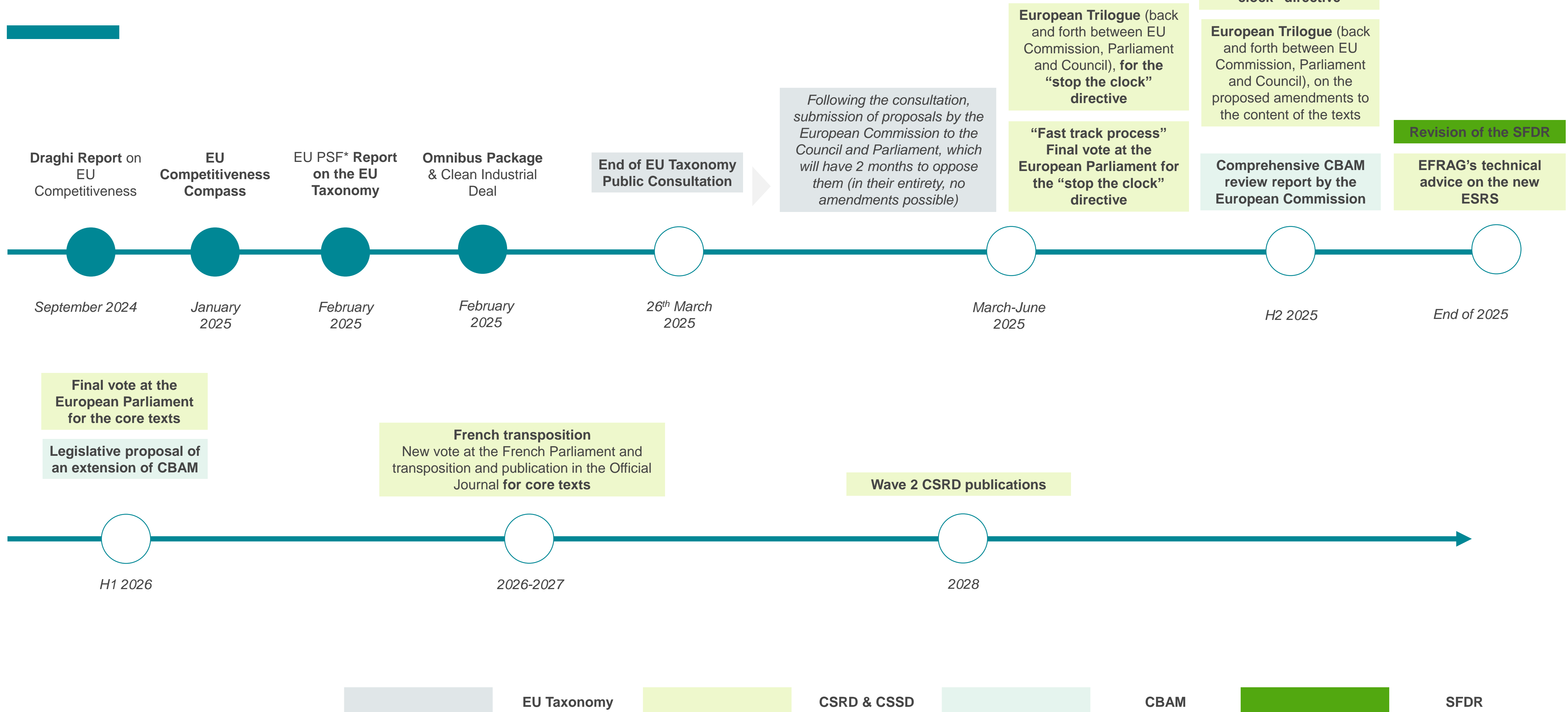
Topic	Existing requirements	Changes proposed by the European Commission
CSDDD reporting deadlines	First wave in 2027	Postponed by 1 year (2028 for Waves 1 and 2; 2029 for Wave 3)
CSDDD Scope	EU companies with 1000+ employees , and a >€450m turnover worldwide and non-EU companies with a >€450m turnover in the EU	Not impacted , covering 6000 large EU companies, and some 900 non-EU companies
CSDDD Supplier Risk Assessment	Required assessment of direct and indirect suppliers	Limitation to the companies' own operations , those of their subsidiaries and, where related to their chains of activities, those of their direct business partners , unless there is evidence of likely adverse impacts
CSDDD Supplier Monitoring	Companies required to conduct annual monitoring	Extension of the intervals of assessment of due diligence measures, from 1 year to 5 years
CSDDD Contract Termination	Mandatory termination of contracts for non-compliant suppliers	No longer required
CSDDD Transition Plans	Companies had to implement transition plans	Obligation for companies to adopt a transition plan for climate change mitigation (no obligation to implement it)
CSDDD Downstream Due Diligence	Due diligence obligations for financial institutions under discussion	Necessity of additional due diligence tailored to regulated financial undertakings with respect to the provision of financial services and investment activities removed
CSDDD Civil Liability	Companies faced civil liability for non-compliance	Harmonized EU conditions for civil liability deleted. National law could define whether its civil liability provisions override with applicable rules of the third country where the harm occurs
CSDDD Penalties	Maximum penalties set at not less than 5% of global turnover	The Union, the Commission, in collaboration with the Member States, should develop guidelines to assist supervisory authorities in determining the level of penalties

Key takeaways

- Huge impact on the due diligence side that may **increase the risk of potential or actual negative impacts not being detected**:
 - Reviewing the vigilance plan **every five years**
 - **Limitation to Tier 1** suppliers while human rights violations generally occur further in the value chain
- The inclusion of exceptions for cases where there is plausible information suggesting adverse impacts beyond Tier 1 will likely require to **provide rationale on a case-by-case basis**
- **Reduction of uncertainty for the financial sector** with the removal of downstream due diligence
- **Risk of an unlevel playing field** with a non-harmonized civil liability regime and non-harmonized penalty regime

European Commission's next steps

Indicative agenda of the Omnibus package, depending on future debates



*PSF: Platform on Sustainable Finance



Appendix

Details of the changes introduced by the Omnibus package

CBAM proposals

Topic	Existing requirements	Changes proposed by the European Commission
CBAM Reporting Deadlines	October 2023 for a selected number of goods and precursors, with a definitive version in 2026	Delayed until 2027 Future extension of CBAM to other ETS sectors, downstream goods, followed by new legislative proposals on the scope extension of CBAM in early 2026
CBAM scope	Importers to the EU	Small importers exempted (SMEs and individuals)
CBAM reporting	No threshold	Introduction of a threshold at >80tCO₂ per year and per importer (or 50 tonnes of goods per year) Simplification of the authorization of declarants, the calculation of emissions, and the management of CBAM financial liability

Key takeaways

- Pragmatic approach focusing on the **largest emitters** (10% of importers represent 99% of the emissions in scope)
- **CBAM aims to reduce the carbon leakage** and potential **impact on economic competitiveness** of EU-goods
- **Full review of CBAM planned for later in 2025** to assess its **potential extension** to other ETS sectors, downstream goods, and indirect emissions and **ways to support exporters** of CBAM products

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