



## Comments of the COMECE Secretariat on the European Commission's 'First Omnibus package' proposal

The COMECE Secretariat **acknowledges efforts to enhance the EU's competitiveness and to support European business companies, especially SMEs**, against pressures resulting from significant shifts in the global economy. One of the recently proposed measures by the European Commission in this regard is the so-called "First Omnibus package" published on 26 February 2025, building on the recommendations of the Draghi report. Its **stated objective** is to **simplify sustainability reporting requirements** and to **reduce bureaucratic complexity** for businesses by amending several key pieces of legislation adopted under the framework of the European Green Deal, including the Corporate Sustainability Due Diligence Directive (CSDDD), the Corporate Sustainability Reporting Directive (CSRD), and the Taxonomy Regulation.

COMECE has long advocated for the Corporate Sustainability Due Diligence Directive (CSDDD), which was finally adopted in 2024 as **a crucial step in ensuring that companies prevent human rights abuses and environmental harm** throughout their supply chains, and that **victims** of such abuses are guaranteed **effective access to justice**.

While **recognising the legitimate need for regulatory simplification**, we however believe that the **proposed amendments** under the First Omnibus package **should not go beyond this objective**, since otherwise they may risk undermining the integrity of some of the EU's landmark sustainability laws. This could have profoundly negative implications for human rights and environmental protection, as well as for the EU's credibility as a global leader in ensuring corporate responsibility. The competitiveness of European businesses must not come at the expense of **transparency, accountability**, and the **EU's social and environmental commitments**.

A number of civil society organisations, including faith-based actors, have expressed **concerns**<sup>1</sup> - which we find **legitimate** - , in particular, **regarding the following amendments**, as proposed by the First Omnibus package:

### Regarding CSDDD

- The EU civil liability conditions will be removed, leaving civil liability largely to the Member States' discretion, with the potential risk of undermining victims' access to justice, as NGOs, trade unions and human rights institutions

<sup>1</sup> Cf. Statement of Civil Society Organisations of 10 March 2025, <https://www.caritas.eu/wp-content/uploads/2025/03/Joint-CSO-statement-reacting-to-Omnibus-publication-March-2025-1.pdf>.

may not be able to represent victims in court due to the removal of representative actions.

- Companies will no longer be required to terminate contracts, even in cases where it is possible or likely that non-compliance with due diligence obligations continues.
- Stakeholder engagement will be reduced to those "directly" affected only, leading to the exclusion of human rights defenders or consumer protection institutions from such definition.
- Companies will, in principle, only be required to assess harms attributable to direct business partners, which significantly reduces the value chain; moreover, the frequency of periodic assessments and monitoring of partners' due diligence obligations will be reduced from annual to every 5 years, bearing the risk of making the due diligence exercise practically ineffective.
- The European Commission will no longer be required to report to the European Parliament and the Council on the necessity of laying down additional sustainability due diligence requirements tailored to regulated financial undertakings with respect to the provision of financial services and investment activities in a future review of the law.

### **Regarding CSRD**

- The First Omnibus package proposes to postpone the CSRD application by two years for certain businesses, creating uncertainty for those companies that have already started preparing for implementation.
- It also envisages to significantly reduce the scope of companies required to undertake sustainability reporting, bearing the risk of reducing the availability and reliability of sustainability data.

We find it **equally regrettable** that **no broad public consultation** was held prior to **the publication of the First Omnibus package** by the European Commission, which would have allowed stakeholders and citizens to express their views and concerns.

Sustainability and corporate accountability are important pillars of an economy that serves the people and cares for Creation. We therefore **call on the European Parliament and the Council** as co-legislators **to ensure** in the upcoming negotiations on the First Omnibus package **that the spirit and the intentions** of the EU's key sustainability laws, notably **the CSDDD and the CSRD, are not undermined, but maintained.**