

EN

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Answer given by Ms McGuinness
on behalf of the European Commission
(14.6.2021)

On 21 April, the Commission adopted a proposal for a Corporate Sustainability Reporting Directive (CSRD)¹. The proposal was subject to a rigorous impact assessment. The Commission decided not to propose any new reporting requirements on small and medium sized companies (SMEs), except for those with securities listed on regulated markets. SMEs with transferable securities listed on growth markets or multilateral trading facilities (MTFs) would not be subject to the reporting requirements.

To mitigate the economic difficulties faced by smaller companies due to the COVID-19 pandemic, the requirements for listed SMEs would only apply three years after they apply to other companies. In addition, listed SMEs will be allowed to report according to simpler standards than those that will apply to larger companies.

The Commission is, therefore, proposing the development of separate, proportionate standards for SMEs. SMEs listed on regulated markets will be able to use these standards to meet their legal reporting obligations. Other SMEs could choose to use them on a voluntary basis to address growing requests for sustainability information – typically from banks that lend them money and large companies that they supply. These standards will be carefully adapted to the capacity of SMEs. They would set a reference for information that companies within the scope of the CSRD could reasonably request from SME suppliers and clients in their value chains. They should help SMEs play a full role in the transition to a sustainable economy and to access the finance they need for the transition.

¹ COM(2021) 189 final

https://ec.europa.eu/finance/docs/law/210421-proposal-corporate-sustainability-reporting_en.pdf