

Retail and wholesale views for the simplification omnibus package

Retailers and wholesalers support the initiative for a “Simplification Omnibus proposal” as announced in the Competitiveness Compass and the Work Programme for 2025 that the European Commission presented. We welcome a proposal that does not undermine the key objectives of the legislation and brings simplification to reporting requirements while improving the comparability that reporting provides. This document aims to provide first feedback from our sector ahead of the publication of the proposal and also summarises previous EuroCommerce messages on Better Regulation and Competitiveness¹ that inter alia apply to the omnibus proposal.

As a vital economic sector, we are key partners in value chains and are fully aware of the impacts of supply chain regulations such as the CSRD and CS3D – therefore we need to be consulted and involved

The volume of new legislation during the 2019–2024 EU mandate has significant implications for retailers and wholesalers. Its effects are also particularly felt by SMEs and micro-enterprises and ultimately have an impact on the EU’s competitiveness. A decrease in administrative and reporting burdens, combined with an increase in supportive measures is needed to address this situation².

Therefore, we support targeted simplification measures that assist companies in implementing legislation, especially SMEs and microenterprises, provide much-needed clear guidance, overall coherence between legislations to ease practical implementation for companies and help continue building a sustainable and competitive EU market.

It is an important and key signal that the Commission has announced its intention to reduce bureaucracy for all companies by 25% and for SMEs by 35% in the Competitiveness Compass. However, so far there are no concrete measures that will have a noticeable effect in reducing the burden on companies.

It is therefore imperative that the announced omnibus regulation is used to noticeably reduce bureaucracy for companies. In addition to the standardisation of reporting obligations and the clarification regarding due diligence requirements, the omnibus proposal must also include other

¹ Our [position paper on a future competitiveness strategy](#) for the EU calls for a look beyond manufacturing to how retail and wholesale can meet the critical need to close the investment, innovation, technological and compliance gap between EU and non-EU companies and harness the circular and digital transitions.

² Our [manifesto](#) sets out our vision for a more competitive, empowered, sustainable, innovative and skilled EU by 2030.

fundamental and general measures that will significantly reduce the burden on economic operators, in particular SMEs, and increase coherence between legislative files.

We strongly support the need to simplify, harmonise and reduce reporting burdens to create high-impact, high-quality, cost-efficient rules, while safeguarding the important objectives of legislation

The CS3D, the CSRD and the EU Taxonomy all have objectives that we support, therefore as planned by the Commission the aim for the omnibus proposal should be to ensure simpler and more harmonised rules and lower reporting burdens without changing the original purpose of the legislation.

While we understand that the objectives of the sector-specific standards are to increase comparability and clarify the information to be reported, there seems to be growing resistance towards their development. We, therefore, call on the European Commission at this stage to refrain from developing sector-specific standards as the approach reflected in draft sector-specific standards risks increasing the level of complexity by demanding more granularity and expanding requirements.

The three pieces of legislation were drafted and proposed at different times and a holistic view to harmonise as many aspects as possible is needed. For example, we support the alignment of definitions and concepts between CSRD/ESRS, Taxonomy and CS3D as the three files use related and overlapping concepts which add complexity, which could be done via the ESRS. We ask the Commission to explain how the individual processes can be used in synergy.

In addition, full harmonisation of the CS3D should be explored as human rights and impacts on the environment should be the same in all Member States and fragmentation and divergent implementation will hurt the objectives of the legislation.

Reducing the high and sometimes excessive granularity of the ESRS via a significant reduction of the 1,178 data points of the CSRD and aligning the scope of the CSRD with the scope of the CS3D (450 million Euro turnover and 1,000 employees) is needed and would lead to simplification.

In order to prevent disproportionate burdens and avoid duplication, it is critical that groups of companies retain the ability to consolidate information for reporting purposes. The Commission should keep this possibility of group-level reporting, extend the provisions for artificial consolidation enabling consolidation at the EU level beyond 2028 and remove the requirement to report at the third-country parent level (Article 40 CSRD). The exemption from separate reporting for subsidiaries of parent companies needs to be complemented by an exemption from reporting for members of groups of independent retailers and companies that belong to the same economic unit, operating on the market under one or more common brands, where the head office provides a sustainability report. This would prevent a large number of sustainability reports from having to be drawn up within the same group and hence reduce administrative burden and duplications as well as avoid discrimination of the members of such a group.

The establishment of standardised methodologies is also key, as it allows to ensure comparability and streamline compliance. This applies, for instance, to reporting of anticipated financial effects and non-employee workers. For retailers and wholesalers, differing methodologies between countries or sectors lead to inconsistent results, reducing transparency and making it harder for stakeholders and authorities to assess and compare business practices.

In the absence of standardised methodologies, such as those for anticipated financial effects under the CSRD, an extended phase-in approach or flexibility in the reporting (e.g. qualitative information) is required. This will allow retail and wholesale businesses the time they need to adapt and ensure alignment with evolving EU standards, minimizing disruptions in their operations and reporting efforts.

Legislators should allow companies to integrate environmental reporting requirements into broader sustainability frameworks. Many retail and wholesale businesses already report on various aspects of sustainability, and embedding these specific environmental requirements into existing structures would streamline reporting processes.

Our view regarding the EU Taxonomy is that the Commission should evaluate the added value of the EU Taxonomy for companies and consider reviewing and making some of the disclosure requirements voluntary. Current requirements are neither practical for economic operators nor useful for investors. This is due to the complexity of technical requirements and the Do No Significant Harm (DNSH) criteria, which make it difficult to align these indicators with business objectives.

On CBAM, as outlined by the Commission, the omnibus proposal should focus on simplifying and harmonising the rules while reducing reporting burdens. After thoroughly analysing and consolidating extensive feedback from our members, several critical challenges have emerged regarding CBAM compliance. These challenges not only complicate adherence to the framework but also impose significant additional administrative burdens on the sector. Addressing these issues is essential to ensuring a more efficient and effective implementation while maintaining the integrity of the mechanism's objectives.

A key challenge is obtaining the required data, which disproportionately affects SMEs. Data collection is complex, costly, and time-consuming while existing emissions reports from external consultants are often too general. We, therefore, propose recognising existing emissions reports for SMEs, providing a simple assessment tool during the transition phase, simplifying or waiving rules for low-emission products, and significantly raising the reporting threshold.

Another critical issue relates to the CBAM platform and the recurring technical challenges users face. The login process is unintuitive, and frequent error messages disrupt workflows, causing delays in reporting. Additionally, data entry remains excessively time-consuming, further increasing the administrative burden.

Furthermore, system updates are needed for accurate reporting, adding to the administrative burden. Companies call for clearer communication from the Commission, realistic timelines, and improved guidance to enhance platform usability. Streamlining data entry, enabling alternative reporting formats, and introducing auto-populating templates could significantly reduce workload and errors.

Businesses need legal certainty and clear timelines for implementation

As the omnibus will address legislation that already applies like the CSRD or for which businesses are preparing like the CS3D, the omnibus proposal needs to ensure legal certainty and give clear timelines.

Besides clear timelines, it would also help if there would be more clarity (for example on third-party verification, guidance or benchmarking) for companies in multi-stakeholder initiatives to encourage participation or clarification regarding the rules on disengagement from markets that obstruct due diligence.

The omnibus proposal should not be used as an excuse to delay or stop the work on the necessary implementation/guidance. The postponed consultations for CS3D implementation and the possible delayed guidance for the Batteries Regulation Due Diligence are concerning as businesses need clarity to be able to prepare for the legislation.

Predictability is key as sustainability reporting requires preparation and investments from companies. We are ready to contribute to any consultations and stakeholder dialogues and remain a partner for policymakers in developing legislation.

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EuroCommerce is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 27 countries and 5 million companies, including leading global players and many small businesses. Over a billion times a day, retailers and wholesalers distribute goods and provide an essential service to millions of businesses and individual customers. The sector generates 1 in 7 jobs, offering a varied career to 26 million Europeans, many of them young people. It also supports millions of further jobs throughout the supply chain, from small local suppliers to international businesses. EuroCommerce is the recognised European social partner for the retail and wholesale sector.