


Basic information	
2023/2816(DEA) DEA - Delegated acts procedure Sustainability reporting standards Supplementing 2011/0308(COD) Subject 2.50.10 Financial supervision 3.45 Enterprise policy, inter-company cooperation 3.45.01 Company law 3.45.02 Small and medium-sized enterprises (SME), craft industries 3.45.03 Financial management of undertakings, business loans, accounting 3.45.08 Business environment, reduction of the administrative burdens	Procedure completed - delegated act enters into force

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	JURI Legal Affairs		NIEBLER Angelika (EPP)	01/07/2023
	Committee for opinion		Rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs (Associated committee)			
	EMPL Employment and Social Affairs (Associated committee)			
	ENVI Environment, Climate and Food Safety (Associated committee)			

Key events			
Date	Event	Reference	Summary
31/07/2023	Non-legislative basic document published	C(2023)05303	
21/08/2023	Initial period for examining delegated act 2.0 month(s)		
13/09/2023	Committee referral announced in Parliament		
13/09/2023	Referral to associated committees announced in Parliament		
18/10/2023	Results of vote in Parliament		
31/10/2023	Delegated act not objected by Parliament		

Technical information	
Procedure reference	2023/2816(DEA)
Procedure type	DEA - Delegated acts procedure
Procedure subtype	Examination of delegated act
	Supplementing 2011/0308(COD)
Legal basis	Rules of Procedure EP 114-p03
Stage reached in procedure	Procedure completed - delegated act enters into force
Committee dossier	JURI/9/13072

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Motion for a resolution objecting delegated act		B9-0426/2023	11/10/2023	
European Commission				
Document type	Reference	Date	Summary	
Non-legislative basic document	C(2023)05303	31/07/2023		
Document attached to the procedure	C(2023)7941	16/11/2023		
Document attached to the procedure	C(2024)0711	30/01/2024		
Document attached to the procedure	C(2024)2471	18/04/2024		
Document attached to the procedure	C(2024)4233	14/06/2024		
Document attached to the procedure	C(2024)4848	05/07/2024		
Document attached to the procedure	C(2024)4847	05/07/2024		
Document attached to the procedure	C(2024)5193	17/07/2024		
Document attached to the procedure	C(2024)5339	22/07/2024		
Document attached to the procedure	C(2024)5337	22/07/2024		
Document attached to the procedure	C(2024)5403	24/07/2024		
Document attached to the procedure	C(2024)9360	20/12/2024		

Sustainability reporting standards

2023/2816(DEA) - 20/02/2012

The Council held an **orientation debate** on the review of the accounting rules applicable to EU companies, specifically dealing with reporting on payments to governments.

The outcome of the debate provides guidance for the continuation of technical work with the purpose is to **reach an agreement on the simplification of the accounting directives by the end of June 2012**, in line with a request made by the European Council.

The proposal for an obligation to report on payments made by the extractive industry and loggers of primary forest to governments (also referred to as country-by-country reporting) is part of the Commission's "socially responsible business" strategy. It is included in the draft directive that will replace the current "accounting directives".

The key objectives of the proposed review are:

- the reduction of administrative burden and the application of simplified accounting rules for SMEs;
- to increase the clarity and comparability of financial statements; and
- **to enhance transparency on payments made to governments by the extractive industry and loggers of primary forest.**

Based on a Presidency questionnaire, the discussion focused on the last-named objective.

In order to promote governments' accountability, transparency and good governance, the proposal introduces new reporting requirements for large undertakings and all public-interest entities active in the extractive industry or in the logging of primary forests. The draft directive proposes that these companies shall disclose the payments they make to governments in each country where they operate and for each project.

In this context, some **specific issues** of the proposal remain to be debated, of which the most important are:

1. Should disclosures be provided on a country-by-country level or on a country-and-project level?
2. Should the definition of materiality of payments be defined in the directive or should the Commission be empowered to specify the concept of materiality by means of delegated acts?
3. Should undertakings active in the logging of primary forests be included in the proposal?
4. Should payments to Member States also be disclosed?

The ministerial discussion showed that there was a **clear acceptance of the objective to improve transparency in this field**. Some delegations, however, expressed the need to **examine the proposal in more detail** as well as the need to take into consideration every angle of the impact that the proposed legislation will have on the competitiveness of European undertakings.

A large number of delegations expressed concerns about **reporting on a "project" level**. In addition, most delegations expressed preference to include a definition of **"materiality"** of payments in the future directive.

Sustainability reporting standards

2023/2816(DEA) - 21/06/2012

The Council agreed on a general approach for the review of the accounting rules applicable to EU companies.

The agreement paves the way for the start of negotiations with the European Parliament with a view to its swift adoption.

The key objectives of the review are:

- the reduction of administrative burden and the application of simplified accounting rules, particularly for small and medium-sized enterprises (SMEs);
- to increase the clarity and comparability of financial statements; and
- to enhance transparency on payments made to governments by the extractive industry and loggers of primary forest.