

(English version)

**Question for written answer E-004575/25
to the Commission**

Christophe Gomart (PPE), Markus Ferber (PPE), Dirk Gotink (PPE), Janusz Lewandowski (PPE), Engin Eroglu (Renew)

(17 November 2025)

Subject: Ensuring that prudential requirements under the Capital Requirements Regulation/Capital Requirements Directive do not undermine the omnibus package's efforts to simplify reporting for SMEs

The omnibus package aims to ease reporting requirements for small and medium-sized enterprises (SMEs) under the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD) by limiting their obligations regarding certain environmental, social and governance (ESG) standards.

However, this exemption does not apply to EU banking supervision and prudential rules. In accordance with the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD), banks must still request ESG data from SMEs for risk assessments. This effectively imposes the reporting burden that the omnibus package aims to eliminate onto banks and consequently onto SMEs.

It is essential that the reporting requirements for banks are no more demanding than those for non-financial corporations under the CSRD. While the CSRD standardises disclosures, prudential obligations, particularly those related to reporting and ESG risk management, are at risk of duplication and inconsistency. Without alignment, banks that request information directly from SMEs would create administrative burdens, which would undermine the simplification that the omnibus package aims to achieve.

Therefore, will the Commission take the necessary steps to adapt the prudential legislation (CRR/CRD), so that SMEs are not forced to bear the reporting obligations that were promised to be eliminated, and to genuinely achieve its stated objective of simplification?

Submitted: 17.11.2025

Answer given by Ms Albuquerque on behalf of the European Commission
(5 March 2026)

The Commission is committed to reducing unnecessary administrative burdens on banks and companies (especially small and medium-sized enterprises-SMEs) while safeguarding financial stability.

In parallel with the omnibus simplification package⁽¹⁾, the European Banking Authority (EBA) is updating the Capital Requirements Regulation (CRR) implementing technical standards (ITS) on the public disclosures that banks need to perform under prudential rules (draft ITS on Pillar 3 Environmental, Social, and Governance (ESG) disclosures).

The EBA ran a public consultation and is now finalising the technical work, after which it will be send to the Commission.

Throughout this process, the Commission and the EBA have been working closely together to ensure maximum alignment and synergies between the ITS and the Omnibus package, considering prudential requirements.

During the Omnibus negotiations, the EBA issued a 'no-action letter' limiting substantially the need for banks to disclose information under prudential rules. This will stay in place until the updated ITS will become applicable.

The objective is to strike a balanced outcome: enabling banks to meaningfully identify, manage and disclose material ESG-related risks, while ensuring that reporting obligations remain proportionate, risk-based and do not translate into undue indirect burdens for SMEs.

⁽¹⁾ https://ec.europa.eu/commission/presscorner/detail/en/ip_25_2981.