

## Statement

### **Omnibus Package: Key steps to cut red tape and boost competitiveness for groups of independent retailers and SME retail**

Independent Retail Europe welcomes the first Omnibus Simplification Package, aiming to reduce red tape and increasing competitiveness. Streamlining regulations such as the Corporate Sustainability Due Diligence Directive (CSDDD), the Corporate Sustainability Reporting Directive (CSRD), and the Taxonomy Regulation is an important first step. However, more simplification is essential to maintain competitiveness.

The EU legislation on sustainability adopted within 2019-2024 imposes a significant amount of obligations on companies that go beyond reporting obligations that will negatively affect the competitiveness of many companies.

**With the objective of reducing unnecessary and disproportionate burdens and gaining competitiveness, whilst respecting sustainability objectives, Independent Retail Europe would like the European Commission to take into consideration the following proposals in its Omnibus initiatives:**

#### **1. Alignment of the Taxonomy Regulation with the CSRD and CSDDD**

To ensure consistency and ease of compliance, all three legislations should have the same application date: **1 January 2028**. The scope of CSDDD should also align with the **CSRD** to facilitate efficient reporting processes for businesses.

#### **2. Necessary adjustments to the CSDDD**

**Limit due diligence obligations to direct business partners.** The requirement to extend due diligence throughout the supply chain is impracticable for companies and entails a risk of duplication of efforts, particularly for retailers managing tens of thousands of products.

**Remove the special liability regime.** The Directive sets an obligation of effort. The special liability regime is inconsistent with this unnecessary in view of existing national regimes. **Cooperative group structures should, like corporate group structures, have the option to report jointly.**

#### **3. Amendments to the CSRD**

**Postpone CSRD implementation by two years (2027 instead of 2025)** to give businesses adequate time to adjust.

**Reduce reporting burdens** by harmonising scope with the CSDDD and cutting the **1,178 data points under ESRS** by 50%. As a first step, all voluntary data points in the ESRS should be deleted

**Abolish sector-specific standards** to simplify compliance while ensuring consistency in reporting requirements.

#### **4. Revisions to the Taxonomy Regulation**

SMEs should only be required to provide data relevant to the **VSME standard**, ensuring proportionality in sustainability assessments.

The Taxonomy Regulation should be reassessed to ensure it aligns with actual investment needs and does not impose excessive administrative burdens.

## 5. Necessary changes to the European Deforestation Regulation (EUDR)

Establish **presumption of compliance for low-risk countries** to reduce unnecessary certification burdens.

Align distributor responsibilities with **EU product law**, to ensure that retailers and wholesalers are not subject to disproportionate due diligence obligations and that there is no risk of repetition of efforts.

## 6. General recommendations

**In light of the inflation over the past 30 years, adapt the definition of SMEs.**

**Extend transition periods** to ensure businesses can comply effectively once all legislative details are finalised.

**Develop EU-wide IT solutions** for regulatory compliance to avoid fragmented national approaches.

**Expand the Omnibus initiative** to include **CBAM, REACH, Ecodesign, PPWR, and other sustainability regulations** to create a more cohesive regulatory environment.

Find our position [here](#).

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### About Independent Retail Europe:

Independent Retail Europe is the European association that acts as an umbrella organisation for groups of independent retailers in the food and non-food sectors. Our members are groups of independent retailers, associations representing them as well as wider service organisations built to support independent retailers. Independent Retail Europe represents 24 groups and their over 500.000 independent retailers, who manage more than 764.000 sales outlets, with a combined retail turnover of more than 1,411 billion euros and generating a combined wholesale turnover of 621 billion euros. This represents a total employment of about 6,5 million persons.

