

Iniziativa Finanza Sostenibile per le PMI: proposte e prospettive

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Agenda

No	Item
1	Omnibus proposals
2	VSME – Overview
3	VSME Ecosystem



Omnibus proposals

Omnibus proposals (1/2)

- **Draft Omnibus proposals released on 26 February 2025, currently in negotiation at legislative level. Agreement needed at European Council and Parliament before the Directive that amends CSRD is effective.**
- **Still subject to changes.**

Corporate Sustainability Reporting Directive	Omnibus
Undertakings in scope of ESRS Set 1	Two of these 3 criteria: more than 1000 employees, more than 25 mln net turnover, more than 50 mln balance sheet Voluntary standard based on EFRAG VSME for undertakings not in scope
ESRS Sector specific standards	Not to be issued as delegated act (mandatory application), SASB, GRI and other material applicable as source of entity specific disclosure.
Value chain	Value chain cap extended to undertakings with up to 1000 employees
Assurance	Remove possibility to move from limited assurance to reasonable assurance Issuance of targeted assurance guidelines by 2026

Omnibus proposals (2/2)

Draft Omnibus proposals released on 26 February 2025

Corporate Sustainability Reporting Directive	Omnibus
Revision of first set of standards	<p>Simplify and streamline, without undermining the policy objectives of the CSRD and to ensure more cost-effective delivery of the overall ambition of the European Green Deal</p> <p>Substantial reduction number of mandatory datapoints</p> <p>Preserving interoperability with global reporting standards</p>
Delay entry into force	Except for those that applied CSRD for the first time in 2025, delay of two years for all large undertakings and SMEs – including non-EU issuers

ESRS Set 1 will still be used for YE-2025 and YE-2026, before ESRS Set 1 revised are ready for use and effective, Tentative effective date 2027



VSME

VSME – Key features and objectives

Objective: to credibly replace a substantial part of the questionnaires used by lenders, investors and corporate clients – supply chain dimension and to support SMEs in monitoring their sustainability performance.

➤ **Why a voluntary standard for SMEs?**

- i. [EC Q&A Delegated Acts ESRS in July 2023](#): “EFRAG is developing simpler, voluntary standards for use by non-listed SMEs [...] **to respond to requests for sustainability information in an efficient and proportionate manner**, and so facilitate their participation in the transition to a sustainable economy.”
- ii. [EC SME Relief Package of September 2023](#) Action 14 tasks EFRAG to develop a simple and standardised framework for SMEs to report on ESG issues, creating better opportunities to obtain green financing and thus facilitating the transition to a sustainable economy. In particular, Action 14 mentions that the “*Commission will ensure that SMEs have a simple and standardized framework to report on ESG issues ... ensuring the rapid delivery of voluntary standards for non-listed SMEs.*”
- iii. **Commitment of market participants** (larger corporates and banks) essential for the success of the standard

➤ **Not legally binding** – outside CSRD- but to fulfill market needs.

➤ **Proportionality** = simplified language + modularity + overall ESRS consistency

➤ Scope: Non-listed Micro and SMEs in EU

99.8% of total EU companies

EFRAG's Transparent and Inclusive Due Process for the VSME

EFRAG SME Communities

Outreach and workshops with SMEs associations and users

Benchmarking

✓
EFRAG SR TEG

✓
EFRAG SRB

✓
VSME Exposure Draft for public consultation (start: 21/01/2024)

✓
Public Consultation Online Survey
(311 responses)

✓
Public Consultation Field Tests
(164 responses)

✓
Public Consultation
Comment Letters (22 received)

✓
EFRAG SR TEG & EFRAG SRB – Post consultation discussion (after 21/05/2024)

✓
Banking Association Workshop (16/09/2024)

✓
SME Association Workshop (23/09/2024)

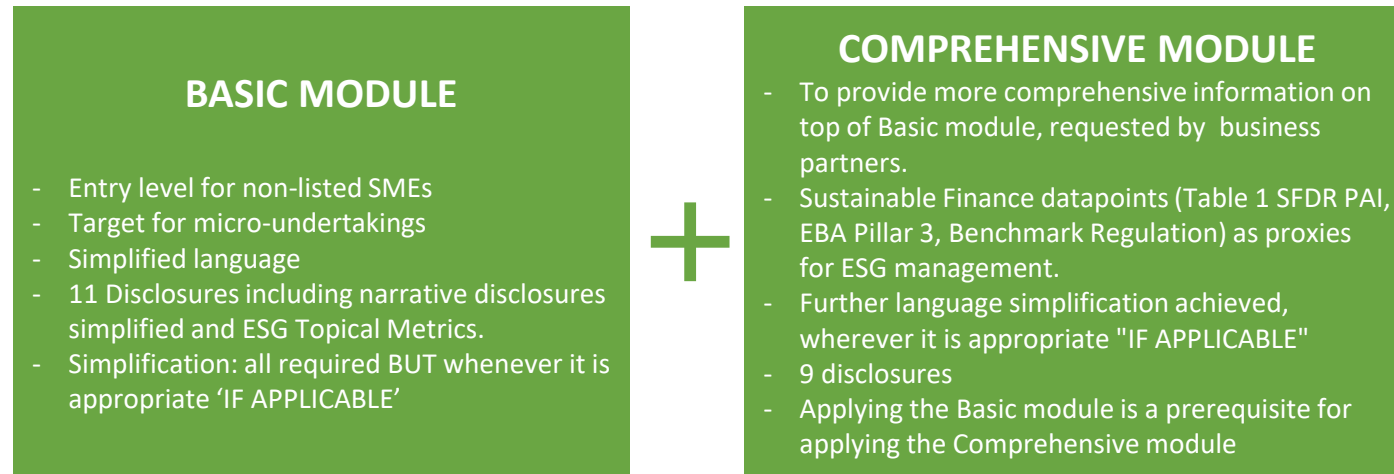
✓
EFRAG SR TEG approval (22/10/2024) + EFRAG SRB Approval (13/11/2024)

✓
[VSME package](#) sent to the European Commission (17/12/24) (VSME, Basic for Conclusions, Feedback Statement, external CBA)

Due Process of CBA

Cost-Benefit
Analysis - Phase 1
– CBA conducted
on the basis of the
ED

Cost-Benefit
Analysis - Phase 2
– CBA updated on
the basis of the
changes made to
the VSME post-
public consultation



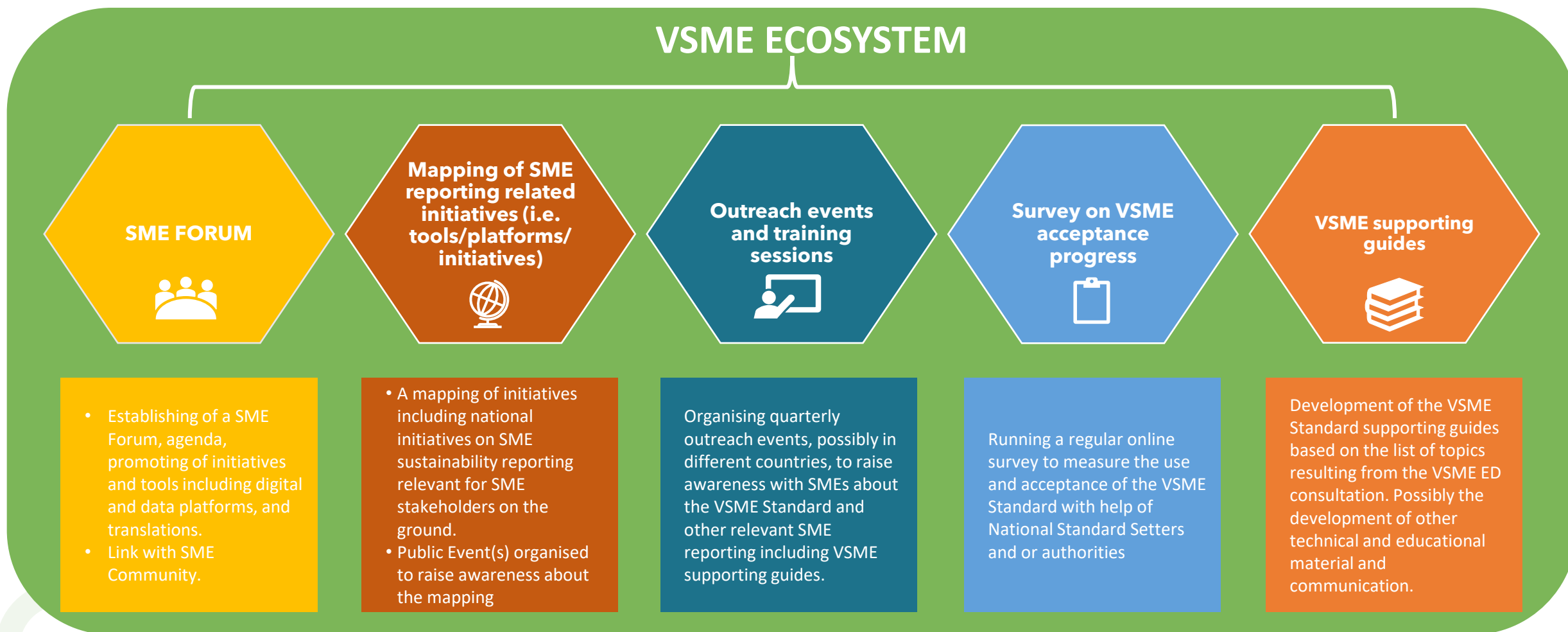
Overarching key changes to the VSME Standard following the public consultation:

- Request for an **online tool** and **VSME ecosystem**
- **Deletion** of the **Narrative-PAT module**
- **Removal** of **materiality** principle from the VSME

For future consideration: possible introduction of a link to the streamlined EU taxonomy tool for aligned and eligible activities that the Platform on Sustainable Finance is currently developing.



VSME ecosystem



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THANK YOU!



Annex: Basic Module & Comprehensive Module - Deep Dive

VSME Basic Module – Applicability of Disclosures

BASIC MODULE	Questionnaires in which it is asked (#)	"If applicable"/ Always to be reported on/ May disclosure
B1 – Basis for Preparation	Public Consultation	Always to be reported on
		If applicable
B2 - Practices, policies & future initiatives for transitioning towards a more sustainable economy	7	If applicable
B3 – Energy and greenhouse gas emissions	12	Always to be reported, breakdown if available
		Always to be reported on
B4 – Pollution of air, water and soil	7	If applicable
B5 – Biodiversity	4	If applicable
		May disclosure
B6 – Water	9	Always to be reported on
		If applicable
B7 – Resource use, circular economy and waste management	9	If applicable
		Always to be reported on
B8 – Workforce – General characteristics	8	Always to be reported on
		If applicable
		To be reported on when above the threshold
B9 – Workforce – Health and safety	3	Always to be reported on
B10 – Workforce – Remuneration, collective bargaining and training	7	Always to be reported on
		To be reported on when above the threshold
B11 – Convictions and fines for corruption and bribery	4	If applicable

For more information, please see EFRAG's [Educational Videos on the VSME](#).

VSME Comprehensive Module – Applicability of Disclosures

COMPREHENSIVE MODULE	Questionnaires in which it is asked (#)	"If applicable"/ Always to be reported on/ May disclosure
C1 – Strategy: Business Model and Sustainability – Related Initiatives	10	Always to be reported on
		If applicable
C2 – Description of practices, policies and future initiatives for transitioning towards a more sustainable economy	7	If applicable
		If applicable + may disclosure
Consideration when reporting on GHG emissions under B3 (Basic Module)	9	If applicable
C3 – GHG reduction targets and climate transition	7	If applicable
		If applicable + may disclosure
C4 – Climate risks	9	If applicable
		May disclosure
C5– Workforce (General) Additional characteristics	Public Consultation	May disclosure + threshold included
C6 – Additional own workforce information - Human rights policies and processes	6	Always to be reported on
		If applicable
C7 – Severe negative human rights incidents	3	Always to be reported on
		If applicable
C8 – Revenues from certain sectors and exclusion from EU reference benchmarks	5	If applicable
		Always to be reported on
C9 – Gender diversity ratio in governance body	6	If applicable

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