

20 May 2026

European Commission Public Feedback on the Revised European Sustainability Reporting Standards and Voluntary Sustainability Reporting Standard

1.0 Background

On 06 May 2026, the European Commission launched a public feedback period in relation to the [draft revised European Sustainability Reporting Standards](#) (“ESRS”) and the [draft voluntary sustainability reporting standard](#) for smaller undertakings¹.

The proposed revisions form part of the European Commission’s broader simplification initiatives under the Omnibus I package² and are intended to reduce the administrative burden associated with sustainability reporting, while maintaining the quality of sustainability disclosures.

The draft revised ESRS aim to significantly streamline the reporting requirements by reducing mandatory datapoints by more than 60% and total datapoints by more than 70%. The proposals also seek to simplify the materiality assessment process, introduce additional flexibilities for undertakings, and provide clearer reporting requirements.

In parallel, the European Commission has also published a draft voluntary sustainability reporting standard intended for undertakings that do not fall within the mandatory reporting obligations of the Corporate Sustainability Reporting Directive (“CSRD”)³. The draft voluntary standard includes a proposed “value chain cap”, intended to limit the sustainability-related information that larger in-scope entities may request from smaller undertakings forming part of their value chain.

2.0 Next Steps

The Authority encourages issuers and other relevant stakeholders to submit their feedback on [the draft revised ESRS](#) and [draft voluntary sustainability reporting standard](#). The public feedback period remains open until **03 June 2026**, following which the European Commission is expected to advance the adoption process of the respective delegated acts.

¹ Companies with fewer than 1,000 employees on average during the financial year.

² Proposal for a directive of the European Parliament and of the Council amending Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 as regards certain corporate sustainability reporting and due diligence requirements.

³ Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting.

3.0 Contacts

Should you have any queries relating to the above, kindly contact the Authority on transparency@mfsa.mt.