

Review of Corporate Sustainability Due Diligence Directive (CS3D)

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Proposal [[2025/0045](#)] for a Directive as regards certain corporate sustainability reporting and due diligence requirements

Directive [2025/794](#) as regards the dates from which Member States are to apply certain corporate sustainability reporting and due diligence requirements

What is changing and why?

This report accompanies the existing AGRINFO report on the [Corporate Sustainability Due Diligence Directive](#).

The Corporate Sustainability Due Diligence Directive (CS3D), published in 2024, establishes due diligence obligations for large companies: they must identify, prevent, and bring to an end any adverse impacts on human rights and the environment that arise from their operations across the entire value chain. This can have indirect impacts on operators outside the European Union (EU), requiring them to provide specific information about their operations to help large companies demonstrate that no adverse impacts have occurred in the value chain.

Recognising that these rules could create a burden on companies in the value chain and weaken EU competitiveness, the European Commission proposes the following changes to the CS3D.

- Large companies operating in the EU that have to comply with the CS3D must issue a due diligence statement (assessing their own operations and measures) at least every 5 years (instead of every year).
- Large companies will only need to assess adverse impacts in relation to direct business partners, rather than all actors in the supply chain. Assessment of indirect partners will only be necessary if specific adverse impacts are identified.
- Where direct partners are companies with fewer than 500 employees, large companies may only request information in a limited number of areas that will be set out in a voluntary standard (still to be adopted).
- Direct suppliers to large companies will have to provide contractual assurances that they will comply with the buyer's code of conduct on due diligence, and must seek the same contractual assurances from their own business partners (indirect business partners to the large companies). Direct and indirect partners' compliance with the code of conduct must be verified, potentially through third-party verification including industry or multi-stakeholder initiatives.

- The new rules will first apply for the largest companies from mid-2028, a delay of 1 year.
- Guidelines on how to conduct due diligence in accordance with these rules will be published by 26 July 2026, 6 months earlier than foreseen in the Directive.

In April 2025, the EU agreed to the 1-year implementation delay proposed by the European Commission (Directive [2025/794](#)). Discussions are continuing on the proposal to change other parts of the CS3D.

Actions

Smaller operators (<500 employees) directly supplying large companies in the EU can consult the [Voluntary reporting standard for SMEs \(VSME\)](#) to learn more about the type of information they may need to provide. However, larger companies (>500 employees) may be required to provide additional information.

Timeline

In April 2025, the EU approved the delay in some implementation dates. The due diligence obligations will apply from mid-2028 to mid-2029, depending on the size of the company (see Table 1 for details).

The next step will be for the other proposed changes to be reviewed and amended by the Council of the EU (Member States) and the European Parliament, a process that may take 2–3 years.

For more information see the [full record](#) on the AGRINFO website – where you can also view the latest [AGRINFO Update](#) newsletters and [search](#) the database.

Tables & Figures

Table 1 Estimated application date of due diligence obligations			
EU companies		Non-EU companies	Due diligence obligations apply from:
Number of employees	AND net turnover worldwide (€)	Net turnover within EU (€)	
>3,000	>900 million	>900 million	26 July 2028
>1,000	>450 million	>450 million	26 July 2029



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Source: Directive [2025/794](#)

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