

Review of Corporate Sustainability Due Diligence Directive (CS3D)

Published by AGRINFO on 07 Mar 2025

Proposal [[2025/0044](#)] for a Directive as regards the dates from which Member States are to apply certain corporate sustainability reporting and due diligence requirements

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

What is changing and why?

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 non-EU operators, requiring them to provide specific information about their operations that will 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 now 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.

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

The Council of the EU (Member States) and the European Parliament will review and amend the proposal, a process that can take 2–3 years. The Commission will ask for fast-track adoption of the delay in implementation dates (by the second half of 2025).

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.

Disclaimer: *Under no circumstances shall COLEAD be liable for any loss, damage, liability or expense incurred or suffered that is claimed to have resulted from the use of information available on this website or any link to external sites. The use of the website is at the user's sole risk and responsibility. This information platform was created and maintained with the financial support of the European Union. Its contents do not, however, reflect the views of the European Union.*