

Comparative analysis, conclusions from Q1

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Survey form:

- I. Legislative process for transposition of the directive - general questions,**
- II. Transposition of Directive 2022/2464**
- III. Workers' right to information and consultation on sustainability reporting**
- IV. Assessment of double materiality**
- V. Approval of sustainability reporting**
- VI. Social dialogue**
- VII. Omnibus I and Omnibus II.**



1.1 Is 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) transposed into national law – CSRD Directive.

YES

Fully, completely?

Partly ?



1.2. How did your country transpose the CSRD - WHEN AND HOW

The entity responsible for transposition:

- Ministry of Finances (Poland, Lithuania, Romania),
- Ministry of Economic Affairs (Italy)

In most cases the transposition was made through the amendment of the acts regulating the accounting and audit legislation.



Is 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) transposed into national law – CSRD Directive

Timeframe When did the transposition begin

2023 Poland RDS – Poland pre- consultations – no TU - only organizations of employers – Ministry of Finances

The adoption of legal acts –

- 1 July 2024 r. - Lithuania - On 1 July 2024, the provisions of the Directive were transposed into the Law on the Reporting of Enterprises and Groups of Enterprises of the Republic of Lithuania.
- 16 July 2024 Italy, - ITALY - The Directive was transposed through Legislative Decree No. 125 of 6 September 2024, published on 10 September 2024 in the Official Journal
- Bulgaria - amendments of Accounting Act - adopted by the National Assembly on 14.08.2024 and entered into force on 27.08.2024. and The Independent Financial Audit Act, which was renamed the "Independent Financial Audit and Sustainability Assurance Act" - The amendments were adopted by the National Assembly on 04.09.2024 and entered into force upon their publication on 12.09.2024.



Romania - Most provisions were implemented in 2024 (ahead of the July 2024 deadline), and remaining adjustments were completed by early 2025.

Romania's transposition was done via a "triple" regulatory framework:

- 1) revisions to accounting regulations (Ministerial Order 85/2024) for reporting obligations (accounting/company law);
- 2) amendments to audit legislation (OUG 137/2024 and its approving law) for assurance and auditor accreditation (audit law);
- 3) related adjustments to capital markets rules by the Financial Supervisory Authority (ASF) for listed companies (e.g. aligning Law 24/2017 on issuers' reporting obligations, via an ASF regulation in 2024).

Poland – Directive 2022/2464 was transposed into national law through the adoption of the Act of **December 6, 2024**, amending the Accounting Act, the Act on Statutory Auditors, Audit Firms, and Public Oversight, and certain other acts (Journal of Laws 2024.1863).

Were the social partners involved in the transposition of Directive 2022/2464?

Lithuania – NO

Italy, Bulgaria, Romania, Poland – YES



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How were the social partners involved in transposition proces ?

- online public consultations – Italy
- public consultations (written) – Italy, Poland, Bulgaria (National Assembly)
- meetings – Poland (Social Dialogue Council) remark: before the transposition process , Rumunia (Social Dialogue Commission), Bulgaria (Nantional Assembly)
- hearings – Italy (before the Joint Commission of the Chamber of Deputies),



- **Social partners observations:**

CISL

Including in the reporting obligation, companies in non-regulated markets (OTC) and those outside any securities market, as per the standard's parameters;

Ensuring that companies comply with the right to Information and Consultation before drafting the Report, involving management and trade unions, EWCs, and other worker representatives at the appropriate level, without affecting any more favourable provisions from collective agreements at any level;

Accepting the provision that allows sustainability reporting assurance to be provided not only by the statutory auditor of the financial statements or a different statutory auditor, but also by independent assurance service providers accredited in accordance with EC Regulation 765/2008;

The establishment of an Autonomous Public Authority for Corporate Social Responsibility, in charge of the evaluation of Companies' Sustainability Reporting



Social partners observations

Confartigianato participated in the process of implementing the directive by contributing to the online public consultation launched by the Ministry of Economy and representing the requests of micro, small and medium-sized enterprises.

In particular:

Ensuring a clear scope of the directive by defining the term ‘value chain’;

Defining more clearly the application of the principle of proportionality in relation to different types of undertakings;

Allowing independent assurance service providers to perform the assurance of the sustainability reporting of companies.



Bulgaria - the legal texts do not provide workers' representatives with the opportunity to participate in the preparation of, or to express an opinion on, the draft sustainability report—particularly regarding the social and environmental consequences of the company's activities.

Moreover, the legislation lacks clearly defined deadlines and procedures for consultation, decision-making, and the provision of feedback by workers' representatives.



Romania trade unions: emphasized the need to strengthen workers' right to information and consultation in the sustainability reporting process, clarifying who the "appropriate level" worker representatives are, ensuring that there are consequences if companies ignore the consultation obligation and recommended aligning the new requirements with existing labour dialogue frameworks (e.g. Law 467/2006) to avoid ambiguity.

Employers focused on administrative burden and timing of implementation, requesting phased implementation (which was provided) and clarity on standards.



Social partners observations

Poland

The trade unions pointed out the lack of a definition of an employee representative in the Accounting Act and the need to define this term and proposed introducing sanctions in the event that the manager of an entity or the manager of a parent entity fails to properly consult with employee representatives. These requests were not taken into account.

Employers pointed to the lack of provisions addressing situations where there are no employee organisations within an entity that could act as employee representatives in the process of preparing sustainability reports. Secondly, they highlighted the vagueness of the definition of ‘information material to the entity’s employees’, which left considerable room for interpretation. Additionally, they pointed out that the draft bill does not provide for the disclosure of consultation results in the reporting or for a procedure to be followed in the event of a negative opinion from employee representatives. It was proposed that the rules for selecting employee representatives, the scope of the information subject to consultation, the method for addressing comments, and the procedure to be followed in the event of a negative assessment of disclosures be clarified, for example by developing a standard setting out an open catalogue of material information, taking into account sector-specific characteristics.



Some of the TU comments were not taken into account because, in the opinion of the Ministry of Finance, they went beyond the scope of the proposed regulation, and the issues raised could not be resolved through provisions in the law.

The trade unions' comments regarding the role of employees in the reporting process and social dialogue were not taken into account because, in the opinion of the Ministry of Finance: the CSRD provides for a closed list of disclosure areas, and the proposed changes went beyond it; the detailed scope of information is defined by the ESRS, which cannot be modified by national law.

Definitions and regulations regarding consultation with employees are already included in the ESRS, which are binding on reporting entities; national law cannot alter these definitions.

- **COMMISSION DELEGATED REGULATION (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards**

Social partners observations: were they considered by legislators

- no – Italy, Romania ? Bulgaria
- partly – Poland

Why not considered:

- no explanation – Italy,
- outside the scope of regulation – Polska,
- Proposals go beyond the minimum requirements of the directive - Bulgaria



- **Observations concerning the transposition of the CSRD (Rumunia)**

- Quote

Romania's social partners (trade unions and employers' organizations) were consulted during the transposition process, but this involvement was mostly formal and had limited impact on the content of the legislation.

The problem with those meetings is that they are largely consultative and **unions often participate without presenting a solid argument**. This is a serious issue, because the quality of the consultation process has decreased over the years, the social dialogue partners regarding it as just a formal obligation, like ticking a box.



Recital 52 of Directive 2022/2464 "*Member States should ensure that sustainability reporting is carried out in compliance with workers' rights to information and consultation. The management of the undertaking should therefore inform workers' representatives at the appropriate level and discuss with them relevant information and the means of obtaining and verifying sustainability information. This implies for the purpose of this amending Directive the establishment of dialogue and exchange of views between workers' representatives and central management or any other level of management that could be more appropriate, at such times, in such fashion and with such content as would enable workers' representatives to express their opinion. Their opinion should be communicated, where applicable, to the relevant administrative, management or supervisory bodies.*



Indicate whether recital 52 of Directive 2022/2464 was mentioned during the work on the transposition of the Directive, e.g. in the explanatory memorandum to the Act.

State whether, in your opinion, the national transposition of the Directive will enable the general objectives indicated in recital 52 of Directive 2022/2464 to be achieved.

The aim of this question was to find out how the Member State perceives trade union participation/involvement in the production of the report. The aim is also to find out whether the Member State perceived that the process of producing the report could be used for the benefit of both parties, to strengthen the social dialogue.



Romania - no explicit reference to recital 52

Bulgaria – referenced to in in the explanatory memorandum accompanying the national act (emphasizing the importance of worker involvement in sustainability reporting)

Italy - general remark Italian Law No. 15 of 21 February 2024, in the Article 13 'specifies among the criteria for the delegation 'to make to the current legislation and, ... , the amendments and additions necessary to ensure the correct and complete transposition of Directive (EU) 2022/2464 and the coordination of the national regulatory framework on sustainability reporting and certification of compliance with reporting requirements'. There is therefore a clear intention on the part of the legislator to transpose the Directive in its entirety. Please keep this premise in mind when the Recitals are referenced in the following questions.



Poland

Recital 52 mentioned in explanatory memorandum: Article 63r(8) (following Article 19a(5) of Directive 2013/34/EU, as amended by Directive 2022/2464) it is stipulated that the manager of an entity preparing sustainability reporting shall consult with employee representatives at the appropriate level regarding information on sustainability that is relevant to them. In accordance with this provision, the manager of the entity shall convey the opinion of the employee representatives to the members of the supervisory board or other supervisory body of the entity, if the entity has such a body. **The term “consult” is used in the provision in the sense of “presenting information” and “discussing,” and does not imply the need to obtain “consent.”** This is because, pursuant to recital 52 of Directive 2022/2464, sustainability reporting must be prepared in accordance with employees’ rights to information and consultation. Therefore, the entity’s manager should inform employee representatives and discuss with them the information contained in the sustainability report that is relevant to employees, as well as the methods for obtaining and verifying such information. This means that, for the purposes of the aforementioned reporting, the entity should establish a dialogue and exchange of views with employee representatives at a time and in a manner that allows them to express their opinions. These opinions should then be communicated to the entity’s manager. The manner in which this process is organized will depend on the organizational structure and the nature of the business activities of individual entities.”



With the recital 52 of CSRD which requires the development of the social dialogue on sustainability data between company and employees representatives align the following provisions:

1. The provision of Article 1 para. 4) concerns the Article 19a of Directive 2013/34/EU. Article 19a(5) reads as follows:
The management of the undertaking shall inform the employees' representatives at the appropriate level and discuss with them the relevant information and the means of obtaining and verifying sustainability information. The opinion of the employee representatives shall be communicated, where appropriate, to the relevant administrative, management or supervisory bodies.
2. The provision of Article 1 para. 7) concerns Article 29a of Directive 2013/34/EU. Article 29a(6) reads as follows: *The management of the parent undertaking shall inform the workers' representatives at the appropriate level and discuss with them the relevant information and the means of obtaining and verifying sustainability information. The workers' representatives' opinion shall be communicated, where applicable, to the relevant administrative, management or supervisory bodies.*



Italy ++

Article 3, paragraph 7 (Sustainability Reporting) Legislative Decree No. 125, dated 6 September 2024

“The company, **also in compliance with applicable legislation and agreements on the matter, shall provide arrangements to inform employees’ representatives** at the appropriate level **and discuss with them** the relevant information and the means of obtaining and verifying sustainability information. The opinion of the employee representatives shall be communicated, where appropriate, to the relevant administrative, management or supervisory bodies.”

Romania Point 492¹⁶ (Order 85/2024).

“The entity’s management **shall inform employee representatives** at the appropriate level **and discuss with them** the relevant information and the means of obtaining and verifying sustainability-related information. The views of the employee representatives shall be communicated, where appropriate, to the relevant administrative, management, or supervisory bodies.” (deep1)



Bulgarian Accountancy Act:

Art. 48, par. 9: „The management of the undertaking **informs the workers’ representatives** at the appropriate level **and discusses with them** the relevant information and the means of obtaining and verifying sustainability information. The opinion of the workers’ representatives is communicated, where applicable, to the management or supervisory bodies“

Lithuania - Art. 39 ust. 3. Law on reporting of enterprises and groups of enterprises.

(The sponsoring) (parent?) company **must inform employee representatives and discuss with them** information on sustainability issues and the methods of receiving and verifying it. The opinion of the employee representatives is, if necessary, passed on to the management of the (sponsoring) company or to the governing or supervisory bodies. (Deep1).



Poland

Article 63r(8) of the Accounting Act.

The head of the entity **shall consult with employee representatives** regarding information on sustainable development that is relevant to the entity's employees, as well as the methods for obtaining and verifying such information. The head of the entity shall convey the opinion of the employee representatives to the members of the supervisory board or other supervisory body of the entity, if the entity has such a body.”

Consult = inform and discuss



- Different approach – time frame.
- Italy -ex ante - The two paragraphs (d art. 3 par. 7 anart. 4 par. 9) of the legislative decree no 125 provide a definition of the **information procedure that can be categorised as preventive**. By literal interpretation of the above paragraphs: workers' representatives (e.g. Trade Union representative or Health and Safety Reps, if the topics of the Report concern health and safety, or any other specific committees defined by agreements) must receive information on ESG strategies and sustainability policies in relation to the drafting of the Reports. According to the decree, it is the company itself that has to provide information.
- Poland – ex post . Explanatory memorandum. „ Therefore, the entity’s manager should inform employee representatives and discuss with them the information **contained in the sustainability report that is relevant to employees**, as well as the methods for obtaining and verifying such information. This means that, for the purposes of the aforementioned reporting, the entity should establish a dialogue and exchange of views with employee representatives at a time and in a manner that allows them to express their opinions. „



The provision of Article 1 para. 7) concerns Article 29a of Directive 2013/34/EU. Article 29a(6) reads as follows: *The management of the parent undertaking shall inform the workers' representatives at the appropriate level and discuss with them the relevant information and the means of obtaining and verifying sustainability information. The workers' representatives' opinion shall be communicated, where applicable, to the relevant administrative, management or supervisory bodies.*

The transposition analogical to the one of the art. 19a (5).

Refers to – management of the parent undertaking – instead of the management of the company



• Comments on transposition

- Transposition is essentially verbatim (Romania), The wording is clear but high-level—no defined timelines, formats, or sanctions. “Appropriate level” is not defined; interpretation will follow existing representation structures (enterprise union, elected reps, possibly EWC in groups). Where social dialogue is strong, these objectives (recital 52) should be achieved in practice. Where it is weak, compliance may be more formalistic.
- Bulgaria - the legal texts do not provide workers’ representatives with the opportunity to participate in the preparation of, or to express an opinion on, the draft sustainability report—particularly regarding the social and environmental consequences of the company’s activities. Moreover, the legislation lacks clearly defined deadlines and procedures for consultation, decision-making, and the provision of feedback by workers’ representatives. There is no legal provision regarding the timeframes and format of informing and consulting.



Comments on transposition - Italy

The set of provisions (art. 3 par. 7 and art. 4 par. 9 of 125 Decree) is part of the Italian contractual experience. This framework should be enriched both formally and factually, with various National Collective Bargaining Labour Agreements (CCNLs), or those at the company and territorial levels, potentially containing guidelines that address the specific characteristics of the relevant economic sector.

Exercising the right to information in the context of preparing sustainability reports requires the use of / to apply the National Collective Bargaining Labour Agreements (CCNLs). Most existing CCNLs include specific information procedures that should be assessed and enhanced in light of this Directive, particularly concerning the processes of preparation of the Sustainability Reports.



Poland

- **Organization of employers:** The Directive has been transposed into Polish law in accordance with the objective set out in recital 52. This is all the more so given that the provisions of the Directive's preamble do not form part of its substantive provisions, but serve to facilitate a better understanding of the EU legislator's objectives and the interpretation of provisions of the Directive that give rise to doubts. In the view of employers' organisations, the provisions offer flexibility in organising consultations and exchanges of views, which allows the process to be tailored to the specific nature of the entity and its organisational structure. National regulations may help to strengthen social dialogue and the preparation of sustainability reports in a way that benefits both parties – both employees (through the opportunity to express their views) and employers (through the reliable preparation of the report).
- In the view of trade unions, the transposition is not correct. The issue of clarifying the dialogue partners (the appropriate level), the right to be informed, and the timeframe for the dialogue has been left out of the scope of the legislation. This will not help to strengthen genuine social dialogue in the area of sustainability reporting.



Workers' right to information and consultation on sustainability reporting

When transposing into national law the obligation to ensure that sustainability reporting is carried out in accordance with the employees' right to information and consultation, has the national legislator explicitly referred to the provisions of Directive 2002/14/EC of the European Parliament and of the Council of 11 March 2002 establishing a general framework for informing and consulting employees in the European Community and/or Directive 2009/38/EC of the European Parliament and of the Council of 6 May 2009 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees?

NO



- Would referring to the mentioned directives enhance the dialogue?
- Lithuania – such a reference can strengthen the dialogue,
- Italy – the lack of mention of European Works Council in the CSRD directive is a significant oversight.
- **Rumunia** - No explicit references were made in the CSRD transposition acts. A cross-reference to Law 467/2006 (implementing 2002/14/EC) or to the EWC law could have clarified process and bodies involved and might have enhanced dialogue. Likely omitted due to drafting scope (accounting regulation issued by the Finance Ministry) and the desire to mirror EU text without expanding into labor law. Practice will rely on existing consultation frameworks even without explicit citations.
- **Bulgaria** - The legislative *rationale* focuses on introducing non-financial reporting, ESG themes and transparency, without linking to employee consultation rights. A reference to those directives might reinforce social dialogue, but such inclusion is absent.



Poland

In the view of the trade unions, the reference to the provisions of Directive 2002/14/EC of the European Parliament and of the Council EC of 11 March 2002 establishing a general framework for informing and consulting employees in the European Community or Directive 2009/ 38/EC of 6 May 2009 on the establishment of a European Works Council or procedures for informing and consulting employees in Community-scale undertakings or groups of undertakings would have contributed to strengthening social dialogue during the preparation of sustainability reporting. These directives have been transposed into Polish law, and practices for their application have been developed on the basis of these provisions. The lack of reference to the aforementioned principles and the laconic nature of the provisions transposing the directive create legal uncertainty for the social partners, who do not know exactly how to conduct the dialogue. In the view of the trade unions, the reason for the lack of reference to the aforementioned directives at the stage of transposition into Polish law is the fact that the directive itself contains no such reference, and the Ministry of Finance's position that the principles of dialogue are set out in a delegated regulation.



When transposing the Directives to the national level, did the national legislator explicitly indicate which trade unions or employee representatives should be informed and consulted - i.e. what is meant by the appropriate level of employee representatives?

No, but

Italy –The Italian legislature has closely followed the original wording of the Directive by using the term "appropriate level." In Italy, this term is quite clear, as evidenced in Article 3, paragraph 7, and Article 4, paragraph 9 of the transposing legislative decree, which includes a reference to the "applicable agreements." For our purposes, these refer to the National Collective Bargaining Labour Agreements (CCNLs) and supplementary company agreements. Consequently, depending on whether it pertains to a single company or a group of companies, the relevant trade union representation relates to either the individual company or the group as a whole.

Romania - No definition was provided for “the appropriate level”. Unions requested clarification during consultations, but the final text kept the directive’s broad phrasing.



- **Bulgaria** - The issue of clarifying what constitutes the “appropriate level” of representation was not extensively debated during the legislative process for transposing Directive. Instead, the legislator relied on the general mechanisms already established in labour legislation.
- **Lithuania** - In Lithuania, the legislator clearly specifies which trade unions or employee representatives should be informed and consulted. Provisions on information and consultation are regulated in Articles 203–209 of the Labour Code.
- **Poland** - The legislator has not specified which trade unions or employee representative bodies should be informed and consulted – that is, what is meant by the ‘appropriate level’ of employee representatives. During the work on transposing the Directive, the issue of clarifying the ‘appropriate level’ of employee representatives was raised primarily by trade unions and employers’ organisations in written submissions sent to the drafters.



When transposing the Directives to the national level, did the national legislator explicitly indicate how the employees' representatives are to be informed and consulted: that is, the timeframe of the information and consultation process, the rules of the information process, the rules for discussing the relevant information, establishing how the information is to be obtained, the scope of the information to be provided, the rules for verifying the information.?

Bulgaria - There are no explicit statutory provisions that regulate: the timeframe for providing information, the format or rules of the consultation process, how information should be obtained and verified, the scope of information to be provided beyond the general requirements for sustainability reporting. As a result, it remains uncertain how information-sharing and dialogue are to be carried out in practice. Trade unions and workers' organisations did not succeed in securing the inclusion of specific procedural requirements for consultation on sustainability reporting. Where proposals were made, they were not reflected in the final legislative text. The legislator chose to rely on the existing framework under the Labour Code and did not introduce additional provisions.



Romania - No procedural specifics (timelines, formats, scope lists) were set. Unions raised the need; the government kept the text high-level. Companies have flexibility

Italy - Articles 3(c)7 and 4(c)9 of the transposing legislative decree mention the importance of referring to the "applicable agreements on the matter." For us, this pertains to the National Collective Bargaining Labour Agreements (CCNLs) and any supplementary company agreements. In our opinion the relevant information procedures are those defined in these agreements and can vary based on the company's industry. As previously stated, it would be beneficial to enhance the companies' agreements by incorporating references from the directive.

Poland - During the work on transposing the directive, issues relating to the provision of detailed information and consultation with employee representatives were raised by trade unions, employers' organisations and certain sectoral organisations. Attention was drawn, amongst other things, to the need to:

- identify the appropriate level of employee representation within corporate groups,
- define the timeframe and rules for consultation,
- clarifying the scope of information provided to employees,
- defining the method of obtaining and verifying information,
- clearly defining the procedure to be followed in the event of a negative opinion from employee representatives.

These comments were not taken into account. The legislator pointed out that there are no explicit provisions in the ESRS governing consultations at the group level, and that further detailing of the provisions could lead to a conflict with the ESRS.

Lithuania - The deadlines for the information and consultation process, etc. are specified in the Labor Code of the Republic of Lithuania.



Has the national legislator provided for complaint procedures or sanctions for breaching the information and consultation procedure?

Italy - Unfortunately, there are currently **no sanctions** in place for companies that fail to comply with the information rights associated with drafting sustainability reports

Lithuania - The legislator provided for **complaint handling procedures or sanctions for violation** of the information and consultation procedure. Article 209. of Labour Code- Liability for failure to comply with the information and consultation obligations.

Romania – no new specific mechanism.

Poland – no specific mechanism. The trade unions highlighted the need to introduce mechanisms to ensure that consultation obligations are effectively fulfilled, including complaints procedures and sanctions for breaches. Furthermore, the trade union side proposed extending sustainability reporting to include the views of employee representatives, so that genuine consultation could take place in practice, but this proposal was not taken into account.

Bulgaria – no specific complaint procedures or sanctions in the Accounting Act with regard to breaches of the information and consultation requirement related to sustainability reporting. However, general provisions exist in the Labour Code



How has the national legislator regulated the participation of employee representatives, trade unions in the double materiality analysis process?

- **Bulgaria** - not explicitly regulated the participation of employee representatives or trade unions in the double materiality analysis process. In practice, the participation of employees in the double materiality process depends largely on how companies interpret their obligations. The absence of a clear and explicit legal requirement leaves room for employers to limit the scope of dialogue.
- **Romania** - Not explicitly regulated. Participation is left to interpretation and company practice. The law requires consultation on “relevant information” (which can include materiality results), enabling reps to react and provide feedback, but it does not mandate their involvement during the assessment design/execution. So participation is possible but not guaranteed or structured by law.
- **Italy** - The transposition indirectly references the criteria of double materiality by mentioning the regulations applicable to the preparation of the Sustainability Report. These issues will certainly be addressed in the previously mentioned Information procedures. However, if the union intends to discuss this topic further, it will still need to train its managers or seek specific expertise. In fact, understanding dual materiality requires specialised knowledge.



How has the national legislator regulated the participation of employee representatives, trade unions in the double materiality analysis process.

- Lithuania - The participation of trade unions in the dual materiality analysis process is not regulated.
- Poland - National legislation does not explicitly contain provisions that would require companies to formally involve employee representatives or trade unions in the double materiality assessment process. However, as noted above, provision has been made for consultations with employee representatives regarding information on sustainable development that is material to employees. However, in the view of the trade unions, the adopted provisions, due to their vagueness, will not facilitate the inclusion of trade unions in the double materiality assessment.



Social dialogue

- Recital 9 of Directive 2022/2464 - *If undertakings carried out better sustainability reporting, the **ultimate beneficiaries** would be individual citizens and savers, including **trade unions** and workers' representatives who would be adequately informed and therefore **able to better engage in social dialogue**. (...)*
- Recital 12 of Directive 2022/2464 - *Sustainability reporting can help undertakings to identify and manage their own risks and opportunities related to sustainability matters. It can provide a **basis for better dialogue** and communication between undertakings and their stakeholders, and can help undertakings to improve their reputation!*



- **Italy** - Directive fails to adequately recognise the role of trade unions, and this oversight is mirrored in the transposition decree into Italian law. In fact, in this decree, there is only a vague reference to workers' representatives, with no explicit mention of trade union representatives or the unions themselves, even though they are included in this category. In our opinion it is crucial that trade unions actively participate in the report drafting process.
- **Lithuania** - The transfer of Directives lacked discussion and input from trade unions. The transposition of Directive 2022/2464 into national law did not take into account the issues referred to in recital 12. The transposition lacked dialogue between social partners and other interested market participants.
- **Bulgaria** - The law does not specify procedures, scope, or timing for consultation. Explanatory memoranda mention alignment with EU sustainability reporting requirements but do not explicitly reference Recital 9 or social dialogue objectives. As a result, the objective of ensuring employees and trade unions are adequately informed to strengthen social dialogue has not been fully achieved. The lack of detailed procedural requirements and guidance hinders the achievement of the full potential of sustainability reporting in line with Recital 12.



More optimistic

- **Romania** - The consultation requirement (points 492¹⁶/492²³) ensures worker reps are informed and can engage. Comprehensive ESRS-aligned reporting provides richer data for dialogue. While not explicitly highlighted in explanatory notes, the legal setup should achieve Recital 9's objective—unions will be better informed and able to engage more substantively. Romanian regulations adopt ESRS content requirements (including risks/opportunities, business model resilience) and mandate consultation with employees, which together support better risk management and dialogue. Reputation effects follow from credible transparency. Success depends on company execution; no legal hindrance is present.
- **Poland** - Recital 9 sets out certain objectives that the implementation of the directive may help to achieve, but does not in itself constitute a provision that obligates Member States to implement it in the form of a specific legal provision. Trade unions have highlighted the need for employee representatives' views to be included in sustainability reporting, which would enable employees and civil society organizations to assess the impact of companies on people and the environment. The Act stipulates an obligation to consult and present opinions, though it does not formally incorporate this into the audited ESG report. Although the national transposition of the directive does not provide for formal enforcement mechanisms for social partners or sanctions, the mere disclosure of non-financial data in ESG reports creates a sense of greater responsibility on the part of companies. Recital 12 - Sustainability reporting can help entities identify and manage their own risks and opportunities related to sustainability issues. It can serve as a basis for better dialogue and communication between entities and stakeholders, and help entities improve their reputation.



In your opinion, will the legal solutions adopted by the national legislator contribute to strengthening the social dialogue? In your opinion, do the adopted national solutions allow/promote/indicate/recommend the use of trade union capacity and knowledge by the company?

- **Italy** - The solutions provided by the transposition rules regarding social dialogue are quite general. However, Italy has a well-established tradition of industrial relations. As a result, the procedures for discussing Sustainability Reports are integrated into a framework where ongoing trade union relations are already in place. It is important to update these relations to align with the provisions of the Directive and its transposition.
- **Bulgaria** - Due to the absence of legal mechanisms enabling meaningful workforce involvement, the national approach does not effectively strengthen social dialogue. While companies may comply with the formal requirements, employee engagement remains limited, and the expertise and capacity of trade unions are not explicitly recognised or utilised in strategic sustainability discussions.



- **Poland** - In the view of employers' organizations, it cannot be said that the law in and of itself strengthens social dialogue in a formal sense. However, the provisions indirectly create space for deeper social dialogue. In the view of trade unions, the transposition of the directive represents a missed opportunity to strengthen social dialogue. The lack of clearly formulated rules for dialogue may result in trade unions being excluded from the report-drafting stage. Conversely, the failure to specify—even as an example—the scope of information that should be provided may result in legal uncertainty on the part of companies and tension between the parties to the dialogue. Consequently, rather than leveraging the potential and expertise of union members, this may instead contribute to increased tension between trade unions and the company.
- **Romania** - The combination of ESRS disclosures, external assurance, and the consultation requirement should materially improve inclusion and reduce green/socialwashing, but it does not guarantee completeness. Assurance is initially limited and there is no dedicated sanction for skipping meaningful consultation. Over time, stakeholder scrutiny and assurance should improve accuracy and coverage.



Sustainability reporting in North Macedonia

The engagement of the companies in North Macedonia of all sizes to promote transparency of their activities is growing.

It can be said that the companies which disclose information on non-financial issues is voluntary practise and those companies are still exceptional, it is not regular and widespread practise among all companies.

Usually, the blue-chip companies are those which are including CSR in their annual reporting or is more common in certain industries that have higher environmental and social impacts or greater international exposure.

These industries are financial sector, manufacturing, energetic sector, telecommunicaions etc. And by the company type large companies and corporation with international ownership or investors feel pressure from international stakeholders to disclose non-financial reporting. Some companies are regularly publishing ESG non – financial reporting.



Social partners are aware of the non-financial reporting of the companies.

Trade unions and organization of the employers are part of the National Coordination Body for Corporate Social Responsibility, which was established in 2008 as a permanent working group within the Economic and Social Council under the Ministry of Economy.

National Coordination Body for Corporate Social Responsibility is a cross-sectorial body responsible for developing multiple dialogues and identifying joint actions to promote and implement CSR, which in June 2008 prepared the National Agenda for Corporate Social Responsibility.

Although trade unions are informed about CSR reporting and non-financial disclosures, in practice, trade unions rarely use this published information directly in collective bargaining or negotiations with employers. The non-financial reports tend to serve more as transparency and accountability tools rather than negotiation leverage.

The disclosure of non-financial information is not yet fully integrated into the formal negotiation processes between trade unions and employers. Instead, it is more often used as a background reference or for monitoring employer practices rather than as binding negotiation material.



Non-financial reporting is not a central or frequent subject of dialogue between trade unions and companies during labor negotiations. Trade unions' primary focus remains on more traditional labor issues like wages, working conditions, and health and safety. Dialogue concerning the preparation and content of non-financial reports, including CSR, is generally not mandated by specific legal provisions in Macedonia. Instead, such dialogue arises on a voluntary basis, often dependent on the company's goodwill or its strategic approach to social responsibility.

Trade unions in North Macedonia may take action when false or misleading non-financial information (often called social washing) is published, but such actions are sporadic and generally informal rather than systemic or formalized. Trade unions are protecting their rights and violations of labor rights through formal complaints to the Labor Inspectorate, legal actions, public campaigns, and engagement with the public ombudsman or other regulatory bodies. Trade unions does not have formal powers to enforce the transparency of the non-financial information.



Conclusions:

Comparing North Macedonia and the EU countries - difference is that there is a legal obligation of preparing the sustainability reports in EU countries and an obligation of information and consultation on relevant information on sustainability reporting.

No special procedure for information and consultations on sustainability reporting

So what rests?

The industrial relations as they are now - requires the engagement from TU

General rules apply – collective labour law and collective agreements

Challenge – being the partner of the dialogue on sustainability reporting requires from TU the adequate knowledge – training

Is the CSRD aim of straightening the social dialogue achieved - ?









