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By: Francesco Carloni, Mélanie Bruneau, Nikolaos Peristerakis, Giovanni Campi, Dr. Michael Hofmann, LL.M., Antoine de Rohan Chabot, Sara Rayon Gonzalez, Edoardo Crosetto

ANTITRUST AND COMPETITION

European Commission Launches Evaluation of the Geo-Blocking Regulation

On 11 February 2025, the European Commission launched a call for evidence to seek stakeholders' views on the Geo-Blocking Regulation (EU) 2018/302 to assess its effectiveness. The Geo-Blocking Regulation prohibits geography-based restrictions that limit online shopping and cross-border sales within the European Union.

FINANCIAL AFFAIRS

Commission Proposes to Amend CSDR and Shorten Settlement Cycle, ESMA Consults on Technical Amendments to Settlement Standards

The Commission is proposing to shorten the settlement cycle under the Central Securities Depository Regulation (CSDR) while the European Securities and Market Authority (ESMA) is consulting on technical amendments to standards in relation to settlement discipline.

Omnibus Simplification Package: Parliament and Council Start Internal Discussions

Member States and Members of the European Parliament (MEPs) started examining the simplification proposal put forward by the European Commission (Commission), outlining next steps and indicative timeline for its adoption.

OTHER

European Commission Proposes Simplification CBAM Ahead of Full Entry into Force

The European Commission has proposed a series of measures to simplify the implementation of the EU Carbon Border Adjustment Mechanism (CBAM), which is set to take full effect in January 2026.

ANTITRUST AND COMPETITION

European Commission Launches Evaluation of the Geo-Blocking Regulation

On 11 February 2025, the European Commission (Commission) launched a call for evidence on the Geo-Blocking Regulation (EU) 2018/302 (Geo-Blocking Regulation) aimed at evaluating its effectiveness. Geo-blocking refers to

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the practice used by online sellers to restrict online cross-border sales based on nationality, residence, or place of establishment. This type of conduct can be implemented in different forms, such as blocking access to websites, redirecting users to country-specific sites, or applying different prices and conditions based on the user's location.

The Geo-Blocking Regulation, which entered into force on 3 December 2018, lays down provisions that aim at preventing these practices. It implements the “shop-like-a-local” principle, under which customers from other Member States should be able to purchase under the same conditions as those applied to domestic customers. Thus, the Geo-Blocking Regulation aims at eliminating unjustified geo-blocking and other forms of discrimination based on nationality, place of residence, or establishment within the European Union (EU).

The call for evidence seeks feedback from stakeholders, including consumers, businesses, and national authorities, to assess whether the Geo-Blocking Regulation has met its objectives and to identify any remaining barriers to cross-border trade or whether further measures are needed to enhance its effectiveness. In particular, the evaluation will cover issues raised by stakeholders, such as territorial supply constraints and cross-border availability of (and access to) copyright-protected content. The call for evidence is based on the review clause set forth in Article 9 of the Geo-Blocking Regulation, which requires the Commission to report on its evaluation to the European Parliament, the Council of the EU, and the European Economic and Social Committee. The scope of the evaluation includes the period running from 3 December 2018 to 31 December 2024 and will cover the entire European Economic Area (EEA) which comprises the EU 27 Member States and Liechtenstein, Iceland, and Norway.

The evaluation should help the Commission to determine whether further measures are needed to address perceived barriers and strengthen cross-border trade in the EU. Therefore, based on the feedback received during the call for evidence, the Commission may consider changes to the current Geo-Blocking Regulation to enhance consumer protection, promote cross-border trade, and foster a more integrated and dynamic EU economy. Stakeholders were invited to provide feedback until 11 March 2025. Subsequently, the Commission will launch a public consultation consisting in the form of a questionnaire.

Geo-blocking is also relevant from a competition law enforcement perspective. In 2021, the Commission imposed a fine on Valve and five video game publishers of €7.8 million for bilaterally agreeing to geo-block video games within certain EEA Member States in breach of Article 101 of the Treaty on the Functioning of the European Union. The Commission found that the agreement between Valve and each publisher inadmissibly partitioned the EEA market. Likewise, in May 2024, the Commission fined one of the world's largest producers of chocolate and biscuit products €337.5 million for engaging in anticompetitive agreements or concerted practices aimed at restricting cross-border trade of various chocolate, biscuit, and coffee products.

The continued focus on geo-blocking practices confirms the Commission's strong stance against any perceived restrictions to the detriment of the EU single market.

FINANCIAL AFFAIRS

Commission Proposes to Amend CSDR and Shorten Settlement Cycle, ESMA Consults on Technical Amendments to Settlement Standards

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On 12 February, the Commission adopted a proposal to amend the Central Securities Depositories Regulation (CSDR) to shorten the securities settlement cycle from two business days to one.

This initiative builds on the European Securities and Markets Authority (ESMA) report, which assessed the feasibility, impact, and implementation roadmap for the transition to a shorter settlement cycle. The Commission's proposal amends Article 5 of the CSDR, mandating that transactions in transferable securities be settled no later than the first business day after trading. Following ESMA's recommendations, the Commission proposes that the new cycle take effect on 11 October 2027. The proposal is now under review by the European Parliament's Economic and Monetary Affairs Committee (ECON), with Johan Van Overtveldt (European Conservatives and Reformists Group (ECR), Belgium) serving as leading rapporteur, and by Member States at the Council of the EU. Once both institutions agree on their positions, negotiations will take place with the Commission to finalize the legislative text.

In a related development, on 13 February, ESMA launched a public consultation on amendments to the regulatory technical standards on settlement discipline, addressing key operational challenges in settlement efficiency. The amendments propose stricter requirements for timely trade confirmations, automation through standardized electronic messaging formats, and improved reporting mechanisms for settlement failures. ESMA welcomes feedback and comments on the amendments by 14 April 2025.

Omnibus Simplification Package: Parliament and Council Start Internal Discussions

On 10 and 11 March, Members of the European Parliament (MEPs) and Member States representatives at the Council of the EU started internal discussions on the proposed Omnibus simplification package, which aims to (i) postpone the entry into force of the requirements under the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CS3D)—renamed “Omnibus I,” and (ii) simplify sustainability requirements under CSRD, CS3D, the Taxonomy Regulation and specific provisions of the Carbon Border Adjustment Mechanism (CBAM)—renamed “Omnibus II.”

European Parliament

During a plenary session on 10 March, MEPs held an initial exchange of views on the package highlighting the positioning of each party on the proposal. MEPs from the European People's Party (EPP) strongly support the package and advocate for a swift adoption of the first part of the proposal postponing the application of CS3D and CSRD. For that, on 3 April, MEPs approved a request for urgent procedure introduced by the EPP.

MEPs from Renew Europe Group (Renew) expressed only limited support for the Omnibus II proposal and, while they recognize the need for simplification to foster economic growth, they emphasized the importance of ensuring that the rules remain effective through negotiations. Representatives from the Socialists & Democrats and the Greens largely opposed the proposal, expressing strong concerns about the potential dilution of previously agreed requirements. Other MEPs from the far-right ECR Patriots for Europe and Europe of Sovereign Nations supported the package but called for further deregulation, while representatives from The Left were entirely opposed to the proposal and rejected the Commission's approach to simplification in this context.

In a related development, on 19 March, the European Parliament Committee on Legal Affairs, the Committee responsible for the Omnibus package, appointed MEP Jörgen Warborn (EPP, Sweden) as lead negotiator for the Omnibus II proposal. Pascal Canfin (France) has been appointed as shadow rapporteur for Renew, while other political groups are expected to shortly communicate shadow rapporteurs involved on the file. Other committees

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involved (Foreign Affairs; International Trade; ECON; Employment and Social Affairs; and Environment, Climate and Food Safety) are expected to also announce whether they will provide an opinion on the file. The next meeting on this part of the proposal has been set for 23 April 2025.

Council of the EU

On 11 March, Member States in the Economic and Financial Affairs configuration of the Council of the EU also discussed the proposal. All governments showed strong support for the postponement of the rules and welcomed the Commission's approach in this area. However, not all Member States agreed on the substantial amendments introduced to CSRD and CS3D; France opposes eliminating civil liability rules, while the Czech Republic, Italy, and Hungary push for deeper deregulation to boost competitiveness. Trade and business ministers further examined the package on 12 March during a Competitiveness Council meeting, showing general support for the amendments put forward. While it seems that an agreement will be quickly reached for the Omnibus I, Member States will need to further negotiate on the substantial amendments introduced by the second part of the proposal (so called “Omnibus II”).

Timeline

For both proposals, Member States and MEPs will need to negotiate the final content of the directives through interinstitutional negotiations. The Omnibus I will likely be adopted in the next three to six months, with transposition into national law by end of this year, meaning that the postponement will presumably happen before an additional wave of companies would have been obliged under the directives in their current form. The substantial amendments introduced by Omnibus II will likely involve lengthier negotiations within the Council of the EU and the Parliament.

OTHER

Commission Proposes Simplification of CBAM Ahead of Full Entry Into Force

CBAM, the world's first carbon border tariff, is set to come into full force in January next year. This means that importers of goods covered by CBAM legislation (iron and steel, cement, fertilizers, aluminum, electricity, and hydrogen) will be required to declare the emissions embedded in their imports and surrender corresponding certificates, and be priced based on the EU Emissions Trading System (ETS). However, even before CBAM is fully implemented, the Commission has already proposed changes to the legislation in response to economic competitiveness and geopolitical challenges.

As part of the Omnibus simplification package announced on 26 February, the Commission proposed several changes to streamline CBAM implementation.

Firstly, the Commission aims to simplify CBAM requirements for small importers, primarily small and medium-sized enterprises and individuals, by introducing *a new CBAM de minimis threshold exemption of 50 tons per shipment*. This will exempt over 182,000 or 90% of importers from CBAM obligations, while still covering over 99% of emissions in scope.

Secondly, for importers that remain within the scope of CBAM, the proposed *changes aim to simplify compliance with its obligations*. Specifically, the proposal simplifies the calculation of embedded emissions for certain goods,

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clarifies the rules for emission verification, and streamlines the process for calculating the financial liability of authorized CBAM declarants.

These changes will now have to be approved by the European Parliament and EU Member States before they come into force.

Additionally, a comprehensive review of CBAM is expected later this year to assess the potential extension of the mechanism to additional ETS sectors (potentially including aviation and maritime shipping), downstream goods, and indirect emissions. As part of this review, the Commission will also explore measures to support exporters of CBAM-covered products facing carbon leakage risks. A legislative proposal is anticipated to follow in early 2026.

KEY CONTACTS



FRANCESCO CARLONI
OFFICE MANAGING PARTNER, BRUSSELS

BRUSSELS, MILAN
+32.2.336.1908
FRANCESCO.CARLONI@KLGATES.COM



MÉLANIE BRUNEAU
PARTNER

BRUSSELS
+32.2.336.1940
MELANIE.BRUNEAU@KLGATES.COM



NIKOLAOS PERISTERAKIS
PARTNER

BRUSSELS
+32.2.336.1934
NIKOLAOS.PERISTERAKIS@KLGATES.COM



GIOVANNI CAMPI
SENIOR POLICY DIRECTOR

BRUSSELS
+32.2.336.1910
GIOVANNI.CAMPI@KLGATES.COM



DR. MICHAEL HOFMANN, LL.M.
COUNSEL

BRUSSELS
+32.2.336.1921
MICHAEL.HOFMANN@KLGATES.COM



ANTOINE DE ROHAN CHABOT
COUNSEL

BRUSSELS
+32.2.336.1941
ANTOINE.DEROHANCHABOT@KLGATES.COM



SARA RAYON GONZALEZ
ASSOCIATE

BRUSSELS
+32.2.336.1942
SARA.RAYONGONZALEZ@KLGATES.COM



EDOARDO CROSETTO
TRAINEE ASSOCIATE

BRUSSELS
+32.2.336.1924
EDOARDO.CROSETTO@KLGATES.COM

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