

EU Parliament]transforms country-by-country reporting ...

Published: January 13, 2026, 4:22 pm

The European Parliament rapporteurs on the progress of the proposals for public country-by-country reporting (CBCR) [issued their first report](#) in the last few days. Like others I missed it at the time, but I now make amends. I am delighted to note that they have taken issue with major weaknesses in the Commission's proposal.

First, they have proposed that there be no European constraint on reporting, which the Commission was suggesting. In other words it seems that they want to do full CBCR for every jurisdiction in which a company trades. This is very good news.

Second, they have suggested lowering the limit on turnover at which they think reporting should take place from €750 million to €40 million. Again, this is a massive step in the right direction as it enormously extends the scope of the provision.

Third, they have removed a 'commercial opt out' excuse allowing companies to not disclose when in their judgement they thought it inappropriate which you can be sure all companies would have used: they are instead in effect insisting on full disclosure come what may.

Fourth the list of tax havens the Commission would have required disclosure for is scrapped, because disclosure will be required for all jurisdictions.

Fifth a common template for disclosure is required and it is demanded that it be in open data format: this is data to be used, not hidden away.

As if to reinforce that, sixth, a European public register for these disclosures is required.

Seventh, each subsidiary of a reporting company will have to be located in a jurisdiction: geography is back in.

Eighth, employee disclosure is now of full time equivalent staff, not absolute numbers, which makes data comparable and is essential.

Ninth, additional details on asset investments are required, including annual spend.

Vitality, and tenth, the requirement to disclose intra-group transactions is restored.

Eleventh, the right of 'experts' to be consulted before changes are made is deleted: the industry veto on country-by-country reporting is removed as a result.

There are other changes in addition to the above, and much of the wording is improved. Vitality though the essence of country-by-country reporting is restored by these changes to the half-hearted EU proposal. I warmly welcome them and wish them success. The Parliament has a long track record of supporting public country-by-country reporting: I hope it does so again now.