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# COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

Simplifying for sustainable competitiveness

{SWD(2025) 990 final}

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## 1. Introduction

The protection of Europe's environment is imperative for our resilience, prosperity and competitiveness. The health and well-being of Europeans and the resilience of our economy and strategic autonomy depend on our environment and on the availability of sufficient and clean natural resources. European businesses are dependent on the environment: 19 out of 23 economic sectors in the EU have substantial dependencies on nature (1).

Over the past decades, to achieve its environmental goals, the EU has developed a strong framework of legislation spanning critical objectives, which include protecting and improving the quality of the EU's air, water soil and biodiversity, reducing pollution and restoring natural habitats, managing waste and promoting a more sustainable circular economy. The Union's clean transition is a key driver for Europe's long-term prosperity and sustainable competitiveness.

Environmental protection must be secured in a way that enables Europe to rise effectively to the unprecedented geoeconomic, geopolitical and security challenges it faces. These challenges have a disruptive impact on the social and economic realities and can also indirectly represent a major risk to its environment.

Environmental degradation and resource depletion cause damage to the economy, infrastructure and financial stability, whilst a nature-positive, circular economy can create growth and jobs. A healthy planet and resilient economy go hand in hand. Competitiveness and sustainability are two sides of the same coin.

With the **Competitiveness Compass** (2) as its defining strategy, the Commission aims to urgently boost innovation, foster decarbonisation and competitiveness, reduce dependencies and strengthen strategic autonomy. It specifically calls for unprecedented efforts to simplify Union laws to make doing business easier and faster without undermining policy objectives.

In this context, the Commission set the target of cutting administrative burden by at least 25% for all companies and at least 35% for small and medium-sized enterprises (SMEs) while staying the course on its goals. The European Council in its conclusions also called for simplification (3), including in the area of permitting and the environment.

This simplification package (the eighth omnibus) aims to ensure that the environmental goals of the European Union are achieved in more efficient, less costly and smarter ways. The measures proposed in this package are set to facilitate the implementation of existing laws and the achievement of environmental objectives, while at the same time reducing unnecessary bureaucracy for businesses, including farmers and SMEs, and boosting the single market.

The scope of this comprehensive package focuses on industrial emissions, circularity and environmental assessments. The proposed measures will also contribute to the objectives of the

<sup>(1)</sup> JRC Publications Repository - The EU economy's dependency on nature.

<sup>(2)</sup> COM(2025) 30 final of 29 January 2025, A Competitiveness Compass for the EU.

<sup>(3) &</sup>lt;u>European Council conclusions</u> on competitiveness and twin transition of 23 October 2025.

ResourceEU Action Plan on reducing Europe's dependencies on critical raw materials. The legislative proposal to speed-up environmental assessments, which is part of the omnibus package, ensures simplification, coherence and legal certainty for faster and better environmental assessments, providing a legal framework for all sectors and is thus complementary to, and coherent with the Grids Package as well as the upcoming Industrial Accelerator Act and the Cloud and AI Development Act.

In the **Vision for agriculture and food** (<sup>15</sup>), the Commission has committed to deliver meaningful simplification in policy areas that affect farmers, the food and feed businesses and the related administrations. The initiatives set out in this Communication have the potential to contribute to this objective and make it easier and more attractive for young people to enter the profession, supporting a generational renewal in agriculture.

#### 2. THE SCOPE OF THE ENVIRONMENT OMNIBUS

The Commission has engaged in a broad consultation with stakeholders, civil society, public authorities and businesses, Member States and Members of the European Parliament, including through its Implementation Dialogues, stakeholder roundtables and numerous meetings (4). Building on these exchanges, a targeted call for evidence was opened between 22 July and 10 September 2025 focusing on the potential to simplify environmental rules, in particular for the circular economy, industrial emissions and environmental impact assessments and permitting. The call for evidence generated impressive feedback of almost 200 000 responses from citizens, businesses, civil society organisations and think tanks. Most came from citizens who spoke against deregulation and weakening of environmental standards. More than 1 200 responses were received from business associations, civil society organisations, public authorities, and academics and included around 620 position papers. Responses covered almost the entire body of environment law and demonstrate the importance of getting simplification right.

The Commission conducted a careful, systematic review of all input received. This analysis helped define the content of the omnibus package. Moreover, various suggestions will feed into preparing other new initiatives (for example, the upcoming Circular Economy Act) and some will be further assessed under upcoming evaluations of EU laws. Finally, some of the feedback received can be addressed without recourse to legislative revision, through guidelines or implementing measures, which in some cases can provide more effective and immediate solutions, legal clarity and predictability.

After in-depth analysis, the following key elements have been included in the omnibus package:

## Industrial installations and the circular economy

 Cutting administrative burden concerning industrial emissions: the Commission proposes significant simplification concerning environmental management systems (EMS)

<sup>(4)</sup> Implementation Dialogue on environmental assessments and permitting - Environment; Implementation dialogue on the chemicals industry package with Commissioner Jessika Roswall - Environment; Roundtable with stakeholders on environmental omnibus - Environment

and transformation plans under the industrial and livestock rearing emissions Directive. Currently, this Directive requires an EMS for each installation, while under the Commission proposal EMS can be prepared at company level within the same Member State. Three additional years will be given to prepare an EMS, their content will be simplified (no requirement for chemicals inventory and risk assessment) and the obligation for independent audit repealed as systems such as EMAS and ISO 14001 generally address auditing already. The requirement to prepare indicative transformation plans would be repealed. Moreover, it is proposed to exclude organic poultry farms from the scope of the Industrial Emissions Directive. Also, the calculation of farm capacity will be simplified by excluding unweaned piglets.

- Targeted changes to the Industrial and Livestock Rearing Emissions Directive (5) and the Medium Combustion Plants Directive (6) will ease the permitting of decarbonisation projects using oxy-fuel or hydrogen-based combustion. A few changes to the transitional provisions of the revised IED will give the Member States, competent authorities and operators more time to comply with some of the new or revised provisions while providing clarity on when these provisions apply.
- Simplification of the industrial emissions reporting: Livestock and aquaculture operators will be exempted from reporting on water, energy and materials use under the Industrial emissions reporting legislation (7). Member States will be able to report more information on behalf of individual farmers and aquaculture operators, thereby further alleviating the reporting burden for these sectors.
- Reducing administrative burden under waste legislation: The 'SCIP' (8) database has not been effective in informing recyclers about the presence of hazardous substances in products and has imposed substantial administrative costs. It is therefore proposed to repeal the obligation to report SCIP-related data. The EU chemicals legislation, in particular the One Substance One Assessment package as well as the digital product passport will progressively fulfil the envisaged role of the database. When designing the digital product passport for products, the Commission will include data about substances of very high concern in its scope.
- Reducing administrative burden concerning extended producer responsibility (EPR) schemes: Producers selling products in Member States other than those where they are based will be able to decide whether to appoint an authorised representative in those Member States in relation to extended producer responsibility (EPR) for waste

3

<sup>(5)</sup> Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial and livestock rearing emissions.

<sup>(6)</sup> Directive (EU) 2015/2193 of the European Parliament and of the Council of 25 November 2015 on the limitation of emissions of certain pollutants into the air from medium combustion plants, OJ L 313, 28.11.2015, p.1.

<sup>(7)</sup> Regulation (EU) 2024/1244 of the European Parliament and of the Council of 24 April 2024 on reporting of environmental data from industrial installations, establishing an Industrial Emissions Portal and repealing Regulation (EC) No 166/2006, OJ L, 2024/1244, 2.5.2024, p.1.

<sup>(8)</sup> Articles containing substances of very high concern (SVHCs) on the 'Candidate List' at a concentration above 0.1% weight by weight (w/w) placed on the EU market notified according to Article 9(1)(i) of the Waste Framework Directive 2008/98/EC. The database currently contains over 16 million entries for such products.

management requirements (9). Companies having already designated such representatives can maintain their current set-up. These changes represent a stepping stone to more profound simplification. The Circular Economy Act will further propose to reduce the extent of reporting that producers undertake about the products made available and data on the collection and treatment of waste linked to those products, and by limiting the reporting frequency to a maximum of once per year. Single Market harmonisation and digitalisation of extended producer responsibility envisaged under the **Circular Economy Act** in 2026. Further simplification in the upcoming Circular Economy Act will also include simplification concerning third country producers.

Targeted changes for simplification: A series of targeted changes are proposed to a range of instruments including: the Directive on Medium Combustion Plants Directive (10) to alleviate the requirements for back-up generators supporting large data centres; the Batteries Regulation (11) regarding the legal definition of 'producer' to capture all selling techniques for distance sellers, to ensure the right balance between safety and repairability for light means of transport (LMT) batteries and to simplify labelling regarding substances of concern.

### The INSPIRE Directive

Directive (12) will be aligned with the Open Data Directive (13). The proposal is in full synergy with the Digital Omnibus proposal of the Europe's data economy, without proposing substantive amendments to the provisions currently in force under the Open Data Directive. This proposal supports the objectives of the Data Union Strategy as it aims to cut costs, and to reduce complexity making it significantly easier for Member States to make high-quality data publicly available. Better implementation will help to increase the availability high-value geospatial environmental data for reuse by the public and private sector. Such data can power a wide range of downstream services — from real-time environmental monitoring and climate-risk assessments to smarter urban planning, sustainable mobility solutions and improved emergency response. By enabling broader use and reuse of this data, the proposal fully supports the Digital Omnibus objective of making EU data

<sup>(9)</sup> These horizontal provisions would suspend the application of relevant provisions in the Waste Framework Directive, the Batteries Regulation, Waste Electrical and Electronic Equipment Directive, and the Regulation on Packaging and Packaging Waste.

<sup>(10)</sup> Directive (EU) 2015/2193 of the European Parliament and of the Council of 25 November 2015 on the limitation of emissions of certain pollutants into the air from medium combustion plants, OJ L 313, 28.11.2015, p. 1.

<sup>(11)</sup> Regulation (EU) 2023/1542 of the European Parliament and of the Council of 12 July 2023 concerning batteries and waste batteries, amending Directive 2008/98/EC and Regulation (EU) 2019/1020 and repealing Directive 2006/66/EC, OJ L 191, 28.7.2023, p.1.

<sup>(12)</sup> Directive 2007/2/EC of the European Parliament and of the Council of 14 March 2007 establishing an Infrastructure for Spatial Information in the European Community (INSPIRE), OJ L 108, 25.4.2007, p. 1.

<sup>(13)</sup> Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information (recast), OJ L 172, 26.6.2019, p. 56.

legislation leaner, easier to implement and more conducive to an innovative and competitive data economy.

## Environmental assessments and permitting

- Speeding up environmental assessments: The Draghi report pointed to lengthy and uncertain permitting procedures in particular a lack of administrative capacity and of digitalisation as major obstacles to the deployment of new power supply and grids, access to critical raw materials and more broadly towards clean and digital transition projects. On 23 October 2025, EU Leaders called on the Commission to intensify its efforts to stresstest the EU acquis including the exploration of proposals to streamline and accelerate planning and permitting procedures in the Member States. Delays in national permitting procedures have been raised by many stakeholders in the call for evidence.
- To respond to this, and as announced in the Chemicals Industry Action Plan on 8 July, a proposal on speeding up environmental assessments which are core to the permit granting process is tabled as part of the omnibus package. The proposal provides for a simplified and coherent umbrella for faster and better-quality environmental assessments. The proposal will ensure that project developers will benefit from simpler and accelerated procedures with single points of contact co-ordinating complex procedures, cooperation between authorities for environmental assessments with cross-border impacts, digitalisation, ensuring sufficient staffing and capacity of permitting authorities, and limited financial support to cover administrative costs. Further measures to accelerate key energy, digital and industrial decarbonisation projects, including relevant circular economy projects, are also proposed, covering measures such as tacit approval and procedural and judicial prioritisation by the Member States.

The net impact of the omnibus package will **reduce administrative burdens by around EUR 1 billion per annum**. SMEs will be the first to benefit notably if proposed changes concerning authorised representative facilitations and the SCIP database are agreed. As well as the direct savings, there will be additional benefits such as an acceleration and simplification of environmental assessment, which will in particular benefit projects with an investment value of at least EUR 30 billion per annum.

The initial estimates cost savings has been calculated using the Standard Cost Methodology, as set out in the Better Regulation toolbox, for the main measures. Overall, these measures will reduce administrative burdens by around EUR 1 billion annually, primarily aiding businesses and public authorities, and fostering efficiency improvements.

The omnibus proposal includes limited and targeted amendments to the respective Directives and Regulations in the area of environment, and targeted suspension of certain provisions in the area of waste EPR schemes, which are strictly necessary to achieve the objectives of the proposal. Further possible modifications of those Directives or Regulations are entirely outside of the scope and aims of the present omnibus proposal. The need for any further modifications may be assessed, as appropriate, in the context of further stress-testing of EU environmental legislation and proposals announced in Commission work programme 2026, in particular the upcoming Circular Economy Act (see section 3). The Commission will constructively engage

with the co-legislators to facilitate an agreement, pursuing that the main objectives and principles of the Commission's proposal are maintained.

### 3. FUTURE SIMPLIFICATION

Simplification did not begin with, and does not end with, the eighth omnibus (14). The Commission is committed to continue exploiting the full potential for simplification, stress testing EU legislation and working on effective implementation. Implementation needs to be workable and simple. Taking into account all areas of EU legislation, attention needs to be paid to the overall combined administrative burden, aiming to achieve policy goals in a cost-effective way. Stress-testing efforts will cover the full set of environmental acquis during the 2024-2029 mandate of the Commission.

On 4 December 2025, the co-legislators reached a provisional agreement on Commission's proposal tabled on 21 October 2025 to simplify and ensure a smooth implementation of the EU **Deforestation Regulation**.

In addition, the Commission will explore simplification possibilities when preparing the following new initiatives:

- A targeted revision of the **REACH** chemicals legislation(<sup>15</sup>).
- The Circular Economy Act in Q3 2026 will deliver simpler, harmonised rules and lower costs for cross-border circular activities and will create a single market for waste and recycled materials. Building on the targeted simplification of the "authorised representatives" regime including the suspension of the provision to have one representative per Member State as part of the omnibus the Commission is assessing the potential for larger scale reform of extended producer responsibility scheme, including for third country producers, advocated by many stakeholders in their submissions to the call for evidence. This includes further harmonisation of Union legislation, simplification and digitalisation of the extended producer responsibility schemes through a digital one-stop-shop for information, registration and reporting.
- In order to simplify the business environment and the functioning of the single market for waste and secondary materials, the Commission is currently exploring the potential of green-listing of certain types of non-hazardous waste by adoption of delegated acts under the Waste Shipment Regulation for shipments between Member States. The Commission is also aware of specific concerns raised regarding provisions in the Regulation, restricting the export of mixed municipal waste for recovery from the EU, notably in the case where the geographical situation in certain regions warrants the export of such waste through more sustainable means of transportation to near-by waste management facilities in neighbouring EFTA

6

<sup>(14) 2025</sup> Overview Report on Simplification, Implementation and Enforcement - European Commission

<sup>(15)</sup> See COM(2025) 530 final, A European Chemicals Industry Action Plan.

countries. The Commission will explore with the co-legislators how to address the matter in a timely manner in the Circular Economy Act or through other legislative tools, in line with the objectives of the Waste Shipment Regulation and of the EU decarbonisation agenda.

- The Water Framework Directive has been made simpler as part of the political agreement reached on surface water pollutants by the co-legislators in September 2025. This includes flexibilities that address some of the issues raised by stakeholders, including streamlined and reduced reporting obligations as well as the introduction of new exemptions (for temporary deterioration and relocation of pollutants). The effective implementation of the relevant provisions of the Water Framework Directive will be stress-tested in 2026, including the recently agreed exemptions to the non-deterioration principle with a view to determine whether they have brought tangible improvements. Commission guidance will be prepared in Q1 2026 to clarify various issues outlined by stakeholders, in particular concerning permitting. The Commission will also intensify the dialogue with stakeholders and Member States facing specific challenges in the implementation of the Water Framework Directive, keeping in mind the objectives of the ResourceEU Action Plan (16) to boost Europe's strategic autonomy and reduce dependencies on imports of critical materials. Moreover, by Q2 2026 the Commission will review and revise the Water Framework Directive building on stakeholders' input and experiences in Member States, paying particular attention to simplification and the need to address potential bottlenecks, in order to promote circularity and access to critical raw materials in the EU, while protecting the environment and human health(17).
- The upcoming revision of the **Marine Strategy Framework Directive** will also lead to significant simplification. The Commission will aim to improve coherence with the EU freshwater acquis, focusing on delivering results by reducing reporting requirements, and improving data management and governance across the Regional Seas Conventions (18).

In addition, particular attention will be given to areas that were raised by many stakeholders and will require more in-depth assessment and consideration of policy choices, mainly through secondary legislation and guidance. For instance:

As part of the **Water Resilience Strategy** (19), there will be a series of Structured Water Dialogues in 2026 that could identify additional issues and lead to further improvements, including in relation to reporting burden and alignment of monitoring and reporting cycles for the water acquis.

<sup>(16)</sup> COM(2025) 945 final of 3 December 2025, ResourceEU action plan - Accelerating our critical raw materials strategy to adapt to a new reality.

<sup>(19)</sup> COM(2025) 280 final of 4 June 2025, European Water Resilience Strategy.

- The Commission will establish a harmonised format for registration in the register of producers for extended producer responsibility for under the revised Waste Framework Directive.
- On the **Nature Restoration Regulation**, the Commission will intensify its support to Member States and regional authorities in the preparations of their draft National Restoration Plans in a collaborative process, addressing national and regional challenges. The Commission will assess with Member States and stakeholders issues raised in the call for evidence, consider additional measures in secondary legislation and provide support for stakeholders potentially affected by restoration measures, mobilise public and private investment, and minimise reporting burdens.
- The Commission will stress-test the **Birds and Habitats Directives** in 2026 taking into account climate change, food security, competitiveness, resilience, the evolving case-law and need for legal certainty and other developments and present guidelines to facilitate implementation including with regard to predative species.
- The Commission will complete ongoing evaluations of the **Nitrates Directive** (20) and take follow up measures, looking into how the objectives of this Directive could be achieved in the most effective and proportionate way. The Commission will also evaluate, how it could **enable innovative and alternative uses of manure** to stimulate new business and sustainable investment opportunities and contribute to environmental and climate objectives (biogas/biomethane, Renure, digestates and their different uses).
- To support the implementation of the Packaging and Packaging Waste Regulation, the Commission will, as a priority, issue a Commission notice and Frequently Asked Questions with guidance on the most frequently raised points in the call for evidence and in bilateral exchanges, including testing for PFAS, application dates, labelling requirements and, reuse targets. The input from the call for evidence will also be used in the context of the adoption of the implementing measures due in 2026 and 2027. When developing harmonised labelling specifications, due account will be taken of existing systems and specificities of some products and their regulation (e.g. medicines) to protect patient safety and human health. A draft Delegated Act will be published for stakeholders' feedback that would provide an exemption for pallet wrappings and straps from the 100 % reuse targets. The Commission will consider in its implementing measures additional flexibilities for other packaging formats, notably where hygiene and food safety issues prevent the achievement of those targets. The Commission will simplify reporting as much as possible via implementing measures to reduce administrative burdens in close collaboration with stakeholders and Member States in the newly established expert group for packaging.

8

<sup>(20)</sup> Other upcoming evaluations that will include the Single Use Plastics Directive, the Extractive Waste Directive, the Water Reuse Regulation, the Waste Framework Directive and the Landfill Directive.

- Regarding the Single Use Plastics Directive, the Commission will complete an evaluation in 2027 to determine if it has met its objectives to reduce (marine) plastic pollution and to improve circularity. The evaluation will fully assess the possibility to reduce administrative burden. A specific call for evidence and a public consultation will be launched in the coming weeks.
- Implementation reports will be prepared to assess whether the legislation is working well and identify potential issues, such as the upcoming reports on the Ecodesign for Sustainable products Regulation, the EMAS Regulation and the Environmental Noise Directive.
- The Commission will also consider more generally how to further facilitate the life of SMEs notably by exploiting fully the potential of **digitalisation** and the use of Artificial Intelligence. For example, the Digital Waste Shipment System (DIWASS) will simplify waste shipments between Member States, ensuring that waste is efficiently recycled in the EU.

### 4. CONCLUSION

This balanced package will further deliver on the Commission's objective to cut red tape and reduce complexity of EU laws in order to support European companies in an increasingly complex geopolitical context. Its purpose is to facilitate a clean transition towards a sustainable and resilient economy and to reward the most innovative and competitive companies that are moving towards sustainable business models, while allowing others to catch up to the standards expected.

The Commission is fully committed to facilitate the negotiations between co-legislators to reach a swift agreement within the scope and aims of the omnibus proposal, to produce tangible and practical benefits for businesses, including SMEs and farmers, and public authorities.