
POLICY ISSUES

1. ENVIRONMENT/ CIRCULAR ECONOMY

COMMISSION REFERS FRANCE TO THE COURT OF JUSTICE OF THE EUROPEAN UNION REGARDING ITS LABELLING REQUIREMENTS FOR WASTE SORTING

The Commission decided to refer France to the Court of Justice of the European Union for failing to address the incompatibility of its labelling requirements concerning waste sorting instructions with Articles 34-36 of the Treaty on the Functioning of the European Union (TFEU). National rules that lay down requirements - such as those relating labelling - to be met by goods coming from other Member States where they are lawfully manufactured and marketed, represent obstacles to free movement of goods and constitute measures of equivalent effect prohibited by Article 34 TFEU. In absence of EU harmonised rules concerning waste sorting instructions to consumers, national-specific labelling requirements in this field, as stipulated in the French legislation, amount to such measures, as these requirements oblige operators to adjust their products only for the French market. According to the Commission, France is also in breach of the notification obligations under the Single Market Transparency Directive (Directive (EU) 2015/1535) as the concerned measure was not notified to the Commission at a draft stage, prior to adoption. Link to article [here](#) and Infringement procedure France ([INFR\(2022\)4028](#))

Source: European Commission 17 July 2025

THE COMMISSION INTENDS TO PRESENT ITS OMNIBUS ON THE ENVIRONMENT AT THE BEGINNING OF OCTOBER

Two senior European officials clarified the content of this omnibus, announced in the Single Market Strategy at the end of May and again mentioned in the Chemicals Action Plan of 8 July, during an exchange with the press on the same day. Contrary to what the single market strategy implied, this new omnibus should not focus solely on extended producer responsibility. Our interlocutors listed several subjects or texts that the executive plans to tackle in the context of this text: the directive on industrial emissions (which confirms the information revealed by Contexte), the licensing systems and 'two or three other things'. According to the Chemicals Action Plan, new measures in favour of the sector should also be included in this environmental omnibus. These would be in addition to those in the chemicals omnibus presented on 8 July. However, our contacts stress that the contours of the environmental omnibus have not yet been decided: 'We are preparing to launch a call for contributions on the possible content' of the text. Finally, the Commission hopes to present this text during 'the first half of October', they point out.

Source: Contexte 9 July 2025

EU - POST-2027 EUROPEAN BUDGET: FIVE KEY ENVIRONMENTAL FACTS

The Commission presented, on July 16, its proposal for the Multiannual Financial Framework for the period 2028-2034. A budget of 1,980 billion euros, of which 35% will be devoted to climate and environmental objectives, promises the executive. But the funding available for the environment is now absorbed by larger funds, limiting their traceability.

Source: Contexte 18 July 2025

NGOS REQUEST GREEN CLAIMS TRILOGUE FROM DANISH PRESIDENCY

The Danish Presidency of the Council of the EU needs to reschedule the trilogue for the Green Claims Directive stat, a group of NGOs have told Danish Prime Minister: Mette Frederiksen and her Environment minister Magnus Heunicke [in a letter](#).

Don't forget the point: The letter reminds Denmark that "53 percent of green claims give vague, misleading or unfounded information and 40 percent of claims have no supporting evidence," according to the European Commission itself. "It is as necessary as ever to write these minimum requirements into law," the letter — signed by a number of organisations including NGOs like ECOS and the European Environment Bureau, but also companies like Back Market and GANNI — reads.

Source: Politico 11 July 2025

AGRICULTURE MINISTERS PUT FURTHER PRESSURE ON THE COMMISSION TO SIMPLIFY THE DEFORESTATION REGULATION

This time, the agriculture ministers have set their sights on the highest level of the European executive. Eighteen of them co-signed a letter to Ursula von der Leyen on 7 July. The President of the European Commission is asked 'to rapidly include the deforestation regulation in her simplification plans'. This missive, the drafting of which was coordinated by Luxembourg, takes up demands already expressed at an Agriculture Council meeting in May. The signatory ministers are calling for a simplification of the requirements for farmers and forestry operators in regions and countries where the risk of deforestation is 'insignificant', as well as for products already on the European market. Pending a simplification proposal from the European Commission, the ministers reiterated their request for a further postponement of the entry into force of the text, currently scheduled for 30 December 2025. Neither France nor Germany have signed the letter.

Source: Contexte 9 July 2025

A GROUP OF LOBBIES ARE FOLLOWING THE LEAD OF THE AGRICULTURE MINISTERS IN CALLING FOR THE DEFORESTATION REGULATION TO BE SIMPLIFIED

These 14 organisations, which represent the interests of the agri-food, forestry and paper and wood industries (Copa-Cogeca, ELO, CEPF, Coreral, etc.), set out their demands in a joint statement published on 8 July. In their view, the text should be simplified by means of a new legislative procedure and 'amendments to the regulation'. They also believe that the revision should be included in one of the omnibus simplification packages still planned by the Commission for 2025. The organisations believe that the regulation, in its current form, imposes 'a substantial administrative burden' on businesses, contains 'legal uncertainties', and is likely to lead to the 'diversion of commodity flows'. This statement was made public twenty-four hours after 18 agriculture ministers sent a letter with similar demands to the President of the European Commission.

Source: Contexte 9 July 2025

BRUSSELS PROPOSES SOFTENED 90 PERCENT 2040 CLIMATE TARGET

BRUSSELS — The European Commission on Wednesday unveiled legislation to reduce the EU's carbon footprint by up to 90 percent by 2040, a softer target than initially planned.

The EU executive, following the recommendations of its scientific advisors, suggested this figure more than a year ago — envisaging a hard target that, like the bloc's existing 2030 and 2050 goals, would have to be reached solely through efforts within the EU.

But the 2040 emissions-cutting target has faced significant pushback from governments, prompting the Commission to grant them unprecedented leeway to meet the goal.

That includes allowing a portion of the target to be met through international carbon credits, a controversial mechanism that outsources part of the bloc's climate efforts to developing countries.

Effectively, EU governments would be able to fund climate projects in other countries and count the resulting emissions reduction toward their own targets. Critics, including the bloc's scientific advisors, warn that this risks undermining the EU's domestic decarbonization efforts.

As POLITICO reported earlier this week, the Commission proposes setting strict limits on credits, making their use conditional on a proper impact assessment, requiring funded projects to deliver meaningful emissions reductions and suggesting excluding them from the bloc's carbon market.

The EU executive also wants a maximum of 3 percentage points of the target to be met through credits, aligning with Germany's position on the issue.

The proposal also gives countries two more concessions to make meeting the target easier. One, integrating CO₂ removals into the bloc's carbon market, which would ease the pressure on energy-intensive industries. And two, greater flexibility between countries' CO₂ absorption targets and emissions-reduction targets.

Source: Politico Pro 2 July 2025

COMMISSION 'IN LISTENING MODE' ON CIRCULARITY

The European Commission asked for feedback from industry groups and NGOs about what's preventing the region from achieving its circularity goals — here's an answer in four words: money and market fragmentation.

The Commission hosted a lobby-heavy meeting about addressing barriers to achieving circular economy goals on Wednesday afternoon. With roughly 25 businesses, NGOs and lobby representatives (plus a couple Commissioners) at the table, the point was to hear about some of the persisting barriers to circularity and suggest ways to overcome them. The key issues raised included: Market fragmentation preventing waste flowing across borders to wherever the recycling capacity is greatest; the price difference between virgin and recycled materials; and the lack of transparency on whether imported recycled materials meet EU environmental standards.

Urgent matters: "Our main point was that we cannot wait for the Circular Economy Act, we need urgent measures in the meantime so that companies can anticipate the arrival of future recycled content targets," said Denis Bonvillain, Veolia's head of EU affairs. "Someone made an interesting point on the fact that there are still subsidies for fossil fuels and renewable energy projects, but there are no forms of subsidies or support schemes for recycling projects," he added.

You ask, we give: On the same day, the Commission announced that it will launch a "digital waste shipment system" in May 2026, to help companies with the administrative load when shipping waste across the region. This will "streamline cross-border shipments of waste within the EU, while protecting human health and the environment," the executive said in a press release.

Source: PoliticoPro 3 July 2025

2. PRODUCT SAFETY / CHEMICAL

2025 REGULATORY AND WASTE MANAGEMENT UPDATES FROM EUROPE

Changes in the deposit return schemes in Ireland, Moldova, and Romania; modification in single-use plastic fees in Germany and the Netherlands; food contact material regulation updates in Denmark and Switzerland; and other news from the Nordic Council of Ministers, Iceland, Portugal, and the UK.

Link to article [here](#)

Source: Food packaging Forum 17 July 2025

DRAFT DANISH FCM ACT COMPLETED PUBLIC COMMENT

The act adds [Danish-specific regulations to ceramics/glassware and paper & board FCMs](#) under the broader umbrella of the European Union's Regulation (EC) No. 1935/2004, as well as broader rules for Declarations of Conformity (DoCs) for FCMs in Denmark. According to the testing, inspection, and certification company [SGS](#), the Act mandates "a DoC to accompany FCMs placed on the market at a stage prior to the retail stage (Annex 1). Requires ceramic articles which are not yet in contact with food to be accompanied by a DoC for marketing stages up to and including the retail stage." It also revises a positive list of chemicals for use in regenerated cellulose films, tightens migration limits for glass/ceramic/enamelware, and prohibits per- and polyfluoroalkyl substances ([PFAS](#)) in paper & board unless there is a functional barrier between the product and the food.

Source: Food packaging Forum 17 July 2025

BRUSSELS RAISES CONSUMER CONCERNS WITH PLANS TO EASE RULES FOR CHEMICAL SECTOR

The European Commission presented on Tuesday its sixth "omnibus" simplification package since the start of Ursula von der Leyen's mandate. This time, the target is the EU's chemical sector, a cornerstone of European industry, according to Commission Vice-President for Industrial Strategy, Stéphane Séjourné, but one that he says is "increasingly under threat". The reform package, officially titled the Action Plan for the Chemical Industry, combines new support measures for Europe's ailing producers with a set of rule changes designed to ease red tape and cut costs. The Commission claims it will save the industry over €360 million annually by simplifying how hazardous chemicals, cosmetics and fertilisers are labelled, regulated and authorised.

Source: Euronews 8 July 2025

THE ECHA REGULATION IS FINALLY HERE - IT WAS LONG OVERDUE

On 8 July, the Commission published its proposal for a regulation on the European Chemicals Agency (ECHA), a text designed to strengthen its capacities in line with the many tasks entrusted to it in recent years. Faced with the increasing number of scientific opinions that need to be issued (on the restriction of PFAS, for example), the Commission wants to oblige Member States to appoint at least two members to each of the two assessment committees, whereas there is currently no mandatory quota.

The executive also wants to simplify ECHA funding model, which is currently divided into three different budgets attached to different pieces of legislation, the complexity of which has been criticised by the European Court of Auditors. The executive is also proposing that ECHA should be able to draw on a

reserve of funds from the revenue generated by the fees paid by companies to the agency for registering or assessing substances. The regulation must now be negotiated by the Parliament and the Council.

3. SUSTAINABILITY

REJECTION OF THE OMNIBUS AND REPEAL OF THE DIRECTIVES ON THE MENU OF THE 870 AMENDMENTS ON DUE DILIGENCE AND REPORTING

Contexte has published the 874 amendments tabled by the members of the European Parliament's Juri Committee, which is responsible for the 'simplification' omnibus on the CS3D and CSRD directives. These include calls for the omnibus to be rejected by left-wing groups (Left, Greens) and for the Duty of Vigilance Directive (CS3D) to be repealed by German and French members of the European People's Party. The ultra-conservative ECR and the Patriots added the CSRD to the list of deletions. The ECR negotiator won the bidding war on the threshold for applying the directives - determined by the number of employees - by proposing to limit the reporting and due diligence obligations to companies with more than 10,000 employees (compared with 250 for the CSRD and 1,000 for the CS3D today). Negotiations between the political groups will begin on 15 July and resume after the summer break, with the aim at this stage of voting on a compromise in committee in October. Read our article on the draft report and our brief on the amendments tabled by the Renew, S&D and Greens negotiators.

COMMISSION ADOPTS "QUICK FIX" FOR COMPANIES ALREADY CONDUCTING CORPORATE SUSTAINABILITY REPORTING

The Commission has adopted targeted "quick fix" amendments to the first set of European Sustainability Reporting Standards (ESRS). This will reduce burden and increase certainty for companies that had to start reporting for financial year 2024 (commonly referred to as "wave one" companies). According to the current ESRS, companies reporting on financial year 2024 can omit information on, amongst other things, the anticipated financial effects of certain sustainability-related risks. The "quick fix" amendment, which applies from financial year 2025, will allow them to omit that same information for financial years 2025 and 2026. This means wave one companies will not have to report additional information compared to financial year 2024. Moreover, for financial years 2025 and 2026, wave one companies with more than 750 employees will benefit from most of the same phase-in provisions that currently apply to companies with up to 750 employees. You can find here a summary of the modifications.

This quick fix was necessary because wave one companies were not captured by the "stop-the-clock" Directive, which delayed by two years the sustainability reporting requirements for companies that report from financial year 2025 and 2026 (so-called "wave two" and "wave three" companies). This Directive was part of the Omnibus I package adopted by the Commission at the end of February 2025.

- [Delegated act](#)
- [Annex to the delegated act](#)
- [Summary of modifications](#)

Source: European Commission 11 July 2025

EU PUBLIC CONSULTATION

- [Green-listing certain waste for the purposes of shipments to recovery between Member States](#)
Feedback period 02 July 2025 - 31 October 2025
 - [Product legislation – ensuring futureproof rules \(revision of the New Legislative Framework\)-](#)
Updating the NLF is essential for integrating digital solutions into EU legislation (e.g. by introducing the Digital Product Passport), supporting the EU's circular economy objectives and better addressing the inadequate practices of notified bodies
Feedback period 14 July 2025 - 02 September 2025
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STAKEHOLDERS POSITIONS

Commission adoption of an Action Plan for the Chemicals Industry

[Cefic](#): The Chemical Industry Action Plan is a vital step forward

[Corporate Europe Observatory](#): A good day for chemical polluters; a bad day for people and environment

[HEAL](#): From cosmetics to 'forever chemicals': the EU's deregulation drive puts people's health at risk
Concerns the Action Plan for the Chemicals Industry

[SMEunited](#): European Commission delivers balanced Omnibus Proposal supporting innovation and prioritizing consumer safety

Circular Economy

[EuRIC](#): Bridging circularity and decarbonisation through an ambitious EU Green Public Procurement (GPP) framework

[EUROPEN](#): Delivering on the Circular Economy Act: Step 1

[DIGITALEUROPE](#), [Orgalim](#) & others: Joint Industry Priorities for the Circular Economy Act

[ECOS](#), [EEB](#), [Zero Waste Europe](#) Joint letter on the inclusion of waste incinerators and landfills in the EU ETS

Green Claims Directive

[EUROPEN](#): Green Claims Directive on Hold: Turning Point or Temporary Pause?

[Businesses and NGOs](#) Call on EU to Save Green Claims Directive By ClientEarth, ECOS, Rethink Plastic Alliance & others

[Independent Retail Europe](#) Businesses need good legislation in the EU: The current Green Claims Directive misses the mark