

Position Paper

10 September 2025

Retail and wholesale feedback to the call for evidence on "Simplification of administrative burden in environmental legislation"

Introduction

Retailers and wholesalers support the initiative for "Simplification of administrative burden in environmental legislation". We welcome a proposal that does not undermine the key objectives of the legislation and brings simplification and reduced burdens. The amendment of the legislation should be aimed at streamlining for efficiency and effectiveness while enhancing the competitiveness and resilience of European companies through sustainability.

This document aims to provide first feedback from our sector and also summarises previous EuroCommerce messages on Better Regulation and Competitiveness¹ that inter alia apply to this omnibus proposal.

The volume of new legislation during the 2019–2024 EU mandate has significant implications for retailers and wholesalers. Its effects are also particularly felt by SMEs and micro-enterprises and ultimately have an impact on the EU's competitiveness. A decrease in administrative and reporting burdens, combined with an increase in supportive measures, is needed to address this situation². At the same time, we stress the importance of keeping SMEs within the scope of environmental legislation, as they play a vital role in achieving sustainability goals.

Therefore, we support targeted simplification measures that assist companies in implementing legislation, especially SMEs and microenterprises, provide much-needed clear guidance, overall coherence between legislations to ease practical implementation for companies and help continue building a sustainable and competitive EU market. Critically, simplification must be thoughtfully designed to avoid creating new uncertainties and information needed for the implementation of legislation needs to be provided timely to ensure proper preparation.

Lastly, we would like the Commission to conduct an impact assessment for this omnibus initiative. The current consultation period, launched during the summer holidays and limited to just six weeks, limits

¹ Our <u>position paper on a future competitiveness strategy for the EU</u> calls for a look beyond manufacturing to how retail and wholesale can meet the critical need to close the investment, innovation, technological and compliance gap between EU and non-EU companies and harness the circular and digital transitions.

² Our <u>manifesto</u> sets out our vision for a more competitive, empowered, sustainable, innovative and skilled EU by 2030.

meaningful stakeholder engagement. We therefore urge the Commission to consider conducting a full impact assessment, ensuring transparency and responsiveness to stakeholders.

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1. Waste Framework Directive 2008/98/EC

1. Discontinuation of the SCIP database

Our sector faces significant challenges with the current SCIP database. It duplicates REACH Article 33 obligations, as under REACH, suppliers of articles containing SVHCs in concentrations above 0.1% w/w are already required to communicate sufficient information down the supply chain, and to consumers upon request. SCIP thus does not improve chemical safety or waste management, while it imposes high compliance costs that divert resources from innovation and SVHC substitution. SCIP has proven to deliver very limited added value for its intended purpose—improving recycling— without improving chemical safety or waste management. Its complexity, overwhelming amount of information, format and lack of usability have failed to deliver tangible benefits for recyclers or other stakeholders. Implementation in supply chains is limited, and the reliability of information decreases further downstream. Moreover, there is no obligation for pre-notifiers to share SCIP numbers with subsequent actors, rendering the system even less useful, while searching in the database is impractical as entries are encoded. For consumers, SCIP fails to provide meaningful information: for example, when purchasing a product, relevant data is buried within sub-component listings rather than presented clearly. Additionally, the system lacks proper multilingual accessibility.

We therefore propose retiring SCIP and instead focusing on REACH Article 33 to ensure robust traceability within the supply chain. A harmonised chemicals reporting system should replace

fragmented obligations across different chemicals legislation, ensuring once-only reporting, consistent definitions and enforceable provisions. Eliminating duplicate reporting or impractical tools like SCIP will reduce costs, improve data quality, and allow businesses to redirect resources toward innovation, SVHC substitution, and environmental improvements.

General Principles for Chemicals Reporting Reform

1. Avoiding Duplication & Making Reporting Meaningful

Aim to establish a single, harmonised reporting system to eliminate duplication across legislation (e.g. WFD, PPWR, REACH/CLP, ESPR, EU Taxonomy). This ensures efficiency, reduces administrative burden, and improves data quality and traceability.

2. Consistency and Harmonisation of Definitions

It is necessary to align definitions and reporting requirements across EU legislation (e.g., Substances of Concern under ESPR and EU Taxonomy), or even across Member States, to create a coherent regulatory framework. The opposite confuses economic operators, who handle numerous products falling under different pieces of legislation, each having its own set of definitions for the same or similar concepts. A concrete example is France's Anti-waste for a Circular Economy (AGEC) law. It requires companies to publish information about "dangerous substances" on their websites. With few exceptions, these "dangerous substances" correspond to those classified as "Substances of Very High Concern" (SVHC) under the EU REACH Regulation. This discrepancy between national and EU definitions causes confusion. This also creates duplicate reporting requirements, as the REACH Regulation already mandates that companies, upon request, inform consumers about the presence of SVHCs in their products.

3. Enforceable and Practical Measures

Design reporting obligations that are technically feasible, enforceable, and deliver real benefits—avoiding ineffective tools like SCIP that fail to meet their objectives and only add administrative burden.

4. Added Value and Prioritisation

Ensure reporting is practical and takes into consideration the complexities of (especially international) supply chains. A reporting tool that is not widely used, especially upstream, or which cannot be facilitated downstream, is a burden, not a solution.

2. Digital one-stop-shop/platform to facilitate reporting and reduce administrative burdens related to Extended Producer Responsibility

Reporting related to Extended Producer Responsibility obligations is required under different pieces of EU waste legislation (Batteries Regulation, WEEE Directive, Packaging and Packaging Waste Regulation and in the future for textiles under the Waste Framework Directive).

When it comes to Extended Producer Responsibility (EPR) reporting, an EU-wide EPR service platform should be at the core of future legislation. It should be designed to simplify and streamline EPR compliance by providing a digital layer that connects producers with national and European registries. Rather than requiring producers to register with each Member State and waste stream individually, such an EU platform should allow all actors to register in one place, simplifying data submission for all EU countries and waste streams and potentially managing EPR fee payments and reimbursements across the EU. This platform would reduce

administrative burdens for producers, particularly SMEs, by offering a single, easy-to-use point of contact.

Looking ahead, we believe that such a platform should be embedded in or accompanied by the future Circular Economy Act on a broader, interoperable scale. A mechanism that could be hosted and operated by the European Commission—similar to the VAT one-stop-shop—would help ensure consistency, reduce the complexity of cross-border compliance, and enhance coordination between producers, PROs, and authorities. This would address issues like free riding, improve transparency, and simplify the EPR compliance process, benefiting all stakeholders while contributing to the EU's sustainability goals. We ask the European Commission to bundle the various reporting obligations under a European-wide approach that enables system users to report in a centralised service platform. It will be a crucial tool to reduce the administrative burden introduced through the implementation of EPR schemes and should be a central focus of the simplification attend pursued by the Commission.

3. Simplify implementation of the Waste Framework Directive:

- Waste classification: Inconsistent waste classification and List of Waste (LoW) codes across EU Member States create regulatory uncertainty, highlighting the need for clearer definitions, especially around mobile shredding activities and the distinction between volume reduction and treatment processes.
- Waste traceability: To ensure consistent waste traceability across the EU, we call on the Commission to establish a unified digital platform with standardised documentation, replacing fragmented national systems.
- On-site waste storage duration: We call for standardised waste storage durations within the WFD to ensure consistent and environmentally sound waste management practices across Member States.
- Shredding of Media containing Devices & IP Equipment & General Data Protection Regulation (GDPR): We call for a consistent EU-wide exemption from waste permitting for shredding data- and IP-bearing electronic equipment, aligning with GDPR and reducing regulatory burdens while ensuring secure data destruction.
- Waste Producer Registration: We call for harmonised waste producer registration rules under the WFD, including clear definitions, consistent thresholds, and standardised reporting formats, to reduce administrative burdens and ensure regulatory consistency across the EU.

2. EU Waste legislation: Harmonisation of reporting rules

At present, EPR only applies to a selected range of products, and Member States have a high degree of discretion on how to define the EPR schemes. As a result, EPR rules can be different across Member States and for different types of products, hindering effective implementation and increasing the administrative burden on producers.

To maintain and encourage a harmonised approach across the Single Market, stronger emphasis should be placed on the harmonisation of reporting rules for companies, including timing, frequency, operationalisation, as well as the details and format for the disclosure of information (e.g. granularity of data, product categorisation). This harmonisation is particularly crucial in the context of directives, where the flexibility granted to Member States in terms of implementation can lead to diverse interpretations and applications.

The harmonisation of reporting rules would, furthermore, help save costs, streamline the process, and motivate participation. A notable example is the European Commission's work on the reporting of unsold consumer products under the Ecodesign for Sustainable Products Regulation (ESPR), where they have developed an implementation act to determine the reporting format, product category delimitation, information domains, and verification system.

Additionally, harmonising reporting requirements should consider the interoperability and alignment of data and digital systems for smooth data exchange between public and private players.

3. Promoting EU harmonised Extended Producer Responsibility

We support the European Commission's ambition to facilitate Extended Producer Responsibility (EPR) reporting across the EU. We also welcome the European Commission's proposal, as part of the Single Market Strategy, to introduce a digital one-stop shop for EPR compliance.

While we support the goal and leadership of the European Union and its Member States in developing EPR schemes to support better waste management, the magnitude and complexity of EPR reporting requirements are overwhelming for our businesses.

EPR systems are highly fragmented across the EU. Although the recent revision of the Waste Framework Directive introduced important measures, EPR reporting remains complex due to scattered and unharmonised legal requirements across Member States. Differences in ways to identify products, reporting formats and data required, fee structures, and enforcement timelines create a patchwork of rules. In addition, requirements change in a very scattered way and often without sufficient implementation time. This is particularly challenging for new reporting obligations where data sets need to be built.

Even when common EPR rules exist in the EU, such as under the EU Packaging and Packaging Waste Directive, reporting requirements still vary across Member States. Legislation often sets only general obligations, while organisations responsible for collection and sorting define the detailed requirements. For companies, this leads to disproportionate administrative burdens, duplicated supply chain adjustments, and uneven environmental outcomes.

To truly work, EPR rules within the EU should be harmonised across Member States, with special regard to:

- What information needs to be reported, including:
 - Scope and definition of the concerned article/materials.
 - Value-added data needed by the authorities that is necessary to operate an EPR scheme.
- When and how often reporting should occur.
 - Who should comply with the reporting (including the legal definition of producer).

Streamlining EPR reporting requirements across

Streamlining EPR reporting requirements across EU member states would be a welcome simplification, as current practices vary significantly in both the level of data required and the frequency of reporting, with some countries mandating monthly or quarterly submissions. We recommend the adoption of harmonised minimum reporting requirements at the EU level. This would ensure producers can achieve compliance by meeting an agreed baseline, while allowing Member States the flexibility to introduce more detailed or frequent reporting on a voluntary basis. Furthermore, we recommend streamlining EPR reporting obligations to

an annual frequency across all Member States. This would significantly simplify compliance efforts and reduce the administrative burden.

Aligning on EPR scope and definitions

Another complicating factor is the divergence in scope and definitions across national EPR schemes. At present, Member States apply varying definitions to the same product categories, for example, textiles, resulting in confusion and inconsistent interpretations of what falls within the scope of an EPR scheme. We therefore welcome harmonisation efforts, such as those proposed in the Waste Framework Directive, to establish clear and consistent definitions at the EU level. In this context, the use of CN tariff codes to define the scope of EPR schemes would provide businesses operating across borders with more clarity and predictability.

Authorised Representatives

Furthermore, we recommend removing the obligation for EU-established companies to appoint a separate Authorised Representative in each Member State. This would reduce administrative burdens for companies operating across borders — for example, by reducing the number of reports they are required to submit — without compromising compliance quality.

Addressing implementation barriers

We also urge the Commission to address specific implementation barriers at the Member State level, such as requirements imposed by certain Producer Responsibility Organisations (PROs) for in-country membership or local VAT registration.

• Fee display obligations on invoices

These should be simplified by removing the requirement to show fees on invoices, which are often negligible and confusing to consumers. If visibility remains mandatory, a generic disclaimer or average cost display should be allowed, with harmonised terminology and flexible, consistent implementation across the EU.

4. Ecodesign for Sustainable Products Regulation (ESPR)

1. Sufficient transition periods are needed for implementation:

The ESPR is intended to be the cornerstone of the EU's circular economy strategy, expanding the earlier Ecodesign Directive beyond energy efficiency to cover up to 16 product requirements. These address both performance and information, with the Digital Product Passport (DPP) as the key tool for data transmission. To ensure a manageable transition, a step-by-step approach is recommended. The ESPR does not provide SME exemptions. In general, we recommend a gradual, proportionate rollout of ESPR measures that avoids overburdening industry and ensures real added value. As whole sectors will have to adapt, we predict a strain on available consultants and rising costs.

The DPP is designed to provide a spectrum of information: Handbooks, labels, health & safety, and all additional information. This requires full digitalisation of company workflows, which demands high upfront investment and specialist personnel, particularly for SMEs. In essence, these are change management processes. Feedback from leading SMEs states that adaptations ideally require 2+ years (3-6 months preparation, 6-12 months implementation, 6-9 months stabilisation). As whole sectors will have to adapt, there is very likely a foreseeable shortage of market consultants and specialist companies. We recommend sufficiently long transition periods for DPP implementation, which enable companies to adapt the necessary transformation to their business model while helping to achieve the ESPR's goals.

While the EU aims to lead the world in circular economy practices by 2030, the current ESPR implementation is ambitious in terms of time and complexity. New rules for key intermediate (iron, steel, aluminium) and final products (textiles, furniture, mattresses, tyres) will only start from 2028 onwards. The importance of preparatory studies is very high as these lay the foundations for product rules. From our perspective, we recommend that the process should include economic feasibility, in-depth knowledge of the sector – both large and SME participants – and adequate time frames for transition. Currently, we see a disproportionate focus on reporting requirements. First-movers report to us that markets are not yet prepared to pay the higher costs associated. We would like to highlight that the transition costs will ultimately have to be borne by the consumers. Additionally, we recommend a longer phasing-in of product rules as the currently communicated 18-month period presents an extremely tight deadline in which to adjust designing and production processes and the digitalisation of data management in companies.

2. Article 10(4) ESPR on a backup copy for the Digital Product Passport:

The storage obligation with external service providers will cause companies to incur considerable additional costs. What information is stored in the backup copy, as well as which DPP (e.g. the initial, the new DPP linked to the old one, or the DPP that has been updated, the model level or item level), should be considered carefully. Only a minimum set of data points necessary for legal compliance should be stored in the backup. For example, video instructions of assembly will take up a significant amount of storage and will not add value. Equally, commercial information is not essential to be stored. Backup copies in cases of item serialisation can raise both operational costs and environmental impact associated with storing in data centres. Lastly, keeping copies for each update can significantly add to those costs and environmental impacts. Therefore, the necessity for keeping copies for updates should be carefully considered, whereas not every update is worth storing, and not all updates are worth tracing.

Additionally, ESPR mandates economic operators to ensure that a backup copy of the digital product passport is made available through a digital product passport service provider. This requirement produces costs for the creation of a backup copy of the DPP through a DPP service provider. The requirement for making a backup copy of the DPP should be implemented in a flexible way, considering allowing companies to create backups within their organisation and to be considered a DPP provider or lay down criteria when external providers are needed. This approach ensures that companies are not burdened with unnecessary expenditure related to data storage, cybersecurity measures, and other operational costs.

3. Proportionate Approach on ESPR Substances of Concern (SoCs)

Looking ahead, our sector anticipates new reporting requirements on chemicals emerging from product legislation, especially under the ESPR, including the Digital Product Passport

(DPP). The proposed definition of Substances of Concern (SoC) may cover over 5,000 substances³.

Added Value & Prioritisation: The measures should be designed in a way that the benefits for recyclers, consumers, and other stakeholders are clear, as currently it is uncertain whether the information provided will meet their needs. Reporting on SoC should also meet the purpose, which is to guide consumers towards sustainable choices. To genuinely support the circular economy, restrictions on problematic chemicals should take precedence over traceability rules wherever possible. While we support the ambition of improving sustainability, we advocate for a cautious and pragmatic approach to expanding chemical reporting—focusing on relevance, enforceability, and added value for the intended users. This is especially important since reporting requirements already exist under other legislation.

Avoiding Duplication & Making Reporting Meaningful: Our sector already provides information on SVHCs to customers upon request and reports to SCIP, and under ESPR, this will be expanded to include a significant amount of additional data. It is essential to assess the purpose and value of this information for its intended recipients to avoid duplicating or creating obligations that deliver little practical benefit.

Enforceable & Practical Measures: In practice, suppliers often lack access to complete data on the SoC content of chemical products and raw materials, making compliance challenging. Collecting and reporting this data will require substantial effort and resources, increasing administrative burden and costs without guaranteeing effective information flows. Our experience with SCIP illustrates the scale of costs involved and the limited evidence of actual use.

Consistency and Harmonisation of Definitions: It is necessary to align definitions and reporting requirements across EU legislation (e.g., Substances of Concern under ESPR and EU Taxonomy) to create a coherent regulatory framework. The opposite confuses economic operators, who handle numerous products falling under different pieces of legislation, each having its own set of definitions for the same or similar concepts.

Our suggestions below reiterate our <u>joint position</u> on a pragmatic approach to Substances of Concern (SoCs) in the Ecodesign for Sustainable Products Regulation (ESPR) Delegated Act (DA) for Textiles⁴.

1. Keep addressing health & safety regulatory needs under REACH and clarify the interface between REACH and ESPR

We emphasize the necessity of keeping REACH as the core legislation for chemical safety. ESPR should only focus on improving the sustainability of products. Otherwise, companies risk facing double requirements and legal uncertainty when placing products on the EU market.

2. Allow the tracking of harmonised information on SoCs across the global value chain

³ ESPR FAQ: https://circabc.europa.eu/ui/group/418195ae-4919-45fa-a959-3b695c9aab28/library/25c48e7c-9ce3-41cb-96ac-d2942a8a29d6/details?download=true.

⁴ A pragmatic approach to Substances of Concern (SoCs) in the Ecodesign for Sustainable Products Regulation (ESPR) Delegated Act (DA) for Textiles: https://www.eurocommerce.eu/2025/07/avoiding-overregulation-a-pragmatic-approach-to-substances-of-concern-socs-in-the-ecodesign-for-sustainable-products-regulation-esprdelegated-act-da-for-textiles/.

In order to provide the necessary information and track SoCs, we recommend harmonising the digital data gathering process across the global value chain. This is essential for ensuring traceability and compliance, especially in international supply chains, where upstream transparency and data access remain often challenging. Furthermore, new ESPR requirements on SoCs must be enforced equally for EU and non-EU operators to avoid regulatory loopholes and unfair competition.

3. Follow a stepwise approach in developing SoCs information requirements

SoCs information requirements should be built on existing knowledge and be implemented in a stepwise approach. Based on lessons learned, a study should evaluate the benefits of extending the information requirements to further SoCs. The existing concentrations under REACH (0.1 %) should be used. A gradual implementation will help value chains manage changes without unnecessary burden while ensuring compliance and product safety.

4. Consider the different technologies and production processes that address any hazardous chemicals at the recycling stage

Currently, there is insufficient evidence on whether, and which, chemicals could potentially hinder recycling. However, there are legal restrictions under REACH, POPs and other legislation that could affect the recycling of certain products because most of these legal acts do not include solutions for recycling. These legal restrictions are typically associated with generic or group restrictions which take into consideration neither the different technologies nor the production processes capable of addressing any hazardous chemicals at the recycling stage. Should any substance potentially hinder recycling for technical reasons be identified, it should be clarified which specific recycling processes or technologies are affected by it. Indeed, such substances might cause difficulties for certain types of recycling, but this does not mean, that they prevent recycling at all. ESPR rules must be flexible enough to follow the evolution of recycling techniques, as there is constant advancement to overcome specific technical difficulties.

Trade-offs between the properties and performance of products and the requirements of recycling processes need to be carefully considered to avoid unintended consequences. Overlooking the essential functions of chemical substances in production and use can be the cause of undermining innovation, product quality, and product sustainability aspects.

4. Article 24(1) Reporting on unsold consumer products:

We welcome the Commission's Implementing Act on the disclosure of information regarding discarded unsold consumer products, bringing much-needed clarity on compliance. We are pleased to see that the Commission has taken into account the feedback provided by the sector, reflecting a balanced and pragmatic approach to implementation. We particularly appreciate the introduction of a deferred application date, which allows companies additional time to prepare.

Some outstanding issues, however, remain that merit further attention. In particular, greater clarity would be welcome regarding the obligations applicable to different economic operators along the supply chain, the scope of product types concerned, the limited visibility on the waste treatment options to be reported, and the requirement to list subsidiary companies. Further clarification is also needed in the specific case of recalled products.

Regarding the concept of "responsible economic operator", more clarification is needed. Given the diversity of actors and the varying degrees of involvement in the distribution process for consumer goods, it becomes essential to delineate the specific obligations of each operator within the chain. In this regard, clarity is needed as to who is accountable for the management and compliance of the unsold goods regime, including the registration of relevant information and reporting.

To ensure legal certainty and effective enforcement, the responsibility for compliance with the disclosure obligations should be linked to the ownership of the unsold consumer products at the time of the discarding decision. This approach ensures that the economic operator with direct control over the fate of the unsold consumer goods is held accountable for their proper management. It also prevents double-counting and ensures accurate reporting, as multiple entities may be involved in the physical disposal process. Where fulfilment service providers act as logistical intermediaries, they operate similarly to waste treatment operators, executing disposal instructions without control over the decision to discard.

Linking the fulfilment of such obligations to the act of discarding unsold consumer products is consistent with the preliminary views of the Commission on the definition of "discarding" as the act of disposing of a product, which, as a consequence, renders the unsold consumer product waste⁵.

5. Energy Performance of Buildings Directive 2024/1275 (Article 14: Infrastructure for sustainable mobility)

Retailers and wholesalers overall welcome incentives for increasing electromobility, provided that these policy measures are effective, economically viable and proportionate. The revised Energy Performance of Buildings Directive (EPBD) is being implemented, and the current requirements prioritise quantity over quality, which hinders a performance-oriented, customer-centred, and needs-based approach. This limits our sector's ability to respond flexibly and purposefully to demand and available network capacities based on location, leading to high investment costs. Therefore, we believe the EPBD should be included in future omnibus proposals to simplify requirements and reduce the burden for businesses.

In our view, the special charging behaviour at retail locations and the previous experiences with customers need to be taken into account. The EPBD should recognise the unique characteristics of retail, where customer visits are typically short and usage patterns of charging stations differ significantly from those of offices or other non-residential buildings. We recommend introducing tailored provisions or exemptions for stores, shops, and shopping centres to reflect these differences.

In addition, the EPBD needs to better reflect practical considerations like limitations of local grid and power infrastructure, the costs and impacts of renovations already completed or planned, the role energy suppliers could play, as they are better suited to install and maintain charging stations, as well as the economic feasibility of required investments. The directive should also take into account the fact that we currently observe low usage of some installed charging stations, which points towards a needed change in the EPBD to better facilitate a demand-oriented approach and take technical and economic feasibility better into account.

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⁵ European Commission, Ecodesign for Sustainability Products Regulations (ESPR): Frequently Asked Questions (FAQ), page 65.

To ensure legal certainty and avoid unnecessary costs, existing charging stations should be grandfathered under the new rules. Retailers and wholesalers should not be required to replace compliant infrastructure due to future legislative updates.

6. Rationalising audit and reporting requirements

We welcome the overall direction the European Commission has taken to strengthen the EU Single Market through the Single Market Strategy, especially the commitment to more harmonised enforcement, which would significantly simplify operations for us and many other businesses.

A key area where this could have a real impact is in rationalising audit and reporting requirements. Streamlining reporting obligations to authorities – especially for regulatory audits – would be highly beneficial. Currently, companies can be audited for compliance with EU regulations (such as the EU Timber Regulation) at any time by any competent authority across the EU.

We recommend improving coordination mechanisms so that when a company is audited by the competent authority of one Member State within a calendar year, the resulting report is made accessible to other Member States and its findings respected. Additional audits on the same scope should only occur after a minimum interval, unless there are substantial new concerns or urgent developments that justify further review.

7. Directive (EU) 2024/3019 of the European Parliament and of the Council of 27 November 2024 concerning urban wastewater treatment (recast)

The revised Urban Wastewater Treatment Directive introduces new Extended Producer Responsibility and cost-coverage provisions in Article 9 for pharmaceutical and cosmetic producers. Retailers and wholesalers are impacted by these new rules, though the medicine and cosmetic products they are selling.

The revision was criticised by the industry for disproportionate financial burden, overestimates regarding the cosmetics industry's contribution to the pollution of urban wastewater and that the initial impact assessment was based on incorrect or inaccurate substance classifications.

A reassessment of the financial responsibilities under this legislation is now being discussed, in particular to ensure the production and competitiveness of medicine and pharmaceutical products in Europe. We support such a reassessment and call on the Commission to ensure that the Urban Wastewater Treatment Directive does not lead to a disproportionate financial burden

8. Legislation impacting circular business models: Consumer Credit Directive 2023/2225

We understand that this initiative on simplification of environmental legislation does not cover other policy areas but would like to highlight another legislation that impacts circular business models and could be relevant for this omnibus and the upcoming Circular Economy Act.

The Consumer Credit Directive 2023/2225 applies to hiring or leasing agreements where an obligation or an option to purchase the object of the agreement is laid down in the agreement itself or in any separate agreement. We need to ensure that EU legislation allows flexibility with contracts between traders and consumers that allow for innovative circular agreements.

9. Packaging and Packaging Waste Regulation (PPWR)

We would like to highlight that the PPWR is an important subject for our sector, and we support harmonised rules for packaging. It is our understanding that the European Commission intends to address the remaining implementation aspects of the PPWR through secondary legislation. To facilitate a practicable and realistic implementation, we believe that further work, clarification, and guidance

are necessary, for example, regarding issues like reusable packaging, market restrictions and definitions of key terms. We are ready to contribute to this process and will share the experiences and lessons learned from our sector.

10. Waste Shipment Regulation

1. Interplay with Waste Electrical and Electronic Equipment:

We understand that a revision of the Waste Electrical and Electronic Equipment Directive is foreseen as part of the planned Circular Economy Act. In this context, we would like to point towards the interplay of this Directive with the Waste Shipment Regulation. The efficiency of collection can be increased by simplifying the formalities for waste transport within the framework of the Waste Electrical and Electronic Equipment (WEEE) Extended Producer Responsibility schemes. Retailers often deliver to consumers in different countries, and under the WEEE Extended Producer Responsibility, they must take back the WEEE from customers upon delivery. Due to the Waste Shipment Regulation, this take-back obligation is a real bottleneck. In case of home delivery of (online) purchased electrical and electronic equipment, the retailer does not know in advance whether the customer will return a discarded device. This causes problems with cross-country delivery. The Waste Shipment Regulation should provide an exception for cross-border waste transport by retailers in the context of their WEEE Extended Producer Responsibility take-back obligations.

2. Simplify implementation of the Waste Shipment Regulation:

- Prior Informed Consent (PIC) validity: We recommend extending the validity of general Prior Informed Consent (PIC) notifications for pre-consented facilities to five years and allowing them to cover shipments from multiple waste generators within the same exporting country under the revised Waste Shipment Regulation.
- Pre-consented facilities: Allow general PIC notifications for pre-consented facilities to cover shipments from multiple generators and sites (within one or across EU countries) to reduce burdens and streamline regulator reviews without weakening environmental safeguards.
- 'Tacit consent': Harmonise "tacit consent" procedures for intra-EU shipments to reduce legal uncertainty, ensure consistency, and support circular economy goals.
- Ensure interoperability: Ensure the new electronic PIC notification system is interoperable with other OECD systems to minimise admin burdens.

11. Batteries Regulation

1. Article 77(2): Digital battery passport

The Batteries Regulation contains numerous requirements for the digital battery passport, the precise content of which is not yet known to producers. Adequate transition periods are therefore essential for compliance. To avoid unnecessary administrative burdens and enable cost-effective implementation, the general principle of EU legislation should be that obligations enter into force at least two years after the details are finalised.

Therefore, the entry-into-force period for battery passport requirements should be systematically extended by two years, following the precedent of deferring the application of the due diligence obligations under the Batteries Regulation until 18 August 2027.

2. Consistency with other due diligence legislation

The Commission should explore whether the deferred due diligence obligations under the Batteries Regulation can be regulated through the Corporate Sustainability Due Diligence Directive, which will also start to apply in 2027. It would be more consistent and easier for companies if there were general horizontal rules instead of product-specific due diligence requirements that differ from the horizontal framework.

12. EU Deforestation Regulation (EUDR)

While we fully support the EUDR's important objectives to halt deforestation - a cause on which many of our members have made longstanding commitments and efforts are being made for its implementation - much more should be done to ensure a reduced administrative burden and a simplified regulatory framework.

The retail and wholesale sector is particularly affected by the EUDR due to the broad product range it sells, covering all commodity categories and relevant products, and the complexity of its supply chains, comprising tens of thousands of direct and indirect suppliers in the EU and in third countries.

Considerable simplification leading to more effective and efficient rules would be achieved by removing the duplication/multiplication of due diligence checks for the same products by downstream traders. A targeted revision could therefore ensure that the first operator placing the product on the market assumes full responsibility for due diligence, removing the obligation for non-SME traders making products available on the market to submit Due Diligence statements.

As regards compliance processes, it should be explicitly allowed that due diligence obligations can be managed centrally at the company group level, on behalf of its franchisees and subsidiaries. Currently, the EU-TRACES system, however, restricts the number of DDSs that can be submitted per account. Increasing these limits would allow a company group to submit DDSs on behalf of their independent merchants as an authorised representative instead of creating multiple accounts.

Further to facilitate compliance, we recommend the explicit recognition of existing certification schemes and international standards as sufficient evidence of compliance for EUDR (e.g. FSC Certification). This approach would leverage existing industry expertise and infrastructure while maintaining environmental protection standards. It reduces redundant efforts and costs while ensuring continued compliance with the EU environmental objectives.

Furthermore, to ensure legal certainty, it is necessary to incorporate into the legal text content from the EUDR guidance and FAQ documents. Notably, the exemption from Due Diligence obligations for products used in a company's own business operations (where the company is the end-user), and product samples, as well as the exemption for non-SME traders (making relevant products available on the market) to collect additional information, should be included in the legal text, among others.

In case a zero-risk option is considered, this should not result in shifting responsibilities to actors at the end of the supply chain. The whole supply chain needs to be considered.

Finally, we ask the Commission to urgently publish the expected delegated act, taking into account our specific feedback⁶, and, as part of this, we would like to specifically highlight the need to exclude products for donation from the scope, as well as meals offered for direct consumption in restaurants, similar to catering establishments. In line with the Commission's commitment to enhancing recycled content in EU consumer products, any product may qualify as exempt if it meets the legal definition of

⁶ See our contribution to the consultation on the draft Delegated Act: https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14655-EU-rules-to-minimise-deforestation-forest-degradation-amendment-of-Annex-I-to-the-Deforestation-Regulation/F3551467 en

waste. In addition, we ask you to agree with EU Competent authorities to consider the first year after the application date as a learning period dedicated to support, guidance and capacity building, instead of issuing fines.

Going forward, we urge the Commission to conduct a follow-up in-depth study of the impact on deforestation and on business processes of the products included in Annex 1.

We are available and ready to share further practical details to support effective and efficient implementation, including for ensuring coherence with other EU regulations.

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EuroCommerce is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 27 countries and 5 million companies, including leading global players and many small businesses. Over a billion times a day, retailers and wholesalers distribute goods and provide an essential service to millions of business and individual customers. The sector generates 1 in 7

jobs, offering a varied career to 26 million Europeans, many of them young people. It also supports millions of further jobs throughout the supply chain, from small local suppliers to international businesses.

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