Pimec contribution on the Call for Evidence on the Simplification of administrative burdens in environmental legislation

Pimec is the Catalan Confederation of SMEs which represents and defends the interests and values of SMEs and self-employed in the region of Catalonia, in Spain. Pimec is a recognised social partner in Catalonia and member of SMEunited. Pimec is a cross-sectorial organisation with its headquarters in Barcelona and counts with 26 offices and delegations across Catalonia with delegations in Madrid and Brussels.

As an employers' organisation with thousands of small enterprises "on the ground" in several sectors, our main concern in this domain is that of diverging administrative permits and procedures across Europe, depending on the member state, region and even municipality.

We do believe that this mandate's mission must be to further integrate and harmonise the Single Market, as the Draghi and Letta Reports have highlighted. To this end, the EU must restrict the scope for "gold plating" and must regulate at the highest level on administrative permits and procedures, in particular for small projects by SMEs, and thus restrict the scope for "gold plating" by lower administrations.

Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control).

This directive sets out the pollutant sectors to which a special permit-granting process shall be applied to. However, being a directive and not a regulation, it gives plenty of scope for competent authorities (either national or regional) to extend its requirements to other sectors not initially within the scope of the Directive.

Recommendation

Since negotiating a regulation to replace this directive may require too much political consensus, we propose that **at least the list of sectors described in the Annex I become binding for members state**s, without an option to add more sectors, otherwise covered by the provisions of Directive 2006/123/EC.

Directive 2014/52/EU of the European Parliament and of the Council of 16 April 2014 and Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment.

This directive defines the situations where an environmental impact assessment is required in the permit-granting process for a number of sectors listed in Annexes I and II. The directive does not define an administrative processing deadline.

The directive also grants member states the right to discretionarily apply an environmental impact assessment to projects in the sectors listed in Annex II.

Recommendation

- **Set time limits for procedures:** Any procedure under this directive shall take no more than 18 months in general, and 12 months for small projects by SMEs.
- **Exemptions for small SME projects:** Small projects undertaken by SMEs below a certain threshold –to be defined- be waived from this impact assessment in any circumstance.
- **Ban on gold-plating:** The directive must clearly ban member states from applying the requirements of this directive to any sectors not listed in Annexes I & II, thus avoiding potential gold-plating.

Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010

The so-called EUDR aims to ensure that products placed on or exported from the EU market are not linked to deforestation or forest degradation. It covers key commodities such as cattle, cocoa, coffee, palm oil, soy, wood, and rubber, along with many derived products. Operators and traders must exercise due diligence, which involves collecting detailed supply chain information (including geolocation of land plots), assessing risks, and taking mitigation steps where risks are identified.

One key challenge is the definition of "deforestation" as any conversion of forest to agricultural use. This creates difficulties especially in Mediterranean regions, where unmanaged forests expand naturally because exploitation is not economically viable. As a result, sustainable forest management and wood commercialization become nearly impossible, which may have unintended consequences, such as increased fire risks due to lack of management.

There is also room to simplify due diligence requirements. Any simplification should take a holistic approach, as the forest sector is already highly regulated. It is important that Member States and regions avoid duplicating documentation requirements and ensure they do not add unnecessary administrative burdens that could hinder forest exploitation.

Although the European Commission has issued valuable guidelines and technical recommendations, they are not legally binding, creating potential legal uncertainty across Member States. Besides, companies lack of specific skills to manage the new directive.

Recommendations:

- **Clarify key definitions:** such as "deforestation" and "deforestation free" to allow wood commercialization in cases where land use changes do not pose risk of deforestation.
- **Swift regulatory updates** to ensure that any regulatory changes or simplification measures are introduced swiftly to guarantee legal certainty.
- **Technical guidelines with binding effects:** The European Commission's should make its technical guidelines and recommendations legally binding, for example through secondary legislation, to provide consistent legal certainty.

- **Establish a zero-risk category** for all EU Member States, since they already comply with European legislation. Countries in this category should be exempt from providing additional evidence or carrying out due diligence.
- **Promote European training programs**, workshops, and traineeships to equip workers and companies with the skills needed for effective compliance.

Regulation (EU) 2024/1991 of the European Parliament and of the Council of 24 June 2024 on nature restoration and amending Regulation (EU) 2022/869.

The Nature Restoration Law (NRL) sets legally binding targets for restoring degraded ecosystems across the EU, covering forests, agricultural land, rivers, urban areas, and pollinator populations.

SMEs report a lack of concrete details on the technical and scientific aspects on the determination of the land in good condition, as well as the habitat definition for each economic activity.

Besides, the Regulation provides for the use of not accurate enough terminology which gives rise to wide interpretation such as "good condition" or "in need of restoration". Such concepts are not backed by technical standards and thus the consideration of areas with "need of restoration" lies in the decision of the authorities at national level.

Another concern lies in the administrative complexity of environmental procedures. Projects that require an Environmental Impact Assessment (EIA) often face long delays because multiple departments must issue reports (water, biodiversity, emissions, cultural heritage, landscape, etc.).

Since these reports are compulsory but not always binding, a single delayed response can paralyse the whole process. At the same time, there is poor coordination between environmental authorisations and urban planning procedures, which often run in parallel but according to different technical criteria. As a result, projects may receive approval on environmental grounds while being rejected on land-use compatibility, generating contradictory outcomes and additional costs.

In this regard, the preparation of the National Restoration Plans adds another layer of complexity, since in the absence of detailed EU-level guidance, the approach may vary significantly between Member States or even regions, leading to fragmentation in implementation.

Besides, the alignment of the NRL with the existing legislation on Natura 2000 Network is not very clear. Even though the NRL gives priority to the areas already identified by the Natura 2000. It does not specify the steps to follow for other areas such as quarries bordering a protected area, creating risks of overlapping obligations or double requirements. It is uncertain also how exemptions for economic activities in protected areas applications will be implemented.

Recommendations

- **Provide clear and uniform guidelines** at EU level for the preparation of National Restoration Plans, with binding methodologies and standardised definitions of key concepts such as "good condition" or "in need of restoration".
- **Set maximum deadlines** for environmental procedures and apply positive "partial" administrative silence, so processes are not blocked by delayed partial reports.

- **Implement integrated permitting:** combining environmental and urban planning authorisations into a single file.
- **Respect existing extractive operations** with approved restoration plans and financial guarantees, avoiding retroactive restrictions.
- **Publish EU-level methodologies** and technical guidance to clarify scientific aspects and ensure harmonised implementation across Member States.
- **Ensure strong coordination** between the European Commission and Member States to guarantee harmonised implementation across the EU.

Regulation (EU) 2025/40 of the European Parliament and of the Council of 19 December 2024 on packaging and packaging waste, amending Regulation (EU) 2019/1020 and Directive (EU) 2019/904, and repealing Directive 94/62/EC

The recently approved Packaging and Packaging Waste Regulation replaces the previous Directive with the aim of directly harmonising packaging rules across the EU. Its main objectives are, among others, to reduce packaging waste, increase recycling rates, and promote reuse systems. This regulation represents a significant departure from the earlier directive, not only by setting more ambitious targets but also by introducing a higher level of complexity in compliance requirements.

One of the most pressing issues for SMEs is the new set of reporting and traceability obligations, which are highly technical and demand expertise that smaller companies often do not have in-house. Compliance with rules on design for recyclability, minimum recycled content, and labelling entails substantial investments in packaging redesign, product testing, and sourcing of compliant materials. These requirements place a disproportionate burden on SMEs, which typically lack the financial resources of larger competitors.

A further challenge arises from the fact that many of the technical criteria are still to be defined by delegated acts. This regulatory uncertainty makes it difficult for businesses to plan investments or adjust their business models in advance. Although the regulation has direct applicability as EU law, its implementation will inevitably overlap with existing national regulations during a transitional period. If not managed carefully, this could result in a serious phase of **legal uncertainty, with different rules applying simultaneously.** A clear example is the Spanish Royal Decree on packaging and packaging waste, which was adopted before the EU regulation and diverges in several aspects. Companies are now forced to comply with national obligations that may soon be revised again to adapt to the EU framework, increasing administrative and economic burdens.

In addition, SMEs report operational difficulties with extended producer responsibility schemes. Final holders of packaging waste often end up paying twice: once the producer's contribution to the EPR scheme and again to the waste manager that handles the residues. Another difficulty is that packaging of the same type from different suppliers may fall under different EPR schemes, obliging SMEs to separate waste not only by material but also by scheme, which increases costs and administrative complexity,

If future modifications to the regulation are delayed or poorly coordinated, the sector could face significant economic disruption. For this reason, any amendments at EU level must be carried out swiftly, and their transposition at national and regional levels should be closely aligned to ensure consistency and predictability for businesses.

Recommendations

- **Introduce an SME exemption** for businesses below certain threshold, particularly for reuse obligations and reporting requirements.
- **Allow phased implementation timelines for SMEs**, giving them longer to adapt to design and recycled content obligations.
- **Provide EU-level guidance and standardised tools**: e.g. templated for reporting, calculators for recycled content.
- **Ensure strong coordination** between the European Commission and Member States to guarantee harmonised implementation across the EU
- **Encourage and incentivise collective compliance schemes** through producer responsibility organisations while clarifying the costs that businesses are required to assume under these schemes.

Regulation (EU) No 528/2012 of the European Parliament and of the Council of 22 may 2012 concerning the making available on the market and use of biocidal products.

We highlight two aspects of the Regulation on Biocidal Products that particularly affect SMEs: authorization procedures and data-/cost-sharing requirements.

The Biocidal Product Regulation (BPR) is highly complex and opaque legislation. Two ingredients that affect SMEs the most. In this regard, the key piece of legislation that adds too much burdensome and increase costs disproportionately are the authorizations to place in the market one specific product. Moreover, companies are frequently required to submit documentation for several product types (PTs) even when the product is identical (effectively forcing them to pay multiple times for the authorization of the same product).

Another frequent source of unnecessary duplication is the distinction between national and EU authorizations. National authorizations only allow companies to market a product within a single Member State. When companies want to scale up and sell in other Member States, they must apply for a European authorization, which is usually far more expensive than national ones.

As a result, these complex requirements make it extremely challenging for SMEs not only to maintain existing products on the market but also to invest in innovation in biocidal solutions.

Recommendations

- **Clearer rules for data-sharing and cost-sharing:** establish transparent guidelines under the BPR, following the example of the REACH Data Sharing Regulation (EU) No 2016/9.
- **Automatic mutual recognition:** Streamline procedures so that authorizations granted by a national competent authority automatically apply across the EU, without requiring a separate European application.
- **Reduced fees for SMEs:** ensure reduced fees apply consistently at every stage of the process to lower barriers for small businesses.
- **Establish within ECHA an oversight body** or committee on substance consortia to ensure their LOA fees are aligned with the real costs and remain affordable for SMEs.

Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH).

The REACH Regulation is the cornerstone of EU chemicals policy, designed to protect human health and the environment while ensuring the free circulation of substances in the internal market. However, its complexity and associated costs pose significant challenges, particularly for SMEs. Registrations costs remain high overall and, although ECHA registration fees are relatively affordable and include meaningful discounts for SMEs, companies still face substantial additional expenses, such as:

- Fees for Letters of Access charged by substance consortia without a clear explanation on the underlying costs and reasons for such fees.
- Fees from consultants engaged in dealing with REACH, as SMEs are ill equipped to complete the complex registration process.

Moreover, registration is lengthy and leaves many substances in the hands of a just a few suppliers and distributors ready to afford it. Small niche distributors are being crowded out by the system, with competition shrinking and rising prices for consumers. According to food processors consulted recently, approximately 20-30% of their chemical raw materials are affected by overprices, with limited or no competition at all in their supply.

Recommendations

1. **Open within ECHA an SME Help Desk**: to receive consultations, complaints and suggestions from European SMEs, channelled through SME organisations to be able to filter them and avoid a heavy burden on ECHA. As an example, the European Commission's DG Trade already runs an SME Help Desk, which successfully deals with problems related to trade defence instruments raised by SMEs.
2. **Implement SME United's proposal of a gradual submission of data** in the REACH registration process for small tonnages to minimise administrative burdens on SMEs
3. **Introduce clear timelines** (e.g. 3 months), with a positive administrative silence for small tonnages in the REACH registration process (including LOA provision), in line with the European Commission's new top priority in cutting red tape.
4. **Explore an automatic mutual recognition** / grandfathering for substances registered by SMEs in small tonnages either in BPR, REACH or national registries, thereby avoiding costly and lengthy re-registration processes.
5. **Study options for exporting SMEs to temporarily waive REACH** restrictions on imported raw materials for their inward processing in Europe, maybe in the context of bilateral trade agreements (e.g. North Africa, Mercosur, etc.), for as long as regulatory harmonization between the trading blocs takes place.
6. **Explore an extension of the scope of CBAM** into chemicals to protect the European industry from unfair competition from Asia.
7. **Work on options for direct support from ECHA to SMEs:** as the EUIPO for instance does in its training programs and service vouchers for patent & trademark registration. A subsidized training course on regulatory affairs for young professionals from SMEs could be a good start.