



BRILIAN

Circular Future for Rural Areas

Third Bioeconomy Policy Paper

By Environmental Bioeconomy Bureau



European
Bioeconomy
Bureau



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EXECUTIVE SUMMARY

This document lays out the principal policy developments of 2025 and those foreseen in 2026, specifically relating to policies that impact the bioeconomy, subject of the BRILIAN research.

2025 has been a year of extraordinary challenges for European institutions with a new American presidency and a continued war in Ukraine, challenging both the policies of the EU and the finances. These naturally have impacts upon EU cohesion and will become evident in the 2026 strategic discussions about the 2027-2032 budget. The Common Agricultural Policy, which has absorbed approximately one third of the last budget (2022-2027) will be subjected to intense debate.

As the document lays out, the European institutions have largely followed the timetable and workplan laid out by the incoming Commission in December 2024. The focus has been on simplifying procedures to reduce costs for European industries which has led in late 2025 to ten legislative packages (the *Omnibus*) relating to different sectors: creating a strategy to advance the circular economy; presenting a renewed strategy on the bioeconomy; revising climate targets; revising the laws related to textile and food waste; and laying out policies related to organic agriculture, water resilience, carbon border mechanisms, soil and deforestation.

The document ends with recommendations related to the key files which will help progress the bioeconomy in general.

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LIST OF ABBREVIATIONS AND ACRONYMS

ABI – Actions for Bio-Innovation

BRILIAN – Cooperative and Sustainable business models for bio-based chains in rural areas

CAP – Common Agricultural Policy

CBAM - Carbon Border Adjustment Mechanism

CBE-JU – Circular Based Europe Joint Undertaking

CCA - Critical Chemicals Alliance

CEA - Circular Economy Act

CSDDD - Corporate Sustainability Due Diligence Directive

CSRD - Corporate Sustainability Reporting Directive

DPP - Digital Product Passport

EBAF - European Board on Agriculture and Food

EBB - European Bioeconomy Bureau

ECHA - European Chemicals Agency

EIB - European Investment Bank

ESG - Environmental, Social, and Governance

ESPR - Ecodesign for Sustainable Products Regulation

EU – European Union

EUDR - European Union Deforestation Regulation

EIA - Environmental Impact Assessment

IAA - Industrial Accelerator Act

IDAA - Industrial Decarbonisation Accelerator Act

IPCEI - Important Project of Common European Interest

LCA - Life-cycle assessment

MFF - Multiannual Financial Framework

OECD - Organisation for Economic Co-operation and Development

PPWR - Packaging and Packaging Waste Regulation

REACH – The Regulation on the Registration, Evaluation, Authorisation and Restriction of Chemicals

SEA - Strategic Environmental Assessment

SUPD - Single-Use Plastics Directive

SUP - Single-Use Plastics

WFD - Waste Framework Directive

WP – Work package

INTRODUCTION TO THE BRILIAN PROJECT

The BRILIAN project has been conceived to support the **adoption of sustainable and cooperative business models in rural areas**, to incorporate agricultural by-products valorisation, seeking to increase and diversify primary producers' income. To achieve this, BRILIAN has established 3 cooperative pilots working with 10 value chains for the validation of a group of actions for bio-innovation (ABI), which will enable the proposition of specific cooperative business models.

By operating under real conditions, the pilots generate evidence on **environmental performance, sustainability impacts, and regional replicability**, helping policymakers assess how such solutions can contribute to rural development, industrial competitiveness, and the objectives of the EU Bioeconomy Strategy and the Clean Industrial Deal. They focus on proving **technical reliability, cost drivers, scalability, and regional replicability**, providing data relevant for investment decisions and future industrial deployment. By reducing first-of-a-kind risk and demonstrating replicability, the pilots help prepare bio-based solutions for market uptake and private financing.

The pilots contribute to EU priorities on **scale-up, investment readiness, and regional bioeconomy development**, while supporting cohesion and rural development goals. They also provide actionable data to inform future EU funding instruments, including innovation scale-up mechanisms and industrial deployment support.

They also demonstrate **integrated bio-based value chains**, from sustainably sourced biomass to the production of high-value bio-based materials and products, in line with EU objectives on **climate neutrality, circular economy, and reduced dependence on fossil resources**. Each pilot directly supports the EU Bioeconomy policy framework by demonstrating how sustainable biomass can be converted into high-value bio-based materials within **integrated, circular value chains**. They operationalise the EU Bioeconomy Strategy's core principles of **resource efficiency, climate neutrality, and operating within ecological boundaries**.

BRILIAN Pilots: opportunities for agriculture and investment in the EU Bioeconomy

BRILIAN implements pilot-scale demonstrations that test **sustainable biomass sourcing and bio-based processing** in real-world conditions, creating pathways for industrial and rural deployment. These pilots provide actionable insights for farmers, agribusinesses, and investors.

Pilots Relevance to Agriculture

- **Sustainable biomass sourcing:** pilots identify **best practices for crop residues, agroforestry biomass, and co-products**, ensuring soil health, nutrient management, and ecosystem preservation—key elements aligned with CAP eco-schemes.
- **Rural development:** linking local feedstock to bio-based production creates **new income streams for farmers**, strengthens regional value chains, and supports diversification beyond conventional crops.
- **Evidence-based CAP support:** monitoring and data from pilots can inform CAP strategic plans, agri-environment-climate measures, and result-based eco-schemes, helping Member States maximise environmental and economic outcomes.

Pilots Relevance to Investors

- **De-risking first-of-a-kind (FOAK) technologies:** pilots demonstrate technical reliability and scalability, providing **empirical performance data** that reduce investment risk.
- **Market-ready bio-based solutions:** validated pilot processes generate **bankable evidence for industrial deployment**, showing feedstock-to-product value chains that meet EU sustainability standards.
- **Alignment with EU funding and incentives:** pilots are directly linked to the **Clean Industrial Deal, CBE JU investment priorities, and EU bioeconomy strategy targets**, enabling investors to leverage grants, blended finance, and public-private funding instruments.

Strategic Takeaways

- **For farmers:** Opportunities to participate in **value-added bio-based supply chains**, diversify income, and implement CAP-compliant sustainable practices.
- **For investors:** Access to **validated, scalable bio-based technologies** with clear EU policy alignment, supporting decarbonization, circularity, and industrial innovation.
- **For policymakers:** Pilots provide **data-driven insights** to guide CAP design, rural development, and bioeconomy incentives, ensuring **synergies between agriculture, industry, and climate goals**.

The BRILIAN pilots **bridge agriculture, industry, and investment**, demonstrating sustainable, circular bio-based value chains that generate economic, environmental, and policy-aligned returns—making them a **strategic tool for EU bioeconomy development and rural competitiveness**. Hence, the need to understand in depth what are the policy frameworks in which the rural bioeconomy functions, highlighting opportunities and challenges from a rapidly evolving policy landscape across the EU.

The Policy Bulletin serves consortium partners and is also useful for external stakeholders and policy makers to understand the complexity within which rural actors operate, and to help shape future policies, so they take those complexities into account.

STRATEGIC CONSIDERATIONS

This first full year of the five-year mandate of the Commission (following Euro-parliamentary elections in June 2024) has been one of extraordinary intensity. The challenges faced by Europe, outlined in the BRILIAN policy paper of December 2024, have proven to be persistent and extremely difficult to solve. There is a sense that the EU is struggling to maintain cohesion in the face of these headwinds.

In this difficult context, in 2027 the EU must agree its next five-year budget.

On 18-19 December 2025 the European Council, under the Danish presidency, called for quick progress on the next EU Multiannual Financial Framework (MFF) 2028-2034 to ensure the smooth functioning of existing and future programmes without disruption. The European Council conclusions convey the sense of urgency in the timetable set out by leaders for the full approval process. Governments called on “the incoming presidency” of the Council of the EU, or the Republic of Cyprus (1 January-30 June 2026) to “continue the work, with a view to a timely agreement”, where “timely” means this time sequence: **“An agreement before the end of 2026 would allow for the adoption of legislative acts in 2027, which is necessary to ensure that EU funding reaches beneficiaries without interruption in January 2028.”¹**

In July 2025, the Commission proposed an almost **€2 trillion** long-term EU budget for **2028–2034** (~1.26 % of EU Gross National Income - GNI). A major new approach bundles cohesion, agriculture, social, and other funds into **National and Regional Partnership Plans**, giving Member States tailored investment strategies. The budget architecture is streamlined: it includes fewer programmes (around 16 instead of 50+) and larger, more flexible funding envelopes. The Commission also tabled proposals for **new own resources** (new EU revenue sources) to help finance the budget and reduce pressure on national contributions.

There has already been criticism of the common draft budget in Parliament and even more so among Member States. They do not like the idea of a nearly EUR 2 trillion budget; nor do they like the single fund combining agricultural and cohesion policy, or the proposals for own resources.

¹ [European Council meeting \(18 December 2025\) – Conclusions](#)

As a result of these pressures, **how the budget will look and which programmes will be confirmed and which reduced, is still unknown**. A key cost factor in all EU budgets is the Common Agricultural Policy, whose programme should be renewed and approved by 2027. This is particularly relevant for BRILIAN project partners. Accounting for €386.6 billion over the 2023-2027 period (about 34% of all EU spending), the total amount is likely to remain largely unchanged, but the discussion will focus on how these funds will be spent – i.e. who controls them. Below is a brief summary of the main elements of the Commission's proposal, published in July 2025.

CAP post-2027

Context

The Commission proposed a fundamental redesign of the Common Agricultural Policy as part of the next MFF. The stated aims are **simplification, fairer income support, subsidiarity, sustainability and crisis resilience**. The proposal marks a significant shift in governance and budget structure.

What the Commission Proposes

- **New architecture:** CAP integrated into broader **National and Regional Partnership Plans**, replacing the current two-pillar system.
- **Income support reform:** introduction of **Degressive Area-Based Income Support**, with mandatory **capping (≈€100,000/farm)** and stronger focus on **active farmers**.
- **Targeted support:** simplified schemes for **small farms**, enhanced support for **young and new farmers**, and incentives for generational renewal.
- **Environment:** a new “**farm stewardship**” **framework** combining a common environmental baseline with voluntary, incentivised agri-environment-climate actions.
- **Crisis tools:** strengthened EU-level **crisis response and safety-net mechanisms** to address market shocks and climate risks.
- **Competitiveness & rural areas:** continued support for innovation, digitalisation, skills and rural development, aligned with wider EU priorities.

Key issues raised by the European Parliament

- **Risk of CAP dilution:** loss of a clearly **ring-fenced, stand-alone CAP** within the EU budget.
- **Renationalisation concerns:** greater Member State flexibility may lead to **uneven implementation and competition distortions**.

- **Farmer income stability:** uncertainty over payment levels and long-term predictability for farmers.
- **Balance of ambition:** ensuring simplification does not weaken environmental or social objectives.

Political Significance

CAP reform will be negotiated alongside the **MFF**, giving Parliament strong leverage. Core decisions will shape **farmer incomes, food security, climate action and rural cohesion** for the next decade.

However, based on past experience, **the Commission's proposals will likely emerge reduced in size** (as Germany and other northern countries are likely to pursue the symbolic goal of bringing the EU budget below the €2 trillion threshold), different in composition (with spending favouring powerful vested interests rather than European public goods) and less flexible (limiting the Commission's discretion in the management of funds).

Therefore, the reader of this document should be aware that the legislative processes foreseen here may change significantly as the discussions over the budget during 2026 are resolved.

Into this scenario, the driving policy themes upon which the Commission based its programmes in 2024 have been elaborated. It is worthwhile mentioning that **despite the unprecedented pressures under which the European institutions have been working, so far the programmes announced in 2024 have been respected.**

As a reminder, the three driving forces were the Green Industrial Deal², the Competitiveness Compass³ and the Simplification Agenda⁴ which is the first topic discussed.

² [The Green Deal Industrial Plan - European Commission](#)

³ [Competitiveness compass - European Commission](#)

⁴ [Simplification and Implementation - European Commission](#)

OVERVIEW: “SIMPLIFICATION” IN EU ENVIRONMENTAL LAW

Objectives of the Simplification Agenda

Since early 2025, the **European Commission** has driven a comprehensive *simplification agenda* responding to political calls (especially from the **European Council**) to reduce *administrative burden* and *regulatory complexity* across many policy areas, including environmental law. The *simplification agenda* is part of a broader EU effort to cut red tape and administrative costs for businesses, especially SMEs, allowing them to spend less time and money on navigating complex EU environmental and regulatory rules, freeing up resources for growth and innovation.

Simplification is pursued mainly through a series of “**Omnibus**” legislative packages—multi-topic packages of amendments to existing EU rules intended to streamline, clarify, and make implementation easier. As SMEs account for over **99% of EU businesses** and are disproportionately affected by regulatory complexity, excessive reporting, compliance costs, and fragmented requirements risk undermining innovation, investment, and Single Market participation. The **Omnibus** packages address these risks through targeted simplification and proportionality.⁵

Across these initiatives, the **core aims are to:**

- reduce *administrative and compliance costs* for businesses and authorities;
- make EU environmental regulation *clearer and easier to implement*;
- streamline *overlapping reporting and assessment requirements*;
- enhance *digitalisation and data-sharing* to reduce manual burden;
- maintain the *EU’s core environmental objectives* (e.g., climate, pollution control).

In particular:

- The **Omnibus** packages significantly **reduce administrative and compliance burdens** for SMEs. They streamline reporting, remove overlaps across legislation, and simplify procedures—allowing smaller companies to focus on investment, innovation, and jobs rather than paperwork.
- SMEs are **largely shielded from mandatory sustainability reporting**. The narrowing of scope ensures that complex reporting obligations apply mainly

⁵ [European Council. Council of the European Union. Simplification of EU rules](#)

to large companies, while SMEs retain access to **voluntary and proportionate standards**.

- The Omnibus approach strengthens **proportionality and risk-based regulation**. Requirements are better aligned with SME capacities, with simpler compliance pathways and reduced exposure to unintended penalties.
- The introduction of a **small mid-cap category** is particularly important. It avoids regulatory “cliff effects” and preserves incentives for SMEs to grow and scale up within the Single Market.

Simplification is framed as supporting **competitiveness, innovation and clearer enforcement**, especially for businesses and authorities. The Commission maintains that this can be done **without undermining environmental objectives**—though that point is debated.⁶

In **2025**, the **European Commission adopted a total of ten** *Omnibus* simplification packages as part of its drive to reduce administrative burdens and streamline EU rules across multiple policy areas. These packages were proposed and formally adopted as *Omnibus I–X* throughout the year.⁷

List of Omnibus Packages Adopted in 2025

Based on the Commission’s own simplification programme, the following **ten** packages were adopted during 2025:

1. **Omnibus I – Sustainability & Investments** (incl. sustainability reporting, due diligence, EU Taxonomy, CBAM) – *26 February 2025*
2. **Omnibus II – EU Investments** (InvestEU simplification) – *Early 2025*
3. **Omnibus III – Common Agricultural Policy (CAP) simplification** – *14 May 2025*
4. **Omnibus IV – Small mid-caps, digitalisation & common specifications** – *21 May 2025*
5. **Omnibus V – Defence readiness** – *17 June 2025*
6. **Omnibus VI – Chemicals legislation** – *8 July 2025*
7. **Omnibus VII – Digital rules (data, cybersecurity, AI)** – *19 November 2025*
8. **Omnibus VIII – Environment** (industrial emissions, circular economy, assessments, data) – *10 December 2025*

⁶ [European Commission. Simplification and Implementation](#)

⁷ [European Commission. Simplification and Implementation](#)

9. **Omnibus IX – Automotive industry – 16 December 2025**
10. **Omnibus X – Food & feed safety – 16 December 2025.**

Stakeholder Engagement and Call for Evidence

In October 2025, the Environment Commissioner hosted a stakeholder roundtable following a **call for evidence** on environmental law simplification. Inputs (190,000+ responses) covered industrial emissions, waste, permitting, and circular economy rules—reflecting attempts to make simplification **evidence-based and aligned with practical needs.**⁸

Commission estimates suggest **billions in annual cost savings** from simplification measures when fully implemented.

Debate and Concerns

While the Commission positions simplification as progressive and green-friendly, several stakeholders raise concerns:

Environmental NGOs and watchdogs argue that some simplification steps risk *rolling back safeguards* or diluting environmental protections if not carefully calibrated. Recent criticism includes claims of *undemocratic weakening* and insufficient transparency in the omnibus process.⁹

Nature and climate NGOs warn that simplification could inadvertently undermine nature and climate legislation by prioritising competitiveness over environmental ambition.¹⁰

Thus, in EU institutions, simplification remains a **balancing act** between *reducing regulatory burden* and *preserving the integrity of environmental goals*.

⁸ [European Commission. Press release – 2 October 2025: Commissioner Roswall hosts high-level stakeholder roundtable on simplification of environmental laws](#)

⁹ [European Coalition for Corporate Justice together with ClientEarth, Anti-Slavery International, Clean Clothes Campaign, Friends of the Earth Europe, Global Witness, Notre Affaire À Tous, and T&E \(Transport & Environment\). Joint press release – 27 November 2025: EU watchdog slams Commission's undemocratic environmental rollbacks](#)

¹⁰ [BirdLife International. Press release – 12 September 2025: Simplification or sabotage? EU's nature agenda under pressure](#)

Key Environmental Simplification Initiatives in 2025

Omnibus VIII (Environment) — Adopted 10 December 2025

This is the most significant environmental simplification package of the year, presented by the Commission as part of the wider simplification strategy.

Its main features include:

- Streamlining **environmental permitting and assessments (EIA/SEA)** to speed up project approvals.
- Simplifying rules on **industrial emissions** (e.g., monitoring, reporting, and compliance steps).
- Rationalising **circular economy requirements** (including extended producer responsibility processes).
- Enhancing **geospatial and data-driven approaches** for environmental reporting and compliance.

The package aims to **reduce administrative costs by approximately €890 million per year** in environmental sectors alone.¹¹

“One Substance, One Assessment” – Chemicals Regulatory Simplification

In June 2025, the Parliament and Council reached **provisional agreement** on the *one substance, one assessment* framework, part of the simplification agenda to unify and streamline chemical risk assessment.

The initiative creates:

- a common chemicals data platform,
- clearer distribution of technical tasks between agencies (e.g., ECHA),
- more efficient cooperation among EU bodies handling chemical risk data.

The aim is to **reduce duplication and speed up regulatory decision-making** without weakening safety.¹²

¹¹ [European Commission. Simplification and Implementation](#)

¹² [European Commission. News article - 13 June 2025: EU institutions agree to streamline assessments of chemicals in Europe](#)

CBAM Simplification (Carbon Border Adjustment Mechanism)

Also part of **Omnibus I**, negotiators agreed to simplify certain aspects of the **CBAM** regime.

Key points include:

- A higher threshold before small traders and importers are covered (e.g., lower burden for <50 t CO₂ equivalents), effectively exempting around 90% of small importers from detailed compliance requirements.
- Continued coverage of *99% of embedded CO₂ emissions* in relevant goods, so environmental ambition is maintained while lowering administrative complexity for small actors.¹³

Sustainability Reporting & Due Diligence Simplification

Under **Omnibus I**, the Commission's simplification drive prompted revisions to corporate due diligence and sustainability reporting. Corporate due diligence (CSDDD) and sustainability reporting (CSRD) are key EU regulations for responsible business, requiring large companies to identify, prevent, and report adverse human rights/environmental impacts in their value chains, promoting transparency (ESG) and accountability. The Omnibus 1 law simplifies rules (like raising thresholds for CSDDD to 5,000 employees) to ease burdens on smaller firms while focusing major duties on large corporations.

- On 16 December 2025, the **European Parliament approved adjustments** that exempt about 85% of companies previously captured by these rules from onerous obligations. Only large corporations with more than 5,000 employees and a net annual turnover of over €1.5 billion must carry out due diligence.¹⁴
- The compliance timelines were shifted, giving businesses more time to adapt and narrowing the initial scope of application, as due diligence rules will apply from July 2029.

¹³ [Council of the EU. Press release - 18 June 2025: Carbon border adjustment mechanism \(CBAM\): Council and Parliament strike a deal on its simplification](#)

¹⁴ [European Parliament. Press release – 16 December 2025: Simplified sustainability reporting and due diligence rules for businesses](#)

The Action Plan for the Chemicals Industry & the Critical Chemicals Alliance (CCA)

In July 2025, the European Commission presented an **Action Plan for the Chemicals Industry** to strengthen the competitiveness and modernisation of the EU chemical sector. The Action Plan addresses key challenges, namely high energy costs, unfair global competition, and weak demand, while promoting investment in innovation and sustainability. The Action Plan is accompanied by a simplification omnibus on chemicals – the sixth that the Commission has presented in this mandate so far – to further streamline and simplify key EU chemicals legislation, alongside a proposal to strengthen the governance and financial sustainability of the [European Chemicals Agency \(ECHA\)](#).¹⁵

On 28 October 2025, the European Commission launched the **Critical Chemicals Alliance** (CCA).¹⁶ The alliance stems directly from the **Chemicals Action Plan** and will hold its first **General Assembly** in the presence of Executive Vice-President for Prosperity and Industrial Strategy, **Stéphane Séjourné**, on 13 January 2026.¹⁷

Among its first expected outcomes, the alliance will:

- establish criteria to identify critical chemical productions and molecules that are essential for the EU economy and strategic sectors,
- map these critical molecules to enable enhanced trade monitoring and early-warning functions, including through the EU Customs Surveillance System,
- support coordinated investments by aligning EU and national funding tools and helping Member States and industry to target key projects.

The alliance is open to all organisations active in the chemical industry, including companies, associations, investors, research bodies, and civil society. Interested organisations can apply online¹⁸ by signing the alliance's declaration, thereby committing to actively contribute to its objectives.

¹⁵ [European Commission. Press release – 8 July 2025: Commission strengthens Europe's chemical industry](#)
¹⁶ [European Commission. News article - 28 October: Commission announces launch of Critical Chemicals Alliance to strengthen Europe's chemical sector](#)

¹⁷ [European Commission. News article - 9 December: Critical Chemicals Alliance to hold its first General Assembly on 13 January](#)

¹⁸ [EU Survey. Membership application form to join the Critical Chemicals Alliance \(CCA\)](#)

Legislative Status & Next Steps

The **Omnibus VIII (environment)** proposals were formally adopted by the Commission in December 2025 and will now proceed through ordinary co-legislative processes with the **European Parliament and the Council**.

Some earlier simplification proposals (e.g., CBAM changes, due diligence/reporting adjustments) have secured **Parliamentary approval or provisional agreements**.

Ongoing stakeholder discussions and calls for evidence continue shaping how simplification is implemented in practice.

SUMMARY OF MAJOR ENVIRONMENTAL SIMPLIFICATION ACTIONS (2025)

Package / Initiative	Focus	Status
Omnibus VIII (Environment)	Industrial emissions, circular economy, assessments, data. High relevance for BRILIAN partners	Commission proposals adopted (Dec 2025)
One Substance, One Assessment	Streamlined chemical regulation Medium relevance for BRILIAN partners	Provisional agreement with Parliament & Council
CBAM Simplification	Threshold adjustments, admin relief Medium relevance for BRILIAN partners	Provisional political agreement
Sustainability reporting & due diligence	Exemptions, later compliance dates Low relevance for BRILIAN partners	Parliament approval
Stakeholder Call for Evidence	Input for simplification priorities	Completed, high engagement

NEW EU BIOECONOMY STRATEGY

The European Commission has officially adopted its new Bioeconomy Strategy in November 2025—marking an **important step toward a more competitive, climate-neutral, and resilient Europe**.

The updated strategy puts the spotlight on **three priorities**: scaling sustainable bio-based industries, deploying local and regional bioeconomies, and ensuring that Europe's use of biological resources stays within ecological limits.

Several concrete actions stand out. The Commission will support the scale-up of biorefineries and bio-based materials, strengthen investment through dedicated platforms and EU partnerships, and accelerate innovation in biotechnology and biomanufacturing. A **new Strategic Deployment Agenda** will help regions build their own bioeconomy pathways, supported by living labs, pilot actions, and tailored policy assistance.

Equally important is the renewed focus on **sustainability**. The strategy reinforces EU monitoring systems, promotes clearer standards and labels for bio-based products, and provides guidance to ensure that biomass production protects nature, soils, and biodiversity.

The strategy targets specific sectors where **bio-based solutions** can replace fossil-based alternatives and scale rapidly. These identified **lead markets** include:

- **Bioplastics and biopolymers**
- **Textiles from bio-based fibres**
- **Bio-based chemicals and advanced fermentation products**
- **Bio-based fertilisers, biostimulants and biopesticides**
- **Construction and composite materials from biomass**
- **Integrated biorefineries and technologies like permanent biogenic carbon storage**

These markets are recognised for their **economic potential and environmental benefits**, and the Commission will support demand and uptake through regulatory incentives, harmonised definitions, sustainability criteria and (*where relevant*) **targets**

for bio-based content in EU legislation. These are all pertinent to BRILIAN partners operating in the production of bio-based materials/chemicals/products.

In short, **the strategy sets a clearer direction**: a bioeconomy that boosts European competitiveness, creates rural opportunities, and contributes to climate and circularity goals—while staying grounded in environmental responsibility.

A strong signal that Europe sees the **bioeconomy not just as a sector, but as a strategic pillar** for its green and industrial transitions.

The widespread calls from many stakeholders, including EBB and its partners, for strong mechanisms that create markets for biotechnology products are unanswered. The absence of market pulls such as targets, mandates, and obligations hinders the transition from fossil-based to plant-based feedstocks and their transformation into innovative materials. **We hope this absence of market mechanisms is addressed in the specific enabling acts.**

BIOECONOMY IMPLEMENTATION - EU LEGISLATIVE LEVERS DASHBOARD (2025–2030)

The Bioeconomy Strategy implementation is critical to the success of many partners involved in the BRILIAN project. As the Strategy clearly lays out, **Europe has excellent research capacities (publicly financed) but fails to bring many new companies to market**. In more than a decade of financing biotechnology research activities, the EU has not produced one single new company with a turnover exceeding €100 million p.a. Meanwhile, investments in the sector are oriented to the USA and China, with India rapidly catching up. The report from the European Investment Bank on the bioeconomy, outlines these concerns quite clearly.¹⁹ To address these challenges, which are common to other sectors, not just the bioeconomy, **mechanisms are required that attract investment to drive research into viable enterprises**. Many respondents to the Commission's Call for Evidence on the Bioeconomy in 2025 called for strong market pull mechanisms such as mandates, obligations and bans on certain polluting materials made from fossil fuels. To date, no such mechanisms are apparent.

Nevertheless, there is time during 2026 to implement actions which address markets and below is a concise dashboard of the main EU legislative levers that will be used (or are being proposed) to implement the key objectives of the EU Bioeconomy Strategy. It covers what each lever is, status & timeline (2025–2030), why it matters for the bioeconomy/biorefineries, implementation risks, and quick mitigation steps.

Industrial Accelerator Act (IAA)

What it is/role

Clean-industry package to speed permitting, create low-carbon product criteria and preference in procurement, and support industrial clusters. It aims to support the creation of “lead markets” for low-carbon / bio-based products.

Status & timeline (key dates)

The proposal, announced under the Clean Industrial Deal, was initially scheduled for adoption in Q4 2025 (with December 2025 indicated in the Commission's planning

¹⁹ [European Investment Bank. Report - 31 October 2025: Scaling up Europe's bio-based industries](#)

trackers). The timeline has since been revised, and the proposal is now expected to be presented on 28 January 2026.

Why it matters for bioeconomy/biorefineries

Can create demand-side pull (procurement + EU content/sustainability criteria), speed permitting for biorefineries, and reduce project timelines. Strong lever to de-risk investments.

The Industrial Accelerator Act has the potential to accelerate the EU's industrial transition by streamlining permitting, driving demand for low-carbon products, and mobilising finance. But **its success hinges on overcoming substantial implementation risks** — especially in permitting harmonisation, financing efficiency, infrastructure readiness, and consistent market incentives. Without coordinated action across EU institutions and Member States, these hurdles could undermine the pace and depth of industrial decarbonisation through 2030.

Key Implementation risks (2025–2030)

1. **Slow permitting and administrative bottlenecks**
Environmental and infrastructure permits remain lengthy and fragmented.
2. **Regulatory fragmentation**
Misalignment with related EU legislation (NZIA, RED III, CBAM, Ecodesign) increases uncertainty.
3. **Financing gaps**
Capital-intensive, first-of-a-kind projects face difficulties reaching financial close.
4. **Weak demand signals**
Unclear or delayed procurement and lead-market instruments reduce investor confidence.
5. **Infrastructure constraints**
Insufficient access to clean power, hydrogen, and CO₂ transport/storage delays projects.
6. **Uneven administrative capacity**
Regional disparities risk uneven implementation and internal market distortions.

Priority actions for Government

1. Make permitting acceleration real

- Set **binding maximum timelines** for IAA-related permits.
- Establish **legally empowered one-stop shops** for industrial projects.

- Prioritise IAA projects in national permitting pipelines.

2. Ensure regulatory coherence

- Align national implementation across industry, energy, climate, and environment ministries.
- Issue **early national guidance** to industry and investors to reduce uncertainty.

3. Mobilise finance at scale

- Deploy **blended finance** (grants + loans + guarantees).
- Use **EIB, InvestEU, and national promotional banks** for risk sharing.
- Support **industrial clusters and IPCEIs**, not only stand-alone projects.

4. Create predictable demand

- Introduce **mandatory green public procurement** for low-carbon materials (steel, cement, chemicals).
- Pilot **lead-market instruments** (e.g. carbon contracts for difference).

5. Align infrastructure planning

- Integrate IAA projects into national energy, hydrogen, and CO₂ infrastructure plans.
- Support shared infrastructure in industrial clusters.

Immediate next steps (next 12 months)

- Identify national IAA priority projects and bottlenecks
- Operationalise one-stop permitting structures
- Align finance and industry ministries on funding tools
- Launch pilot green procurement schemes
- Send clear investment signals to industry and investors

Key message for Policymakers

The IAA will only accelerate if **national administrations and political leadership do so first**. Early, coordinated action is essential to secure investment, protect competitiveness, and deliver industrial decarbonisation by 2030.

Ecodesign for Sustainable Products Regulation (ESPR) + Digital Product Passport (DPP)

What it is/role

Framework to set product requirements (durability, recyclability, material content) and DPPs for traceability of materials, including bio-carbon content.

Status & timeline (key dates)

ESPR entered into force 18 July 2024; Commission rolled out first product sets and horizontal rules in 2025 and is developing working plans for more products. DPP rollouts are ongoing.

Why it matters for bioeconomy/biorefineries

ESPR/DPPs enable traceability of bio-based content, allow ecodesign criteria to favour bio-based materials, and make product claims verifiable which is key for market acceptance.

Implementation risks (2025–2030)

Complexity of DPP data requirements; compliance costs for SMEs; risk of inconsistent metrics for “bio-carbon” and LCA.

Mitigation / policy actions

Create tiered DPP requirements for SMEs; EU guidance on bio-carbon accounting; align DPPs with sustainability certification schemes.

Circular Economy Act (CEA) / Clean Industrial Deal measures

What it is/role

System-level regulatory framework to raise circularity (targets, lead markets, streamlined rules). Supports product and material system reforms.

Status & timeline (key dates)

Public consultation launched in 2025; the CEA remains a priority action in the Clean Industrial Deal with timelines through 2026–2028 for legislative proposals and implementation.

Why it matters for bioeconomy/biorefineries

Can set economy-wide targets (e.g., higher circularity by 2030), prioritize bio-based materials in supply chains and public procurement, and support enabling infrastructure for biorefineries.

Implementation risks (2025–2030)

Potential policy fragmentation; trade-offs between recycling targets and bio-based material uptake; industry pushback.

Mitigation / policy actions

Ensure policy coherence (align CEA with ESPR & IDAA); set sectoral pathways that balance recycling and renewable-carbon needs.

CBE JU – Circular Bio-based Europe (funding & flagship projects)

What it is/role

Joint Undertaking funding demonstration & flagship biorefineries, R&I and scale-up. Provides grant / de-risking finance for first-of-a-kind plants.

Status & timeline (key dates)

Active with calls: 2025 Horizon-JU CBE call launched April 2025 (budget €172m); ongoing project map of demo plants/flagships.

Why it matters for bioeconomy/biorefineries

Directly finances demo biorefineries, lowers technical & commercial risk, accelerates scale-up of bio-based materials and supply chains.

Implementation risks (2025–2030)

Funding scale still limited relative to investment needs; time-to-market for funded flagships can be long.

Mitigation / policy actions

Scale budgets (blended finance), link CBE JU projects with IPCEI/state aid for large-scale deployment, prioritise replication pathways for rural biorefineries.

IPCEIs (Important Projects of Common European Interest)

What it is/role

State-aided cross-border strategic projects can mobilize large public & private capital for strategic value chains (e.g., biomanufacturing).

Status & timeline (key dates)

The IPCEI tool is already used in EU (approved projects ongoing). Member States are exploring biotech/biobased IPCEIs. Approvals continue on demand.

Why it matters for bioeconomy/biorefineries

Allows national/cross-border state aid to unlock very large investments (industrial biorefineries, Value Chain hubs) that otherwise wouldn't attract private capital.

Implementation risks (2025–2030)

Political complexity (state aid scrutiny), uneven Member State participation may lead to geographic concentration of projects.

Mitigation / policy actions

Encourage multi-Member State consortia; set clear sustainability & local benefit conditions; link to CAP / cohesion funding for regional inclusion.

European Chemicals Industry Action Plan & regulatory alignment

What it is/role

Action plan to strengthen chemicals sector, accelerate decarbonisation and foster lead markets for strategic chemicals (including bio-based).

Status & timeline (key dates)

The Action plan published (2025) includes measures regarding industry partnerships, possible fiscal incentives, and “critical chemicals” initiatives.

Why it matters for bioeconomy/biorefineries

Can prioritize bio-based chemicals as strategic; create incentives (tax, procurement) and supply-security measures to favor bio-derived feedstocks.

Implementation risks (2025–2030)

Risk: trade remedies / competitiveness tensions; possible protectionist pressures; fragmentation with chemical REACH rules.

Mitigation / policy actions

Use harmonized sustainability criteria; combine support with open market rules and export strategies; integrate bio-based goals into REACH-related guidance where relevant.

Public Procurement & Green Procurement Rules

What it is/role

EU-level procurement rules embedding sustainability / EU preference (via IDAA & sector legislation).

Status & timeline (key dates)

Being designed as part of IDAA and Clean Industrial Deal with procurement criteria for low-carbon / EU-content products rolling out post-2025.

Why it matters for bioeconomy/biorefineries

Creates guaranteed initial demand for bio-based materials (construction, packaging, public services), accelerating market uptake.

Implementation risks (2025–2030)

Risk of procurement rules being watered down; administrative overload for procurers.

Mitigation / policy actions

Publish sectoral procurement templates (bio-based criteria); run pilot procurements for bio-based goods and build buyer guidance.

Sustainability certification & standards (labels)

What it is/role

Standards for “bio-based”, “renewable carbon”, and LCA-based labels feeding into ESPR, procurement & product claims.

Status & timeline (key dates)

Driven by Commission strategy & standardisation bodies; several initiatives ongoing through 2025–2027 to define metrics.

Why it matters for bioeconomy/biorefineries

Reliable labels are essential to avoid greenwashing, enable DPP transparency, and create price premium for certified bio-based materials.

Implementation risks (2025–2030)

Fragmented standards; inconsistent metrics for “biogenic carbon” and LCA results.

Mitigation / policy actions

Fast-track EU common methodology for renewable carbon; require third-party verification and align with DPP data fields.

FIVE SUPPORTING FACTS

1. The **ESPR²⁰** is in force (18 July 2024) and already begins to require DPPs (Digital Product Passports) and sustainability criteria being a structural tool for product-level intervention.
2. The **Clean Industrial Deal** (Feb 2025) and the planned **Industrial Decarbonisation Accelerator Act** are explicit EU efforts to create lead markets and speed permitting for clean industrial projects; IDAA was slated for Q4 2025.
3. The **Circular Bio-based Europe Joint Undertaking** (CBE JU) is actively funding demonstration and flagship biorefinery projects (calls in 2025; map of projects).²¹
4. The Commission's **Chemicals Industry Action Plan** (2025) positions bio-based chemicals as strategic and proposes measures (incentives, market support) that intersect with bioeconomy goals.²²
5. The **IPCEI framework²³** is a proven route to mobilise large state & private investment for strategic industrial value chains; Member States have used it for batteries, hydrogen and are exploring biotech use.

²⁰ [European Commission. Ecodesign for Sustainable Products Regulation](#)

²¹ [CBE JU. Open calls for proposals](#)

²² [19.º European Commission. Communication – 8 July 2025: European Chemicals Industry Action Plan](#)

²³ [European Commission. Important Projects of Common European Interest \(IPCEI\)](#)

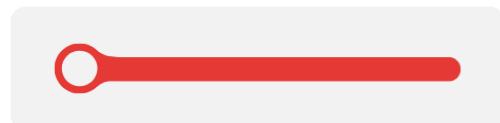
QUICK RISK SCORECARD (2025–2030) - LIKELIHOOD × IMPACT

- 1. Regulatory fragmentation** (high likelihood × high impact) — score: **High**.
(Multiple overlapping acts need alignment.)
- 2. Data & verification bottlenecks** (DPP & LCA) (medium × high) — score: **High**.
- 3. Funding gap vs. investor appetite** (medium × high) — score: **High**.
- 4. Member State uneven implementation** (high × medium) — score: **High-Medium**.
- 5. Technology readiness / scale delays** (medium × medium) — score: **Medium**.

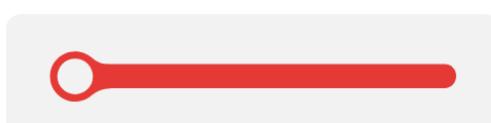
Regulatory fragmentation



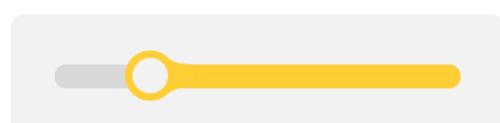
Data & verification bottlenecks



Funding gap vs. investor appetite



Member State uneven implementation



Technology readiness / scale delays



POLICY RECOMMENDATIONS FROM THE EIB ON PRIORITY ACTIONS EU SHOULD TAKE TO MAXIMISE IMPACTS - SHORT CHECKLIST

The European Investment Bank's document²⁴ Scaling up Bio-Based Industries makes a series of recommendations, which are mainly sector and/or region specific and which are highlighted here:

1. **Harmonise metrics:** mandate a single EU methodology for renewable carbon / bio-carbon accounting and DPP data fields (urgent).
2. **Link finance to regulation:** allocate larger blended-finance packages that top-up CBE JU grants and steer IPCEI calls to bio-based scale-ups.
3. **Procurement pilots:** run targeted public procurement for bio-based construction, packaging & municipal goods to create demand signals.
4. **Permitting pilots:** require Member States to set up fast-track permitting for biorefineries under IDAA pilot rules.
5. **SME support & DPP tiers:** reduce burden for SMEs by tiering DPP requirements and offering technical assistance.

Thus, in EU institutions, simplification remains a **balancing act** between *reducing regulatory burden* and *preserving the integrity of environmental goals*.

The BRILIAN partnership, in its policy meeting in Brussels in May 2025, highlighted some of these issues to the Commission officer, above all the question of market pull. At present the substitution of fossil carbon for energy and materials with renewable carbon, is extremely difficult because of the price and scale differential. Only with mechanisms which create specific ring-fenced market places for renewable carbon energy and materials, are we likely to see significant growth. Such mechanisms (practiced widely for energy but not at all for materials) include binding targets, bans on use of fossil carbon in applications, incentives, and specific targeted applications which must be made with renewable carbon. At the time of writing, the Bioeconomy Strategy does not address this issue in such a way as to give confidence in future market growth.

²⁴ [European Investment Bank. Report - 31 October 2025: Scaling up Europe's bio-based industries](#)

A PILOT FOR BOOSTING THE CIRCULARITY OF PLASTICS

On 23 December 2025 the European Commission published the [Communication “Accelerating Europe’s transition to a circular economy: a pilot for boosting the circularity of plastics”](#) (COM (2025) 805 final).

Purpose of the package

According to the Commission, recent legislative measures, such as the Packaging and Packaging Waste Regulation and the Single Use Plastics Directive, will contribute to **significantly strengthen demand for circular plastic solutions**.

However, at this very moment the **plastic recycling industry is facing significant challenges** which risk undermining its ability to leverage the expected increase in demand for recycling and circular plastics.

To reverse this trend, **urgent action is needed at EU and Member State level** to facilitate recycling and the uptake of recycled materials and promote innovation, including in recyclable bio-based plastics.

The overall objective is to address key short-term barriers (market fragmentation, unfair competition, weak demand, regulatory uncertainty) while preparing the **groundwork for the Circular Economy Act** (foreseen in 2026) which will establish a broader framework for a single market for waste and secondary raw materials and accelerate circular products and services across the EU.

You will find below a summary of the main measures included in the Communication:

1. Creating a more integrated EU market for recycled plastics

The development of a Union-wide end-of-waste criteria for mechanically recycled plastics under the Waste Framework Directive will imply that recycled plastics will no longer be legally treated as waste, therefore reducing administrative barriers and enabling easier circulation across all Member States. This is intended to build a true Single Market for recycled plastics.

2. Legal certainty for chemical recycling

The Commission proposes ‘mass balance allocation rules’ to define how outputs from chemical recycling count toward recycled content targets (e.g., 25 % PET content by 2025, 30 % for beverage bottles by 2030 under the Single-Use Plastics Directive). These

harmonised rules help unlock investment in chemical recycling by providing stable regulatory conditions.

3. Relaunching and strengthening the Circular Plastics Alliance (Q1 2026)

The Circular Plastics Alliance (CPA) will be reactivated and reinforced to bring stakeholders and Member States together on priority actions, including:

- joint work plans for 2026,
- industry analyses of current challenges,
- discussions on demand stimulation and market surveillance,
- preparation for high-level dialogues on plastics circularity.

4. Fairer competition and import control

Actions are also foreseen in terms of **trade defence and monitoring measures** to protect EU plastic recyclers from harmful imports (e.g., dumped or subsidised plastics).

New or revised customs and compliance rules will aim to:

- differentiate recycled polymers from virgin plastics at import,
- tighten documentation and compliance for recycled materials (including for food contact materials),
- support enforcement by customs and market surveillance authorities.

Campaigns and control mechanisms (including audits and training) will help ensure plastics declared as recycled comply with the rules established.

5. Export controls on plastic waste

In line with the Waste Shipment Regulation, a **ban on plastic waste exports to non-OECD countries** will take effect from **November 2026**, to prevent export of plastic pollution. The Commission will also assess the sustainability of plastic waste exports to OECD countries.

6. Investment, innovation and competitiveness support

Trans-Regional Circularity Hubs pilot under the Competitiveness Coordination Tool seeks to coordinate regulatory and investment support and contribute to improve supply of secondary raw materials across regions.

Ongoing support is available for businesses via **Horizon Europe and the Innovation Fund** for research & innovation in plastics circularity (e.g., novel packaging, removal of

hazardous substances, bio-based plastics). Calls for Member States to use state-aid frameworks and other tools to incentivise private and public investment in circular projects, such as biorefineries. Indeed, biorefineries are **capital-intensive and high-risk**, especially at first commercial scale. Below is a short summary of the several tools available to Member States to support their creation, while addressing their main challenges.

Bioeconomy & Biorefineries

Key Investment Challenge

- High CAPEX, first-of-a-kind risk
- Feedstock price volatility
- Competition from fossil-based alternatives

Best-Fit State-Aid Tools

- **IPCEIs** for integrated bio-based value chains (feedstock → biorefineries → bio-materials)
- **Climate, Energy and Environmental Aid Guidelines (CEEAG)** for CAPEX and OPEX support to close the cost gap
- **General Block Exemption Regulation (GBER)** for pilot plants, SME scale-up, and regional bioeconomy hubs

Complementary Tools

- **Carbon Contracts for Difference** for bio-based materials
- **Green public procurement** (bio-based content in packaging, construction)
- **Rural development and cohesion funds** for regional clustering

Impact: To enable industrial-scale biorefineries, anchors value creation in rural areas, accelerates fossil substitution.

7. Supporting regulatory predictability

Adoption of the **Regulation on Accelerating and Streamlining Environmental Assessments** main aims is to help shorten permitting procedures for projects related to waste prevention (identified as one of the main barriers by biobased value chain's actors), recycling, re-use, and related infrastructure which in turn should contribute to boost investment and infrastructure build-out.

EVALUATION OF THE SINGLE-USE PLASTICS DIRECTIVE (SUPD)

On 23 December 2025, the European Commission launched the ***call for evidence and public consultation processes*** as part of the evaluation cycle of the ***Single-Use Plastics Directive (SUPD) (Directive (EU) 2019/904)***.

The SUP Directive was adopted in **2019** to reduce the environmental and health impacts of certain single-use plastic products (e.g., cutlery, plates, straws) and fishing gear that contribute significantly to marine litter and plastic pollution. It includes **place-on-market bans**, requirements on **tethered caps and lids**, and **recycled content and collection targets** for bottles and other products. Implementation by Member States was required by **2021**, with targeted bottle collection and recycled content phase-in through **2025 and beyond**.

Under the Directive, the **European Commission must formally evaluate the effectiveness** of the SUPD by **3 July 2027**. This evaluation will assess whether the directive's objectives are being met—particularly in reducing plastic pollution and driving circular economy outcomes—as well as the **effectiveness of implementation** across Member States. Data submitted by Member States (e.g., on post-consumption tobacco filter waste) will feed into this evaluation.

The consultation is accessible via the EU's "**Have Your Say**" portal and open until **17 March 2026**. Participants can submit views on how well the directive has worked in practice, including environmental effectiveness, economic impacts, and administrative burdens.²⁵

This SUPD evaluation is **not just a data collection exercise**. Its outcomes will influence whether the Commission proposes:

- **Revisions or expanded scope** of regulated single-use plastics;
- **Adjustments to targets or timelines** (e.g., collection/recycled content goals);
- **New measures addressing packaging and broader waste streams**;
- **Better alignment with circular-economy goals**, potentially feeding into future legislation such as the *Circular Economy Act*.

²⁵ [European Commission. Have your say - Public Consultations and Feedback -Published initiatives: Rules on single-use plastics and fishing gear \(evaluation\)](#)

Under the SUPD, the European Commission must define **how to calculate, verify, and report recycled content** in plastic bottles (including material from **chemical recycling**) because the Directive sets binding recycled content targets (25% for PET beverage bottles by 2025, 30% across all SUP bottles by 2030). The implementing act establishes the **mass balance accounting methodology** that companies must use to count such recycled content.

In July-August 2025, as part of the ongoing SUPD evaluation process, the European Commission launched a [public consultation on rules for calculating, verifying and reporting recycled content in single-use plastic \(SUP\) beverage bottles](#), including **chemically-recycled content**. The adoption of the rules enables chemical recycling in the EU and will help economic actors meet the SUPD recycled content targets.²⁶

Following the public consultation process, the Commission planned to bring a final draft to a Member State technical committee for a vote, with the aim of **adopting the implementing decision in late 2025**.

This implementing act is significant because:

- It represents the **first EU legal framework** for counting chemically recycled content using mass balance.
- It will likely become a **model for other EU rules** on recycled content (e.g., Packaging & Packaging Waste Regulation, textiles).
- It affects how companies **meet recycled content targets** and how investment flows into **advanced recycling technologies**.

²⁶ [European Commission. News article – 8 July 2025: Plastic waste: Commission consults on new rules for chemically-recycled content in plastic bottles](#)

PACKAGING AND PACKAGING WASTE REGULATION

The PPWR came into force in February 2025 and obliges Member States to implement Extended Producer Responsibility systems, as well as defining the roles of innovative materials, for example, compostable plastics.²⁷

Primary focus

The PPWR sets **mandatory recyclability-by-design and recycled content requirements** for packaging, with key milestones by **2030** and further tightening by **2038**:

- **All packaging must be recyclable in an economically viable way by 2030.**
- **Recycled content targets** for plastic packaging are phased in from 2030 onward.
- A **recyclability grading system** (A–C) restricts non-compliant packaging from the market after 2030.
- A **2028 statutory review clause** empowers the Commission to propose **bio-based plastics criteria**, including sustainability and potentially bio-based content targets.

What this achieves

- **Demand signals** for recyclable materials, including plastics, and stronger markets for recycled content.
- **Legal impetus** to redesign packaging for recyclability and to invest in recycling infrastructure.
- Recognition that renewable feedstocks (bio-based) are **strategically relevant** if they fit circular systems.

Interlinkages with the Ecodesign for Sustainable Products Regulation (ESPR)

- ESPR imposes **eco-design criteria** such as durability, reparability, and recyclability, which feed directly into PPWR's recyclability requirements.
- ESPR's **Digital Product Passport (DPP)** includes material composition data — crucial for:
 - Validating whether a packaging item meets PPWR **recycled content thresholds**

²⁷ [Regulation \(EU\) 2025/40 of the European Parliament and of the Council of 19 December 2024 on packaging and packaging waste](#)

- Tracking **bio-based content** if that becomes part of PPWR criteria after the 2028 review
- Enabling traceability throughout the recycling value chain

Bio-based plastics alignment

- If, following the PPWR's 2028 review, the Commission proposes **bio-based content targets** or sustainability criteria for bio-based packaging, ESPR can help deliver:
 - Standardised **bio-based definitions**
 - Verified **material declarations** through DPPs
 - Lifecycle data required to demonstrate environmental benefit (LCA metrics)

Effect on investors and manufacturers

- ESPR gives **visibility and verifiable data** on material performance that feed into PPWR compliance.
- Manufacturers must integrate **material design, recyclability, and bio-based metrics** early in product development to comply with both ESPR and PPWR.

Implications for Bio-Based Plastics

Under this policy ecosystem (ESPR+PPWR):

- **Bio-based materials must be recyclable:**
Bio-based plastics must meet PPWR recyclability criteria — they are not automatically compliant because of their renewable origin.
- **Bio-based content may get formal recognition post-2028:**
The PPWR's statutory review opens the door for:
 - **Bio-based content targets**
 - **Bio-based sustainability criteria**
 - Harmonised definitions
- ESPR's DPP infrastructure would provide the **data foundation** for tracking and verifying bio-based content and footprints across EU supply chains.

Waste Framework Directive²⁸

The modified WFD came into force in October 2025 and includes new rules for the management of used textiles and textile waste and binding food waste reduction targets for Member States as was outlined in the BRILIAN Policy Bulletin of June 2025. As such the new text has small relevance to the BRILIAN project with the exception of potentially lower food waste volumes being available for transformation into chemicals/materials. However, this is a long-term potential scenario as changes to waste management and consumer habits emerge slowly.

²⁸ [Directive \(EU\) 2025/1892 of the European Parliament and of the Council of 10 September 2025 amending Directive 2008/98/EC on waste](#)

AGRICULTURE & FOOD SYSTEM REFORM, SOIL & WATER, FORESTS

EU Commission Initiatives

CAP Simplification Package (“Omnibus III”)

In May 2025, the Commission delivered a *major simplification package* aimed at reducing red tape in the Common Agricultural Policy (CAP). The proposal seeks to **ease burdens on farmers, streamline compliance, and boost competitiveness** across the EU agricultural sector.

This “omnibus” approach focuses on fewer overlapping checks, easier reporting (e.g., interoperable digital systems), higher support for small farms, and more flexible national strategic plans. One of the most debated aspects of the reform is the perceived relaxation of binding environmental conditions tied to CAP funding, which is perceived as a response to last year’s widespread farmer protests. The Commission insisted that it’s not dismantling the green architecture of the CAP, however, environmental conditionalities will remain in place, but will now be implemented more pragmatically. This means that member states will be allowed to meet EU objectives through equivalent national rules.

“If the conditionalities overlap with existing mandatory national requirements, we will consider them equivalent. No additional obligations will be imposed on farmers”, EU Commissioner Hansen said in a press conference. He added that the Commission has faced challenges in applying uniform environmental standards across a diverse agricultural sector, and is now adopting a more territorial, tailored approach.

On 18 December 2025, the Council gave its final green light on the simplification package. The legislative act will be published in the EU’s official journal in the coming days and will enter into force the day after its publication.

European Board on Agriculture and Food (EBAF)

In January 2025, the Commission established this new advisory board to foster structured dialogue among farmers, food-chain actors, and civil society. It supports more inclusive decision-making on agricultural and food policies.²⁹

Generational renewal in agriculture

On 21 October 2025, the Commission published a strategy for generational renewal in agriculture. By 2040, Europe aims to **double the share of young and new farmers**, ensuring that agriculture remains innovative, competitive, and resilient. This is about securing food for European citizens, supporting thriving rural economies and communities, and empowering a new generation to build a sustainable, modern, and resilient farming future.³⁰

Agriculture Organic Policy Dialogue & targeted revision

In November 2025, Commissioner Hansen hosted a high-level dialogue with stakeholders on *EU organic farming rules*, exploring targeted improvements to the legal and administrative framework. Following on this dialogue, in December 2025, the Commission proposed a **targeted amendment to Regulation (EU) 2018/848** (the core organic law) to fine-tune its implementation, aiming to support the sector's growth, reduce burdens, and ensure stability by addressing specific issues like, for example, **group certification** for smallholders, cleaning product rules, and clarifying scope for products like salt/oils, while maintaining high standards and fairness. The proposal aims to make the rulebook more "fit for the future", easing practical challenges faced by operators (especially from third countries) without compromising the EU's strict organic principles, ensuring a predictable framework for this growing sector.³¹

²⁹ [European Commission. News article - 27 January 2025: European Commission establishes the European Board on Agriculture and Food](#)

³⁰ [European Commission. Generational renewal in agriculture](#)

³¹ [Bioeco Actual. News – 18 December 2025: Revision of the Organic Regulation: EU organic industry welcomes limited progress but is concerned by the move to withdraw from equivalence of standards](#)

ENVIRONMENT & CLIMATE ACTIONS

New Initiatives on Desertification & Drought

In June 2025, the Commission unveiled specific **programmes to tackle desertification, land degradation, and drought**, including a *Water Resilience Indicators Report* and contributions to international drought resilience efforts.

Water Resilience Strategy

Also in June 2025, the Commission published the *European Water Resilience Strategy*. At the heart of the initiative is the goal of fully implementing existing legislation, such as the Water Framework Directive, the Floods Directive, and the Nature Restoration Law. These are already robust legal instruments, but are often applied unevenly or incompletely across member states. Among the main aims: **adopt water-smart practices and green infrastructure** to improve water retention on land, **prevent water pollution**, and **tackle pollutants** in drinking water, including per- and polyfluoroalkyl substances (PFAS).

Soil Monitoring Directive (Joint with Parliament)

On 23 October, the European Parliament adopted the long-awaited Soil Monitoring Law, the *first EU-wide framework for soil monitoring*. The law obliges EU Member States to monitor soil health, support landowners in improving it, minimise the loss of healthy soil areas, and address contaminated sites. This framework also embeds *land-take mitigation principles*.³²

The Directive entered into force on **16 December 2025** and must be transposed by Member States by **17 December 2028**.

Main Aims of the Law

- **Establish an EU-wide soil monitoring framework**
Create harmonised, comparable data on soil health across all Member States, covering agricultural, forest, natural, and urban soils.
- **Improve soil health and resilience over time**
Support the long-term objective of **healthy soils by 2050**, in line with the EU Soil Strategy, without imposing binding restoration targets.

³² [EJP Soil Secretariat. News – 20 November 2025: Soil Monitoring Law Adopted by the European Parliament](#)

- **Address key soil degradation pressures**
Tackle soil sealing, land take, contamination, erosion, and declining soil organic matter, including emerging pollutants (e.g. PFAS, pesticides, microplastics).
- **Support climate, biodiversity and zero-pollution goals**
Enhance soils' role in carbon storage, ecosystem services, and pollution prevention.
- **Strengthen evidence-based policymaking**
Provide reliable soil data to guide national and EU policies, investments, and land-use planning.

Key Tools and Provisions

National Soil Monitoring Systems

- Member States must establish or adapt **national soil monitoring systems** using **common EU methodologies**.
- Monitoring covers physical, chemical and biological soil properties, soil sealing, land take, and contamination.

Common Soil Descriptors and Health Classes

- Introduction of **EU-wide soil descriptors** and **soil health classes**.
- Linked to **non-binding EU target values** and **national trigger values** to identify priority areas for action.

Regular Reporting and Data Sharing

- Member States report soil data to the Commission and the European Environment Agency.
- Enables EU-wide assessments, trend analysis, and transparency.

Contaminated Sites Framework

- Identification, mapping and risk-based management of contaminated sites.
- Flexibility to reflect national conditions and land-use priorities.

Land-Take and Soil Sealing Principles

- Introduces principles to **limit and mitigate soil sealing and soil removal**, while respecting national spatial-planning competence.

EU Support Tools

- Common methodologies, guidance, and best-practice exchange.
- Support through the **EU Soil Observatory (EUSO)** and existing EU data systems.

Link to EU Bioeconomy Policy

1. Securing Sustainable Biomass Supply

- The bioeconomy depends on soils for:
 - crop-based feedstocks
 - forestry biomass
 - residues and by-products

The Directive ensures biomass extraction stays within **soil health limits**, avoiding long-term degradation.

Result: Greater credibility and sustainability of bio-based value chains.

2. Enabling Investment in Biorefineries

- Reliable soil data reduces uncertainty around:
 - feedstock availability
 - long-term productivity
 - regional bioeconomy potential

Investor signal: Bioeconomy projects are more bankable when soil sustainability is monitored and managed.

3. Aligning with the EU Bioeconomy Strategy

- The Directive operationalises the Bioeconomy Strategy's principle of **“operating within planetary boundaries”**.
- It supports:
 - regional bioeconomy deployment
 - rural development
 - circular use of biomass and nutrients

Policy alignment: Soil protection becomes an enabling condition for bio-based industrial scale-up.

EU Deforestation Regulation

Following the green light from the European Parliament, on 18 December 2025, the Council **formally adopted a targeted revision of the EU regulation on deforestation-free products (EUDR)**, aimed at simplifying its implementation and ensuring that operators, traders, and authorities are adequately prepared for its application. The revision streamlines the due diligence requirements and **postpones the application of the regulation for all operators until 30 December 2026, with an extra six-month cushion for micro and small operators**. This responds to concerns raised by member states and stakeholders regarding administrative burden and the readiness of the IT system necessary for the effective functioning of the EUDR, while fully preserving the regulation's objectives of preventing deforestation and forest degradation linked to products placed on the EU market.

Originally set to kick off on December 30, 2024, the EU Deforestation Regulation (EUDR) had already been delayed once, to December 30, 2025. Now, the deadline has shifted again by another year. Micro and small enterprises will have until June 30, 2027.

EUROPEAN PARLIAMENT ACTIONS

Agricultural Policy Positions & Reforms

Parliament Position on Future CAP

In September 2025, MEPs adopted a detailed position on the *future architecture of EU agricultural policy*, emphasizing:

- stronger, independent CAP funding;
- reduced administrative burden;
- digitalisation of farm data and satellite-based monitoring;
- investments in water infrastructure and *circular economy measures* (biomass recovery);
- support for *generational renewal* in agriculture.³³

Cross-cutting themes & trends

Sustainability & Flexibility

There's been a noticeable **policy trend balancing environmental ambition with pragmatic flexibility** in agricultural regulation, reflected both in Commission proposals and Parliament/Council negotiations. Simplification is often justified as enabling *greater on-farm investment and compliance*.

Digital & Innovation Focus

Digital tools — from reliable digital reporting to satellite-assisted monitoring — feature strongly in Parliament's vision for agricultural policy modernization.

Stakeholder Engagement

Both institutions increasingly involve farmers, consumer groups, and civil society in policy dialogues, particularly for organic agriculture and future CAP orientations.

³³ [European Parliament. Press release – 10 September 2025: Parliament adopts its position on the future of EU agriculture policy](#)

IN SUMMARY

Area	Key Initiatives (Q2 2025)
Commission – Agriculture	CAP simplification package; EBAF board establishment; agriculture & food roadmap; organic policy dialogues.
Commission – Environment	Desertification & drought initiatives; Soil Monitoring Directive framework; continued alignment with Green Deal.
Parliament – Agriculture	CAP future position; provisional CAP simplification deal; modernization & digitalisation emphasis.
Parliament – Environment	Soil monitoring agreement; ongoing sustainability legislation support.

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