Position Paper

September 2025

The Simplification and Harmonisation of Environmental Legislation

Bitkom's Recommendations for the European Commission's Omnibus IV Simplification Package

Summary

Bitkom strongly supports the European Commission's Omnibus IV initiative to simplify environmental legislation, reduce administrative burdens, and create an efficient framework that cuts compliance costs while safeguarding environmental objectives.

- **Digital labelling and documentation**: Shift from paper-based to digital formats. A single, harmonised data carrier should replace regulation-specific labelling obligations. This should be advanced independently of the Digital Product Passport.

- **Waste Framework Directive**: The SCIP database creates high burden with limited value. It should be integrated into the Digital Product Passport, following a need-to-know principle with only practical information such as substance location and safe-use details.

- **Deforestation Regulation**: Due diligence should apply only to the first market operator. Bitkom calls for a 'no risk' category for intra-EU trade, incorporation of Commission clarifications into law, clear differentiation in mixed tariff codes, and a more practical recyclate exemption.

- **Ecodesign for Sustainable Products Regulation**: Verification of unsold goods reporting should build on existing ESPR mechanisms, allowing internal systems with ex-post audits. Disclosure obligations must be aligned with the entry into force of the reporting format to ensure legal certainty.

Further details are provided in the following.

Cross-Regulatory Remarks: Prioritising and Digitalising Labelling and Documentation

Bitkom welcomes the European Commission's initiative to enable manufacturers to provide product documentation in digital form. Transitioning away from paper-based materials has the potential to reduce administrative burdens, modernise EU product legislation, and contribute to environmental sustainability. We strongly support the introduction of digital labelling solutions – such as QR codes, dedicated websites, and electronic documents – as effective tools to improve compliance efficiency, enhance accessibility, and ensure greater consistency across regulatory frameworks.

Several EU regulations currently require products to carry a data carrier linking either to the manufacturer's website or to an EU-based information system. These carriers must be affixed to the product itself, its components, or its packaging. However, a more efficient and harmonised approach would be to move away from regulation-specific mandatory data carrier obligations.

The following legislation is of particular relevance:

- **Energy Labelling Framework Regulation (2017/1369):** Article 16 requires a QR code on the energy label, linking to the European Product Registry for Energy Labelling (EPREL) database.

- **Battery Regulation (EU 2023/1542):** The scope of information and due diligence requirements significantly exceeds what can be feasibly included on physical battery labels. It is therefore essential to prioritise the information presented. We recommend that details not directly relevant to end consumers or end-of-life operators (e.g., sorters and recyclers) be made accessible through a QR code in the battery passport or via a dedicated website, depending on the battery category. Furthermore, we propose simplifying and streamlining the due diligence obligations set out in Article 47 and enabling the required management system to be embedded into existing frameworks such as ISO 14001 and ISO 9001.

- **Packaging and Packaging Waste Regulation (2025/40):** While the objective of harmonising packaging labelling under Article 12 is commendable, the requirement to affix, print, or engrave a label or QR code on every packaging element is often impractical. Article 15 introduces further extensive obligations, requiring manufacturers to mark each packaging element with a type, batch, or serial number, as well as the manufacturer's name, trade name or trademark, postal address, and electronic contact details. For very small packaging elements, these requirements are physically unworkable, and providing the information via QR code is frequently not feasible. In addition, the obligation to label each packaging element with its share of recycled content, alongside the Article 15 requirements, is difficult to implement in practice – particularly for small components – and provides limited added value for end-users and recycling facilities. Meeting these requirements would also necessitate significant investment in flexible printing technologies and may generate additional environmental impacts that have not been sufficiently assessed.

Moving away from regulation-specific data carriers towards a single, harmonised data carrier would provide a more efficient and coherent solution. One data carrier should be sufficient to meet all information requirements across relevant regulations. This carrier could link to the manufacturer's website, offering centralised access to all essential product information.

At the same time, it is important to distinguish the transition to paperless documentation from the rollout of the Digital Product Passport (DPP). Merging these two processes risks delaying the modernisation of EU product legislation and postponing efficiency gains that are readily achievable in the short term.

Waste Framework Directive

Transitioning from the SCIP Database

Pursuant to Articles 9(1)(i) and 9(2) of the Waste Framework Directive (2008/98/EC), as amended by Directive (EU) 2018/851, suppliers of products are required to submit to the European Chemicals Agency (ECHA) all information specified under Article 33(1) of the REACH Regulation (EC) 1907/2006. This obligation applies to any article containing a 'substance of very high concern' (SVHC) in a concentration above 0.1% by weight. To facilitate compliance, ECHA established the SCIP database in accordance with Article 9(1).

However, the extensive reporting obligations associated with the SCIP database impose a significant bureaucratic burden on companies. Affected businesses are required to provide detailed information on all products containing SVHCs. Yet, despite the considerable implementation costs, the database has not achieved its intended objective of enhancing recycling through greater transparency on hazardous substances in products[1]. As a result, the administrative effort required appears disproportionate to the database's potentially limited practical value.

The principle that circular value creation in the EU requires not only a material cycle but also a reliable data cycle remains highly relevant. Nevertheless, considering the shortcomings identified, the SCIP reporting obligations should be reconsidered and integrated into the forthcoming Digital Product Passport (DPP). Such integration would streamline reporting requirements, reduce administrative burdens, and enable more efficient and accessible information transfer (e.g., via QR codes). When addressing substances of concern within the DPP, reporting should be limited to information that is genuinely useful for consumers and recyclers, following the need-to-know principle. In this context, we recommend that the DPP includes details on the location of substances of concern within the product as well as relevant safe-use information. This level of granularity offers the most practical and meaningful added value for stakeholders, ensuring that reporting obligations contribute effectively to circular economy objectives.

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[1] Source: European Chemicals Agency & PWC, 2022. First ex-post Evaluation of SCIP.

Deforestation Regulation

Scope of Due Diligence Obligations: Focus on the First Importer/Market Operator

Under the current provisions of the Deforestation Regulation (EU) 2023/1115 (Articles 4 and 8), manufacturers are required to establish their own Due Diligence System (DDS) for products placed on the single market, even when components are sourced from third-party suppliers. While manufacturers may reference information provided by their suppliers, they remain ultimately responsible for verifying its accuracy and ensuring the product's compliance.

This interpretation places compliance obligations on manufacturers who may have limited capacity to verify supply chain data, while those parties best positioned to ensure accurate reporting bear no direct responsibility under the current framework. As a result, manufacturers face a disproportionate administrative burden and heightened legal risk, creating a misalignment between responsibility and accountability.

Due diligence obligations should, in line with common practice in other EU regulations, be assigned exclusively to the first entity placing a product on the single market. The current framework, which extends these obligations to downstream participants in the distribution chain, leads to redundant compliance efforts and unnecessary administrative complexity. Even the simplified due diligence requirements under Article 13 continue to impose a substantial administrative burden without delivering additional benefits for forest protection.

Confining responsibility to the first supplier or manufacturer ensures accountability while aligning obligations with those best positioned to provide accurate and verifiable supply chain information, thereby enhancing the effectiveness this regulatory framework.

Benchmarking: Introduction of a Country Group with 'No Risk'

In addition to the existing 'low risk category', a further country group classified as 'no risk' should be introduced under Article 29. This category should specifically cover products traded within the EU, where the Deforestation Regulation requirements already apply uniformly. Imposing additional due diligence obligations on intra-EU trade flows does not enhance risk mitigation but instead creates unnecessary administrative burden without delivering any meaningful ecological benefit.

Strengthening legal clarity: Integrating FAQ clarifications into Legislation

The European Commission has published numerous clarifications on the application of the Deforestation Regulation, which in key areas provide relief for companies. To ensure consistent interpretation and legal application, these clarifications should be incorporated into the legislative text or the national implementing provisions. This would create legal certainty and reduce uncertainty in operational implementation.

Ensure clear differentiation between products in mixed tariff codes

Some CN codes cover products that are both subject to the EUDR and those that are not. A notable example is rubber, where both synthetic and natural rubber are covered by the same codes. However, only natural rubber is connected to deforestation. This is why it should be possible to clearly differentiate in these cases, in order to avoid placing an unnecessary administrative burden on products that are not relevant to the EUDR.

Simplify the exemption for recyclates to create an incentive for their use

Currently, the EUDR exempts products made from 100% recyclates from due diligence obligations. However, this does not translate into an effective incentive because the rigorous 100% threshold is impractical. For example, recycled paper and cardboard need a small amount of virgin material to ensure characteristics such as sufficient material resilience. To reduce the administrative complexity for such products and thereby incentivise their use, the threshold should therefore be adjusted to a more realistic level.

Ecodesign for Sustainable Products Regulation

Implementing a Simple Verification Process for the reporting of unsold goods

The European Commission should establish a cost-effective system to verify the information provided by economic operators, leveraging processes already in place under the Ecodesign for Sustainable Products Regulation (ESPR):

- **Risk-based verification by national competent authorities under Article 24(2):** The ESPR allows Member States to provide the European Commission with all necessary information and documentation to demonstrate the proper disposal of unsold consumer products. This framework enables Member States to verify the accuracy of companies' online reports.

- **Market surveillance under Chapter XI:** Similar to other product legislation, the ESPR requires national competent authorities to maintain a structured strategy for monitoring economic operators' compliance.

These ESPR mechanisms provide an effective framework for verifying the accuracy of publicly available online reports, facilitating oversight by all stakeholders. Companies should also be allowed to implement their own internal verification systems, subject to ex-post audit by national competent authorities once the information has been disclosed.

Align the obligation to disclose information on unsold consumer products discarded with the entry into force setting the reporting format for disclosure

Currently, there is a time gap between the deadline for companies to submit their first disclosure reports (applicable to products discarded in the first full financial year after the ESPR comes into force) and when the reporting format set out in the upcoming implementing act will apply (applicable in the first full financial year after the implementing act comes into force, which has yet to be published). This means that companies will need to report on unsold consumer products that have been discarded before a reporting format has been adopted. During this transitional period, companies will have no clear guidance on how to report figures. This creates significant legal uncertainty, which can only be resolved by aligning the application dates of the disclosure obligation and the reporting format. For the credibility of the obligation, it is important that the reported elements remain consistent between the first report and subsequent ones.

Bitkom represents more than 2,200 companies from the digital economy. They generate an annual turnover of 200 billion euros in Germany and employ more than 2 million people. Among the members are 1,000 small and medium-sized businesses, over 500 start-ups and almost all global players. These companies provide services in software, IT, telecommunications or the internet, produce hardware and consumer electronics, work in digital media, create content, operate platforms or are in other ways affiliated with the digital economy. 82 percent of the members' headquarters are in Germany, 8 percent in the rest of the EU and 7 percent in the US. 3 percent are from other regions of the world. Bitkom promotes and drives the digital transformation of the German economy and advocates for citizens to participate in and benefit from digitalisation. At the heart of Bitkom's concerns are ensuring a strong European digital policy and a fully integrated digital single market, as well as making Germany a key driver of digital change in Europe and the world.