



Tracker

EU Regulatory Simplification 'Omnibus' Tracker

April 2026



Institute for
European
Environmental
Policy **UK**

www.ieep.uk



IEEP UK'S EU REGULATORY SIMPLIFICATION 'OMNIBUS' TRACKER

Introduction

In her first term as President of the Commission (2019-2024), Ursula Von der Leyen's flagship European Green Deal policy resulted in a high number of environment and climate measures being passed into law - more probably than any other 5-year Commission term. Von der Leyen's second term as Commission President (2024-2029) is characterised however by a change of tone with an emphasis on *industrial competitiveness* including regulatory simplification and reducing administrative burdens. Various proposals to simplify regulation have been packaged up together and these are known colloquially as the 'Omnibus' programme.

To some, the Omnibus packages threaten and undercut the EGD policy (see commentary for example from CAN Europe) but to the European Commission, it is a direct response to Mario Draghi's report on the future of European competitiveness and Enrico Letta's report on boosting the EU's single market, which underscore the importance of transitioning to a low-carbon, resource-efficient and circular economy to ensure the EU's long-term prosperity.

The Commission's policy response to these influential reports and the introduction of its regulatory simplification drive is somewhat mixed. Within the omnibus packages presented so far, there are indeed several pragmatic measures which sensibly reduce administrative burdens, particularly for small and medium sized companies. Yet, there are also some measures which more overtly delay and weaken legislation that has already

been democratically approved by the EU's member states and the EU's institutions. This has introduced a degree of policy uncertainty and has undermined the policy trajectory established in Von der Leyen's first term in office. It may have altered or delayed businesses investment decisions and it may have 'punished' early movers and adopters of new sustainability-related rules. More consequentially, it gives rise to a sense that further changes might happen in future, and that previously agreed directives or regulations might be ripe for repeal or wholesale amendment and thus emboldening those who opposed the measures in the first place.

The European Commission's 2025 work programme presented the first set of Omnibus proposals, with the aim of contributing to the goal of reducing administrative burdens by at least 25% for all businesses, and by at least 35% for SMEs. The European Commission estimates that the combination of these simplification initiatives will reduce recurrent administrative costs in the EU by €11.9 billion. It's current, 2026 work programme is, so far, no let-up on this approach.

The ten omnibus packages that have been put forward by the Commission to date cut across a vast array of policy areas. Two packages explicitly target sustainability and environmental regulations: Omnibus I covers sustainability reporting/due diligence and EU Taxonomy, as well as the Carbon Border Adjustment Mechanism (CBAM), and Omnibus VIII is focused on simplifying EU environmental legislation. However, sustainability considerations are embedded across several other proposals, notably those concerning agriculture and food, chemicals and automotive regulation, where simplification affects rules originally adopted under the European Green Deal.

Last updated: April 2026

How to read the tracker

There are currently ten (10) ‘packages’ within the EU’s simplification programme, each covering different sectoral issues/interests. Not all relate to, or have an impact on environment policy, but many do. This overview focusses on the packages that are most relevant for environment policy and provide a summary of their key elements.

Contents

Omnibus I - **Carbon Border Adjustment Mechanism & Sustainable Finance (including Corporate Sustainability Report, Due Diligence & EU Taxonomy)** - p. 5

Omnibus III - **Common Agricultural Policy** - p. 8

Omnibus VI - **Chemicals** - p. 9

Omnibus VIII - **Environmental legislation** - p. 10

Omnibus IX - **Automotive industry** - p. 12

Omnibus X - **Food and feed** - p. 13

Omnibus Programme	Key Measures
<u>Omnibus I</u> Omnibus 1 consists of several parts: • Carbon Border Adjustment Mechanism (CBAM) • Corporate Sustainability Reporting Directive (CSRD) • Corporate Sustainability Due Diligence Directive (CSDDD) • EU taxonomy <u>Carbon Border Adjustment Mechanism</u> Regulation to amend the CBAM adopted 20/10/2025: Regulation (EU) 2025/2083 <i>The Omnibus I package published by the European Commission on 26 February 2025 includes an amendment to the Carbon Border Adjustment Mechanism (CBAM) Regulation.</i> <i>The CBAM was put in place to prevent ‘carbon leakage’ and to ensure that a price has been paid for the embedded carbon emissions generated in the production of certain goods imported into the EU. The introduction of the CBAM coincides with the phase-out of free allowances under the EU Emissions</i>	<u>Carbon Border Adjustment Mechanism</u> The European Commission presented simplification measures for the Carbon Border Adjustment Mechanism (CBAM) as a way to minimise the impact on small-medium sized enterprises (SME) importing and exporting products into the EU, whilst simultaneously maintaining CBAM’s overall effectiveness in preventing carbon leakage. The European Commission felt that an overall burden reduction was possible and a simplification needed following the introduction of the CBAM to improve business competitiveness in the EU. The European Commission claims that its CBAM simplification package, while eliminating compliance obligations on 90% of companies originally intended to be included within the scope of CBAM will still target 99% of CO2 emissions emitted as part of products entering the EU market. To limit the impact on a large number of SMEs, the regulation introduced a new “de minimis” mass threshold of 50 tonnes for CBAM goods. This meant that companies importing less than 50 tonnes of goods subject to CBAM annually will be exempt from CBAM obligations. This measure is expected to exempt approximately 182,000 importers, mostly SMEs and individuals, while still covering over 99% of emissions in scope. This exemption replaces the value-based exemption of €150 per consignment. The amendment to CBAM also postpones a compliance deadline for the reporting of emissions embedded in goods imported from May to September 2027. Furthermore, the revised regulation allows imports of CBAM goods under certain conditions at the start of 2026, even while importers await CBAM registration, to avoid disruptions to trade. In addition, importers may deduct carbon costs paid in any third country, not solely the country of origin. This provision is intended to avoid double carbon pricing and promote fairness within international trade.

Trading System (ETS) which are used to cushion and support the decarbonisation of EU industry.

Sustainable Finance Omnibus

- incl., Corporate Sustainability Reporting Directive (CSRD), Corporate Sustainability Due Diligence Directive (CSDDD), EU taxonomy

CSRD & CSDDD

1. **‘Stop the Clock Directive’ entered into force on 17/04/2025: [Directive \(EU\) 2025/794](#)**
2. **Changes to the substance of the CSRD & CSDDD – entered into force on 16/03/26: [Directive \(EU\) 2026/470](#)**

EU Taxonomy

Delegated Regulation to amend the EU Taxonomy adopted 08/01/2026: [Delegated Regulation \(EU\) 2026/73](#)

*The **Corporate Sustainability Reporting Directive (CSRD)** is a framework outlining how businesses should create sustainability reports, requiring detailed disclosures on their environmental, social, and governance impact.*

*The **Corporate Sustainability Due Diligence Directive (CSDDD)** requires businesses to disclose how they manage and address human rights and environmental risks in their value chains, promoting accountability and ethical practices.*

CSRD & CSDDD

Though there are several fine details, there are essentially two (2) elements to this package of proposals:

1. Postpones reporting requirements for companies under the CSRD & postpones transposition deadlines for the CSDDD (this package is sometimes referred to as a ‘Stop the Clock’ Directive) and,
2. Reduce the number of companies in scope of the directive’s requirements by amending obligation thresholds.

It is important to note that this Omnibus package amends legislation that was only very recently passed by the EU’s institutions. In the case of the CSRD, this was agreed in 2022 and for the CSDDD, it was agreed even more recently in 2024. This is therefore a significant change of course.

First of all, a “Stop-the-Clock” Directive has been agreed to postpone or delay elements of the directives already agreed. There has been a postponement by two years of the entry into force of CSRD requirements for large companies that have not yet started reporting, as well as listed SMEs. In particular, for companies in “wave 2” (large companies) and “wave 3” (SMEs), this translates into a postponement of the start of sustainability reporting to 1 January 2028, instead of 2026.

The Directive also delays by one year the transposition deadline and the first phase of the application (covering the largest companies) of the **CSDDD**. It delays transposition of the directive (in other words the date by which a member state has to write the legal text into domestic national law) to 26 July 2027, and the date by which first wave companies (>5,000 employees and €1.6 billion turnover) must apply the rules starting 26 July 2028.

The **EU Taxonomy Regulation**: the taxonomy is a classification system that defines criteria for economic activities that are aligned with a net-zero trajectory by 2050 and broader environmental goals. By providing a common sustainability reference point for financial and non-financial companies, the Taxonomy is meant to support investments that contribute to a sustainable transition of the EU economy.

The European Commission justifies the simplifications under the Omnibus I package on sustainability as necessary to boost competitiveness.

However, externally to the European institutions, doubts have been expressed as to whether it will be possible to maintain a desirous balance between simplifying sustainability legislation and the preservation of the EU policy objectives. In particular, civil society organisations focussing on sustainability and human rights argue these simplifications amount to an undermining of years of progress in tackling corporate impunity, whilst some outside the EU have also bemoaned such directives for 'killing growth'.

Moreover, the final agreement on the Omnibus I came after several civil society warnings about the record

The reporting requirement will only apply too to large companies (those with over 1000 employees). The Commission claims this removes 80% of all previously liable companies out of its scope.

For the **CSRD**, the employee threshold for companies in which the directive will now apply to is increased to 1000 employees (up from 500 employees in the previous 2022 iteration of the Directive) and a net annual turnover of over €450 million. Significantly, listed SMEs are removed from the scope of the directive entirely, but may voluntarily report should they wish to. Furthermore, non-EU based companies but operating within the EU continue to be affected. However, the thresholds have been similarly altered on those companies too, so only companies with a turnover of €450 million over two consecutive years are in scope (up from €150 million) or a non-EU entity with a branch office located in the EU with a net turnover of €200 million (up from €40 million).

For the **CSDDD**, EU companies would fall within its scope if they have more than 5,000 employees and €1.5 billion net turnover. Non-EU companies will fall within scope if they too have a €1.5 billion net turnover generated in the EU. Penalties for non-compliance are capped at 3% of net worldwide turnover as opposed to 5% under the previous iteration of the directive.

EU Taxonomy

On 4 July 2025, the European Commission adopted a delegated act to amend the EU taxonomy. In particular it amends the scope of companies who are potentially liable to report on CSRD related issues and 'simplifies' the reporting requirements of those that do fall within scope.

<i>speed and lack of transparency, inclusivity, and impact assessments that underpinned the process.</i>	
<u>Omnibus III: Common Agricultural Policy</u> Omnibus III proposal on the CAP was adopted by the European Commission on 14 May 2025. Adopted legal act entering into force on 01/01/2026: Regulation (EU) 2025/2649 <i>Launched in 1962, the EU's Common Agricultural Policy (CAP) aims to support the improvement of agricultural productivity, promote the sustainable management of natural resources and maintain rural areas and landscapes across the EU.</i> <i>The core objectives of this Omnibus proposal are to boost farmers' competitiveness, by reduce the administrative burden and controls; simplify payment schemes for small farmers and the rules on conditionality; and improve funding for farmers in times of crisis. The European Commission expects the measures to result in up to €1.6 billion in annual savings for farmers and more than €200 million for national administrations.</i> IEEP published its views on this proposal, and this can be seen here.	A summary of key measures: • Simplified payment scheme for smaller farms by raising the annual lump-sum payment limit for small farmers from €1,250 per farm to €2,500 and exempting them from 'conditionality' requirements while allowing them continued access to eco-schemes. • Facilitating greater access to finance and investment support in particular for young and smaller farmers by introducing a new type of simplified investment support of up to €50,000. • Better recognition of organic farming by considering fully certified organic farms to be in line with equivalent requirements under conditionality. • Incentives for farmers to protect peatlands and wetlands, as set out under Good Agricultural and Environmental Condition 2 (GAEC 2). • Reducing on-farm controls. • Reinforcing the capacity of the CAP to provide support to farmers affected by natural disaster or animal diseases by introducing crisis payments which could be deployed quickly. • A greater focus on digitalisation by stimulating the "once only" principle for providing data to competent authorities. • Increased flexibility and subsidiarity for EU countries to adapt CAP support.

Omnibus VI: Chemicals The Omnibus VI proposals on chemicals were proposed by the European Commission on 8 July 2025. 1. The first part of the package to delay implementation of CLP provisions entered into force on 23/12/2025: Regulation (EU) 2025/2439 2. Changes to the substance of the CLP, CPR and FPR - is currently being debated and is not yet law. Latest draft is here. <i>The EU's regulatory framework around chemicals is mature. In 2020, the European Commission published the Chemical Strategy for Sustainability, which set out a long-term vision for EU chemicals policy aimed at protecting human health, strengthening the chemical industry's competitiveness and support a toxic-free environment.</i> <i>The sixth omnibus package focused on chemicals aims decrease compliance costs and administrative procedures for businesses across the chemical value chain, while seeking to maintain a high level of protection. The European Commission claims these measures will lead to at least €363 million of annual savings for the industry.</i>	The European Commission's Omnibus VI package focusses on the 'simplification' of existing chemicals related laws, the Classification, Labelling and Packaging (CLP) Regulation, the Cosmetic Products Regulation and the Fertilising Products Regulation. There are essentially two legislative proposals: 1. The first focuses on delaying the dates by when companies have to follow or apply rules previously agreed under the CLP regulation (2024/2865) and was adopted in late 2025. In general, implementation is delayed by 1-2 years depending on the specific obligation. 2. The second focuses on substantial changes to provisions included within all three laws. This act is still to be adopted. On the CLP Regulation, the aim is to amend mandatory formatting requirements such as minimum font sizes and line spacing, to amend provisions related to advertisements and distance sales which the European Commission claims exist in the wider EU REACH regulation and which, "already provides clear obligations on information flows in professional supply chains for substances and mixtures" (page 2, COM(2025) 526 final), and reduce the amount of information that needs to be provided through such advertisements. Finally, it also aims to amend obligations around six-month deadlines for the label updates and expand the use of digital only labels on products. On the Cosmetics Products Regulation, the focus is on amendments to the prohibition period of CMR substances (carcinogenic, mutagenic, and reprotoxic substances) after EU wide classification of when a CMR substance has entered into force and exemptions (derogations) procedures. The proposal also includes changes to the digitalisation of ingredient names to help reduce the risk of compliance errors and better inform consumers, to notification requirements for products containing nanomaterials, a relatively novel development; and to hazard statements relating to routes of exposure. HEAL argues that changes, "on the use of CMR substances and personal care products would lead to prolonged and avoidable exposure of consumers to chemicals with very serious health hazards".
---	--

	On the Fertilising Products Regulation, the European Commission states that it wishes to remove specific extended REACH registration requirements and effectively harmonise those with ‘standard’ provisions on chemical safety. It also wishes to remove the ‘unbundling clause’ in Article 43 of the regulation which requires a separate legislative (delegated) act every time there is a new component material to adopt, and to increase the digitalisation of information and reporting obligations under the regulation, including information on a ‘digital contact’ of operators placing products on the market.
Omnibus VIII - Environmental legislation Omnibus VIII, was proposed on 10 December 2025, and is specifically targeted at ‘environmental’ legislation. The European Commission has stated its intention to carry out other environmental reviews and simplifications in the subsequent years. This is currently being debated and is not yet law. The proposals can be found here. <i>The European Commission has stated that it aims to simplify environmental laws and contribute to reducing the administrative burden for businesses whilst maintaining the EU's overall objectives in protecting the environment and human health. It is also to ‘facilitate the transition to a clean and digital EU economy’, by accelerating and streamlining processes for projects in strategic sectors, such as digital, critical raw materials and affordable housing.</i> <i>The European Commission has insisted that its eighth simplification package, “does not pose significant</i>	On 10 December 2025, the European Commission presented a package of measures to ‘simplify’ environmental legislation in the areas of industrial emissions, circular economy, environmental assessments and geospatial data and is composed of six legislative proposals. Proposals were made following a call for evidence from stakeholders announced in July 2025. Environmental assessments - The European Commission has proposed ‘streamlining’ the environmental assessments procedures to enable speedier granting of permits for major projects. The proposal applies specifically to the Environmental Impact Assessment Directive, the Strategic Environmental Assessment Directive, the Water Framework Directive, the Habitats Directive and the Birds Directive. The Commission proposes the designation of single points of contact, enhanced digitalisation procedures and the use of ‘combined’ assessments (as a result of the need to carry out environmental assessments from competing regulatory requirements), the imposition of maximum timeframes for assessments, and a ‘toolbox’ to help delivery of projects in strategic sectors such as giga factories, data centres and port infrastructure. Industrial Emissions – the Commission proposal is to allow companies operating in the same member state under the Industrial Emissions Directive (IED) to allow an environmental management systems (EMS) to apply at a company level rather than per installation. It also amends the content requirements of an EMS, such as repealing the need for chemical inventory of hazardous substances in a company’s EMS, repealing

<i>risks to the environment because they target administrative obligations without reducing environmental standards”. It argues that by cutting red tape and streamlining procedures, the cost of implementation will be reduced for businesses.</i> <i>Some have complained that the proposals were published without an impact assessment which means that proposals were rushed and lack democratic legitimacy because they ‘by-passed’ public consultation. ClientEarth also signalled that weakening or missing implementation of environmental laws already costs the EU approximately €180 billion each year in health impacts and environmental damage. Likewise, the WWF accuses the European Commission of focusing on reduced compliance costs for businesses whilst disregarding the price of pollution, ecosystem decline and climate-related disasters.</i> <i>On circular economy specifically, a new EU Circular Economy Act and a specific circular economy omnibus is expected in late 2026.</i>	the need for auditing requirements on EMS and repealing the requirement for transformation plans to be included within a company’s EMS. The proposal also eases permitting requirements related to hydrogen combustion and oxy-fuels under the Industrial Emissions Directive and Medium Combustion Plants Directive. It also lowers the reporting requirements for companies in relation to SO₂, NO_x, dust and CO emissions from back-up generators on an installation. On industrial livestock rearing emissions, the proposal sets out that organic poultry farms will now be exempt from applying IED requirements (to bring this into line with organic pig farms). Circular Economy - The Commission proposes to amend the Waste Framework Directive by repealing the Substances of Concern in Products (SCIP) database, into which companies must report data on hazardous substances in products. It argues that since its introduction in 2021, its use by companies and consumers has been low and so the cost of the database is disproportionately high. It also claims that there is duplication with parts of EU REACH (Article 33(1)) and that its functions will be replaced with more effective digital solutions such as the Digital Product Passport and implementation of the One Substance One Assessment package. The Commission has proposed several changes with regard to Extended Producer Responsibility (EPR) schemes. The EPR imposes obligations on companies to take responsibility for the waste management of the products they place on the market and pay a fee to cover waste management costs of those products. First, it would harmonise the reporting frequency of member states on EPR measures and second it is suspending the need for companies to appoint ‘authorised representatives’ to act on their behalf in each and every member state that it operates in. In principle this would help companies to reduce costs by having fewer employees or actors working on their behalf in different member states.
---	--

	Geospatial data - Finally, the Commission aims to more fully align access to geospatial data under the INSPIRE Directive with horizontal legislation governing public sector high value geospatial data to lower compliance costs for those submitting it.
<u>Omnibus IX - Automotive industry</u> The European Commission’s Omnibus IX proposal on the automotive industry was made on 16 December 2025. This is currently being debated and is not yet law. The proposals can be found here. <i>The automotive package features proposed simplification of technical requirements and testing procedures for motor vehicles. The claims this will enhance competitiveness of the automotive sector by saving costs - approximately €706 million per year.</i>	Summary of key measures: • Zero emissions target – The European Commission has proposed to amend its existing 2035 target to reduce tailpipe emissions from cars from 100% to 90% instead. Carmakers would be allowed to achieve the remaining 10% of emissions by compensating this through the use of low-carbon ‘Made in the Union’ steel or from e-fuels and biofuels. This, according to the Commission, means that, “plug-in hybrids, range extenders, mild hybrids, and internal combustion engine vehicles to still play a role beyond 2035”. Transport and Environment however are critical of weakening this phase out date saying this sends a ‘confusing signal to the European car industry and consumers’. • CO2 emissions vans target- the proposal loosens the target for EU wide CO2 emissions from vans from 50% to 40% by 2030. For heavy duty vehicles, there is an additional easing of CO2 emission standards. • Subsidies – ○ ‘Battery Booster’ – The Commission is making available €1.8 billion for interest free loans to EU businesses to support specific investments in the battery supply chain. ○ Introduction of “super credits” for carmakers to incentivise the production of <i>small</i> electric cars made in the EU. • Corporate vehicles – to incentivise the deployment of corporate vehicle registrations amongst EU member states, which the Commission states will stimulate the market for more zero and low emission vehicles generally, new national targets for minimum shares of vehicles are set for large companies in each member state.

	• Car labelling rules - The Commission intends to update and harmonise car labelling rules so that customers are better informed about a cars' emissions when making purchases. Specifically, the proposal intends to digitise such information by requiring manufacturers to place information about new cars in a central product database. This would move away from a largely paper based (and physical points of sale) system at present. The proposal also requires that labels for zero emission vehicles should be made available to potential buyers including vans.
<u>Omnibus X</u> - Food and feed The Omnibus X proposal on food and feed was made on 16 December 2025 and aims to streamline and simplify food and feed legislation in specific areas. It focuses on reducing administrative costs and burdens for agri-food producers and operators and national authorities. This is currently being debated and is not yet law. The proposals can be found here.	Summary of key measures: • Faster procedures to give bio-control products market access • More targeted and efficient renewal procedures for pesticides and biocides • More targeted and efficient renewal procedures for feed additive authorisations • Digital labelling options for feed additives • Streamlined measures for fermentation products produced using GMMs • Stronger import rules for pesticide residues, to ensure a level playing field • Simplified accreditation rules for official laboratories • A more pragmatic approach to border controls for plant products PAN Europe complains that the proposal “makes unlimited pesticide approvals the default, removing the regular reassessment of safety” and that “Banned pesticides, including some carcinogenic and reprotoxic substances, could remain on the market for up to three additional years”, whilst WWF claims the proposals give pesticides a ‘free pass’. CropLife on the other hand argue that this is an opportunity to ‘address bottlenecks in the system’ by replacing ‘red tape with green tape’.



The Institute for European Environmental Policy UK (IEEP UK) is a not-for-profit environmental sustainability think tank, with over 45 years of experience, based in the UK. As part of the broader IEEP family, we are dedicated to working with stakeholders, international bodies, academia, civil society organisations and industry to produce evidence-based research for impact-driven environmental policy solutions. Our work covers both short-term and long-term environmental strategic issues in the UK and its constituent nations (England, Wales, Scotland and Northern Ireland), as well as their interaction with policy in Europe and globally.

www.ieep.uk



Contact:

Michael Nicholson

Head of Environmental Policy
mnicholson@ieep.uk