

Brussels,
5 December 2025

Letter to the Ministers responsible for Internal market and Industry in view of the Competitiveness Council on 8 December – recommendations from environmental citizens organisations

Dear Ministers,

As you prepare to gather for the Competitiveness Council meeting on 8 December, where the agenda will include discussions over a presentation on the Annual Overview Report on Simplification, Implementation and Enforcement from Commissioner Dombrovskis, as well as an exchange, under AOB, on the omnibus packages and on the European Competitiveness Fund (ECF) as part of the next Multiannual Financial Framework (MFF), we wish to share with you some important considerations on behalf of Europe's largest network of environmental citizens organisations:

Annual Overview Report on Simplification, Implementation and Enforcement and Omnibus packages AOB

Evidence shows EU environmental laws add value for the economy and society at large without creating unnecessary burdens, despite political claims to the contrary. [OECD studies](#) demonstrate that stricter environmental policies do not harm productivity, jobs or growth. The European Commission has also gathered extensive data to back this up. Instead, findings point to poor implementation at the national level, not complexity, as the main obstacle.

In fact, the Commission estimates that the lack and poor implementation of existing environmental laws costs us €180 billion annually¹, due to higher health costs and costs resulting from environmental damage (*See Annex 1 for more details on the cost of inaction*). Moreover, without common EU rules, businesses would face 27 different national laws instead of one unified framework — far more paperwork, not less. Beyond the direct costs of poor implementation, calls to “cut red tape” often ignore the immense cost of inaction and the benefits of implementation and enforcement of our environmental laws.

¹ COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS 2025, Environmental Implementation Review
Environmental implementation for prosperity and security, 7 July 2025, available [here](#).

Simplification should therefore be about smarter implementation and never be used as a tool and pretext to remove the existing targets and obligations.

Aligning reporting deadlines, using digital tools, or dropping duplicative steps can ease compliance and, in the end, implementation.

But simplification must be evidence-based, developed with input from civil society and stakeholders, and must not weaken the law's ambition, targets, enforceability, or timelines.

Omnibuses are not fit for this, on the contrary. Omnibus packages are indeed for technical adjustments to laws, such as aligning legal references or procedures after treaty changes. Since autumn 2024, the European Commission proposed no less than 7 omnibus packages, and several others are in the pipeline. Many of these proposals have direct implications for environmental and sustainability rules and aren't technical adjustments, they contain dangerous rollback.

In fact, the European Ombudsman recently found that the [Commission committed maladministration](#) when preparing urgent legislative proposals - namely on corporate sustainability due diligence (Omnibus I), the CAP, and countering migrant smuggling. Her inquiry showed that the Commission skipped or curtailed essential steps of its own Better Regulation rules, failing to fully justify the urgency of the proposals, document its reasoning for derogations, or ensure transparent, evidence-based, and inclusive preparation. The Ombudsman herself has called on the Commission to apply the Better Regulation rules consistently and predictably and issued further suggestions when creating new proposals and managing or evaluating existing legislation - among them mandatory climate assessments for all proposals and clearer minimum standards for stakeholder consultations in urgent cases.

The pace of procedures leaves no time and space for proper scrutiny of the proposed changes and for meaningful public debate. It also risks letting significant changes to existing laws slip through unnoticed. More and more voices claim that simplification is not simple and is leading to complexification.

The speed and opacity of these changes create confusion for policymakers, stakeholders, and the public, while undermining trust in the stability of EU law. It risks eroding trust in the EU and is also harming investments. And indeed, many businesses say the process feels rushed and poorly timed. Short consultation periods leave little space to assess economic or legal impacts, making it harder to plan investments, adapt supply chains, or prepare for compliance. Instead of predictability, the agenda creates risk and uncertainty.

In recent [statements](#) and [open letters](#), they warn against deregulation and the risks posed by rapid-fire Omnibus packages. Opaque processes, unclarity, delays or rollbacks penalise our frontrunners, while rewarding laggards. It leads to unfair competition and weakens incentives for genuine transition. And there is now [investigation work](#) showing foreign US interference from fossil fuels companies in this.

We therefore call on you to:

- Ensure that simplification is only about smarter implementation and never used as a tool and pretext to remove the existing targets and obligations.
- Prioritise the enforcement of existing environmental laws, as indeed environmental laws can only achieve their full potential, including boosting EU competitiveness, if streamlined and properly implemented. This requires targeted financial support for local, regional, and national administrations, where implementation often breaks down but also digitalization and guidance.
- Ensure that simplification efforts are evidence-based, proportionate, based on an impact assessment, and carried out in consultation with practitioners, including public authorities, civil society organisations and affected stakeholders.
- Ensure that omnibuses are not used for anything that touches on the substance of the laws.

The European Competitiveness Fund (ECF) in the next Multiannual Financial Framework (MFF)

As you will be discussing the European Competitiveness Fund, and as your meeting will take place shortly before the European Council (EUCO) summit on 18–19 December - where leaders are expected to hold a first substantive discussion on the next Multiannual Financial Framework (MFF) on the basis of the initial negotiation box prepared by the Danish Presidency, including debate on Heading 1 (ECF); Horizontal issues, and Heading 2 (NRPPs) - we would like to highlight the following points for your consideration:

Increased investments are essential to shield European people and businesses from the growing impacts of the climate crises. In fact, investment needs for our climate and environment are [estimated by the European Commission at €520 billion per year alone until 2030](#) and are set to increase for 2040. These needs are not reflected in the current Commission's proposals, on the contrary, the Commission plans significant reduction in committed funding for climate and nature which risks threatening EU citizens and businesses future.

The current proposals for the next MFF, as they stand, repeal the EU's only funding programme exclusively dedicated to the environment and climate (LIFE) and dilute part of its activities in both the National and Regional Partnership Plans (NRPPs) and the European Competitiveness Fund (ECF).

The deletion of a standalone LIFE Regulation with a ringfenced budget in the proposed Multiannual Financial Framework (MFF) package effectively discontinues the programme. Without a specifically dedicated instrument, it is unclear how the EU will in the future deliver on its climate and environmental commitments and address the escalating climate and biodiversity crises and that risks just increasing the already enormous costs of inaction.

One part of LIFE is to be absorbed into the new European Competitiveness Fund, which is primarily geared towards industrial policy and aims to boost competitiveness across sectors such as defence, space, health, digital, biotech and industrial decarbonisation.

Not only the proposal discontinues the only dedicated instrument for climate and environmental commitments (LIFE), but it is also a step backwards when it comes to mainstreaming and spending targets. Indeed, while the Commission's proposal maintains the existence of a spending target, its scope has been expanded to cover all six environmental objectives and has been lowered from 40% to 35%².

In real terms, this step will mean less money allocated to even more priorities than in the current budgetary period and the end of earmarking for biodiversity spending (10% in current MFF for 2026 and 2027).

Last but not least, while we welcome Commission's intention to mainstream the Do No Significant Harm (DNSH) principle and requirements across the EU budget, we are concerned by the numerous dangerous derogations that will put at risk the effectiveness of the EU budget spending and ultimately EU's competitiveness. What is needed is a simple and consistent approach that clearly labels harmful investments and reduces the administrative burden for beneficiaries and managing authorities alike.

To secure and strengthen EU's competitiveness, the next MFF must provide sufficient and stable funding for nature protection and restoration, for advancing -decarbonisation, depollution, the circular economy with strong environmental, climate, and social conditionalities applied consistently across all programmes. Going backwards on

² Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing a budget expenditure tracking and performance framework and other horizontal rules for the Union programmes and activities, 16 July 2025, available [here](#). 16 Jul

previous investments is not only inconsistent with the real needs and evidence but it is also threatening EU's resilience, its economy and strategic autonomy.

We therefore call on you to:

- Ensure the competitiveness fund is a genuinely clean and transformative fund, mainstreaming actions to tackle the climate, pollution, health, social, and biodiversity crises, while addressing regional inequalities and supporting a just transition.
- Ensure there is at least 50% of the overall next EU budget to genuine climate and environmental and just transition investments, including at least a dedicated 10% to genuine biodiversity objectives and that the methodology for tracking what counts as climate and environmental spending is improved to better reflect the actual environmental impact.
- Ensure there is a clear and reliable budget for the EU's long-term priorities, notably earmarked funding for LIFE's objectives under both ECF and the EU Facility in the NRPPs.
- Guarantee a strict implementation of the Do No Significant Harm principle by the Commission without exemptions to end the support for environmentally harmful subsidies.

We hope that the above insights and recommendations help you in your Competitiveness Council deliberation and decisions. We also remind you of [The European Pact for the Future, signed by hundreds of organisations and more than a thousand individuals, our vision for a sustainable and resilient Europe, and its Action Plan.](#)

We remain available to discuss with you these practical visions and look forward to working together towards a sustainable and resilient Europe as indeed, there is no competitiveness on an ever more degraded planet.

Yours sincerely,



Patrick ten Brink
Secretary General of the European Environmental Bureau

Annex 1:

The Cost of Inaction: Why Environmental Standards are Key to EU Competitiveness

There are immense costs of inaction in addressing the climate, pollution, and biodiversity crises—costs that our economy and society cannot bear much longer. These challenges must be at the heart of any discussion on the EU's future competitiveness.

The Cost of Inaction

Climate:

The [World Economic Forum](#) estimates that for every \$1 invested in climate adaptation today, we can avoid \$2–\$10 in future costs.

Biodiversity, Water, Air, and Soil:

The European Environment Agency (EEA) reports that the loss of ecosystem services could cost the EU hundreds of billions of euros annually. Soil degradation alone costs Europe at least [€97 billion per year](#), with the costs of inaction outweighing action by a factor of six. These costs primarily burden [farmers and society at large](#).

The remediation of contaminated soil with PFAS is even more costly, potentially exceeding €2 trillion across Europe. Water purification alone is estimated at [€238 billion](#) within the EU. Overall, removing PFAS from the environment at current emission rates could surpass [10% of global GDP](#)—excluding damages to animals or property values.

Air Pollution:

Between 2012 and 2021, industrial air pollution from the EU's largest industries cost an estimated €2.7–4.3 trillion. Researchers highlight that the only viable mitigation measures include stringent pollution controls, phasing out carbon-intensive fuels, and electrification.

Health:

The Nordic Council of Ministers estimates that direct healthcare costs from PFAS exposure in Europe are [€52–84 billion](#) annually. It would cost around [€100 billion every year](#) to remove short-chain and ultrashort-chain PFAS, even partially, from the environment and to destroy them. That is more than two trillion over 20 years. The societal costs of PFAS have been estimated at [\\$17.5 trillion \(about \\$54,000 per person in the US\)](#) annually, while manufacturers make only \$4 billion (about \$12 per person in the US) in profits. In other words, while the average market price of PFAS is about €19 for each kilogram, the price spikes to about €18,734 for each kilogram when societal costs are factored in. The European Commission has estimated that the health benefits of banning the most harmful chemicals in everyday products outweigh industry costs by a factor of ten.

These figures reveal an unsustainable and unaffordable industrial model. While the EU chemical industry remains strong—with production growing from €537 billion in 2011 to [€785 billion](#) in 2023, and a trade surplus of €198 billion—the far greater costs of pollution are externalised to society. If producers were held accountable for their pollution, many would face bankruptcy.

Acting now is the only wise investment for the future.