

Preliminary Assessment

# Environmental Omnibus

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## Introduction

The Malta Business Bureau (MBB) welcomes the European Commission's Environment Omnibus as a necessary initiative aimed at simplifying environmental legislation and reducing administrative burdens for businesses across the EU. At a moment when European competitiveness is under increasing pressure from global competitors, regulatory fragmentation and inefficiencies risk undermining business investment, innovation, and the proper functioning of the Single Market.

In line with the EU Competitiveness Compass, the MBB supports the Commission's general objective of reducing administrative burdens by at least 25% for all companies and 35% for SMEs by 2029. However, simplification must be meaningful and proportionately applied across Member States to deliver tangible benefits on the ground, particularly for businesses operating in small, open economies such as Malta.

The MBB particularly welcomes:

- The proposed regulation to accelerate environmental assessment and permitting procedures through digitalisation, single points of contact, and maximum timeframes [COM (2025) 984]; and
- The proposed changes to Extended Producer Responsibility (EPR) obligations, which represent a step toward reducing fragmentation within the Single Market [COM (2025) 982 & COM (2025) 983].

## Speeding up Environmental Assessments

The establishment of **single points of contact**, the move toward **digitalization**, and the introduction of **maximum timeframes** are all critical for improving business confidence and reducing the lengthy lead times that often precede project commencement.

SMEs especially benefit from **faster permitting procedures**, since they often lack the financial resilience to withstand prolonged permitting delays. For such operators, such uncertainty can result in lost financing opportunities, postponed innovation, or the abandonment of sustainable investments.

Strategically important and highly competitive sectors will benefit from the proposed changes, including those involved in clean technology production, pharmaceuticals, and chemicals, where speed-to-market is considered vital. Beyond these, faster permitting will positively impact the deployment of digital infrastructure, critical raw materials projects under the CRMA, and related projects contributing toward the energy transition and grid connectivity.

However, the **MBB advises a cautious approach to ensure that the reduction of bureaucratic hurdles does not come at the expense of appropriate protection for the environment and human health**. Faster permits must not lead to a dilution of standards. This balance is of paramount importance in Malta, where high population

density leads to overlap between industrial and residential zones. Ensuring that streamlined processes remain rigorous is essential to maintaining public trust and safeguarding the quality of life.

The effectiveness of maximum timeframes will depend heavily on **adequate resourcing of competent authorities**. Without sufficient technical expertise and staffing, shorter timelines may eventually lead to procedural bottlenecks or legal challenges, ultimately undermining the very objective of simplification.

### **Extended Producer Responsibility**

The MBB welcomes the proposed changes to Extended Producer Responsibility obligations, particularly the recognition that producers can fulfil EPR requirements through legal representation in their Member State of origin, with validity across the EU.

**Fragmented EPR schemes have long constituted a barrier to the free movement of goods**, disproportionately affecting businesses operating in multiple Member States. Divergent national requirements often result in duplicate registrations, multiple reporting systems, and increased reliance on external consultants. These costs rarely translate into improved environmental outcomes and instead divert resources away from sustainability investments. Such a situation has already been recognised by [DG Environment itself in certain cases, such as WEEE products](#).

While the Commission proposes a temporary suspension, the **MBB calls for this to be made permanent**. Given that the current approach is considered satisfactory, there is no justification for reintroducing these burdens in the future. Reintroducing fragmented obligations would risk reversing the Omnibus' simplification efforts and undermining business confidence in EU regulatory stability.

### **Third-Country Producers and Import-Dependent Economies**

Beyond intra-EU fragmentation, similar risks arise in the application of EPR obligations to third-country producers, particularly where national implementation diverges or imposes disproportionate requirements. Member States must avoid placing relatively higher EPR burdens on third-country producers. For a state such as Malta, which is heavily dependent on imports, any increased compliance costs for external producers are likely to be passed on to the local market, leading to higher consumer prices and inflationary pressures. It is therefore vital that EPR frameworks as applied by member states remain non-discriminatory and do not inadvertently disadvantage smaller, import-reliant economies.

## Key Messages

The Malta Business Bureau strongly supports the objectives of the Environment Omnibus and views it as an important step toward a more competitive, predictable, and investment-friendly regulatory environment.

The MBB calls on EU policymakers to:

- Maintain high environmental protection standards while reducing unnecessary administrative burdens.
- Ensure that accelerated permitting procedures are efficient, well-resourced, and legally robust.
- Make the proposed EPR simplification measures permanent.
- Avoid discriminatory impacts on third-country producers and import-dependent economies.
- Ensure consistent implementation of EPR obligations across Member States.

Delivering genuine simplification will enable businesses to contribute more effectively to Europe's environmental objectives, while strengthening competitiveness, safeguarding the Single Market, and supporting sustainable economic growth.

**For questions or more detailed information please contact Head of Projects & Sustainability Gabriel Cassar on [infobrussels@mbb.org.mt](mailto:infobrussels@mbb.org.mt)**

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