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AFF – HLG Monthly Monitoring of EU Forest Value Chains

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This monthly newsletter, produced by the HLG on Forestry & Biomaterials, with support from SAPPI, for the members of the AFF, aims to stimulate joint thinking on the research and development of a climate-neutral bioeconomy.

The High-Level Group on EU Policy Innovation: Forestry and Biomaterials (HLG-FB) is one of the independent public-private think tanks which operates as advisory body for the European Union institutions. A partnership involving the HLG-FB and the African Forest Forum (AFF) is evolving.

The AFF is an association of individuals who share the quest for, and commitment to the sustainable management, use and conservation of the forest and tree resources of Africa for socio-economic wellbeing of its peoples and for the stability and improvement of its environment.

SAPPI, a leading company in woodfibre-based renewable materials in Africa, is dedicated to advancing the bioeconomy and promoting sustainable forest management. With a focus on innovation and sustainability, SAPPI is committed to foster a thriving, biobased circular economy by prioritising responsible processes.

This partnership aims to provide a framework of cooperation and understanding and to facilitate collaboration between the Parties to further their shared goals and objectives regarding African forestry and its support to socio-economic wellbeing of Africa's peoples and for the stability and improvement of the environment.

European Commission and business leaders at the launch of the European Clean Industrial Deal in Antwerp. February 2025 /Photo credits: Antwerp declaration.eu

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Additional details regarding our initiatives to the advancement of a sustainable bioeconomy can be accessed through the following websites: https://www.sappi.com & https://www.highlevelgroup.eu/forestry-biomaterials

EUROPEAN UNION REGULATION ON DEFORESTATION-FREE PRODUCTS (EUDR) - LATEST DEVELOPMENTS

Leaked document revealed only four countries to be blacklist under deforestation law

EU is preparing to label just four countries as high risk for deforestation, sparing major commodity exporters like Brazil and Indonesia, in a long-awaited move under its anti-deforestation law.

Belarus, North Korea, Myanmar, and Russia will make the cut – or the blacklist – according to three EU diplomats., which discussed the leaked document in recent weeks following a meeting on 30 April greenlighted by all member states.

The discussion took place as part of the risk classification implementation expected under the EU Deforestation Regulation (EUDR), which will rank countries as high, standard, or low risk. The category determines how strict due diligence rules will be for companies – which also means more checks – on those importing crucial agri-food commodities like cocoa, coffee, soy, palm oil and beef.

The deforestation benchmarking, almost two years in the making, has previously stirred diplomatic unease, especially among major exporters like Brazil, Malaysia and Indonesia, who lobbied hard to stay off the list. For now, they're off the hook.

In documents released last year, the European Commission had floated the idea of targeting only countries already under EU or UN sanctions – a position it appears to have stuck with.

Hybrid mapping method key to EUDR cocoa compliance, study finds

A coalition of organizations has assessed how locally produced maps stack up against global open-access data sets to evaluate deforestation in the context of cocoa production. The assessment will be useful for cocoa producers as they work toward compliance with the EU anti-deforestation regulation (EUDR).Without accurate data and maps, producers could be unfairly locked out of European markets, the researchers noted.

EUDR verification has been especially challenging for smallholder producers, according to Louis Reymondin, a senior scientist with the nonprofits Alliance of Biodiversity International (ABI) and the Center for Tropical Agriculture (CIAT).

To tackle this issue, researchers from ABI and CIAT teamed up with the World Cocoa Foundation, a U.S.-based industry group with members including Nestlé and Mars. They tested data sets from global open-access platforms like Global Forest Watch alongside locally produced maps and one commercial provider, Satelligence, to see how well each could distinguish between cacao plantations, forests and other natural areas in the cacao-growing regions of Ghana and Côte d'Ivoire.

Each data point was independently verified using high-resolution satellite imagery, detailed enough to see individual trees. Each high-resolution image was then reviewed by at least four interpreters to reduce bias.

The study found that global open-source data sets are generally more standardized and easier to access but struggle to accurately distinguish complex landscapes, like cacao and natural forests, which, from a distance, can look very similar. "As a result, they are not recommended for deforestation-free compliance in such contexts," Reymondin said.

On the other hand, locally made maps, produced by national governments, projects or private companies, tend to be more accurate in complex landscapes.

The report's authors recommend a hybrid approach that includes local data built upon globally agreed best practices.

European Commission updates EUDR Guidance and FAQ (4th Edition)

On 15 April, 2025, the European Commission released an updated EUDR Guidance and FAQ clarifications to ease compliance for operators and traders. Key changes include simplified due diligence procedures for downstream actors, allowing them to verify reference numbers instead of repeating upstream checks, with optional additional scrutiny if desired. For composite products, only the main relevant commodity needs due diligence.

Other major amendments comprise: a single DDS can now cover multiple shipments, but only for up to one year; re-import rules have been eased, SME re-importers may refer to the original DDS, while non-SMEs must submit a new one but can reference the original for traceability; sharing geolocation data with other operators remains optional for upstream operators and is not mandatory for downstream actors.

Furthermore, clarifications were made on the relevance of trade and customs laws, confirming that only laws from the country of production matter, while packaging is only covered if sold as a standalone product, not if reused as transport material. Responsibility in contractor scenarios depends on who owns the product being marketed.

Meanwhile, the recent amendments excluded from EUDR obligations samples for testing and correspondence (without relevant products), while confirming Norway, Iceland, Liechtenstein, and Switzerland as "third countries" under the regulation.

EUDR postponement published in the EU official journal

However, due to the many criticisms and pressures, the European Union has officially postponed the implementation of the EUDR. Published in the EU Official Journal on 23 December 2024, the regulation will now come into effect on 30 December 2025 for medium and large companies, with small and micro businesses granted an additional six months, until 30 June 2026, to comply. Special regulations will apply to timber and timber products.

This delay was granted after the European Parliament's final approval on 16 December, and the Council of the European Union's endorsement, completing the legislative process. The decision follows trilogue negotiations between the European Commission, Parliament, and Council on 3 December, aimed at providing legal certainty and additional time for businesses, Member States, and third countries to adjust to the regulation's stringent requirements.

While some sectors, such as environmental groups, expressed concern about the impact on climate action, the delay was welcomed by industries like automotive manufacturing and aviation, which had argued that the regulation placed excessive burdens on them. Similarly, countries like Brazil, which had previously criticised the regulation as protectionist and harmful to smallholder farmers, also expressed support for the postponement.

In addition, the EU Commission plans to categorize origin countries into low, standard, and high-risk categories for deforestation, with this classification expected by 30 June 2025. This adjustment aims to allow stakeholders more time to prepare for the regulation's full implementation while ensuring its objectives are met with minimal disruption.

More about the regulation and potential issues

The EUDR, which mandates strict due diligence requirements to curb deforestation, will start being applied from December 30, 2025, for large and medium enterprises, and from June 30, 2026, for micro and small enterprises. It specifically targets a list of commodities outlined in Articles 38(2) EUDR, including cattle, cocoa, coffee, oil palm, rubber, soya and wood, and demands comprehensive traceability from the point of origin to processing and distribution. Operators are required, under Article 3, to ensure that commodities exported are:

- deforestation-free;
- produced in accordance with the relevant legislation of the country of production;
- covered by a due diligence statement.

Pursuant to Articles 3, 4, and 8 of the Regulation, due diligence statements must be submitted to the designated authorities via the information system delineated in Article 33 before placing products on the market. This electronically transmitted due diligence statement must include the details specified in Annex II and affirm that the operator has conducted due diligence, identifying no or negligible risk.

CARBON BORDER ADJUSTMENT MECHANISM (CBAM)

European Commission attempts to standardize Carbon prices under CBAM simplification

The European Commission is developing standardized carbon prices for countries, sectors, and commodities as part of its efforts to simplify the Carbon Border Adjustment Mechanism (CBAM). As recently clarified by Vicente Hurtado, Head of Unit of DG TAXUD, the initiative aims to recognise third countries' decarbonisation efforts by establishing reference carbon prices based on transparent, existing carbon pricing systems.

The new approach will allow the EU to assess the equivalence of climate policies abroad more fairly. Under CBAM, the standard EU ETS price applies to imports unless an equivalent carbon price has been paid, which is then deducted. Standardised pricing will offer a benchmark when real data is unavailable, particularly for imports from countries without formalized carbon markets, promoting consistency and transparency across global trade.

The Commission's CBAM simplification package, supported by the European Parliament's International Trade Committee on 23 April 2025, also introduces exemptions for small importers (below 50 tons annually) and simplifies reporting requirements for larger importers, while strengthening measures to prevent circumvention of the rules.

India criticises EU's Carbon Border Adjustment Mechanism (CBAM), raising trade and equity concerns

Last April, the European Union and India held intensive negotiations addressing India's concerns over the EU's CBAM and the EUDR.

The upcoming implementation of these measures sparked significant controversy, particularly from India, a major exporter to the EU, which argues that these policies could act as non-tariff trade barriers, disproportionately affecting agricultural, forestry, and industrial exports from developing countries.

Indian Finance Minister Nirmala Sitharaman has further publicly criticized the CBAM as a "repetition of colonialism," suggesting that the EU is unfairly imposing its environmental standards on emerging economies under the guise of climate protection.

In response, the EU maintains that the CBAM is not intended as a trade barrier, but rather aims to ensure a level playing field by preventing imports produced under lower environmental standards from undermining European companies investing in sustainable technologies. The negotiations underscore ongoing global debates on balancing climate commitments with equitable international trade practices.

EU Commission adopted CBAM Implementing Regulation laying down rules for CBAM declarant.

On 17 March 2025, the European Commission adopted Implementing Regulation (EU) 2025/486, which sets out detailed provisions for the application of Regulation (EU) 2023/956 on the Carbon Border Adjustment Mechanism (CBAM). The new rules establish the conditions and procedures for obtaining CBAM Authorised Declarant status, a mandatory requirement for importers handling goods covered by the mechanism.

According to the regulation, key responsibilities for importers include:

- (Article 1):Application for Authorised Declarant Status: Importers must submit an application via the CBAM register before their first import. Each application will automatically receive a unique application reference number in the CBAM registry.
- (Article 2): Accurate and Up-to-Date Information: Applicants may amend their submissions before a decision is made by the competent authority. In this case, the competent authority may extend the deadline set out in Article 4(1) by 30 calendar days where it needs to reassess the application due to the applicant's request for adjustment of the information provided in the application.
- (Article 8) Electricity Importer Status Notification: Importers of electricity under Article 5(4) of Regulation (EU) 2023/956 must notify the competent authority and provide relevant documentation.
- (Article 9)Compliance with Authorisation Criteria: Importers must demonstrate compliance with regulatory requirements, financial soundness and an absence of economic offences.
- (Article 10) Compliance with Financial Capacity: Importers must prove they have no outstanding public contributions, they are not subject to bankruptcy proceedings, they are not in material arrears and they can demonstrate a sufficient financial standing to meet its obligations and fulfil commitments.
- (Article 10.2) Guarantee Submission:Companies operating for less than two financial years must provide a guarantee.
- (Article 11) Ongoing Compliance Reviews: Authorised CBAM declarants must cooperate with periodic re-evaluations by the competent authorities.

Following companies' submission of the declarant status application, competent authorities review the applications within 120 days (or 180 days for those submitted before 15 June 2025) and may request further information, potentially extending the decision timeline. In case of rejection, applicants have the right to appeal.

Omnibus regulation poised to ease bureaucratic burdens under CSDDD, CSRD and CBAM

In February 2025, the European Commission introduced the *Omnibus*, a legislative package designed to streamline key sustainability regulations, including the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD), the EU Taxonomy and the Carbon Border Adjustment Mechanism (CBAM).

The proposal follows recommendations from Mario Draghi's report on European competitiveness and responds to industry calls for greater alignment between EU and international standards, particularly those of the International Sustainability Standards Board (ISSB). Its primary objectives are to reduce regulatory complexity, ease compliance burdens and maintain the EU's sustainability and decarbonisation agenda.

The main changes for the CBAM regulation encompass:

- Exempting small importers: A new annual threshold of 50 tonnes per importer will eliminate CBAM obligations for approximately 182,000 entities—mostly SMEs—while still covering over 99% of emissions in scope.
- Simplifying compliance: Streamlined authorisation processes and revised calculation and reporting rules aim to reduce administrative complexity for companies still subject to CBAM.
- Enhancing long-term effectiveness: Strengthened anti-circumvention measures will ensure the system remains robust against potential abuse.
- Laying the groundwork for expansion: The proposal precedes a future extension of CBAM to additional ETS sectors and downstream goods, with a new legislative proposal on scope expansion expected in early 2026.

GREEN DEAL

EU need to support smallholders to ensure that EUDR & CSDDD protect forests

The EU says it supports smallholders, yet the EUDR and CSDDD, including recent proposed changes, tell a different story. To tackle deforestation and promote corporate sustainability, the EU must support small oil palm farmers, reports the Palm Oil Barometer 2025.

While the European Commission has listened very well to the corporate calls to cut red tape in the EUDR and CSDDD, the call for smallholder support has been largely ignored. In the preamble to the EUDR, the EC recognizes the importance of responsible procurement to support smallholders: "When sourcing products, reasonable efforts should be undertaken to ensure that a fair price is paid to producers, in particular smallholders, so as to enable a living income and effectively address poverty as a root cause of deforestation."

However, in practice we see that the EUDR has strengthened the tendency of importers to impose top-down sustainability requirements on growers, both large and small. Smallholders are often ill-equipped to comply. As one anonymous palm oil processor stated in an interview for the Palm Oil Barometer: "Buyers constantly stress that materials must be delivered in accordance with NDPE-requirements, but smallholder inclusion and reward for sustainable performance are not deal-breakers for them."

To truly uphold the UN's guiding principle of "leaving no one behind" and to prevent further marginalization of smallholders from the EU, the Commission and Member States must ensure that implementation of the EUDR actively promotes smallholder inclusion. This requires targeted support, particularly in addressing traceability—an area where smallholders face structural barriers.

ESA Biomass Mission enhances forest carbon monitoring

The European Space Agency (ESA) has launched the Biomass mission under its Earth Explorer programme, marking a significant advancement in climate and forest monitoring.

As the first satellite equipped with P-band radar technology capable of penetrating forest canopies, Biomass will provide precise measurements of forest biomass and carbon storage across tropical, temperate, and boreal forests. The mission aims to support global efforts to monitor deforestation and carbon emissions, improve scientific understanding of the carbon cycle, and inform EU climate strategies. The data generated will enhance the EU's capacity to track forest health, assess compliance with international climate agreements, and design effective conservation measures.

Moreover, it will directly support the implementation of key EU instruments such as the Carbon Border Adjustment Mechanism (CBAM) and the EU Deforestation Regulation (EUDR) by offering reliable, high-resolution insights into forest carbon stocks.

EU Council approves postponement of CSDDD and CSRD under Omnibus proposal

On 14 April 2025, the Council of the EU formally adopted the "Stop-the-Clock Directive," postponing the application of the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). The directive, part of the Commission's broader

"Omnibus I" simplification package launched in February 2025, aims to ease administrative pressures on companies and strengthen EU competitiveness.

Under the new timeline, CSRD requirements for large companies not yet reporting, as well as for listed SMEs, will be deferred by two years. Meanwhile, the transposition deadline and first phase of CSDDD obligations for the largest companies will be postponed by one year. The "Stop-the-Clock" Directive was published in the EU Official Journal on 16 April 2025 and entered into force the following day.

According to the Council draft, key revisions under discussion in the Council included the definition of "plausible information" under CSDDD, maintaining the CSRD threshold at companies with 1,000+ employees while excluding SMEs and keeping taxonomy reporting optional.

Member States' feedback on the Council Presidency's latest compromise text highlighted continued debate over some other key issues, such as reinstating a risk-based approach, the future of transition plans, and the scope of civil liability provisions.

European Parliament agreed to delay CSDDD for one year and CSRD for two years

On 3 April, the European Parliament voted to postpone the implementation of new EU due diligence and sustainability reporting requirements – CSDDD and CSRD, aligning with broader efforts to streamline regulations.

With 531 votes in favour, 69 against, and 17 abstentions, MEPs endorsed the Commission's proposal, which grants member states an additional year—until 26 July 2027—to incorporate the rules into national law. The delay also pushes back the compliance deadline for large corporations, with EU firms exceeding 5,000 employees and €1.5 billion in turnover, as well as non-EU firms meeting the same threshold, now required to apply the rules from 2028. The same timeline will apply to the next tier of companies: EU firms with over 3,000 employees and €900 million in turnover, and equivalent non-EU businesses.

Moreover, the sustainability reporting directive will be postponed by two years for subsequent waves of affected companies. Large enterprises with over 250 employees will submit their first reports in 2028 for the previous financial year, while listed SMEs will follow in 2029.

Nonetheless, among the proposed changes, MEPs rejected an amendment that sought to delay the rules until 2040.

To accelerate the legislative process, Parliament approved the proposal under its urgent procedure. The draft law now awaits formal adoption by the Council, which approved the same text on 26 March 2025.

EU published implementing Regulation on CBAM Register: New Rules for Imports from 2026

On 30 December 2024, the European Union published the Implementing Regulation (EU) 2024/3210, providing detailed guidelines for the operation of the Carbon Border Adjustment Mechanism (CBAM) Register. This regulation, which aligns with Article 14 of Regulation (EU) 2023/956, establishes a comprehensive electronic database managed by the European Commission to track CBAM accounts, declarations, authorized declarant applications, and verification reports.

The CBAM Register will facilitate seamless interaction with national customs information systems across EU Member States, ensuring efficient data exchange. It will also allow operators in third countries to register data concerning their facilities, production, emissions, and verification reports.

From 1 January 2026, businesses wishing to import goods covered by the CBAM—outlined in Annex I of Regulation (EU) 2023/956—must obtain the status of an authorized CBAM declarant. Without this qualification, they will be prohibited from proceeding with imports. The regulation aims to strengthen the EU's environmental goals while ensuring that importers comply with stringent new standards to mitigate carbon emissions linked to imported goods. Register here.

CBAM's Second Transitional Phase officially started in July 2024

The second transitional phase of the EU's Carbon Border Adjustment Mechanism (CBAM) commenced on July 1, 2024, and will conclude at the end of 2025. During this period, EU importers are required to collect and disclose actual embedded emissions data for their imports from non-EU manufacturers, moving away from reliance on default values.

The transition to a CBAM-based system began on October 1, 2023, with importers of specific products—including steel, aluminium, cement, fertiliser, hydrogen, and electricity—mandated to report their embedded carbon emissions. The initial quarterly reports were due by January 31, 2024; however, compliance was low, with only a minority of companies meeting the deadline.

To ensure adherence, EU importers must conduct thorough screenings of the emissions data received from non-EU manufacturers. This process involves verifying that the data accurately reflects actual emissions according to CBAM's greenhouse gas accounting principles and requesting necessary documentation, such as calculation templates and supporting evidence.

To enhance the accuracy of carbon accounting, importers are advised to:

- Cross-verify data against multiple sources for consistency.
- Conduct audits to evaluate data quality and identify discrepancies.
- Validate the accuracy of calculations and measurements used.

Until the end of 2024, the Implementing Regulation on reporting requirements allows some flexibility regarding the values used to calculate embedded emissions during the transitional phase. Companies may choose from three reporting options: (a) full reporting according to the new EU methodology, (b) reporting based on an equivalent method, or (c) reporting using default reference values (valid only until July 2024).

Starting January 1, 2025, only the EU methodology will be accepted, and estimates (including default values) may only be applied to complex goods if they represent less than 20% of the total embedded emissions. The Commission published default values on December 22, 2023, based on a report from the EU's Joint Research Centre (JRC).

Default values' deadline: 31 October

From 31 October 2024, the use of default values is no longer permitted, except for 20% of emissions, where default values may still be applied. Instead, actual data—specific measurements of greenhouse gas emissions generated during the production of a given product—must be used.

This data will be sourced directly from production processes and includes both direct emissions from the manufacturing of the product and indirect emissions associated with the energy required for its production. Importers and producers will have to provide this data through systems that monitor actual emissions throughout the supply chain.

This deadline marks the next phase of the EU Carbon Border Adjustment Mechanism (CBAM) transitional period for products imported into the EU from 1 July 2024. Businesses must collect and submit actual embedded emissions data for all imports entering the EU during the quarter from 1 July to 30 September 2024.

The EU has outlined the methodology for calculating embedded emissions, which broadly falls into two categories that must be included in each CBAM declaration:

1. Calculation Approach: This determines the emissions of EU CBAM products based on source streams and activity data through measurement systems at the production site, combined with laboratory analysis or standard values. It encompasses both combustion and process emissions.
2. Measurement-Based Approach: This assesses emissions based on the emission source through continuous measurement of greenhouse gases at the installation, utilising specified disaggregation formulas aligned with international ISO standards on source emissions.

However, certain derogations from the EU's prescribed methodology are still permitted for the declarations due on 31 October 2024 and 31 January 2025, including the use of embedded emissions data captured as part of an existing carbon pricing or emissions monitoring scheme in the product's country of origin. Nonetheless, from 1 January 2025 onwards, only the EU's methodology may be employed.

The obligation to report using actual data will remain in effect until the end of the transitional period.

PACKAGING & PACKAGING WASTE REGULATION (PPWR) DEVELOPMENTS

Rethink Plastic Alliance calls for Stricter Application of the EU Packaging Waste Crisis Regulation

The Rethink Plastic Alliance has called for stricter regulations by Member States to help the EU meet its packaging waste reduction targets. In a recent report, the Alliance, which includes organizations such as Zero Waste Europe, Break Free From Plastic and ClientEarth, suggests that Member States should adopt more ambitious reuse targets, accelerate the transition to deposit return schemes, and introduce financial incentives to encourage the shift from single-use to reusable packaging.

The report emphasises that the Packaging and Packaging Waste Regulation (PPWR) can address the growing packaging waste crisis, but it urges Member States to set higher reuse targets for all sectors covered by the PPWR, particularly takeaway packaging. It also stresses the need for swift implementation of deposit return schemes to meet the 90% separate collection target for plastic bottles and metal cans, alongside introducing financial incentives such as consumer-facing levies and environmental taxes on businesses.

Furthermore, the report advocates for earmarking funds from Extended Producer Responsibility (EPR) fees for reuse and waste prevention measures. It calls also for further investment to identify harmful substances that could hinder the reuse and recycling of packaging and stresses the urgency of stronger national enforcement to accelerate the transition to a circular economy, with reuse at its core. The Alliance cautions that, without stronger and more immediate measures, the EU Packaging Regulation risks falling short of its objectives.

EU Packaging Rules to Impact South Africa’s Plastics Industry

The European Union’s Packaging & Packaging Waste Regulation (PPWR) introduces stringent requirements for plastic packaging, posing challenges for South Africa’s plastics and paper packaging sectors. As global sustainability standards evolve, local manufacturers will need to adapt to stay competitive, particularly in export markets.

Fortunately, South Africa’s plastics industry, especially export-focused businesses, has already made significant progress in meeting these standards. Investments in infrastructure, technology, and expertise have strengthened efforts to incorporate recycled content, enabling local manufacturers to supply compliant plastic packaging to international markets.

However, despite advancements in PET bottle recycling, further investment is needed to scale up food-grade post-consumer recycled (PCR) production and improve recycling capacity. "Ongoing research and development are essential to overcoming these challenges and expanding PCR use across different packaging formats," says Hanekom.

EU Packaging Regulation published on the Official Journal of the EU.

The Packaging and Packaging Waste Regulation (PPWR**)** has been officially published in the *Official Journal of the European Union*. It will harmonise rules across all Member States, aiming to minimise the environmental impact of packaging while promoting reuse, recycling, and efficient resource management.

The regulation will come into force 20 days after its publication in the Official Journal, on 11 February 2025, and will be applicable starting from 12 August 2026.

The adoption of the PPWR marks a significant shift for both consumers and the industrial sector. Citizens will benefit from increased transparency and reduced environmental harm, while businesses will need to adapt to the new requirements, investing in innovation and sustainability. Nevertheless, the regulation also presents substantial opportunities for companies that can leverage these changes into competitive advantages.

EU Packaging Regulation adopted by the Council

The Council has formally adopted the Packaging and Packaging Waste Regulation, concluding a two-year legislative process. The new regulation sets ambitious targets to reduce packaging waste and its environmental impact, with binding goals for reuse, recycling, and the elimination of harmful substances.

Key Provisions:

- Waste Reduction Targets: Packaging waste must decrease by 5% by 2030, 10% by 2035, and 15% by 2040. Additionally, restrictions on single-use plastic packaging, such as pre-packed fruits and vegetables under 1.5 kg and small hotel toiletries, will apply from 2030.
- Recycled Content Requirements: By 2040, single-use plastic bottles must contain at least 65% recycled material. The regulation also mandates clear labelling on packaging to inform consumers about its material composition and sustainability.
- PFAS Ban: Stricter thresholds on per- and polyfluoroalkyl substances (PFAS) in food-contact packaging will be introduced to address health and environmental concerns.
- Reuse Targets: By 2030, businesses like takeaway food providers must allow customers to bring reusable containers at no additional cost.

Some EU Member States, including Italy, have secured concessions, with exemptions for certain high-recycling packaging types like beverages such as milk and wine. Malta and Austria abstained from the vote.

This regulation aims to transition Europe towards a circular economy, reduce waste, and help achieve climate neutrality by 2050. It will come into effect 18 months after its publication in the EU Official Journal.

What will be banned starting January 2030? - Background of the proposed PPWR Regulation

The PPWR, pivotal for the forestry value chain, especially for entities manufacturing paper-based packaging, prescribes substantial reductions in packaging materials by the years 2030, 2035, and 2044. The regulation prohibits the use of detrimental chemicals such as per- and polyfluoroalkyl substances (PFAS) and bisphenol A (BPA) in food packaging and advocates for the utilization of sustainable materials sourced from responsibly managed forests, with a strong emphasis on the recyclability and reusability of packaging.

Commencing in January 2030, prohibitions will include:

- Single-use plastic packaging for unprocessed fresh fruits and vegetables, and for consumables in bars and restaurants.
- Single-use items such as condiments, sauces, sugar, and cream.
- Small-scale hotel products like shampoo and shower gel.
- Plastic wrap for suitcases at airports.

However, exemptions apply to milk cartons, disposable compostable plastic packaging, and packaging for fruits and vegetables weighing less than one and a half kilograms, necessary to prevent food deterioration.

The regulation sets packaging reduction goals of 5% by 2030, 10% by 2035, and 15% by 2040, with MEPs advocating for a 20% reduction in plastic packaging by 2040. It also mandates a maximum empty space ratio of 50% in various packaging types to minimize waste, and stipulates that manufacturers and importers ensure minimized packaging weight and volume, except where protected packaging designs are already established.

Additionally, the MEPs call on EU member states to ensure that 90% of materials used in packaging are collected separately by 2029, reinforcing the regulation’s role in promoting environmental sustainability and a circular economy within the EU packaging sector.

EIB Launches €3 Billion Initiative for Agriculture, Forestry, and Fisheries

The European Investment Bank (EIB) has announced a €3 billion financing programme to support agriculture, forestry, and fisheries across Europe, marking its largest investment in the sector to date. The initiative aims to foster sustainability, resilience, and inclusivity, with a focus on small and medium-sized enterprises (SMEs), young farmers, and women.

The funding, set to roll out over three years, will promote investments in key areas such as soil health, digital agricultural technologies, water management, and climate resilience. It also seeks to enhance access to land for young farmers and improve training in sustainable farming practices. Women, who currently represent less than one-third of the farming workforce, are a priority group within the programme.

The initiative will be bolstered by additional contributions from financial institutions, potentially unlocking €8.4 billion in long-term investments. To ensure favourable terms, the EIB plans to complement the financing with interest and capital grants from EU and national budgets. Participating institutions will also benefit from advisory services and tools like the Green Eligibility Verification Tool, designed to evaluate the climate impact of proposed projects.

New Horizon Europe funding: calls open on 4 April 2025

The Circular Bio-based 2025 call for project proposals, opening on 4 April 2025 and closing on 17 September 2025, allocates €165 million under Horizon Europe to support innovative bio-based projects.

Applicants can prepare submissions based on the topics outlined in the CBE JU Annual Work Programme 2025, which include flagship innovation actions like urban-industrial bio-waste valorisation (€18 million) and sustainable biomass conversion (€20 million), alongside innovation actions such as scaling alternative proteins (€14 million) and safe bio-based textile solutions (€13.5 million).

Research actions focus also on areas like untapped forest biomass valorisation (€7 million) and biodegradable fertiliser delivery systems (€6 million), while coordination actions will advance bio-based curricula (€1 million). These initiatives aim to foster Europe's sustainable bioeconomy by promoting innovative technologies, resource efficiency, and environmental sustainability, aligned with the Strategic Research and Innovation Agenda (SRIA) 2022–2030.
Guidance is available on the CBE JU website and the EU Funding & Tenders Portal, ensuring applicants access comprehensive resources for successful participation.

EU LIFE Calls for Proposals April 2025: Dates and Details

The European Commission will launch the LIFE Calls for proposals 2025 on 24 April 2025, with detailed information available on the Funding & Tender Opportunities portal. The Calls will be showcased at the EU LIFE info days, **taking place from 13 to 15 May 2025,** with virtual sessions hosted by CINEA.

Key submission deadlines include:
- Standard Action Projects (SAPs) for Circular Economy, Nature & Biodiversity, and Climate Change: 23 September 2025
- Strategic Integrated Projects (SNAPs/SIPs) Concept Notes: 4 September 2025; Full Proposals: 5 March 2026
- Technical Assistance for SIPs and SNAPs: 23 September 2025

The LIFE Programme is the European Union's key funding instrument for environmental and climate action. It has supported thousands of projects that promote sustainability, enhance energy efficiency, advance the circular economy, and support climate change mitigation and adaptation. LIFE funding targets a wide range of stakeholders, including businesses, NGOs, and public authorities, to deliver positive environmental impacts across Europe and beyond