

## AIM FEEDBACK

### European Commission's public consultation on Better Regulation

February 2026

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#### Summary of AIM's recommendations:

To effectively improve and make the EU policy and decision-making process more efficient, we recommend that:

- ❖ The **"Single Market test"** is applied throughout the EU policy and decision-making process to ensure laws do not weaken or fragment the internal market.
  - ❖ Any policy measure is grounded in **comprehensive and solid assessments** of the economic impacts on companies, to avoid imposing unintended, excessively burdensome requirements.
  - ❖ Policy measures are holistically designed, taking account of the **businesses' complexities and supply chains**, setting **realistic and synchronised timelines for compliance**.
  - ❖ **Application dates** should be **linked to** the adoption of relevant **secondary legislation** to avoid further shortening compliance timeframes for companies.
  - ❖ Any **implementing or supporting documents** to EU law, such as secondary legislation, guidelines, standards and FAQ, are **published well in advance of the** legislation's **application date**, to provide companies with the legal certainty needed to direct investments towards compliance.
  - ❖ **Implementing measures, guidelines, or FAQ** are assessed and drafted against the primary legislation, ensuring they **do not introduce requirements beyond its scope**.
  - ❖ **Consultations allow for adequate time** for stakeholders to provide technical and detailed input.
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[AIM](#), the European Brands Association, represents manufacturers of branded consumer goods in Europe in the food, beverage, personal care, home care, luxury, toy and apparel categories. Our members are all intent on delivering trusted and high-quality goods to consumers across Europe. The **Fast-Moving-Consumer-Goods (FMCG) sector is the 3<sup>rd</sup> largest manufacturing industry in Europe**, generating **EUR 714.5 billion in sold production**. Our sector also contributes **20.4% of the total manufacturing investment in the EU**, and drives **33% of the EU's trade surplus**, highlighting **our contribution to Europe's economic resilience and global competitiveness**.

We welcome the opportunity to provide our feedback to the European Commission's consultation on the Communication on Better Regulation, aimed at strengthening the EU policy-making process, making it smarter and more efficient. In addition to the recommendations in the [Cross-Industry Joint Statement](#) "A European

*Agenda for evidence-based and better policy-making*", which remain relevant, we offer below our suggestions for further improvements based on our experience in recent years:

- ❖ **The "Single Market test" should be applied throughout the EU policy and decision-making process to ensure laws do not weaken or fragment the internal market but rather enable companies to fully benefit from the Single Market.**

Any legislative proposal, including secondary legislation, guidelines and FAQs, should be tested to ensure it does not create new barriers to the free movement of goods in the Single Market. Rules should also be harmonised, clear, easy to implement and comply with, and uniformly enforced by authorities; often, the chosen legislative formula leaves room for broad interpretations at the national level, forcing companies to country-specific adjustments, and facing higher costs and operational inefficiencies.

Examples:

- The upcoming **harmonised labels under the Packaging and Packaging Waste Regulation (PPWR) risk fragmenting the internal market** if they rely on pictograms accompanied by text. Because text requires translation, it also forces manufacturers to design country-specific packaging, leading to unnecessary economic, operational and environmental burdens. Such a measure would fail the "Single Market test".
- The upcoming **revision of the Unfair Trading Practices Directive**, which has been transposed differently across Member States, should be harmonised, with the EU threshold removed to provide clarity for businesses, as well as provide for easier enforcement by authorities. Article 114 should be added as a complement to the existing legal base (Article 43), in line with market developments since it was originally proposed eight years ago, to ensure that a fair trading environment within the EU Single Market is achieved.

- ❖ **Any policy measure should be grounded in comprehensive and solid assessments of the economic impacts on companies, to avoid imposing unintended, excessively burdensome requirements.**

This is necessary to avoid unintended consequences on businesses' competitiveness and sustainability efforts, such as diverting human and financial resources from real innovation and sustainability investments to compliance. This is unfortunately not the case with all legislative proposals.

Examples:

- The **proposal for a Green Claims Directive** is **not supported by a comprehensive cost-benefit analysis** and overall economic assessment of the impact of the proposed ex-ante verification requirement on *all* environmental claims and sustainability labels made by companies.
- The **Directive on Empowering Consumers for the Green Transition (ECGT)** **does not include a grandfathering rule** for products bearing environmental claims and sustainability on products that are already on the market before the Directive's application date. The European Commission maintained that companies can take "proportionate" corrective measures (e.g., stickering, relabelling or provision of information at the point of sale), and the Impact Assessment estimates the compliance costs (including, e.g., adjustments to product packages) at EUR 40 per company per year in the period 2025-2040. However, adaptation measures typically lead to much higher costs – in our experience, from hundreds of thousands to millions of euros per company.
- Any tool that may be proposed on so-called **"territorial supply constraints"**, as outlined in the Single Market Strategy, must be accompanied by a comprehensive economic assessment on the impact on all market operators, manufacturers and retailers, both upstream and downstream. It should include an assessment of the different competitive environments in each market, include both branded goods and

private label goods, whether local, regional or national, as well as how such a tool will interact with the current competition law framework.

- **Costs of compliance** with any new legislation must not be imposed solely on legitimate European companies but **proportionately attributed to all players in the supply chain**. This is especially relevant to **goods manufactured in, and imported into the EU from, third countries** and includes all intermediaries between the source and the market, up to delivery to the European consumer. Logistics companies, online intermediaries, post and courier operators, etc., responsible for the placing of goods on the EU market, should bear the costs of ensuring their compliance with relevant EU and national laws.
  - The **Ecodesign for Sustainable Products Regulation (ESPR)** lacks proper impact in relation to the introduction of “recycling” under the definition of “destruction”, which forces companies to navigate complex exemption processes, compile extensive supporting documentation and overhaul their operations, as the framework prohibits the recycling of unsold goods but allows their remanufacturing.
- ❖ **Policy measures should be holistically designed, taking account of businesses’ complexities and their supply chains, setting realistic and synchronised timelines for compliance. Application dates should also be linked to the adoption of any relevant secondary legislation to avoid further shortening compliance timeframes for companies.**

Recent EU laws have introduced **multiple requirements affecting product labelling, with mismatched compliance deadlines**. This requires manufacturers to **repeatedly revise their packaging artwork against tight timelines**, making the **process inefficient**. Packaging artwork revision is a complex and costly process that requires the involvement of different figures within and outside a company, who need to assess, discuss and agree on the necessary changes to ensure regulatory compliance. Overall, costs can reach over EUR 5000 per SKU, with prices subject to increase at any stage of the process, as both internal and external resources are involved. While timing depends on many factors (e.g., printing of the new packaging also depends on the printer capacity, as there is a limited number of printers in the EU), it can take up to 1,5-2 years from when the new packaging is ordered to when it is placed on the market. Therefore, imposing a two-year compliance deadline is extremely tight, as it does not account for the steps required before placing orders for the new packaging. Moreover, the process can only start once there is full clarity and certainty on how to interpret and apply the new rules, which is often impacted by delayed secondary legislation, guidance and standards. In this context, enabling **digital labelling would also help mitigate supply chain and packaging constraints** by allowing certain mandatory information to be updated more flexibly without repeated physical packaging artwork changes, thereby reducing administrative burden, costs and environmental impact, while still ensuring consumers have timely access to accurate and compliant product information.

Additionally, **legislation should always link its application date to the adoption of the relevant secondary legislation, as done in the recent PPWR**, to avoid situations where delays in the implementing measures (as happened with the Single-Use Plastics Directive) force businesses to face even tighter compliance deadlines.

- ❖ **Any implementing or supporting documents to EU law, such as secondary legislation, guidelines, standards and FAQ, should be published well in advance of the legislation’s application date, to provide companies with the legal certainty needed to direct investments towards compliance.**

Many legislative proposals adopted during the previous EU mandate required the European Commission to adopt secondary legislation or other guidance documents essential for businesses to know how to implement the new laws correctly. However, in many cases, these documents were significantly delayed, undermining businesses’ ability to comply with already tight deadlines.

Examples:

- The Commission still needs to adopt **the PPWR Guidance Notice and the FAQ**. As some requirements will apply in 2026, companies may only **be able to rely on these documents shortly before the obligations take effect**, potentially facing the risk of supply chain disruption, increased costs and operational inefficiencies.
  - By 12 February 2027, the European Commission shall mandate the European standardisation bodies to revise existing standards to reflect the new **minimisation requirements set in PPWR**, which will become applicable from January 2030. However, standardisation processes tend to take around 3 years. However, packaging design changes take time to be developed and implemented, and they also need to be duly documented in the PPWR technical documentation through explanations, documents, studies and test results (including, e.g., modelling and simulations). The **adoption of the revised standards shortly before the application of the requirements will leave companies with too much legal uncertainty**, undermining their competitiveness and ability to innovate.
  - Although the **ECGT Directive** requires an update of the existing Guidance Document, the European Commission has decided not to revise it in the near term. Following requests from companies, an **FAQ was published only in November 2025**. With the new rules applying from September 2026, companies have excessively limited time to ensure compliance.
- ❖ **Implementing measures, guidelines, or FAQ should be assessed and drafted against the primary legislation, ensuring they do not introduce requirements beyond its scope.**

Recent EU laws often rely on several secondary legislation, guidelines or FAQs to support implementation. However, these measures can sometimes go beyond the European Commission's mandate, adding new requirements – even from the impact assessments stage, where additional measures not required by the primary act are considered. Since secondary legislation often contains the most critical compliance details, any divergence from the primary act can significantly affect businesses and should thus be avoided.

Examples:

- In preliminary discussions on some **PPWR harmonised labels**, the European Commission's external consultants have considered **requirements not mentioned in the primary text**, with potential significant impacts on businesses and risks of Single Market fragmentation. For example, adding "Scan here for more information" next to the digital data carrier would undermine the purpose of digital labelling and, because it would require translation, would force companies to produce country-specific packaging. This contradicts the objective of the PPWR and, more broadly, of the Single Market Strategy.
  - The first draft of the **ESPR implementing act on reporting on unsold goods introduced a requirement for third-party audit via limited assurance**, which was not foreseen in the original proposal and was not subject to an impact assessment. The ESPR already provides for a risk-based verification by national competent authorities and market surveillance mechanisms.
- ❖ **Consultations should allow for adequate time for stakeholders to provide technical and detailed input.**

In recent years, many consultations have imposed very tight deadlines for stakeholder input. Industry stakeholders typically need several weeks (at least six to eight, in our experience) to gather meaningful data. Shorter timelines impact the availability and quality of the survey responses. As the outcome of such consultations is meant to inform the European Commission and will be used for Impact Assessments underpinning legislative proposals, they must be grounded in robust, comprehensive and representative data. If surveys rely on poor-quality or insufficient evidence, they risk providing a distorted picture of the underlying issues and the likely impacts of different policy options. Ultimately, this weakens the basis for decision-making, leading to poor policy-making.