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UK

Environment

Environmental Policy and Legislation

Independent Review of Department for Environment, Food & Rural Affairs' (DEFRA) Regulatory Landscape: The Corry Review

On 2 April 2025, DEFRA published an independent report of its regulators and regulatory system, "Delivering Economic Growth and Nature Recovery: An Independent Review" (the "Corry Review"). The review was led by Dan Corry to examine whether DEFRA's regulatory system effectively balances sustainable growth with environmental protection.

The Corry Review has not looked at whether DEFRA's powers should be shared across other government departments, but it has analysed how DEFRA implements regulation and regulator's decision making. The five strategic themes of the report are:

- To focus on outcomes at scale, rather than site specific outcomes and proportionate regulation increasing discretion of the regulators, as well as the effectiveness of regulations – for e.g. it recommends that an experimental programme be set up where regulations are waived and results measured
- To streamline "green tape" processes and modernise legislation including a reduction of guidance duplication and simplifying approval pathways e.g. that a programme be set up where regulations are selected for reform with a focus on Water Regulations, Conservation of Habitat and Species and Environmental Permitting
- To improve consistency and fairness in enforcing regulatory compliance, including introducing greater self-regulation
- To mobilise private sector green finance to complement public investment
- To increase digital and innovative regulation including (e.g.) permitting portals

The government has already prioritised nine recommendations. We can expect in the short term centralisation of regulatory oversight for major infrastructure projects, a rapid update and clarification of environmental guidance, as well as a streamlining of permits and guidance under The Environmental Permitting (England and Wales) Regulations 2016 (SI 2016/1154).

The Corry Review will affect a wide range of sectors that intersect with land use, environmental regulation, permitting and nature recovery including local authorities and the agricultural, construction, utility and energy industries.

UK Carbon Border Adjustment Mechanism (CBAM) Update – Government Publishes <u>Policy</u> Decisions and <u>Consultation</u> on Draft Legislation

In April, the UK Government released further information on its plans for UK CBAM, which is due to come into force on 1 January 2027. The consultation seeks feedback on drafting of the primary legislation (as opposed to feedback on policy design) that will be included in a Finance Bill. CBAM, already in force in the EU, will be of interest to importers of aluminium, cement, fertilisers, hydrogen and iron and steel into the UK, as well as downstream producers that use these goods in their supply chains.

HM Treasury Publishes Consultation on Landfill Tax Reform

On 28 April 2025, HM Treasury launched a <u>consultation</u> on reforming landfill tax in England and Northern Ireland to support the shift to a circular economy. Key proposals include phasing in a single rate of landfill tax by 2030, and eliminating the current lower rate for certain inert wastes. The cost of landfill tax will gradually increase until it matches one standard rate by 2030.

From April 2027, the qualifying fines regime will end, and all mixed waste fines will be taxed at the standard rate. Exemptions and reliefs will also be reformed, including ending tax relief for filling quarries and for certain stabilisers in dredged material, while narrowing the dredging exemption and removing the water discounting relief scheme.

Additionally, the tax rate for unauthorised waste site disposals will rise to 200% of the standard rate, with proposed simplifications to penalties and interest rules. The consultation closes on 21 July 2025. These proposals will substantially increase the cost of disposing to landfill, and will affect several sectors, including the construction and mining industries.



Office for Environmental Protection (OEP) Advises That The Planning and Infrastructure Bill 2024-25 Could Lead to a Regression In Environmental Law

The Planning Bill, which is currently going through Parliament, has been criticised by the OEP for reducing environmental protection. The primary aims of the bill include the speeding up of the delivery of major infrastructure projects and streamlining the planning system by introducing new planning processes.

The principal concern from OEP is the language the bill uses regarding the overall improvement test for adopting Environmental Delivery Plans (EDPs). This is a test that must be met for the Secretary if State (SoS) to make and amend EDPs, and is seen as a crucial legal safeguard as it the test that allows land developers to proceed with developments depending on its' environmental impact. The OEP has criticised the proposed test as subjective and too uncertain to be applied. The overcentralisation of offsets was also a concern and questionable as to its effectiveness in minimising harm to nature.

The bill is currently in the committee stage in the House of Lords however, Wild Justice, an Non-governmental organisation (NGO) group has applied to the High Court, challenging the government's claim that the bill will not reduce environmental protection. This is currently pending High Court permission and may impact decisions made in the legislative process.

The bill aims to simplify the planning processes for the energy, real estate and construction industries in particular.

Joint Consultation on Reforms to the Environmental Permitting (EP) Regime for England and Wales

On 8 April 2025, the English and Welsh Government launched a joint consultation to reform environmental permitting regulations, the Environmental Permitting (England and Wales) Regulations 2016. The consultation closed on 3 June 2025, and we expect legislation in early 2026. The proposed reforms related to flood risk activities, waste operations, water discharge activities and groundwater activities.

This proposal for reform is part of the UK Government's <u>Regulatory Action Plan</u> which aims to increase the effectiveness of regulations and reduction of burdens and costs for businesses.

Regulators such as the Environment Agency and Natural Resources Wales could be given more powers to, for example, designate new type of facilities that are exempt from needing a permit and remove existing exemption.

Businesses that carry out these types of operations should ensure that their permits are updated if impacted by the reforms.

Environmental Governance and Biodiversity Bill Introduced to the Welsh Parliament

On 2 June 2025 the <u>Environment (Principles, Governance and Biodiversity Targets)</u> (Wales) <u>Bill</u> (the Bill) was introduced to the Welsh Parliament.

The key proposals for the Bill are:

- Establish an independent environmental governance body The Office of Environmental Governance Wales (OEGW) will supervise the implementation of, and compliance with, environmental law by Welsh public bodies and fill in an "environmental governance gap" since Brexit
- Introduce overarching environmental principles As a result of Brexit, EU
 environmental principles were not carried over into UK law. The Welsh Government
 has committed to developing its own based on established EU and international
 principles applicable to the Welsh context. The Bill sets out four key overarching
 principles:
- The precautionary principle so far as relating to the environment
- The principle that preventative action should be taken to avoid environmental damage
- The principle that environmental damage should as a priority be rectified at source
- The polluter pays principle
- Introduce biodiversity targets The Bill aims to amend Part 1 of the Environment (Wales) Act 2016 to introduce a biodiversity target setting framework, which requires Welsh Ministers to set at least one target within three years of royal assent for certain priority areas, monitor and report progress towards those targets and promote awareness on the importance of, and threats to biodiversity.

This Bill reflects some of the provisions of the Environment Act 2021.



Green Claims

Green Claims: Legislative Update And Examples of Challenges.

The <u>Digital Markets</u>, <u>Competition and Consumers Act 2024</u> (DMCCA) came into force on 6 April 2025, and revoked the <u>Consumer Protection from Unfair Trading Regulations</u> 2008 (CPRs).

Consumer protection rights and the enforcement powers of the main consumer regulator, the Competition and Markets Authority (CMA) have been increased. CMA has been granted wide-ranging powers to investigate suspected breaches of consumer law, including for misleading environmental claims and unilaterally impose significant fines, without needing to go through courts as required under the CPRs.

For certain offences, the CMA can now use its new powers to impose fines up to £300.000 or 10% of the company global turnover (whichever is higher), which exposes business to a high risk when making environmental claims. It is worth noting that the CMA can only impose penalties for conduct taking place after the coming into force of the DMCCA on the 6 April.

With an increased demand from consumers for sustainability products, businesses are at risk of ending up making misleading, vague or false claims about the environmental impact of their goods or services, being investigated and potentially fined by the CMA.

The <u>Advertising Codes</u> (CAP Code and BCAP Code) have also been updated to reflect the coming into force of the DMCCA. The UK's Advertising Standards Authority (ASA) has been very active challenging potentially misleading green claims. ASA recently challenged a <u>"compostable capsules" claim</u>, for which it was decided that an average consumer's expectation would be to be able to home compost these capsules, but instead they were only compostable in industrial facilities. The company had to remove the ad as it was a misleading environmental claim.

To help marketers with these claims, ASA <u>published</u> in April 2025 a guidance for products that claim to be "biodegradable" and "compostable". Marketers should ensure, among other recommendations, that claims about their products being biodegradable or compostable are genuine and ensure absolute environmental claims apply to the product's full lifecycle.

These updates will have relevance across sectors, and for the food and drink sector, pharmaceutical sector and for any company dealing with packaging.

The Uncertain Future of the Green Claims Directive

On 20 May 2025, a <u>spokesperson</u> for the European Commission surprisingly announced the commission's intention to withdraw its <u>legislative proposal on green claims</u>, sparking immediate reactions and confusion within the Brussels policymaking bubble.

However, the commission later clarified that the Green Claims Directive may ultimately not be withdrawn, provided that the controversial amendment extending its scope to microenterprises, seen as conflicting with the commission's "cutting red tape" agenda, is removed.

The Green Claims Directive as drafted, has an impact on companies making Net Zero claims as part of their net zero transition plan and those qualifying their products as "sustainable".





Chemicals

Persistent Organic Pollutants (POPs) – Addition And Removal of Two 'POPs' From GB Legislation

The GB POPs Regulations (inherited from the EU POPs Regulation) was amended with effect from 1 April to reflect the addition of dechlorane plus (DP) and UV-328 to Annex A of the Stockholm Convention on POPs. Within six weeks, the substances were removed from the GB legislation following comments from industry (primarily medical). The equivalent DP and UV-328 ban under the EU POPs Regulation was adopted by the European Commission on 15 May. DP is a flame retardant with applications across a range of industries (e.g., used in cabling) and UV-328 is a substituted phenolic benzotriazole used as a UV absorber in many products.

Per- and Polyfluoroalkyl Substances (PFAS) Developments in the UK

In the last couple of months, the Environmental Audit Committee (EAC) has run an inquiry intended to address the risks of PFAS "within the UK's regulatory approach". The inquiry closed on 26 May, and no findings have yet been shared but called on stakeholders to comment on whether the current regime is fit for purpose. EAC's role is to consider to what extent the policies and programmes of government departments and other public bodies contribute to environmental protection. While Defra has recently confirmed it is no longer actively working on a chemical strategy, it was stressed at the 2025 CHEMUK Expo that work was ongoing on PFAS. The interim position statement published by DEFRA (agreed with the Scottish and Welsh governments) on 4 June is presented as building on the 2023 Regulatory Management Options Analysis (RMOA). It states that definitive criteria will not be formally adopted in UK REACH or other legislation on persistent, mobile, toxic (PMT) and very present, very mobile (vPvM) concepts to manage the risks from PFAS. PFAS continues to be a fragmented regulatory landscape in the UK.

Health, Safety and Environmental (HSE) Chemicals Legislative Reform Proposals

On 23 June 2025, the HSE has issued a <u>consultation</u> which outlines the proposals for changes to HSE led chemicals policy on: biocides, classification, labelling and packaging, and the export and import of hazardous chemicals (Prior Informed Consent).

Key proposals are:

- **GB Biocidal Products Regulation (GB BRP)** Recognition of approvals and authorisations given in foreign jurisdictions with similar standards, and replacement of the active substance renewals system
- Classification, Labelling and Packaging of Chemicals Substances and Mixtures (GB CLP) – Revoke the GB CLP notification database and requirement for GB duty holders to submit notifications to HSE
- Prior Informed Consent for the Export and Import of Certain Hazardous
 Chemicals (GB PIC) Amend the import/export requirements to reduce complexity
 and so that the same conditions would apply to all qualifying chemicals

The proposals also include introducing new powers to make future amendments and updates of these regulations, so that the UK can implement its international obligations and do general updates. The proposals under this consultation aim at reducing the regulatory burden for businesses and provide regulatory clarity and consistency across the UK regimes. The reform will affect businesses involved in the manufacture, supply and use of chemicals, as well as their import and export. These reforms could be relevant all UK REACH registration holders. The consultation runs from 23 June to 18 August 2025.

Climate and Sustainability Reporting

UK Government Release of Draft UK Sustainability Reporting Standards

On 25 June 2025, the UK government released the Exposure draft of UK Sustainability Reporting Standards (draft UK SRS) and invited consultation responses. The draft UK SRS are based on the IFRS 1 and IFRS 2 standards that aim to deliver sustainability financial information. The consultation closes on the 17 September 2025, and we expect legislation in Q1 of 2026.

It is proposed that the new sustainability reporting obligations will initially apply to UK-listed companies and financial institutions, but the government is considering whether to extend this to large companies who already need to report under Task Force on Climate-related Financial Disclosures (TCFD) or Streamlined Energy and Carbon Reporting (SECR).

The proposed UK SRS will align closely with the existing IFRS 1 (general sustainability-related disclosures) and IFRS 2 (climate-related disclosures) standards, however it is proposed that the first two years companies focus on climate-related reporting (IFRS 2). The draft proposals require companies to report sustainability information in their financial statements.

The proposed UK Standards differ from the EU Standards in that they are less extensive and are only based on financial materiality.

The government is also launching two other separate consultations on transition plans and the development of a voluntary registration regime for the providers of assurance of sustainability reporting.

The expected adoption date for finalised UK SRS is Q1 2026 In the meantime, companies should seek advice regarding their current and future UK climate and sustainability reporting obligations. Responses to the consultation on the exposure draft of UK SRS can be made here until 17 September 2025.

Update On Corporate Sustainability Reporting Directive (CSRD) and Corporate Sustainability Due Diligence Directive (CSDDD): Omnibus Simplification Package.

We reported on the EU Commission publication of the Omnibus Simplification Package (Omnibus) proposal in the fresh 2025 edition. The "Stop the clock directive" (Directive) entered into force on 17 April 2025, and member states have until 31 December 2025 to transpose the Directive into national law. France is the only member state to have transposed the Directive into national law (for CSRD), but several other member states have started the transposition process, including Luxembourg, Estonia, Poland and Finland.

The Directive confirmed the delay in transposition and/or application dates for:

- <u>CSRD</u> A two-year delay for companies due to report in 2026 and 2027 (mainly large undertakings, parent companies of large groups and listed small and medium enterprises (SMEs))
- <u>CSDDD</u> A one-year extension for transposition into national law (now July 2027), and a delay for the first application to the largest companies until 2028.

Regarding further amendments, the Omnibus negotiations continue in the EU (Council and Parliament). Proposed amendments include the alignment of the employee and turnover thresholds in the CSRD and CSDDD. The employee threshold that determines whether a company is in scope of these Directives could become the main test and could change from 250 to 1,000 employees. However, so far consensus between the EU Institutions has not been reached.

Omnibus has created uncertainty for companies that are required to report under the Directives, and we do not expect this process to be finalised until December 2025.

The final decisions on Omnibus will have implications for EU and non-EU companies across all sectors. We continue to monitor the Omnibus adoption process, and we are advising on the impact of the delays and future changes.



The Climate Change Committee Publishes 2025 Progress Report

The UK's independent adviser on tackling climate change, the Climate Change Committee (CCC), published its 2025 progress report to Parliament on the implementation of the Governments Third National Adaptation Programme (NAP3). NAP3 sets out the UK government's strategy for adapting to the impacts of climate change over the period 2023 to 2028. Some of the key actions within NAP3 are the need for business, including in the energy, water, finance and insurance sector, to report on climate change risks and how they propose to adapt, and how to manage supply chain risks.

The CCC's progress report was overall highly critical of the UK's preparation for climate change and tacking climate risks. It emphasised a lack of urgency and sufficient results from the governments approach to tackling climate risks and building its climate resilience.

The CCC recommend several key actions for the government. It called for the improvement of its adaptation objectives and targets, including setting 2050 as a time bound horizon for these objectives. Further coordination across different activities, spending decisions, sectors and departments within the government was required. Adaption should be included within all relevant policies, implement monitoring and evaluation of adaption across all sectors. For the first time, the progress report calls out a need for international cross-government strategy as part of a fully-fledged response to global climate risk.

This progress report emphasises the need for good data and calls for the government to treat the monitoring and evaluation of climate change adaptation with urgency. The CCC supports the government's commitment to align the UK Sustainability Reporting Standards with the International Sustainability Standards Board (ISSB) standards, as explained above.

The CCC will continue to push for government to meet its net zero targets, with its consequential impact on business within all sectors.

Bank of England Regulatory Authority Invites Responses On New Climate Risk Supervisory Statement by 30 July 2025

On 30 April 2025, the Prudential Regulatory Authority (PRA), part of the Bank of England (BoE), launched a <u>consultation paper (CP10/25)</u> with the aim of updating its 2019 <u>Supervisory Statement (SS3/19)</u>.

The PRA, set up in 2013 to regulate and create policies for financial institutions, including banks and insurers (Firms), aims to build on providing further guidance and expectations for Firms to identify and report climate related risk information against four themes: governance; risk management; climate scenario analysis; and disclosures and reporting. However, the financial industry consensus is that there are remaining gaps and inconsistencies in the approach that different Firms' have to provide transparent climate-related data that tracks and quantifies the impact of climate change across their business and their customers.

It is expected that in the updated supervisory statement published following this consultation, which is proposed to replace the previous SS3/19, will align more closely with the recent guidance from other regulators, including the IFRS Sustainability Disclosure Standards (IFRS 1 and 2) issued by the International Sustainability Standards Board, although there is still uncertainty about how Firms will be supervised.

The PRA is working closely with government on the new UK Sustainability Reporting Standards which will be based on IFRS 1 and 2.



Product and Packaging

2025 Base Fees for Extended Producer Responsibility for Packaging (pEPR) Have Been Published

On 27 June 2025, PackUK published the 2025 <u>base fees</u> for pEPR. The fees vary by packaging material and are based on 2024 packaging data reported by producers and waste management costs reported by local authorities. Compared to the illustrative fees from December 2024, fees have been reduced by 39% for aluminium and 20% for glass.

Some packaging types are excluded from these fees as they fall under the Deposit Return Scheme, which comes into force in October 2027. These include single use Polyethylene terephthalate (PET) plastic, aluminium and steel drinks containers between 150 millilitres and three litres.

Large producers must report their data for 1 January to 31 June 2025 by 1 October 2025, and will then be invoiced using the base fees. The data reported in October will be used to calculate 2026 fees.

Alongside the base fees, PackUK published a <u>Producer Fee Modulation Policy Statement</u>, outlining how recyclability will be used to modulate household packaging waste disposal fees from 2026 to 2029. Modulation will be applied for the first time to the 2026 base fees and will impact how costs are allocated by material, meaning that packaging classified as non-recyclable will pay higher fees, while recyclable materials may receive discounts, so packaging producers should review their packaging to make it more recyclable and reduce their fees. Further environmental sustainability indicators will be introduced for modulated fees from 2029.

Single Use Vapes Ban In Force

The UK wide ban on single use vapes is now in force. Since the 1 June 2025, it is illegal for businesses to sell or supply (or offer to) and to stock single use vapes. A single use vape is any vape which is not refillable, not rechargeable or not refillable and not rechargeable.

The government has published <u>Guidance</u> to help businesses to comply with these regulations. Businesses must arrange to recycle any leftover stock and must offer a "take back" service for customers to return their vapes for recycling. This includes single use vapes returned after the ban came into force.

Fines and sanctions vary between the four UK Nations and will depend on where the business operates, but all four regulations include the possibility of an unlimited fine and a prison sentence of up to two years.







Amendment of the Waste Electrical and Electronic Equipment (WEEE) Regulations Being Considered In Parliament.

The draft <u>Waste Electrical and Electronic Equipment (Amendment, etc) Regulations</u> 2025 were laid in Parliament on 4June 2025, and will come into force 21 days after being made. The made date is not yet known.

This is an UK wide amendment of the principal WEEE Regulations 2013, and it will:

- Create a new specific category of electrical and electronic equipment (EEE) for cigarettes, vaping and other similar devices, to ensure the producers of these devices bear the financial obligations of collecting, treating, recycling, recovering and environmentally sound disposing of them. Currently, these devices fall within the toy and leisure category, and the cost is apportioned among all producers of EEE in that category. This is exposing producers of other toys and leisure equipment to the higher cost of collecting and treating vapes, e-cigarettes and similar devices. The purpose of this amendment is to solve this issue and ensure producers of these devices finance the full cost of dealing with them as WEEE.
- Amend the definition of producer to include online marketplace Where a non-UK supplier supplies EEE to private households in the UK on an online marketplace (OMP), the OMP operator is the producer in relation to the EEE supplied and will need to comply with the producer obligations, including financing the cost of dealing with waste. Currently, non-UK suppliers are often not registered and do not comply with their financial obligation. If not already registered as producers, OMP must either apply to join a producer compliance scheme by 15 November 2025 or register as a small producer by 31 January 2026.

Welsh Government First to Introduce The Ban of Wet Wipes Containing Plastic

On 18 June 2025, the Welsh Government made the <u>Environmental Protection (Singleuse Plastic Products) (Wet Wipes) (Wales) Regulations 2025</u> (the Regulations), which amend the existing list of prohibited single-use plastic products in the <u>Environmental Protection (Single-use Plastic Products) (Wales) Act 2023</u> (The Act) to ban wet wipes that contain plastic.

Key factors from the Regulations and The Act:

- The ban will commence on 18 December 2026
- The definition of wet wipes has been simplified to "a non-woven piece of fabric which has been pre-wetted" in the regulations
- The ban covers the supply and/or offer of wet wipes containing plastic on the market (including free of charge)
- There is an exception for wet wipes containing plastic designed or manufactured for use in connection with medical care or treatment
- It is an offence to supply or offer on premises in Wales vapes that contain plastic, and it is subject to a fine up to £5,000

This is part of a UK-wide policy and England, Scotland and Northern Ireland are expected to introduce their legislation soon, to ensure a uniform coming into force date of the ban across the UK.

Product Regulation and Metrology Bill: Parliamentary Updates

On 4 June 2025, the <u>Product Regulation and Metrology Bill</u> passed its third reading in the House of Commons, and will be moving to the final stages, which includes a consideration of amendments in the House of Lords and royal assent. This bill will be an important step towards creating a strong UK framework for product safety, as the rules were traditionally coming from EU law and since Brexit, there has not been a significative legislative evolution of product safety in the UK taking into account technological developments of products.

The bill is creating new powers for the secretary of state (SoS) to enact new provisions impacting most consumer products, with some exclusions including food and medical devices and related to product safety, product liability and online marketplaces. SoS will be able to set and update product safety rules and choose whether to recognise or diverge from EU product requirements.

The creation of new delegated powers has been raised as concerning during readings in both Houses as delegated powers would potentially allow for a dynamic alignment with EU regulations without a proper Parliamentary scrutiny.

While this Bill will not create substantive obligations for producers, we will keep monitoring the debates as its application could in the future have an impact on a large number of products.

Construction Products Reform Green Paper

In response to the Grenfell Tower tragedy Inquiry Phase 2 Report, which revealed deep flaws in the construction products regulatory system, the UK government has launched the construction products reform green paper consultation. Despite reforms already underway, the government acknowledges ongoing gaps and proposes ambitious changes to enhance safety, accountability and innovation in the construction sector. The green paper outlines reforms aligned with the Grenfell Inquiry's recommendations, two independent reviews and serves as well as the official response to the Morrell-Day Review on product testing and certification, published in April 2023.

Key proposals include expanding regulatory coverage to all construction products, strengthening testing and certification systems, equipping regulators with greater powers and resources and increasing penalties, with the possibility of unlimited fines and prison sentences for directors. The aim is to build a safer, more trusted construction sector capable of supporting infrastructure goals. Alignment with EU regulatory standards is also considered to ensure consistency and confidence. The consultation closed on 21 May 2025, and we are expecting the government response.

The proposal will likely increase the costs of compliance within the construction sector, but also create innovation in the construction products market and new opportunities in the sector.

UK Government Issues Guidance on the Application of the General Product Safety Regulation (GPSR) in Northern Ireland

From 13 December 2024, the <u>EU General Product Safety Regulation (GPSR) 2023/988</u> applies directly in respect of Northern Ireland (NI). The products in scope are most consumer products sold in the EU and NI and include those sold online, and used, repaired and reconditioned products, as well as spare parts. Some of the products exempted include medicinal products, food and living plants and animals. This regulation does not apply to business to business transactions. For products on the market before that date, no action is needed where they comply with pre-existing product safety legislation.

On April 15 2025, the UK government <u>published guidance</u> for businesses placing products on the market in NI, and would be specifically relevant for businesses in Great Britain selling any of the in scope products in NI. The guidance offer business with check their obligations, and some practical case studies.

Three key new obligations required to place products on the market under GPSR include:

- The establishment of a responsible economic Operator in NI or the EU for all products captured by GPSR to ensure compliance tasks
- A requirement for more transparent labelling information for product identification
- New obligations for online marketplaces to comply with GPSR and market surveillance authorities



Health and Safety

Psychosocial Risk Assessment: Managing Mental Health At Work

Employers are legally obligated to ensure the health, safety and welfare at work of all their employees, in the UK and in many other jurisdictions and this include psychosocial risks like stress, fatigue and lack of support. Employers should be analysing these on their mandatory risk assessment but, although guidance is available, it is not always clear what should be included and how to proceed. We analysed this issue further in the UK, EU, Ireland and Australia in an article published on our wesbite.

Modern Slavery

Updates on UK and EU Provisions on Forced Labour and Modern Slavery

Forced labour and modern slavery have been the subject of renewed focus across the UK and EU in recent months. While not changing the fundamental reporting requirements under the UK Modern Slavery Act, new guidance from the UK Home Office in March 2025 offers practical advice to businesses and sets higher expectations on organisations for the contents of their modern slavery statements. In the EU, the Forced Labour Regulation (or FLR) entered into force on 13 December 2024 and will apply to EU member states from 14 December 2027. It prohibits individuals and businesses from importing into, making available in or exporting from the EU any product made with forced labour. Details have also emerged of a settled investigation by the Italian Competition Authority highlighting the ways that issues relating to modern slavery can be subject to regulatory intervention.

For further information, read our full article



Environmental, Safety and Health Prosecutions

The Council of Europe Adopts International Convention on Environmental Crime

On May 14, 2025, the Council of Europe adopted the <u>Convention on the Protection of the Environment through Criminal Law</u> (the Convention), which is the first international instrument specifically addressing environmental crime. The Convention will not come into force until 10 members ratify the Convention.

The main objective of the Convention is to prevent and combat environmental crime, promote national and international cooperation, and establish minimum standards to guide member states in their national legislation with minimum standards for environmental offences, including those comparable to ecocide.

The key points of the Convention that states parties undertake to do are:

- Criminalise environmental offenses in their national legislation, including, but not limited to unlawful pollution by chemical substances or radioactive materials, ozonedepleting substances, fluorinated greenhouse gases and the unlawful management of hazardous waste.
- Prosecute "particularly serious offenses," defined as intentional illegal activities
 that have serious consequences for the environment, such as widespread
 pollution, serious industrial accidents or large-scale forest fires. These crimes
 can be comparable with "ecocide," and a similar provision is included in the EU
 Environmental Crimes Directive 2024/1203, adopted on April 2024.
- Adopt measures for the protection of victims in criminal investigations and proceedings.
- Create provisions on corporate liability.
- Adopt of preventive measures, such as public awareness campaigns.

This Convention will need to be implemented in the law of the member states and there will need to be a review at national level of how this Convention will impact environmental law in each jurisdiction. The UK is also part of the Council of Europe, and we await further guidance on how the Convention will impact UK environmental law.

Sentencing Council Publishes New Guidance Including Higher Fines For Very Large Organisations

Following the launch and review of their <u>fourth annual consultation</u>, the sentencing council for England and Wales published the new version of its sentencing guidance, that came into force on the 1st of June 2025.

With these amendments, Very Large Organisations (VLOs) found guilty of serious offences such as corporate manslaughter, health and safety breaches, environmental offences and food safety and hygiene breaches should expect substantially higher fines.

For further information, read our blog post.



Significant Fines From Regulators – Notable Fines in the Last Few Months Have Included: Company Fined £2.5 Million Following Uncontrolled Acid Releases A chemical manufacturing company has been fined £2.5 million after two incidents of uncontrolled releases of highly corrosive acids at their site, resulting in a release of hydrochloric on the first incident and sulphuric acid on the second one. The company pleaded guilty under the Health and Safety at Work etc. Act 1974, and to two charges of breaching environmental permit conditions under the Environmental Permitting (England and Wales) Regulations 2016. Airline Fined More Than £3 Million Following Worker Injuries at an Airport An airline has been fined over £3 million after two employees fell from height and sustained serious injuries. The HSE investigation found there were gaps between the televator's guardrails and the aircraft fuselage, creating the height hazard and measures to prevent falls from height had not been implemented. The airline pleaded guilty to two charges under Regulation 6(3) of the Work at Height Regulations 2005. Waste Packaging Company And Its Director Fined For Data Fraud The director of a waste packaging company was sentenced for fraud by false representation after falsifying data submitted under The Producer Responsibility (packaging waste) Regulations 2007. An investigation by the Environment Agency revealed that nearly two-thirds of the company's reported plastic waste exports in 2022 were fabricated. The judge described the fraud as deliberate offending and pre-planned. The director received a two-year suspended prison sentence, was disqualified from acting as a company director for four years and must complete 200 hours of unpaid work. They were also ordered to pay a £255,057 Proceeds of Crime confiscation order within two months or face three years in prison. The company was fined £200,000, and the Environment Agency was awarded £21,995 in investigation costs. Water Company Fined £104.5 Million A water company has been fined £104.5 million for breaches related to its sewage operations. The Water Services Regulation Authority (Ofwat) investigation "uncovered a series of failures to build, maintain and operate adequate infrastructure to meet its obligations". Alongside the fine, the regulator imposed an enforcement order that requires the company to take steps to ensure its compliance. Health and Safety Executive (HSE) Ordered To Pay Defendants Cost For Improper Prosecution Proceedings After a crane collapsed causing three men to lose their lives, the HSE brought a claim against a tower crane supplier for their alleged breach of section 2 and section 3 of the Health and Safety at Work etc Act 1974. The HSE argued that the defendant was in breach, due to the deficiency of the company's system to monitor the safety of relevant persons. However, the prosecution had relied on a dishonest statement of the appointed person who was assigned to oversee the erection of the tower crane. The court affirmed that the prosecution failed to properly consider the evidence in their possession before bringing a prosecution and ordered the HSE to pay the defendants costs of £587.382.76 pursuant to section 19(1) of the Prosecution of Offences Act 1985 and Regulation 3 of the Criminal Cases (General) Regulations 1986, which allow for the recovery of costs following "unnecessary or improper" acts of a Prosecutor.



EU

Chemicals

One Step Closer to the Final Adoption of the One Substance One Assessment Package.

On 12 June 2025, the council and European parliament reached a <u>provisional</u> <u>agreement</u> on the so-called "one substance, one assessment" (OSOA) package which is composed of three proposals:

- A proposal for a directive concerning the reattribution of scientific and technical tasks
- A proposal for a regulation enhancing cooperation among union agencies in the area of chemicals
- A proposal for a regulation establishing a common data platform on chemicals.

The OSOA package creates a common platform that integrates existing databases, aiming to enhance information-sharing across legislative areas. It also includes a systematic collection of human biomonitoring data to provide policymakers with insights into chemical exposure levels. Additionally, it anticipates the inclusion of certain data on chemical substances found in medicinal products. The European Commission has welcomed the provisional agreement, which now requires formal adoption by the other two institutions before it can enter into force.

Parliament and Council Agreed to Extend The Generic Restriction For The Most Harmful Chemicals In Toys

In April 2024, the European parliament and the council <u>reached a provisional agreement</u> on revised EU toy safety legislation, aiming to strengthen the protection of children's health and development. This follows the European Commission's <u>proposal</u> for a Toy Safety Regulation, published on 28 July 2023. In addition to the existing ban on substances classified as carcinogenic, mutagenic or toxic for reproduction (CMR), the updated rules will prohibit the use of chemicals identified as endocrine disruptors for human health. The regulation will also ban certain bisphenols and PFAS in toys. Furthermore, all toys placed on the EU market will be required to include a digital product passport in the form of a data carrier, such as a QR code, to enhance traceability and prevent unsafe toys from entering the market. A new IT system will automatically screen these passports at the EU's external borders to flag shipments requiring further customs checks. The agreement is now pending formal adoption by both the European parliament and the council.

EU Adoption for Dechlorane Plus Restriction Under the EU POPs Regulation

On 15 May 2025, the European Commission adopted a <u>Delegated Regulation</u> to include Dechlorane Plus (includes its syn-isomer and anti-isomer) in Annex I of the EU POPs Regulation. This follows the addition of this substance to the Annex A of the Stockholm Convention.

According to the Delegated Regulation:

- The manufacture, use and placing on the EU market of Dechlorane Plus, where
 present in substances, mixtures or articles is prohibited unless an exemption or
 derogation applies
- A temporary unintentional trace contaminant (UTC) of 1000 mg/kg (0,1 % by weight) is set for 30 months from the date of entry into force after which it will be reduced to 1 mg/kg
- A time-derogation for five years (with possible five-year extension) is provided for specific uses and applications including aerospace, space and defence applications; medical imaging and radiotherapy devices and installations; spare parts for certain equipment (medical devices and in-vitro diagnostic devices; and analytical instruments used in testing, monitoring, and production).
- Articles containing Dechlorane Plus that were already in use in the EU before, or on the date of expiry of the relevant derogation may continue to be used.

If no objections are raised by the council and the European parliament during the scrutiny period, the Delegated Regulation will be published in the *Official Journal of the European Union*, and will enter into force 20 days thereafter.



European Commission Presents Proposed Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Revisions to National Experts

At a meeting of the competent authorities for REACH and CLP (CARACAL) on 2-4 April 2025 the European Commission presented its <u>latest proposals</u> to revise REACH – the most significant revision to the legislation since its adoption in 2008.

According to the commission, the proposals aim to simplify the regulation, modernise supply chain communication and risk management and strengthen enforcement. However, Cefic (the European Chemical Industry Council) has criticised the proposal, saying it will increase the burden for industry. Key proposed changes include:

- Mandatory dossier updates after harmonised classification or substance of very high concerns (SVHC) designation
- A 10-year validity period for REACH registrations, with the European Chemical Agency (ECHA) empowered to revoke registration numbers if dossiers are not updated or found non-compliant
- Expanded Chemical Safety Assessment covering new hazard classes (PMT, vPvM and endocrine disruption (ED))
- Mandatory notification of polymers imported in quantities above one tonne/year
- Digitalisation of supply chain communication and alignment with the Digital Product Passport (DPP) framework
- Strengthening enforcement, by defining criteria for national enforcement and enabling systematic and *ad hoc* audits across member states

A consultation took place on the proposal until 25 April 2025. The final proposed legislative text is expected by Q4 2025.



Products

The Packaging and Packaging Waste Regulation Is Being Challenged Before the EU Court

In June 2025, it has been made public that the Packaging and Packaging Waste Regulation (PPWR) is being challenged before the general court by individual companies or associations.

First, on 6 June 2025, the notice of appeal in case <u>T-197/25</u> was published in the EU Official Journal. The applicant, a Czech association, is seeking a partial annulment of the PPWR, specifically targeting Article 50, which pertains to the deposit and return system.

Then, on 10 June 2025, seven additional notices of appeal were published in the EU Official Journal. Each of them seeks annulment of the PPWR in full, and alternatively, they request either the annulment of part of Article 29 concerning reuse targets (cases <u>T-241/25</u>, <u>T-247/25</u>, <u>T-236/25</u>, <u>T-242-25</u> and <u>T-249/25</u>) or Article 25 and Annex V regarding the restrictions on certain packaging formats (cases <u>T-244/25</u> and <u>T-248/25</u>).

Whether the general court will favourably welcome the arguments put forward by the various parties and ultimately annul the PPWR in full, or in part remains to be seen. Not least because the question of admissibility of those actions will be a significant hurdle to overcome.

Omnibus IV Simplification-proposed Amendments to the Batteries Regulation and Measures for Small Mid-cap Companies

On 21 May 2025, the European Commission published the <u>Omnibus IV simplification</u> <u>package</u>, aimed at simplify EU rules and reduce bureaucracy across the single market. It was accompanied by a <u>press release</u> and <u>factsheet</u>.

The Omnibus IV contains several proposals, notably the following:

Proposal for a regulation to amend the Batteries Regulation EU 2023/1542

Proposal for a directive and a regulation concerning to extend certain mitigating measures available for small and medium sized enterprises [SMEs] to small mid-cap enterprises.

Proposal for digitalisation and common specification measures

For further information, read our blog post.

Cosmetic Products Regulation: European Commission Public Consultation

In May 2025, the European Commission has started a <u>public consultation</u> to collect information on the functioning of the Cosmetic Products Regulation (CPR). The CPR applies to all cosmetic products on the EU market, aiming to protect consumer health and ensure a unified legal framework across the EU. 10 years after its full implementation, the commission is evaluating whether the CPR has met its objectives and remains fit for purpose. The aim of the consultation is to validate the topics and issues covered by the evaluation, gather information, data, views, opinions and experience on the implementation of the CPR and the extent to that it has met its objectives, as well as gather views on the CPR's relevance, considering scientific, economic, social and other developments. The consultation period will close on 28 July 2025.



European Commission Opens Public Consultation On Disclosure Requirements For Unsold Consumer Products

Article 24(1) of the Ecodesign for Sustainable Products Regulation (ESPR) requires large enterprises and, from 19 July 2030, medium-sized enterprises to disclose information on the number and weight of consumer products discarded during the previous financial year. Such information must specify the reason for discarding the product, the proportion sent to different waste treatment operations and prevention measures taken. On 12 June 2025, the European Commission opened a public consultation on a draft implementing regulation intended to further specify the details and format for the disclosure of this information.

According to the draft, information on products must be categorised according to CN code (either using the first two or four-digits) and indicate the proportion disposed of, recycled, destined for other recovery or sent to be prepared for reuse. Companies may therefore need to retrieve such information from their waste treatment operators or, if unavailable, list it as unknown.

In addition, companies subject to mandatory sustainability reporting can include this information in their reports and must seek an opinion from an independent assurance services provider as to whether the information disclosed meets the relevant legal requirements. The draft is open to public consultation until 10 July 2025 here.

New Limits To "Standby" Modes of Electrical Appliances Take Effect

On 9 May 2025, new <u>EU ecodesign rules</u> came into effect setting stricter limits on the energy consumption of electrical appliances in standby, off and networked standby modes. These updated regulations expand coverage to include a broader range of products, such as low-voltage externally powered devices like Wi-Fi routers and wireless speakers, as well as motorised furniture and building elements like electric desks and automated blinds. The rollout includes a phased implementation with even strict limits applying to equipment placed on the market from 9 May 2027. Manufacturers are also required to provide clear information on standby power consumption.





Policy Developments

Single Market Strategy

On 21 May 2025, the European Commission published its <u>Strategy for a Simple, Seamless, and Strong Single Market</u>, in parallel to other simplification measures presented in the Simplification Omnibus package. This initiative serves as a *feuille de route* for advancing the European market by eliminating barriers focusing on the "terrible 10", strengthening the European services sector, supporting SMEs and the newly introduced category of "<u>small mid-caps</u>," accelerating digitalisation and ensuring compliance with single market regulations.

Some of the key measures outlined in the strategy include:

- A review of the Standardisation Regulation
- A <u>revision of the New Legislative Framework</u> to harmonise labelling rules through sectoral legislation and facilitate the rollout of digital labelling via the Digital Product Passport—likely prompting an update to the Blue Guide to reflect these changes (although not announced by the strategy)
- Digitalising declarations of conformity and other product documentation through an <u>omnibus</u> approach
- A commission recommendation for a Voluntary SME Standard aimed at helping small businesses navigate sustainability requirements

The strategy also foresees a greater role for the member states by requesting them to name the high-level single market sherpa and reinforce their national single Market compliance capacities, for instance. As a final word it should be flagged that further initiatives could be introduced, as the strategy already anticipates the potential adoption of a Single Market Barriers Prevention Act.

EU and UK Summit to Renew The Bilateral Relationship

The first UK-EU summit since the UK's withdrawal from the EU was held on 19 May 2025, and aimed at resetting and strengthen the bilateral relationship between the UK and the EU. For UK businesses, there are relevant developments concerning a future Sanitary and Phytosanitary Agreement (SPS Agreement) and the proposed Emissions Trading Systems (ETS) linking agreement. UK and EU authorities still need to negotiate and reach agreements in these areas and these should happen very soon. These agreements would require alignment with some EU laws, and the Court of Justice of the EU (CJEU) will remain the final authority on EU law through an arbitration mechanism. While the UK will have access to the decision-making process for new EU laws, its participation would be less relevant and influential that Members States participation.

The key outcomes of the summit in these two areas are:

- SPS Agreement This proposal for an agri-food deal would create a shared regulatory area covering food safety, animal and plant health, as well as related standards. It would allow most agri-food trade between the EU and Great Britain without certificates or controls, extending benefits to Northern Ireland via the Windsor Framework. The UK would still be able to take specific measures to protect its biosecurity and public health, as any other member state is allowed to do.
- ETS Linking Agreement This proposal aims to align both UK and EU ETS, enabling for example mutual exemptions for goods from their respective CBAMs, so UK businesses can expect to reduce their costs. It would cover key sectors like electricity, industry, maritime and aviation, with potential for expansion.

While the aim of these agreements would be to simplify administrative procedures and reduce costs, businesses can expect changes in their compliance obligations resulting directly from these future agreements and should monitor the developments closely.

New Environment Strategy Integrating Human Rights in Europe

On 14 May 2025, the Council of Europe adopted its <u>Strategy on the Environment</u> (2025–2030) and corelated action plan, which lists activities to be undertaken to ensure the effective implementation of the Strategy.

The strategy is built around five key pillars:

- Integrating human rights considerations in environment-related strategies, instruments, legislation, policies and actions and vice versa
- Strengthening good democratic governance in environmental matters
- Supporting and protecting environmental human rights defenders, environmental defenders and whistle blowers
- Preventing and prosecuting environmentrelated crimes
- Protecting wildlife, ecosystems, habitats and landscapes

The Council of Europe works in partnership with key international organisations such as the EU, the UN and the Organisation for Economic Cooperation and Development, and it intends to build on the strategy to further support the implementation of the 2030 Agenda for sustainable development.

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