Policy brief: How can the Circular Economy Act support EU progress on material consumption and secondary material use?

The EU has the ambition to live well within planetary boundaries by 2050, to transition to a non-toxic circular economy, and to reduce environmental and climate pressures related to production and consumption. The EU policy agenda towards 2030, and the role of circularity within it, is becoming clearer, but it is widely accepted that current consumption patterns in the EU remain unsustainable.

Further encouraging the use of secondary recycled material to replace virgin raw material can make an important contribution to reducing the material footprint of the EU. Whilst recent legislative developments have begun to take steps towards this, the preparation of the new Circular Economy Act offers a key opportunity to further boost progress on the use of recycled material and support viable markets for its use. This briefing explores the current state of play in the EU, and outlines some potential future actions and measures for the European Commission to consider during the preparation of the Circular Economy Act, to further support the wider use of secondary raw materials.

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Author:
Emma Watkins

What is the issue and what is at stake?

The 8th Environment Action Programme (EAP)[1] announced the long-term priority objective of living well within planetary boundaries by 2050 at the latest, along with objectives of:

[1] 8th Environment Action Programme

"advancing towards a well-being economy that gives back to the planet more than it takes, accelerating the transition to a non-toxic circular economy, where growth is regenerative, resources are used efficiently and sustainably, and the waste hierarchy is applied"

and

"promoting environmental aspects of sustainability and significantly reducing key environmental and climate pressures related to the Union's production and consumption, in particular in the areas of energy, industry, buildings and infrastructure, mobility, tourism, international trade and the food system".

However, it is widely accepted that current consumption patterns in the EU remain unsustainable[2], with higher resource use than in most other regions of the world, contributing to severe environmental impacts around the globe, linked to climate change, biodiversity loss and pollution[3]. The EU has been assessed as exceeding several planetary boundaries, meaning that resources are being consumed faster than they can be produced or replenished[4]. In 2023, the JRC[5] assessed the EU as exceeding the planetary boundary for ecotoxicity of freshwater by around 10 times, for particulate matter by over 9 times, for climate change by around 8 times, and for fossil resource use by around 3 times. In addition, the planetary boundary for mineral and metal resource use was being exceeded by almost 2 times, meaning it is also outside of the safe operating space.

On circularity more specifically, the EEA's 2024 monitoring report on progress towards the 8th EAP objectives[6] found that the EU is "likely off track" to achieve its circular economy targets (to significantly decrease the EU's material footprint, and to significantly reduce the total amount of waste generated by 2030) and is "off track" to achieve its goal to double the circular material use rate (CMUR), and to significantly decrease the EU's consumption footprint (i.e. the environmental impact of consumption). The 2024 EEA circular economy outlook report[7] argued that circularity policies should become more binding and target-oriented, possibly including resource use or material footprint targets.

The Council of the European Union's conclusions on the mid-term review of the 8th EAP[8] note the role of the circular economy transition in driving innovation and promoting EU self-sufficiency (including in CRMs), but also that progress on material circularity is too slow, and that current EU material and consumption footprints are unsustainable and need to be

[2] See e.g. European Environment Agency (2024), Production and consumption

[3] European Environment Agency (2024), From data to decisions: material footprints in European policy making

[4] See e.g. European Environment Agency (2024), Production and consumption

[5] European Commission, Consumption Footprint Platform | EPLCA

[6] European Environment Agency (2025), European Union 8th Environment Action Programme: Monitoring report on progress towards the 8th EAP objectives 2024 edition, EEA Report 01/2025

[7] European Environment Agency (2024), Accelerating the circular economy in Europe, EA Report 13/2023

[8] Council of the European Union (2024), The 8th Environmental Action Programme Mid-term Review - The way forward to a green and just transition for a sustainable Europe - Council conclusions

brought within planetary boundaries. The conclusions also suggest the Commission should assess the potential for "ambitious and economically feasible science-based targets to keep material and consumption footprint within the planetary boundaries" (hinting at potential EU consumption reduction targets), and the need to tackle systems that support the linear economy. The conclusions specifically note the need to:

"ensure the efficient functioning of a high quality secondary raw material market, removing financial and administrative barriers hindering its development and focusing on investment and innovation in recycling processes and on establishing non-toxic material cycles including by evaluating and if appropriate proposing instruments, such as economic instruments, requirements for recycled content …"

EU waste legislation has contributed to an increase in the amount of waste collected and recycled – between 2010 and 2020 the share of waste going to landfill decreased from 23% to 16%, whilst the overall recycling rate increased from 42.9% to 46.1%[9]. However, to create a circular economy, improved collection and recycling rates are not enough. Circularity does not only require the recycling of material – that secondary material must actually be used within material loops that are as closed as possible.

The 2020 Circular Economy Action Plan (CEAP)[10] called for the EU circular material use rate (CMUR) to be doubled (which would effectively mean increasing the share of material resources used that come from recycled waste materials from 11.7% in 2020 to 23.4% by 2030), but stopped short of making this a binding target. However, there is recognition[11] that progress on material circularity in the EU is still too slow. Notably, between 2010 and 2022, the circular material use rate increased by less than 1%, from 10.7 to 11.5%[12]. In addition, there has been very little progress so far on reducing the EU's overall material footprint, which stood at around 14.1 tonnes per capita in 2012 and remained around 13.9 tonnes in 2023[13].

Further encouraging the use of secondary recycled material to replace virgin raw material can make an important contribution to reducing the material footprint of the EU. Whilst the EU has already begun to take steps towards this – for example through measures in the Critical Raw Materials Act (CRMA), the Ecodesign for Sustainable Products Regulation (ESPR) and various waste and product legislation – the preparation of the new Circular Economy Act (CEA), due to be proposed by the end of 2026, offers a key opportunity to further boost progress on the use of recycled material, including by encouraging the development of viable markets for its use. This briefing takes a look at the current state of play in the EU and outlines

[9] European Environment Agency (2025), Waste and recycling

[10] European Commission (2020), A new Circular Economy Action Plan For a cleaner and more competitive Europe

[11] Council of the European Union (2024), The 8th Environmental Action Programme Mid-term Review - The way forward to a green and just transition for a sustainable Europe - Council conclusions

[12] European Environment Agency (2025), Circular material use rate in Europe

[13] Eurostat (2024), Domestic material consumption per capita

some potential future actions and measures that could be considered, in particular within and around the Circular Economy Act, to further support the wider use of secondary raw materials.

What is the current EU policy and legislative landscape with regard to boosting circular material use?

Over the past year or so, the EU policy agenda towards 2030, and the crucial role that circularity should play within it, has become clearer. The influential Draghi report on competitiveness[14] and Letta single market report[15] respectively highlighted the need for "a true Single Market for waste and circularity" and a "Circular Single Market" for materials, products and services.

The European Council has called for the EU to develop a more circular and resource-efficient economy[16] to tackle systems that support the linear economy and ensure an efficient market for high-quality and non-toxic secondary raw materials[17]. In her Political Guidelines and letters to the Commissioners-designate, Commission President Ursula von der Leyen[18] outlined the need for a new Clean Industrial Deal and Circular Economy Act, including measures to create market demand for secondary materials and develop a single market for waste, and solutions targeted to specific value chains.

The Clean Industrial Deal[19], published in February 2025, aims to boost demand for clean products (through a new Industrial Decarbonisation Accelerator Act), announces a review of the EU's public procurement framework to introduce (among other things) sustainability criteria for strategic sectors, intends to take further action to access critical raw materials, and hints that the new Circular Economy Act will include an ambition for 24% of materials to be circular by 2030 (which would be a very slight increase on the 23.4% ambition noted in the CEAP). It also notes that circularity is currently hampered by the lack of scale and a single market for waste, secondary raw materials and reusable materials, as well as a lack of lead markets for those materials.

In addition, recent EU legislative developments are demonstrating more concerted efforts to generate quality recycled material and promote the use of recycled content, in support of the development of recycled content markets. Examples of relevant measures in recently-adopted legislation include:

[14] Draghi (2024), The future of European competitiveness Part A | A competitiveness strategy for Europe

[15] Letta (2024), Much more than a market. SPEED, SECURITY, SOLIDARITY Empowering the Single Market to deliver a sustainable future and prosperity for all EU Citizens

[16] European Council (2024), Strategic Agenda 2024-2029

[17] Council of the European Union (2024), The 8th Environmental Action Programme Mid-term Review - The way forward to a green and just transition for a sustainable Europe - Council conclusions

[18] Von der Leyen (2024), Europe's Choice. Political Guidelines for the next European Commission 2024-2029 and mission letters to the Commissioners-designate

[19] European Commission (2025), Clean Industrial Deal

- The **Critical Raw Materials Act (CRMA)**, which recognises the need to increase EU recycling rates and capacity for recycling via a strong secondary critical raw materials (CRMs) market. It sets a benchmark for 25% of strategic raw materials (SRMs) to come from domestic (EU) recycling by 2030, and notes that batteries and electrical and electronic equipment (EEE) offer significant potential for recycling of CRMs. It also suggests that Member States should promote recycled content, for example via extended producer responsibility (EPR) fees and public procurement criteria related to recycled content.

- The **Ecodesign for Sustainable Products Regulation (ESPR)**, which aims to improve products' sustainability. It lists various product performance and information criteria and requirements to be considered in its delegated acts that would contribute to recyclability, recycling and the generation and use of recycled content. Such criteria include: the possibility of material recovery, the possibility of recycling, the presence of substances of concern (and their impact on the usefulness or value of recycled material coming from the product) and recycled content. It also introduces digital product passports (DPPs) with information on materials, their origins and recycling capabilities, and includes provision for mandatory green public procurement. The first working plan for implementation of the ESPR was adopted in April 2025, prioritising the preparation of delegated acts on three final products (textiles/apparel, tyres, furniture & mattresses), two intermediate products: steel and aluminium, and two horizontal requirements (repairability, and recyclability and recycled content of electric and electronic equipment).

- The **Single Use Plastics Directive**, which introduced a mandatory target for recycled plastic content in bottles (25% for PET beverage bottles from 2025, and 30% in all plastic beverage bottles from 2030).

- The **Batteries Regulation**, which mandates progressive efficiency, material recovery and recycled content targets from 2025 onwards (73% minimum collection target for waste portable batteries by the end of 2030, and 80% material recovery target for lithium and 61% collection target for waste light means of transport batteries by the end of 2031). It also requires DPPs for certain batteries, with information on CRM content and recycled content.

- The **Waste Framework Directive**, which states that Member States shall use economic instruments in support of the waste hierarchy (including sustainable public procurement to encourage the use of recycled products and materials, and fiscal measures to promote the uptake of recycled products and materials), as well as considering including measures in EPR schemes that encourage product design that includes the use of recycled materials.

- The **Packaging and Packaging Waste Regulation (PPWR)**, which requires all packaging placed on the market to be designed for material recycling by 2030, and recyclable at scale from January 2035. It also sets minimum recycled content levels for plastic packaging from January 2030, to increase in 2040 (e.g. 30% for single use plastic beverage bottles by 2030, rising to 65% by 2040, and 35% for other plastic packaging – apart from

contact-sensitive packaging – by 2030, rising to 65% by 2040). Crucially, for recycled content to count towards these targets, it must typically come from post-consumer plastic waste collected and recycled within the EU (or in third countries with similar separate collection and recycling standards).

Some additional proposed legislation would also include measures to promote the use of recyclable and recycled materials:

- The **proposed Regulation on circularity requirements for vehicle design and ELVs**, which would require vehicle design to facilitate the recycling and reuse of spare parts. It proposes a mandatory target for the use of recycled plastics (25% or more from post-consumer plastic waste within 6 years, with 25% of that from recycled ELVs), and also allows for possible future delegated acts with similar targets for recycled steel, aluminium and CRMs.

- The proposal for a **revised Construction Products Regulation**, which would encourage manufacturers to give preference to recyclable materials and materials produced from recycling, and to respect the minimum recycled content obligations contained in harmonised technical specifications.

- The planned proposal for a **new Industrial Decarbonisation Accelerator Act**, announced in the Clean Industrial Deal, which will include clean and circular criteria and introduce a low-carbon label (to apply first to steel, then cement) to strengthen demand for EU-made clean products.[20]

The EU has therefore taken significant steps towards generating more and higher quality recycled material, and coherent messages are emerging from the EU institutions on the need for well-functioning markets for recycled material. However, more still needs to be done to develop and support those markets, to increase the amount of recycled material actually used in support of the EU's circular economy transition.

What progress has the EU made so far towards circularity?

The first EU Circular Economy monitoring framework was adopted in January 2018, comprising 10 indicators across four circular economy dimensions: production and consumption, waste management, secondary raw materials, and competitiveness and innovation. In 2023, this was further developed into the new Circular Economy Monitoring Framework (CEMF), comprising 11 main indicators across the existing circular economy dimensions, plus a new global sustainability & resilience dimension.

[20] European Parliament (2025), Legislative Train Schedule. Industrial Decarbonisation Accelerator Act

A selection of indicators included in the updated CEMF and related to material consumption, targets and secondary material use, together with a summary of recent trends suggested by the indicators, are summarised in the table below[21].

Circular economy dimension	Indicator(s) and description	Recent data/trends (EU)
Production & consumption	**Material footprint** *Quantifies worldwide demand for material extractions triggered by EU consumption, i.e. raw material consumption (RMC).*	Stood at 18.7 tonnes per capita in 2008. Subsequently fell, but then relatively stable since 2012 (14.5 tonnes); 14.2 tonnes in 2023.
	Resource productivity *Calculated as GDP divided by domestic material consumption (DMC).*	Starting index value of 100 in the year 2000. Rose to around 104 in 2008, then a general upward trend to reach 144.5 by 2023.
Secondary raw materials	**Circular material use rate** *Measures the share of material recycled and fed back into the economy, as % of overall material use.*	Stood at 8.2% in 2004. Rose to 11% by 2012, then relatively stable, remaining at 11.8% in 2023.
	End-of-life recycling input rates (EOL-RIR) *Measures, for various raw materials, the % of the input into production that comes from recycling of scrap from end-of-life products.*	Very different rates for different materials, e.g. in 2022, 9% for aggregates, 16% nickel, 22% cobalt, 32% aluminium, 55% copper. Notable that in 2023, only 10 of the 34 EU critical raw materials had 10% or more demand met through secondary raw materials[22].
	Imports of recyclable raw materials from non-EU countries	Reached 44.7m tonnes in 2007, then relatively stable (roughly between 38.4m and 40.7m tonnes) through to 2023, rising to 46.7m tonnes in 2024.
	Exports of recyclable raw materials to non-EU countries	General upward trend from 2004 (22.5m tonnes) to 2023 (38.9m tonnes), falling to 35.7m tonnes in 2024.
	Intra EU trade in recyclable raw materials	General upward trend from 2004 (65.7m tonnes) to 2021 (91.5m

[21] Eurostat (2025), Circular Economy Monitoring Framework

[22] European Commission (2023), Study on the critical raw materials for the EU 2023

	Plastic; paper and cardboard; precious metal; iron and steel; copper, aluminium & nickel	tonnes), then slight downward trend to 84.4m tonnes by 2024.
Global sustainability & resilience	**Consumption footprint** *Estimates environmental impacts of EU consumption (food, mobility, housing, appliances, household goods).*	Starting index value of 100 in 2010. General slow upward trend to reach 109 in 2022, then fell back to 106 in 2023.
	Material import dependency *Measures how much of the EU's material supply depends on imports (i.e. % of inputs from abroad).*	Has remained in a range between 20.9% and 24.2% since 2008; stood at 22% in 2023.

The overall trends outlined in the table above indicate that the EU still has a long way to go to reduce resource consumption in a significant and lasting way. Whilst the EU's resource productivity has substantially increased since 2008 – suggesting that resources are being used more efficiently and effectively – its consumption footprint remains higher than it was in 2010, and the overall material footprint and CMUR have barely changed since 2012. The EU has a significant distance to travel to meet the aspirational CMUR goal of 23.4% called for in the 2020 CEAP (or 24% as suggested in the Clean Industrial Deal). In addition, more efforts are needed to reduce the EU's dependency on material imports, which has remained relatively stable since 2008, and perhaps in particular to address the limited amount of CRM demand that is currently met through secondary raw materials.

How could the CEA increase secondary material use and lower the EU's material footprint?

Looking ahead in particular to the forthcoming proposal for the new Circular Economy Act, due by the end of 2026, the Clean Industrial Deal announces that the Act should enable the free movement of circular products, secondary raw materials and waste, help to provide both higher quantities and quality of secondary materials, and stimulate demand for those materials and for circular products. Many options could be considered for inclusion in the CEA – or associated policies and legislation – to support these objectives. The following paragraphs outline some of these options.

1. Setting new targets on material/consumption footprint and secondary raw material use

EU level targets – whether mandatory or aspirational – provide a clear indication of the importance of an issue and the desired direction of travel to Member States, businesses and consumers.

With a significant body of evidence that EU consumption levels are currently unsustainable, a target or targets to reduce the EU's material footprint would send a crucial signal that would help to guide the development of existing and future policy and legislation to work towards more sustainable consumption levels. The Council, in its review of the 8th EAP, suggested that the Commission assess the potential for such a target, and the EEA has also called for EU circularity policy to become more binding and target-oriented, possibly including resource use or material footprint targets. The CRMA also noted that it may give rise to additional legislative proposals, including maximum environmental footprint thresholds for CRMs, and SRM-specific (and revised aggregated) benchmarks for 2040 and 2050. Targets should therefore be explored during the preparation of the CEA. Options could include overall resource consumption reduction targets, targets for specific materials or economic sectors, and commitments shared between Member States. Inspiration could also be taken from those Member States which have already set national material consumption reduction targets, such as Austria, Belgium, Finland and the Netherlands[23].

Additional targets for secondary material use should also be explored. Recycled content targets are already included in several existing EU laws (the Single Use Plastics Directive, Batteries Regulation and Packaging Regulation), and in the proposals for new pieces of legislation (the proposed Regulation on circularity requirements for vehicle design and ELVs, and the proposal to revise the Construction Products Regulation). Systematically including such targets in other new and revised product legislation – when technically and economically feasible – would help to normalise the use of recycled content in products, sending signals to both producers and consumers. To accompany these targets, quality requirements or technical standards for recycled materials[24] would help to ensure that secondary raw materials are of sufficiently high quality to be widely used.

2. Scaling up the availability of and markets for quality secondary materials

For many secondary raw materials, markets are not yet functional or viable at scale. This is due to several factors, including the lack of collection, recovery, recycling and reprocessing infrastructure (including for many CRMs that are present in products in small quantities), leading to limited availability of material of high enough quality to be used in circular applications. This creates a lack of certainty for investment decisions, hampering the development of sound markets for the use of secondary raw materials.

Nevertheless, there is potential for market development for such materials. For example, a recent report by the University of Cambridge Institute for Sustainability Leadership (CISL)[25] noted that state-of-the-art technologies, including for WEEE collection and treatment, could

[23] OVAM (2023), The Missing Piece of the EU Green Deal. The case for an EU resources law

[24] See e.g. Cambridge Institute for Sustainability Leadership (2024), NO TIME TO WASTE: Driving the EU's resilience and competitiveness through a circular economy and Zoboli (2022), Investigating Europe's secondary raw materials markets

[25] Cambridge Institute for Sustainability Leadership (2024), NO TIME TO WASTE: Driving the EU's resilience and competitiveness through a circular economy

allow recycled materials to meet more than half of EU demand for some materials (e.g. palladium, neodymium or cobalt). The CISL report suggests that generating demand must be a key priority for the EU, including through **improved waste management (sorting and collection) facilities**, and **recycling methods** that allow for higher-quality processing and decontamination of materials. The EU's cohesion policy has allocated €12.5 billion of investment for 2021-2027 to circular economy and waste management actions[26], offering a useful potential source of support for relevant infrastructure and technology developments.

The Clean Industrial Deal notes that the Commission will consider measures to "make recycling of CRMs waste within the Union more attractive than their export" and "incentivise diversion from landfill towards re-use and recycling through more effective separate collection". It also notes that Trans-Regional Circularity Hubs will be created by the end of 2026 to promote "smart specialisation and economies of scale for recycling". It also states that the Commission will create a "platform for demand aggregation and a matchmaking mechanism for strategic raw materials", as well as an EU Critical Raw Material Centre for the joint purchase of raw materials.

Options for consideration for the CEA therefore include **indicating relevant EU funds** available to support the development of infrastructure and markets, **actions related to material exports** (e.g. export fees, restrictions or third country partnerships), and the **promotion of cooperation between key actors** (including the Trans-Regional Circularity Hubs, demand aggregation platform, SRM matchmaking mechanism and new Critical Raw Material Centre).

3. Exploring financial instruments and related measures

Financial instruments and related measures help to send the right signals to markets to encourage the use of secondary raw materials.

The Clean Industrial Deal states that the CEA will aim to simplify, digitalise and expand **extended producer responsibility (EPR)** in a targeted manner. Efforts in this area should be focused on maximising the collection and revalorisation of products that contain valuable materials, including CRMs, but that are currently underutilised as secondary raw materials. The CRMA notes in particular that the potential for recovering CRMs from batteries and EEE is not yet fully realised, and the Clean Industrial Deal also suggests that WEEE will be a focus of the CEA. EPR schemes can also be designed such that fees are differentiated or modulated to incentivise both the use and collection of secondary raw materials, in particular CRMs[27].

Green public procurement also offers significant potential to promote the uptake of products containing secondary raw materials, boosting demand and encouraging the development of markets. The Clean Industrial Deal suggests that the CEA will aim to boost demand for secondary raw materials through public procurement criteria. Setting well-

[26] European Commission (2024), Cohesion policy powers EU circular economy shift

[27] Zoboli (2022), Investigating Europe's secondary raw materials markets

targeted and actionable criteria – such as recycled content requirements – in public procurement should help to boost action by both consumers and producers[28].

Taxation may also offer some opportunities. The Clean Industrial Deal announces that the VAT Directive's rules on the second-hand scheme will be reviewed as part of a green VAT initiative. Lowering the cost of second-hand products via reduced tax rates could offer a valuable complementary measure to promoting secondary raw materials, by promoting the reuse of whole products. Tax reductions or exemptions could also be considered for secondary raw materials[29] and for circular purchasing[30].

4. Revisions to other related EU legislation

Whilst the EU has a broad landscape of policy and legislation in place to support circularity, it is increasingly recognised that some elements need to be adapted to be more effective in contributing to the EU's circularity objectives.

In particular, the Clean Industrial Deal indicates that the CEA will **revise existing rules on WEEE**, to ensure that they are simpler, fit-for-purpose and contribute to recovery of CRMs.

Another key element, recognised in the Clean Industrial Deal and by stakeholders[31] and academics[32], is a need to **reform waste definitions and end-of-waste criteria**. Existing measures are sometimes ambiguous and complex, leading to differing interpretations, legal uncertainty, and bureaucratic barriers to investment. Clarifying, simplifying and harmonising the application of these definitions and criteria would facilitate the transition from waste to valuable secondary raw materials, reducing the barriers to valuable materials remaining in use by avoiding the classification of useful materials and products as waste.

The CEA should therefore clearly outline **future steps in support of the valorisation of secondary raw materials**, including those related to WEEE, waste definitions, and end-of-waste criteria.

5. Unlocking the potential of Ecodesign

The EU's ecodesign legislation initially focused on improving the energy efficiency of products, but has developed over time to cover other characteristics such as durability,

[28] Cambridge Institute for Sustainability Leadership (2024), NO TIME TO WASTE: Driving the EU's resilience and competitiveness through a circular economy

[29] Zoboli (2022), Investigating Europe's secondary raw materials markets

[30] Cambridge Institute for Sustainability Leadership (2024), NO TIME TO WASTE: Driving the EU's resilience and competitiveness through a circular economy

[31] See e.g. Cambridge Institute for Sustainability Leadership (2024), NO TIME TO WASTE: Driving the EU's resilience and competitiveness through a circular economy

[32] See e.g. Zoboli (2022), Investigating Europe's secondary raw materials markets

reparability and ease of disassembly, as well as being broadened to apply to essentially all products placed on the EU market (not just energy-using or energy-related products).

As outlined earlier, the latest key ecodesign development, the ESPR, allows for the setting of a whole range of performance and information criteria and requirements through specific delegated acts, which have significant potential to enhance the recyclability and recycling of products, and therefore the generation and use of high-quality secondary materials. The use of such ecodesign criteria in public procurement and the information that can be made available through DPPs should contribute to a better understanding of product sustainability and circularity, and encourage producers to design more circular products that incorporate secondary materials.

In line with this, the Clean Industrial Deal indicates that the measures included in the CEA will be complementary to, and facilitate the rolling out of, the ESPR and the resulting ecodesign requirements for important product groups. The CEA should therefore make clear the role of ecodesign in support of circularity and secondary raw materials, and in **particular clarify the link between the CEA and the implementation of the ESPR and its delegated acts**.

Summary of aspects for consideration by the Commission for the Circular Economy Act

In summary, to ensure that the Circular Economy Act will contribute to supporting the wider use of secondary raw materials in the EU, **the Commission should consider the following aspects during preparation of the Act**:

- Setting a target or targets to reduce the EU's material footprint
- Setting targets (additional to those in existing legislation) for secondary material use
- Outlining which EU funds are available to support the development of infrastructure and markets for secondary raw materials
- Exploring actions related to material exports, for example export fees, restrictions or third country partnerships
- Actively promoting cooperation between key actors, including through the proposed Trans-Regional Circularity Hubs, demand aggregation platform, SRM matchmaking mechanism and Critical Raw Material Centre

- Introducing EPR measures to maximise the collection and revalorisation of valuable materials (including CRMs), including through fee differentiation or modulation
- Setting well-targeted and actionable green public procurement rules to boost demand and encourage markets for secondary raw materials
- Exploring taxation options such as lowering tax on second-hand products, secondary raw materials and circular purchasing
- Clarifying and simplifying waste definitions and end-of-waste criteria

and

- Clarifying the link between the CEA and the implementation of the ESPR.

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