The Netherlands' priorities for a Circular Economy Act

Making the EU world leader in circular economy in a changing geopolitical environment

European industries are faced with geopolitical tensions, low economic productivity growth and unfair global competition, in large part due to the export of domestic overcapacities from non-EU countries at heavily discounted prices. This has already resulted in the recent collapse of several European recyclers. In addition, they face barriers within the EU Single Market which hampers businesses in making their production processes more circular. Finally, our economy needs (critical) raw materials which are mainly mined and processed outside Europe. These challenges – coupled with the need for a healthy living environment and tackling climate change, pollution and biodiversity loss – urge the European Union (EU) to transition to a circular economy.

The European Commission's Clean Industrial Deal (CID) presents a plan to tackle both the EU's decreasing competitiveness as well as the environmental challenges. It recognizes the crucial role that circularity should play and states that the EU must be world leader in circular economy by 2030. The upcoming Circular Economy Act (CEA) will play a crucial role in this respect. When developing this CEA, Europe should put our strategic economy and the competitiveness of our sectors at centre stage, ultimately leading to a greener and healthier Europe. Three main priorities need to be pursued in this context.

First, the CEA should continue the EU's strong focus on product regulation, limiting the use of raw materials and promoting the use of recycled and biobased materials, e.g. through mandatory (recycled) content targets. Ecodesign measures have already been proven effective in promoting sustainability while ensuring a level playing field and strengthening EU's competitiveness and open strategic autonomy. Continuing this work is vital for protecting our European recycling industry and future-proofing our economy. Equally, it is crucial for achieving our circular economy ambitions, ensuring that all products, included those that are imported, are safe and sustainable .

Secondly, apart from setting the needed product standards as mentioned above, the right conditions need to be created in which circular businesses can thrive and clarity of direction should be provided to support this transition to a circular economy. This also requires further exploring the possibilities for instruments that support a level playing field between primary (e.g. fossil) and circular products, through a combination of pricing and stimulating mechanisms. In addition, the CEA should address unfair trade practices that have serious negative impacts on the development of circular businesses within the EU.

Finally, the CEA should ensure that (critical) raw materials on which we are dependant are not discarded or lost. By allowing waste which contains critical raw materials to leave the EU, we are hurting our future economy and are making Europe more dependent on third countries for the mining and processing of these materials. Preventing the export of these materials through recovery, recycling and re-use, presents a key strategic opportunity for building a competitive economy and enhancing our strategic autonomy. Especially e-waste contains ample basic, precious and critical metals for electronic products. We should clearly identify which products contain critical raw materials to facilitate their retrieval and reuse. The upcoming revision of the Waste from Electrical and Electronic Equipment (WEEE) Directive provides an important opportunity in this respect.

In sum, the EU has a unique opportunity to address these interconnected challenges through a strong push for a circular economy. This will ensure the long-term competitiveness of our economies and Europe's open strategic economy, while simultaneously decoupling material use from economic development and well-being. Following on these priorities, the rest of this paper sets out a summary of measures that could fall within the scope of the new EU Circular Economy Act. Detailed elaborations for each directive or measure are provided in the annex.

Summary

The Commission has shared that the upcoming Circular Economy Act (CEA) will enable the free movement of circular products, secondary raw materials and waste, foster a higher supply of high-quality recycled content and stimulate demand for secondary materials and circular products while bringing down feedstock costs. The Netherlands welcomes these objectives for the CEA, in order to maximize the use of the EU's limited resources, reduce dependencies and enhance resilience.

The Netherlands proposes several aspects for inclusion in the upcoming CEA. These suggestions are specifically linked to the forthcoming revisions of the Waste Framework Directive (WFD), the Landfill Directive, and the Waste from Electrical and Electronic Equipment (WEEE) Directive. Our key messages are provided below:

- **The ESPR is considered a suitable instrument to set design requirements**. The European Commission must continue to work unwaveringly on **product regulation** aiming at maximizing the lifespan and value of products and materials. The requirements should include recycled and biobased content targets, to close the circular loop and decouple the economy from fossil materials. In this light, the Netherlands strongly supports the development of the horizontal Ecodesign measure for recyclability and recycled content. The implementation of the presented **ESPR workplan** is highly important, taking into consideration the creation and maintenance of a global level playing field between fossil and sustainable production. Therefore, the Netherlands calls upon the Commission to accelerate the ESPR-work plan and the introduction of Digital Product Passports. The Netherlands calls on the EU to address unfair trade practices from third countries that threaten circular economy innovation by safeguarding fair global competition through the EU's trade defence toolbox.
- The growing volume of e-waste from electrical and electronic equipment (WEEE) calls for stronger EU-wide harmonisation through recasting the WEEE Directive into a regulation similar to the Batteries Regulation, addressing conformity requirements, due diligence, and the use phase. **The WEEE Directive should be closely linked with the Ecodesign for Sustainable Products Regulation (ESPR)**, establishing design requirements that cover the full product lifecycle, in particular on reparability and recyclability— especially of critical raw materials—in line with the Critical Raw Materials Act (CRMA). In addition, the WEEE Directive should set clear recovery and treatment standards for components and materials. **Harmonizing definitions, improving collection and treatment systems, and clarifying the responsibilities** of producers and platforms are essential to building a consistent and effective circular economy framework.
- To strengthen the functioning of the internal market, the CEA needs to **harmonise waste legislation** across the EU, and create a level playing field in the EU. In this respect it would be preferable to convert the Waste Framework Directive into an EU regulation. The revision should aim to boost reuse and cross-border material flows by standardizing waste separation and recycling, clarifying the legal definition of waste and developing end-of-waste criteria where these are needed by recyclers. Binding recycling targets for 2040, 2045 and 2050 to guide long-term planning and investment, restrictions on landfilling and incineration through a revision of the Landfill Directive, and strong financial incentives are key tools to drive progress.
- Extended Producer Responsibility (EPR) is an invaluable instrument. Existing EPR schemes for multiple product groups have shown its effectiveness for advancing the collection, re-use and recycling of products. The CEA offers an opportunity to **further strengthen and harmonise EPR obligations** and expand their scope to other product groups. For example by better defining and extending the responsibility for online platforms and harmonizing rules for reporting across existing and upcoming EPR schemes.
- In the current economic system, circular businesses often cannot compete with linear alternatives. Exploring **potential pricing and stimulating mechanisms** to level the playing field for circular business models is highly recommended.
- In the circular economy, carbon-based synthetic material, notably plastic, is mainly made through recycling, instead of fossil carbon (oil, gas). To this end, mechanical recycling must be supplemented by chemical recycling. **The CEA should create a legal framework that enables the chemical industry to accelerate efforts to overcome the various technical and economical constraints of chemical recycling.** Enabling chemical recycling also improves Europe's independence and competitiveness vis-à-vis third countries.
- Enhancing recycled content requirements remains an important aspect to further the transition to a circular economy. The CEA should strengthen recycled content requirements. In addition, **bio-based content also has an important role to play**, as the carbon loop cannot be closed with recycled content alone. Synergy between the upcoming update of the Bioeconomy Strategy and the Circular Economy Act is therefore key. Market creation for bio-based products is needed to achieve a circular economy. **Specifically, we ask the Commission to consistently broaden product regulation, such as minimum content requirements, to**

include recycled, bio-based and CO2-based materials. In this context, the further promotion and integration of harmonised methods—such as the Product Environmental Footprint (PEF) methodology— and standards into new EU legislative proposals is strongly encouraged. In addition, the EU would benefit from the development of a comprehensive framework for the sustainable use of biomass, building on the positive precedent set by the Renewable Energy Directive (RED) for bioenergy.

- **Stronger financial support for circular business cases**—especially for small and medium-sized enterprises (SMEs)—through European funding, adjustment of state aid rules, and improved risk management can drive innovation and investment. The Netherlands emphasizes **the importance of long-term policy and funding** to encourage businesses to invest in circular economy solutions.
- To accelerate the shift to a circular economy, the EU should lead in **defining science-based targets** for sustainable material use, similar to climate goals like 'net zero'.
- **Behavioural change** is crucial, with policies needed to nudge consumers to buy less, reuse more, and prioritize repair over replacement.
- The CEA will have **to take into account the needs of defence readiness** and include a tailor made exemption for defence purposes where necessary and take note of existing defence exemptions as underlined in the EU Omnibus on defence and the readiness goals in the White Paper on defence. Additionally, it is important that legislative proposals, including the different Omnibus proposals, do not disproportionately undermine other legitimate and essential objectives of EU legislation, such as the protection of nature, the environment and public health.

ANNEX: the Netherlands' positions and suggestions in relation to the CEA

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1. Thorough revisions of the Landfill Directive and Waste Framework Directive is key

To realize the proposals outlined below for harmonizing the EU waste treatment market, it is essential to convert the Waste Framework Directive into an EU regulation. This would strengthen the internal market, align waste legislation across Member States, and establish a level playing field at the EU level.

1a. Reduce landfilling and incineration

The CEA should further restrict landfilling and incineration as waste treatment options, since both processes destroy valuable resources at a time when resource security and strategic autonomy are crucial. It is therefore of paramount importance to reduce such waste treatment methods to the absolute minimum, while guaranteeing environmentally safe waste treatment through incineration and landfilling for waste streams that cannot be processed through other means.

Material-specific bans and fiscal measures

Landfilling and incineration could be limited through waste- or material-specific European landfill and incineration bans, such as a ban on landfill/incineration of unsorted waste, and/or by taxing landfilling and incineration in favour of higher-quality forms of waste treatment. The CEA could introduce minimum taxes for waste incineration and landfilling. National fiscal treatment of incineration relative to landfilling should reflect the stage of development of a Member State's waste management system (i.e. a Member State in transition from landfilling to incineration has an interest in a relatively advantageous fiscal treatment of incineration). At the same time, and preferably, Member States where landfilling is still the dominant method of waste treatment should be stimulated to introduce tax incentives which would promote the development of recycling capacity instead of incineration capacity, to leapfrog incineration as a waste treatment option. Cap-and-trade initiatives which would contribute to the goal of reducing waste incineration and landfilling should certainly be considered. For further suggestions about financing, see paragraph 5b.

Periodic permit reviews

Member State's National Waste Management Plans currently must periodically assess the adequacy of their waste incineration installations in terms of volume. The new CEA could upgrade the current requirement into a mandatory periodic review of waste-incineration permits. This ensures that, as recyclable waste volumes increase, excess incineration capacity can be scaled down.

Self-sufficiency and the proximity principle

The Waste Framework Directive already encourages Member States to be self-sufficient in treating mixed municipal waste while respecting the proximity principle. At the same time, it allows Member States to support each other in realising specific waste treatment capacity (for example for hazardous waste) stating that Member States do not have to possess the full range of final recovery facilities within that Member State. The CEA should build on these principles, emphasizing each Member State's responsibility to enable high-quality waste treatment for mixed municipal waste and only permit cross-border transfers for that type of waste when truly necessary. The new CEA could build upon these principles while also emphasising the responsibility of Member States to facilitate waste prevention, reuse and higher-quality waste treatment, most notably recycling.

1b. Definition of waste and end-of-waste and by-product criteria at EU level

Clear definitions of waste

The Circular Economy Act should focus on clarifying the definition of "waste" within the Waste Framework Directive to resolve uncertainties of what is considered waste and what is not. These legal ambiguities currently hinder the cross-border movement of materials and cause Single Market barriers.

Additionally, the definition of waste in the WFD needs clarification in order to reduce barriers to circular solutions —such as reuse, repair, remanufacturing and refurbishment— for products that are discarded by the owner but are otherwise functional. Particularly the 'intention to discard' can prohibit circular solutions and should be reconsidered or removed.

Develop criteria for end-of-waste criteria and byproducts

To reduce (Single Market) barriers to circular solutions and support the market uptake of secondary raw materials, specific criteria for end-of-waste and by-products must be established. This would provide greater consistency and clarity for Member States and creates a level playing field for industry. Therefore, it is crucial to develop material-specific criteria at EU level.

The chemical sector plays an important role in the transition toward circular and sustainable materials. To achieve a circular plastics chain, in addition to mechanical recycling of waste, a supplement of new circular plastics is needed. There are three potential sources of sustainable feedstocks for plastics: waste plastics, bio-based raw materials, and carbon dioxide (capture and utilisation -CCU).

Waste plastic that is not suitable for high-quality mechanical recycling, or that remains as residue from mechanical recycling, is still mostly landfilled or incinerated. Chemical recycling offers a solution by converting these plastic waste streams into feedstocks for the production of new, high-quality plastics.

In this context, end-of-waste criteria should be developed not only for mechanically recycled materials but also for some products obtained in chemical recycling, such as pyrolysis oil.

Harmonisation of national end-of-waste and by-product criteria and EU-coordination on mutual recognition

The Circular Economy Act should pay specific attention to opportunities for harmonisation of national end-of-waste and by-product criteria. Both via the formulation of EU criteria as well as via EU-coordination on mutual recognition of national criteria, within a clear frame with attention for the environment. The Netherlands supports a system in which national criteria are presented to all other Member States for discussion and acceptance through mutual recognition — not on a per-country basis, but EU-wide. To enable such harmonisation, it is important to clarify the definition of 'waste' in the Waste Framework Directive, particularly the meaning of 'to discard'.

1c. Separate collection

Improving the harmonisation of waste separation, collection and sorting systems across Member States is essential for achieving high-quality recycling. The WFD should provide for limited and uniform use of derogations across Member States:

Restrict Derogations (Article 10(3) WFD)

Establish a uniform, EU-wide assessment methodology—based on objective, verifiable criteria—to evaluate whether a derogation is justified. Given the demonstrable progress in technical knowledge and operational best practices for source separation, derogation (c) under Article 10(3) should be repealed. Moreover, exemptions from separate collection of biowaste should not be permitted, in order to ensure consistent and effective biowaste management across the Union.

Mandatory pre-sorting before incineration in combination with binding recycling targets

No municipal solid waste should go to thermal treatment without prior sorting to recover recyclables. Sorting requirements should be based on best practices and market demand. Since material recovered from mixed residual waste is of lower quality than source-separated streams, complementary measures are needed to stimulate market uptake and reuse. If biowaste remains in residual waste despite source separation, it must undergo anaerobic digestion before any incineration step, ensuring maximum energy recovery and reduced greenhouse-gas emissions.

To maintain a high level of ambition, compliance with recycling targets (Article 11(2)) should be measured only on source-separated streams. The Commission should establish binding recycling targets for 2040, 2045, and 2050 to provide a clear trajectory for policy planning and investment.

1d. Extended producer responsibility (EPR)

EPR is an invaluable instrument for advancing circularity and ensuring fairness, as it aligns with EU-backed climate justice aspects —particularly the polluter-pays-principle— supporting a more equitable transition to a circular economy for consumers. However, current EPR schemes vary widely across Member States. The CEA offers an opportunity to harmonise EPR obligations and expand their scope to other product groups, and improve

their impact. It also provides an opportunity to better address the international aspects of the export of used goods from EPR systems in Europe as well as the resulting waste management challenges.

Clarify roles of Online Platforms

With more products sold via e-commerce, it is necessary that the WFD clarifies the roles and responsibilities of online platforms and producers selling on those platforms in all EPR-systems. This will close loopholes that currently facilitate non-compliance. This could strengthen the effectiveness of market surveillance and help restore a level-playing field between EU and non-EU e-commerce businesses.

EU-Wide Targets and Uniform Reporting

EPR effectively supports collection and recycling. The next step for circularity is to introduce EU-wide, measurable targets for reuse, repair, and remanufacturing in the WFD and mandatory eco-modulation of fees. Next to that, all EPR systems should be required to measure and report performance using a common methodology, reducing administrative burdens for compliant producers and ensuring comparability across Member States.

Align with recent EPR legislation

Most recent European EPR legislation (for example for textiles and batteries) sets new standards for EPRs with register & authorization procedures, measures to increase separate collection and decrease EPR streams in mixed municipal waste and seamless integration of product policy and EPR. Extending these standards in the EPR-articles of the WFD to all EPR systems will create consistency across product streams and drive circular-economy outcomes and will remove Single Market obstacles.

EPR & export for reuse

At present, producer responsibility ceases at the point of export, limiting the ability of EPR systems to ensure that products are appropriately managed as waste in their destination countries[1]. Used goods frequently move from high-income countries with advanced waste management infrastructure to lower-income countries that often lack the capacity and systems needed to handle these volumes effectively. Products such as electronics, textiles and cars are exported for reuse, but are only actually reused some cases. For example, in 2020, 25% of the clothing, footwear, and household textiles consumed in the EU were exported for reuse outside of the EU [2]—and end up as waste there in unregulated waste disposal systems[3].

The revision of the Waste Framework Directive (WFD) offers an opportunity to strengthen how EPR addresses the international aspects of waste management—for example, by introducing clearer reporting requirements for exports of waste and used goods, and by factoring in the costs of waste treatment in recipient countries within EPR schemes.

2. Suggestions for an “up-to-date” version of the WEEE

The increasing rate of manufacturing, consumption, and disposal of electrical and electronic products has led to a significant rise in e-waste. While the WEEE Directive provides a solid foundation for advancing circularity in the sector, further improvement, alignment, and standardization across the EU are necessary. To ensure a level playing field, national differences in implementation should be minimized and uniform application safeguarded. A legislative approach similar to the Batteries Regulation should be adopted for WEEE — introducing a comprehensive EU Regulation covering all aspects of the Electronic and Electronical Equipment (EEE) lifecycle, including conformity requirements, due diligence, and the use phase.

This regulation should be closely aligned with design and recyclability requirements under the Ecodesign for Sustainable Products Regulation (ESPR), the Restriction of Hazardous Substances (RoHS) Directive, and the REACH-regulation. Key design priorities should include recyclability, reduction of hazardous substances, energy efficiency, repairability, and ease of disassembly. Moreover, the WEEE framework should ensure that recyclable

[1] Ellen MacArthur Foundation, 2024, Pushing the boundaries of EPR policy for textiles
[2] EEA, 2023, EU exports of used textiles in Europe’s circular economy
[3] Circle Economy, 2023, Destinations of Dutch used textiles: uses and risks after exports.

products and components are effectively collected and properly recycled, contributing to a more circular and resource-efficient EEE sector.

2a. Identify critical raw materials in EEE products

The digital transition will require an increased amount of basic, precious and critical metals for electronic products, such as copper, aluminium, silver, gold, palladium, silicon, germanium, lithium, and indium. Therefore, the WEEE Directive should be aligned with the Critical Raw Materials Act (CRMA). It should clearly identify which EEE products contain critical raw materials to facilitate their retrieval and reuse.

2b. Extend scope and increase harmonisation

Due to differences in national implementation, definitions within the WEEE Directive are open to multiple interpretations. An example is the scope of what is included under WEEE. Depending on the stakeholder, competent authority, or Member State, certain types of EEE may either fall within or outside the scope of national WEEE legislation. This results in confusion and creates an uneven playing field between different actors and across Member States. It also leads to inconsistent—or even improper—treatment of WEEE.

Review of the definitions and scope

To ensure uniform application across the EU, a thorough review of the definitions and scope of the WEEE Directive is needed. The new Regulation should aim to strengthen standardization within the EU to create a true level playing field. This includes, for example, the introduction of harmonised waste management standards based on the European Committee for Electrotechnical Standardization (CENELEC), reducing discrepancies in the interpretation of Extended Producer Responsibility (EPR), and adopting standardized methodologies for calculating and applying collection and recovery rates.

Special attention to components

Regarding the scope, special attention should be given to components. Currently, components are not considered WEEE, even though they are often linked to EEE waste and may contain valuable materials or substances of (very) high concern. For this reason, components should be brought within the scope of the revised WEEE legislation.

2c. Harmonise Extended Producer Responsibility for WEEE

Collection structures, separate targets for reuse and harmonisation of fees

As stated in paragraph 1c, EPR can be further harmonised throughout the EU to decrease the administrative burden on producers and remove Single Market barriers. Simultaneously, it can increase the circularity of the EEE sector and WEEE management. The incentives to reuse, repair, remanufacture and refurbish EEE within the EPR can be improved upon in multiple ways.

- First of all collection structures should be set up to facilitate and prefer (preparation for) reuse. This is elaborated upon in section 2d.
- Secondly, separate targets for (preparation for) reuse should be considered.
- Third, the application of the modulation of EPR fees based on durability, reparability, recyclability or recycled content should be harmonised EU wide. Eco-modulation of the fees should be designed in a way that is conducive to the application of the waste hierarchy by ensuring that financial support for tonnage collected for preparation for re-use is higher than for tonnage collected for recycling. That calls for normative and pricing measures at EU level, such as ESPR, but also pricing of polluting products via tariff differentiation under EPR.

Due diligence

As already mentioned in paragraph 1c, further harmonisation is also needed to clarify the role that online platforms should or can play in fulfilling WEEE obligations such as take-back requirements and EPR. Imports from third-country sellers particularly through online marketplaces, often evade the EPR obligations for WEEE and other EU legislation such as the RoHS Directive and REACH Regulation, thereby posing risks to environmental protection and product safety. To address this, the introduction of liability and due diligence obligations for online platforms should be considered. This includes mandatory verification of producers by online marketplaces and fulfilment service providers to prevent free-riding. Holding online marketplace operators and fulfilment service providers accountable should be the main approach for non-EU producers' compliance with EU rules.

Disclosure of information

Finally, information should be transparently disclosed to all users through modern digital tools -such as free-access websites, social media awareness campaigns and Digital Product Passports (DPP), if required under the ESPR. All such activities should be organised and financed through extended producer responsibility schemes. Therefore, the Netherlands calls upon the Commission to accelerate the ESPR-work plan and the introduction of Digital Product Passports.

2d. Make collection methodologies and targets fit for purpose

The current WEEE collection target — 65% of Electrical and Electronic Equipment (EEE) placed on the market (POM) — has increasingly shown to be problematic due to the basis of its calculation (on the basis of POM). A major reason that the target has proven difficult to achieve across many EU Member States is that a significant share of new EEE, particularly in categories 1, 2, and 4, and non-household equipment, becomes waste only after a (much) longer period than the assumed three years. Moreover, this recycling-focused target has a negative effect on policies for repair and repurpose. The target should enable and enhance a long lifespan of products, not hamper it in favour of collection for recycling after brief use.

Shift towards targets based on “waste generated”

To address these issues, the EU should adopt a collection target based on WEEE generated, using a harmonised EU-wide Available for Collection (AfC) methodology. Separate targets per product category should also be considered to account for differing product lifespans.

To further support preparation of reuse of WEEE, specific targets should be introduced for waste prevention (e.g. donation schemes outside the waste regime), preparation for reuse and recycling.

Promoting reuse through better collection structures

Collection structures should be set up to facilitate and prefer (preparation for) reuse, since WEEE intended for reuse requires careful handling during collection, transport, and storage to preserve its functionality. Therefore, an assessment of reusability should be mandatory for all WEEE at the earliest stage, before mixing with recyclables.

Controlling exports and avoiding illegal e-waste trade

Some used EEE is exported to non-EU countries, but these flows are difficult to monitor due to the lack of reporting requirements and the challenge of distinguishing between waste and products. To address this, exports of low-quality used EEE that quickly become waste should be restricted to prevent environmental harm abroad. Therefore, specific requirements for shipments intended for reuse should be introduced to prevent illegal exports. Furthermore, annex VI of the WEEE Directive about minimum requirements for shipments should be made more specific and return shipments of WEEE to producers across borders should be exempt from the European Waste Shipment Regulation (EWSR).

To distinguish between 'reuse' and 'preparation for reuse' in practice, appropriate definitions are an essential prerequisite.

Incentivizing Consumer Participation

Since separate collection of WEEE relies heavily on consumer behavior, incentive-based take-back systems should be considered. Systems that provide financial incentives, deposit-return systems and targets for re-use are most likely to be successful in this regard. As the 400m^2 threshold in Article 5 is considered difficult to recognize and to enforce, we suggest a mandatory specification of a uniform collection point label that allow consumers to easily spot proper collection points. In addition, expanding the definition of very small WEEE, which are taken back without the obligation to buy EEE of an equivalent type, would be beneficial.

2e. Harmonise treatment standards for better recycling

Aligning treatment requirements with technological and design developments

Treatment requirements for WEEE should be revised in response to current challenges stemming from recent advancements in WEEE treatment technologies, as well as evolving design and material composition of Electrical and Electronic Equipment (EEE). In addition, greater emphasis should be placed on strengthening preparation for reuse and enhancing high-quality recycling processes. To ensure a harmonised and effective approach across the EU, the use of standards developed by the CENELEC should serve as a baseline for modern, EU-wide treatment requirements. These standards, particularly the EN 50625 series for the treatment of WEEE, already form a

mandatory framework in several Member States and provide a robust level of environmentally sound treatment. Therefore, integrating the provisions of these standards as mandatory elements within EU regulation should be seriously considered.

Updating annex VII to reflect new risks and opportunities

An update of the raw materials and the components as listed in Annex VII of the WEEE Directive, should be considered. Recent studies indicate that WEEE contains a broader range and greater quantity of hazardous components than currently reflected in the annex. It is also recommended that Annex VII clearly define specific components and materials that must be removed prior to mechanical shredding. This pre-treatment step is crucial to prevent the destruction of valuable materials, reduce the risk of contamination in output fractions, mitigate fire hazards, and avoid the loss of valuable raw materials. A practical example includes the removal of batteries, which can often be extracted using standard tools, before the shredding process.

Enhancing transparency and monitoring in complex treatment chains

WEEE treatment often involves complex international supply chains, making it difficult to monitor compliance with recovery targets as required under Article 11. To improve traceability and ensure the integrity of recovery data, the inclusion of specific end-of-waste criteria should be explored.

Strengthening provisions for preparation for reuse

In addition the standard EN50614 for preparation for re-use of WEEE should be the baseline for the provisions on preparation for re-use. Small and medium-sized enterprises (SMEs) and social enterprises engaged in reuse activities can face difficulties in meeting the financial and administrative demands of full compliance with standards. Integrating the relevant provisions of EN50614 into EU legislation could raise the quality of separate collection practices while minimizing the administrative burden on SMEs.

2f. Interlinkage with Ecodesign for Sustainable Products Regulation and the Restriction on Hazardous Substances Directive

Streamlining information and reducing resource and energy consumption

Existing labels relating to the sustainability of EEE, such as the EEE energy label, could be provided in the DPP to streamline consumer information. The label should however remain visible for consumers at the moment of purchase. In parallel, energy efficiency requirements for EEE should be enhanced to reduce resource consumption throughout the product life cycle.

To reduce the environmental impact of WEEE and to foster a more circular sector, waste prevention should be ensured within the scope of the ESPR. Ecodesign requirements for EEE should improve the durability of EEE by setting requirements on reusability, repairability, remanufacturing and refurbishment. The Ecodesign measures for EEE should contain a corresponding information requirement (in the Digital Product Passport) for the performance requirements (see paragraph 4). For example, if repairability requirements are set, the DPP should provide repairability information such as repair manuals and more detailed information underpinning the repairability score. The existing EEE label could be integrated in the DPP. The energy-efficiency of EEE should also be improved.

Reducing use of non-renewable resources and enhancing plastics circularity

Generally, the use of non-renewable resources in EEE should be reduced and a criterium for circular content (both recycled and bio-based) for certain raw materials, such as plastics, should be considered. Given the significant share of global polymer consumption represented by the EEE sector, it is therefore important to stimulate plastics circularity in EEE. Setting ambitious targets to increase the level of recycled plastic content in EEE as well as incentives to stimulate the use of biobased plastics in EEE are key. Both recycled plastic and biobased plastic are essential for advancing a fully circular plastics value chain.

Enabling the right to repair

The policy of ‘right to repair’ should be applied wherever possible and especially also to (W)EEE. Repair-related information, such as repair manuals, and on the preferred waste treatment option should be included in the DPP. Open access to specific repair information and spare parts for all actors, including repair companies as well as consumers and the repair index, which helps consumers buy durable and repairable products, should be included in Ecodesign measures for EEE.

The horizontal repairability requirement as well as the repair index, as announced in the ESPR working plan for 2025-2030, should focus on EEE. Especially EEE which do currently not fall under product specific Ecodesign requirements, such as small household appliances, consumer equipment and IT products, should be considered to be included in the scope. These smaller appliances are usually hard to repair and easily replaced.

Both the horizontal repairability requirement and product specific repair requirements should bring a stop to gluing and welding EEE parts and ensure batteries in EEE are always demountable (requirement set under ESPR) and apply less substances of concern (within RoHS and REACH).

Promoting product design for disassembly and recycling

The horizontal recyclability and recycled content Ecodesign requirement for EEE, as well as requirements on recycled content of permanent magnets the CRMA, should promote design for high-quality recycling. Binding recycled content targets under ESPR for relevant materials, like plastics and certain critical raw metals, should be included in order to realize high-quality recycling of WEEE. Where recycling targets are set for specific materials in WEEE legislation, corresponding recycled content obligations for EEE should be established in Ecodesign to boost demand for those recycled materials. Given that recycling capacity for critical raw materials remains underdeveloped in the EU, additional support should be considered, such as targeted subsidies through EU innovation funds to stimulate recycling infrastructure and innovation.

Timely adoption of Ecodesign requirements for EEE

The Commission has already successfully set Ecodesign requirements for many EEE, some requirements are still under development. The ESPR is an effective tool to enhance the sustainability and circularity of EEE. For this reason, we want the Commission to ensure that most Ecodesign requirements for EEE, which are currently developed under the framework of the Ecodesign Directive, will ideally be adopted by the end of 2026 as mandated and foreseen in the ESPR.

3. Biobased content is necessary to close the loop

Biobased content has an important role to play in the transition to a circular economy. It should be part of the Commission's Circular Economy Act due to the fact that the loop cannot be closed with recycled content alone. Last year, the Netherlands, together with the Czech Republic, Ireland, France, Slovakia, Spain, and Romania, issued a joint statement advocating for a European Sustainable Carbon Policy Package to support the use of sustainable raw materials in products and drive the transition to a circular economy[4].

Sustainable alternatives are necessary and biobased content could fulfil that role for a significant number of product categories, such as packaging, detergents or textiles. So, as with recycled content, the right incentives should be created for biobased content. When creating these incentives, it is important to keep an integral view on all sustainable sources, to avoid unwanted competition between them.

Sustainability criteria

To accelerate the circular bioeconomy, the EU should promote market creation for high-value applications of bio-based raw materials through effective, technology-neutral incentives that support all renewable carbon sources—both recycled and bio-based—particularly in sectors like chemicals. A harmonised set of sustainability criteria for bio-based raw materials is essential, aligned with article 29 of the Renewable Energy Directive III, to ensure a level playing field across energy and material applications. To create a level playing field between fossil, recycled and biogenic carbon, the methodologies for life cycle analysis – such as the Product Environmental Footprint (PEF) methodology – should be harmonised to enable a fair comparison. The -1/+1 approach for high-value applications is recommended, as this recognises the uptake of biogenic carbon also in cradle-to-gate assessments.

This should be coherent with broader EU frameworks, such as the Bioeconomy Strategy and the Regulation on Deforestation-free Products. See also the Dutch input to the Bioeconomy Consultation and the upcoming Strategy update, which outlines the Dutch position on the use of sustainable biomass.

[4] Joint Statement on a European Sustainable Carbon Policy Package | Publication | Government.nl

Cascading principle

Implementing a sustainability-based cascading principle is key, prioritizing high-value uses of bio-resources through targeted market incentives, strategic support for innovation and start-ups, and coherent investment decisions. Ensuring supply of sustainable bio-based carbon also requires a comprehensive strategy, coordinated with the Waste Framework Directive and the Bioeconomy Strategy, to secure resource availability for high-quality, circular applications.

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4. Prioritize product regulation, including Ecodesign for Sustainable Products Regulation

The European Commission should maintain its strong focus on product regulation and the use of raw materials, addressing both the supply side (production), and the demand side (consumption). Emphasizing the design phase is essential to improve products' environmental impact and allow circular treatment, ensuring they are fit to be reused, recycled and properly treated at the end of life. The Netherlands supports the European Commission's work on Ecodesign as a key driver for the sustainability of products placed on the EU market- enhancing their circularity, energy performance, recyclability and durability. Ecodesign measures have already been proven effective in promoting the sustainability while ensuring a level playing field and strengthening EU's competitiveness. Continuing this work is vital for achieving circular economy targets.

Strengthening of product requirements and EU treatment capacity

To fully realize the ambitions outlined in the Ecodesign work plan, the European Commission must prioritize developing requirements for specific product groups. This includes horizontal measures for recyclability and recycled content requirements (with a focus on critical raw materials (CRM) and reparability) and should be adopted at the latest by the end of 2029. In addition, the Commission should consider including biobased targets in this horizontal measure (see paragraph 3). Supporting infrastructure -through the Circular Economy Act- will be key to enabling these measures, particularly for recycling and reuse, which often occur outside the EU. Strengthening EU treatment capacity is therefore essential. In parallel, updated waste collection targets under the revised WEEE should ensure proper collection and treatment of products, components and valuable materials (see paragraph 2f).

Open access to circular product performance information

Ecodesign requirements should focus on durability, repairability, and remanufacturing. Information about these product aspects should be integrated in the Digital Product Passport (DPP). Open access to repair information and access to spare parts should be ensured to improve the repair rate of EEE. Recyclability and recycled content requirements, for plastics and critical raw materials, should drive design for recycling.

Mandatory recycled content criteria

Mandatory recycled content criteria for selected products are essential to stimulate the development and implementation of recycling techniques and enhance the competitiveness of the recycling sector. Recycled content criteria for relevant materials in product regulations are necessary to create a stable market for recycling companies. These criteria are necessary as a link between EPR schemes and circular product design.

While EPR schemes, such as those for textiles, assign responsibility for waste management to producers, they currently lack clear mechanisms to ensure that recycled materials are reintegrated into new products. To address this gap, EPR should include mandatory eco-modulation fees aligned with recycled content targets. Proven technologies to recycle waste into new materials already exist in sectors like textiles and automotive industry. The next step is to strengthen the demand for recycled content through binding targets, enabling recyclers to scale up. Only post-consumer waste should count towards these targets, encouraging proper collection, sorting and recycling of this waste.

Given the urgent situation of Europe's recycling sector and the need for strategic autonomy, the following product groups should be prioritized: textiles, plastic (cross-sectional), batteries and EEE.

5. Flanking measures to support the transition to a circular economy

5a. Development of science based targets

Scientific evidence shows that the use of natural resources is a key driver of all environmental degradation. However, currently there is not a clear, internationally recognized orientation goal for the sustainable use of materials. We believe that a 'net zero' or '1.5° C' for sustainable material use could help in aligning national and international efforts in the circular economy domain. In other words, it is time to define the a safe operating space of material use, starting with the European Union. The exact form and configuration of these targets deserves a lot of thought and discussion, for instance in the International Resource Panel. Nevertheless, the EU and its Member States should take the lead in supporting a rapid acceleration of the development of science based targets (SBT) and facilitate an effective dissemination of the recommendations by well-positioned science-policy interfaces. A common and internationally-accepted set of science-based orientation values can serve as a compass to advance the course towards a circular economy and sustainable use of materials.

5b. Financing circular initiatives

The European Investment Bank plays an important role in supporting circular initiatives. This role should be further strengthened to foster value chain cooperation and innovation, particularly to better support SMEs and start-ups. To help facilitate value chain cooperation and innovation, state aid rules could be adjusted accordingly. Long-term funding and policy stability are also needed to encourage businesses to invest in circular economy solutions. Financial regulations should be adapted to support the circular economy, including EU funds for companies focused on reuse, recovery, and recycling. A European approach to risk management is vital for promoting circular business models, and this can be achieved by establishing funds to mitigate investment risks, such as through credit guarantee institutions. This would attract financial institutions to support circular projects by lowering investment costs and increasing access to capital. Collaboration between the Circular Economy Initiative (CIE), the European Central Bank (ECB) can further develop harmonised risk models. For the EU textile strategy to succeed, systemic changes that focus on product longevity, quality, reuse, and recycling must be prioritized. This requires the scaling of circular business models and focusing on the use phase of products. In the current economic system, it remains a challenge for circular businesses to compete with linear alternatives. Exploring potential combinations of pricing and stimulating mechanisms to level the playing field for circular business models is highly recommended.

Long term commitment

A commitment to long-term cooperation, between governments, companies and financial institutions as well as policy stability is necessary to make investments in circular business cases more attractive. This stability would provide the confidence needed for businesses to invest in circular solutions and help ensure the ongoing success of the circular economy.

Allocation of EU funds

Concrete actions are needed to adapt financial regulations and create an enabling environment that supports financing for the circular economy. When it comes to EU funding, it is important to assess whether relevant funds are being used optimally to support the transition to a circular economy. This would encourage the development of innovative circular solutions even before the implementation of Ecodesign and WEEE requirements.

Create a level playing field with a combination of pricing and stimulating instruments

It is also crucial to focus on higher-level circularity strategies. Recent figures from the European Environment Agency (EEA) show that the consumption of clothing has continued to rise, as highlighted in the report on the "Circularity of the EU textiles value chain in numbers." For the EU textile strategy to be successful, the EEA concludes that systemic change is required. This means emphasizing longer product lifespans, quality, reuse, repair, and recycling, which should be the focus of circular economy efforts. It is important to reflect this broader vision of circularity, as it goes beyond just recycling. In practice, however, we see that circular business models are not yet widespread, as it is not always profitable to operate within a circular framework. The Netherlands therefore conducted several studies to explore potential combinations of pricing and stimulating instruments to level the playing field for circular products, such as eco-modulation under EPR and a tax on non-circular products.

Mitigate unfair trade practices

Unfair trading practices from third countries that hinder the growth and scaling of innovative European companies contributing to the circular economy transition must be addressed at the EU level. It is essential that European circular solutions and innovative products can compete on a level playing field, both within the internal market and globally. To this end, the Netherlands urges the European Commission to identify current and emerging sectors involved in the circular economy that may be vulnerable to such unfair practices. Where necessary, and in close cooperation with international partners, these practices should be countered using the EU's trade defence instruments to safeguard fair competition in both European and global markets.

5c. Public procurement as a tool to facilitating front-runners

For the Netherlands, public procurement is instrumental in reaching its Circular Economy goals and strengthening Europe's resilience and competitiveness in a global market. The Netherlands supports further policies on public procurement which focus on stimulating and facilitating front-runners amongst contracting authorities and market players. Thereby, in the case of applying mandatory criteria, the Netherlands is in favour of performance-based criteria. This differentiation is important to give room to contracting authorities to procure according to the respective market's stage of development and allow for innovation when applicable. Labels, such as the EU's Ecolabel, and certifications can be useful instruments to achieve this. Furthermore, the EU can play an important role in facilitating both cooperation between frontrunners, such as supporting joint statements of demand and knowledge exchange, as in supporting market engagement. The big-buyers-working-together-platform5 is an example of a good practice that should be expanded for additional sectors.

The Netherlands would like to underline the importance of a control mechanism for the development of new sectoral legislation, with the involvement of DG GROW and Member States' expert public procurement knowledge, to ensure coherence in legislation and feasibility in implementation. This should be conditional in the development of new sectoral legislation with public procurement provisions. Finally, the upcoming revision of the Public Procurement Directives is key to further strengthen the strategic use of public procurement. It presents an opportunity to align sustainable procurement goals with other goals such as competitiveness and resilience. This can be done by allowing sufficient flexibility and innovation, in line with rapidly changing markets. Thereby, simplification of these directives is needed to minimize administrative burden for both contracting authorities and market players.

5d. Behavioral influence

The transition to a circular economy requires a shift in consumer and business behavior alongside technological and regulatory changes. Consumers play a key role in this transformation, as much of the environmental impact stems from the everyday choices we make, such as what we buy, how we use products, and how we dispose of them. To facilitate this shift, consumers will need to buy less and adopt different purchasing habits, focusing on repairing and buying second-hand items instead of new, and properly disposing of products when they are no longer in use. This behavior change is crucial. Once a product is purchased, the consumer plays an essential role in taking care of it, repairing it when needed, reusing it, and disposing of it responsibly.

Facilitate circular choices for consumers

To support these changes, concrete actions are necessary. Supporting policies must be implemented to make circular choices easier, more intuitive, and fairer for consumers. These measures could target the consumer's economic, physical, and social environment. For example, reducing the incentive to purchase new products (restricting advertising that encourages consumption, limiting the number of collections per year, and reducing the number of sales periods), increasing the availability of circular purchasing options (stores have a large portion of second hand options, next to new items, and are visible and on display similarly), and making repairs more attractive would all help encourage longer use of existing products.

[5] https://public-buyers-community.ec.europa.eu/about/big-buyers-working-together