POSITION PAPER

Brussels, 6 November 2025

A competitive and successful Circular Economy Act: our five-step idea

Executive Summary

The upcoming Circular Economy Act (CEA) is a unique opportunity to enhance the competitiveness of technology industries by creating a harmonised circular single market for waste and secondary materials. For this to succeed, Orgalim believes that:

1. **The CEA must complement existing legislation -** such as the Ecodesign for Sustainable Products Regulation (ESPR) and the Critical Raw Materials Act (CRMA) -, **<u>not</u> duplicate it.** This can be achieved by focusing the CEA on key aspects such as facilitating cross-border transport within the EU, promoting repair and reuse to extend product lifespans, and supporting the development of a harmonised single market for secondary raw materials and waste. **The CEA must also distinguish clearly between industrial circularity and consumer circularity** to reflect the structural differences between both. There is no one-size- fits-all solution due to the huge variety of products and different types of use patterns.

2. **Secondary raw material use should only be required where appropriate and when it can be justified from an environmental and economic point of view.** Incorporating recycled content into products presents significant challenges and depends on a variety of factors (such as the availability, quality and price of the secondary raw materials as well as transparency and traceability aspects). **Vis-a-vis virgin materials, recycled materials must be competitive in price, and comparable in terms of availability, quality and material properties.** In addition, we seriously doubt whether market surveillance authorities will be able to properly measure, monitor, and enforce recycled material content requirements in practice.

3. **The future revision of the Waste Electrical and Electronic Equipment (WEEE) legislation should achieve harmonisation at EU level** (of e.g. reporting obligations, collection systems and enforcement organisms). **Provisions will need to be rigorously enforced** to prevent illegal practices and free riding. **The responsibility of WEEE producers must be proportionate** to what they can reasonably control or where they have the capacity to act. **Collection targets must be achievable**, taking into account that most Member States have not reached them today and that the current 'put on market' method' is not suited for products with a long life span.**EU-wide mandatory treatment standards must be implemented** to ensure the production of high-quality recycled materials with proper traceability.

4. **The revision of the Waste Framework Directive (WFD) should end fragmentation and remove duplication of requirements for producers** which are the result of different national implementations and interpretations of existing EPR schemes, management of waste and definitions of by-products and end-of-waste. **The WFD revision should also ensure fair and effective Extended Producer Responsibility (EPR).** The responsibility must be shared and implemented so that all actors will play their part in the success of the circular economy. EPR schemes need to be carefully assessed to ensure they are working well before extending them to new products, together with a clearly defined scope.

5. **To develop circularity further, circular services and innovative business models should be fostered, including through economic incentives.** The R-Strategies (Reuse, Repair, Refurbish, Remanufacture, etc) must act as the basis for innovative business models and the successful implementation of the circular economy. In terms of economic incentives, one of our recommendations is the inclusion of mandatory total cost of ownership requirements into public procurement processes. This can be achieved by taking into account environmental criteria (eg. durability and repairability aspects) and not just the upfront price.

Introduction

Orgalim represents Europe's technology industries, comprised of 770,000 innovative companies spanning the mechanical engineering, electrical engineering, electronics, ICT and metal technology branches. Together they represent the EU's largest manufacturing sector, generating annual turnover of €2,755 billion, manufacturing one third of all European exports and providing 11.6 million direct jobs. Our industries are global leaders in the carbon-neutral energy, electrification, alternative fuels and clean manufacturing technologies needed to achieve net-zero, and we are committed to playing our part to deliver the net-zero transformation and the green transition.

The circular economy has the potential to unleash enormous benefits for Europe in terms of higher environmental protection, greater industrial competitiveness, manufacturing and services with high local value add, and job creation. Given that resources and the use of materials are cost factors susceptible to geopolitical pressures, embracing the circular economy ais also a strategically important element in Europe's quest for greater resilience, independence and economic security.

In the following paragraphs, Orgalim explains in five steps how to make the upcoming Circular Economy Act (CEA) a success in practice and ensure that the new framework will enhance the competitiveness of Europe's technology industries.

1. The CEA must complement existing legislation - such as the ESPR or the CRMA-, not duplicate it. It must distinguish clearly between industrial circularity and consumer circularity.

Europe's technology industries are global leaders in circularity. **We fully support the Clean Industrial Deal's goal to make the EU a world leader in circularity by 2030.** The upcoming CEA is expected to be a key driver of this ambition. Our industries acknowledge the importance of its objectives to boost circularity in the single market by strengthening supply and demand for qualitative secondary raw materials, making sure products and components can be reused and creating a true single market for waste and secondary materials. We also welcome the CEA's focus on reducing regulatory burden and ensuring simplification.

Under the EU Green Deal and its Circular Economy Action Plan, **a wave of EU regulations and updates to existing legislation have created significant challenges for companies**. These new rules are often complex and accompanied by additional secondary legislation such as implementing acts, delegated acts and harmonised standards that are still to be developed in the coming years (e.g. the Ecodesign for Sustainable Products Regulation (ESPR), Battery Regulation and Packaging and Packaging Waste Regulation (PPWR)).

Recommendations for action

- **The CEA must complement existing legislation and focus on areas where current rules fall short.** Circularity is much broader than just waste and the end of life, and the Extended Producer Responsibility (EPR) scheme. It is about the whole life cycle of products. To avoid duplication and overlap with existing legislation such as the Ecodesign for Sustainable Products Regulation (ESPR) and the Critical Raw Materials Act (CRMA), the CEA should focus o, key aspects such as facilitating cross-border transport within the EU, promoting repair and reuse to extend product lifespans, and supporting the development of a harmonised single market for secondary raw materials and waste.
- Clear, consistent regulation and ongoing collaboration with industry are key to manage trade-offs and ensure effective implementation. Improving waste management alone is not enough. **The CEA should also support waste prevention and longer product lifespans, recognising the vital role of producers. The foundation should be the "R-Strategies"**: Reuse", "Repair", "Refurbish", "Remanufacture", "Repurpose", "Recycle" and "Recover". These strategies might at times conflict. Therefore, dialogue across value chains is essential. Beyond Product as a Service (PaaS), the CEA should explore other circular business models including resource recovery and recycling models, remanufacturing and refurbishment models, repair and maintenance models and sharing platforms. Finally, facilitating EU-wide transport of used products and parts can significantly support circularity and product longevity. (For further details, see Orgalim's recommendations on the circular economy, products, chemicals and waste policies.)
- A clear and coherent regulatory framework, taking into account the interface of the various regulations, combined with a long-term political vision for a competitive circular economy is essential to enable investment in new innovative business models and foster circular services. **Unnecessary new legislation, double regulation, overlaps or legal inconsistency between the CEA and other pieces of legislation must be avoided.** The CEA should not set out requirements on both products and materials. The CEA and ESPR should be complementary. The CEA should focus only on those areas that are working insufficiently well under the current market conditions, like facilitating cross-border transport or promoting repair.

- **Distinguish clearly between industrial circularity and consumer circularity** to reflect the structural differences between both. There is no one-size- fits-all solution due to the huge variety of products and different types of use patterns. Depending on the product, current market situation and availability of the quality and quantity of a recyclate, a recycled content quota might be helpful in some product groups (e.g. packaging with a short lifetime) but not applicable in others. The European Commission should aim to avoid unrealistic targets that could disrupt supply chains.
- **Decrease the regulatory burden.** Policymakers must ensure that the legislative framework is based on the principle of 'starting it small to make it work' – enabling industry to deliver more circular solutions, with requirements feasible to implement in real life for companies of all sizes and with the option to scale up. (See also Orgalim's latest report on the regulatory burden with a 10-point action plan for better EU regulation and 19 concrete examples and practical recommendations to decrease the EU regulatory burden on technology industries such as by easing waste provisions, removing duplication in chemical regulations and closing the SCIP database.)
- **Ensure fair competition and a level playing field** between economic operators based inside and outside the EU through requirements which are enforceable, robust market surveillance and effective enforcement, as recognised in the Letta Report. Furthermore, we support the work of the Commission to lower energy costs which can be a barrier to a circular economy, particularly through fluctuating prices and significant variation of costs across the EU.
- **Promote R&D and innovation through market incentives.** Research and innovation must be supported across the value chain with a focus on circular solutions, while ensuring predictable conditions for private investment and industrial scale-up. Ensure policy coherence and legal certainty across chemicals, products and waste legislation to provide stable conditions for long-term investment and innovation.
- **Develop a circular single market for waste and secondary materials with a harmonised WEEE legislation and Waste Framework Directive** enabling better availability of secondary materials. A circular single market with a harmonised approach is essential to avoid a patchwork of different rules in the Member States, particularly for waste legislation as they increasingly act as a barrier for trade and for developing more streamlined circular practices. We call for a harmonised and proportionate implementation of the European WEEE legislation[1] and the future new Waste Framework legislation[2] as well as for EU-wide end-of-waste criteria to ensure free movement of recycled materials and used or damaged products or components to enable refurbishment and remanufacturing activities. Furthermore, we call for more guidance in the form of written documents and visual aids from the EU regarding[3]?? In addition, we recommend that secondary materials remain as much as possible in Europe.
- **Vis-à-vis virgin materials, secondary raw materials must be competitive in terms of price, availability and quality**. The Commission should reflect on solutions to foster demand-supply of products containing smaller amounts of primary materials to support EU competitiveness and resilience. See our detailed recommendations in section 2 below on secondary raw materials.

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[1] Directive (EU) 2012/19 (link)
[2] Directive 2008/98/EC (link)
[3] Regulation (EU) 2024/1157 (link)

- **Consistency between chemicals, products and waste legislation must be ensured and legislation should be coherent and aligned to provide legal certainty and predictability.**

The three main target conflicts regarding the interface between chemicals policy and the circular economy must be resolved:

1) **Increased reuse and recycling versus removing legacy substances.** Given the presence of legacy substances in recycled materials or reused products it is necessary to balance promoting circularity against phasing out hazardous substances from material cycles.
2) **Phase-out of substances versus product safety and performance.** The criteria to assess alternatives to regulated substances must comprise not only technical feasibility and environmental and health impacts, but also durability, performance, levels of safety, quality, costs, etc. Risks and benefits need to be evaluated. The ESPR may be the most appropriate framework to evaluate and regulate such trade-offs.
3) **Clear regulatory boundaries.** Issues related to the hazard properties of chemicals should be addressed in chemicals legislation – not in waste or circular economy legislation – and vice versa. Likewise circular economy issues not related to hazard properties should not be regulated in the chemicals legislation.

We recommend:

- Enabling the reusability, remanufacturing, refurbishment and reparability of devices and components which are crucial for long product life and a truly circular economy and **giving high priority to the "repair as produced" principle in substance legislation.** In this context, not only the CEA but also the upcoming revision of the REACH Regulation, RoHS revision of the broader Chemicals package as well as the upcoming revision of the New Legislative Framework (NLF) are relevant.
- **To ensure relevance, consistency and proportionality of measures related to Substances of Concern (SoC)** in the Ecodesign for Sustainable Products Regulation (ESPR). The SoC provisions under the ESPR should be risk-based and targeted. Information obligations should only apply where there is a demonstrable barrier to circularity: i.e. where a substance specifically hampers reuse or recycling of a product or material stream. Generalised or hazard-only reporting not linked to real-world circularity impacts should be avoided. See more details in the joint industry letter on SoC.
- **To follow a 'one list – one declaration' principle; do not duplicate existing EU obligations under chemicals or waste legislation:** Substances of Very High Concern (SVHC, SoC) are already subject to mandatory reporting under Article 33 of REACH and Article 9(1)(i) of the Waste Framework Directive via the SCIP database. Introducing a third mandatory reporting path for these substances under the ESPR would add unnecessary complexity and administrative burdens along the supply chain without providing additional value. Experience with the SCIP database has revealed significant shortcomings: high compliance costs, unclear data use, and limited benefits for circularity. These inefficiencies must not be replicated. Relevant substance information should be reported once, via a single, coherent system.
- **This principle should also apply at the national level** if there are already rules at the European level.

- **Digitalisation for information management must be used.** Data and digital solutions enable the upscaling of the circular economy because they allow the creation and processing of data and information required for circular business models and the complex demands of circular supply chains. View Orgalim's call for legal certainty to allow product information to be provided in digital form. Improving access to data and traceability, especially of secondary raw materials, is essential. **Data requirements must also work for both circularity and competitiveness.** The Digital Product Passport under the ESPR can facilitate this if the data in the DPP is reliable and preserves confidential business data, with a focus on circularity and product life extension. The burden put on companies must be proportionate, and data must be of added value for the different actors in the value chain – including the economic operators. See more information in our position paper calling on policymakers to develop a staged implementation of the DPP system under the ESPR.
- **All actors must be involved to play their part in the success of the circular economy**, and in particular in the context of the upcoming WEEE revision. We call on policymakers to ensure that all relevant actors are engaged and that their responsibilities - such as those of municipalities, manufacturers, retailers, consumers, waste companies, recyclers, and enforcement authorities - are clearly defined along the whole value chain, while retaining flexibility to accommodate existing, effective solutions.

2. Secondary raw material use should only be required where appropriate and when it can be justified from an environmental and economic point of view. Vis-a-vis virgin materials, recycled materials must be competitive and comparable in terms of price, and comparable in terms of availability, quality and material properties.

Our industries support policy instruments to increase resource efficiency and address the economic imbalance between primary and recycled materials.

To achieve resource efficiency, a broader policy mix is needed and it is important to ensure that instruments are based on evidence, are technology-neutral, proportionate and fit for purpose.

Metals can theoretically be recycled indefinitely without losing their properties, making them an ideal candidate for a circular approach. Metal products that have reached the end-of-life (EoL) phase can be remelted to produce new metals. As a result, the metal-related value chains are already largely circular. According to EURIC[4], in 2017, 35.5% of the crude steel produced worldwide was made from secondary raw materials. Looking at copper, 44% of EU copper demand comes from recycled copper scrap, 70% of the copper contained in end-of-life products is recycled copper and 90% of the copper used in civil infrastructure comes from secondary material. Moreover, 75 % of the aluminium produced to date is still currently in use because of its property of being indefinitely recyclable. Over 90% of the aluminium used in the transport and construction sector was recovered in 2018 in the EU.

[4] See EURIC Metal Recycling Factsheet, 23 August 2022

In addition, our industries support better recycling of critical raw materials in the EU to ensure their availability and supply.

Challenges

- **Incorporating recycled content into products – especially with regard to plastics, but also aluminium, steel and critical raw materials – presents significant challenges and depends on a variety of factors.**
    - The availability of secondary materials has mismatched the demanded quantity and the uncertainty of its availability – but also the quality needs of the recycled material. The transparency and traceability of the quality, availability, and origin of these secondary raw materials remain major barriers to an effective integration into industrial practices.
    - Recycled materials do not always guarantee the same performance as virgin raw materials for plastics. It is essential to ensure that this integration preserves the product's functionality and guarantees safety for both people and equipment – in particular for complex industrial products and safety-critical applications.
    - The impact of the price of recycled materials on the market must be considered because recycled materials often lack competitiveness versus virgin materials.
    - In theory, aluminium can be recycled indefinitely, but in reality it depends on the properties needed and/or the level of purity required for the applications.
- There is still a **lack of harmonised standards for the sufficient and reliable quality of plastic recyclates**. There is no guarantee that corresponding recyclates can be offered in sufficient quantities on the market, and at competitive prices, as there will be increased competition for recycled materials – especially plastics.
- Several existing **market barriers** (such as supply and demand, quality, price, etc.) make it particularly difficult for our industry to get recycled materials. Most manufacturers lack the supply chain power to be able to demand a specific recycled content that exactly fulfils the specifications needed. Without a guarantee of quality, the manufacturer cannot use the material reliably. Market dynamics could lead to a shortage of supply. **We seriously question that general mandatory use quotas for recycled content in new products will work**.
- One important risk is that mandatory requirements on recycled content, especially in complex products with high quality requirements, need a **case-by-case authorisation** by the OEM due to safety and quality concerns, thus adding a greater burden and more costs for the manufacturers.
- **We serious doubt whether market surveillance authorities will be able to properly measure, monitor and enforce recycled content requirements in practice.** It is very challenging to provide proof of the recyclates used in products, which is of great importance for imports from non-EU countries and necessitates corresponding market monitoring. A level playing field must be ensured.
- **Consumer and clients' low acceptance of products made from secondary raw materials** can be a barrier for the EU single market of secondary raw materials.

Recommendations for action

Our main recommendation is that **secondary raw materials use should only be required where appropriate and when it can be justified from an environmental and economic point of view. Vis-à-vis virgin materials, recycled materials must be competitive and comparable in terms of price, availability and material properties.**

Here are our **other practical recommendations for action:**

- A **well-functioning market for secondary materials** is a key part for an EU circularity market to provide **recycled content of a high quality at reasonable prices**. If such a market exists there will be no need for recycled content requirements. Recycled content requirements are merely an artificial measure to increase the demand for recycled materials, which should be avoided
- As mentioned above, there is **no one-size- fits-all solution** due to the huge variety of products and their different types of uses. Requirements on recycled content must be set **product-category-by-product-category** under the ESPR or sector-specific legislation to take into account individual characteristics and specificities of products – including the precise functionality of products within the same product category as well as differences between business-to-consumer (B2C) and business-to-business (B2B) products' performance and durability expectations. Recycled content might be an option, but it requires a high level of traceability.
- Before setting any requirement on recycled content, we call for **thorough impact assessments, including transparent and inclusive consultation with stakeholders,** to address all the challenges and ensure balanced and proportionate legislation that considers the competitiveness of companies.
- **Requirements on recycled content must be enforceable and enforced** by market surveillance authorities. We recommend the Commission to ensure that the market surveillance authorities will perform the checks and will not put the burden on companies in Europe.
- **Verification of recycled content is a precondition for any regulatory requirements**. We prefer a technical approach to verification. The methodology must be robust and fraud-proof in every case and should be based on standards. Standardisation plays an important role in terms of basic requirements (including clear definitions of terms and harmonised calculation methods). With regard to plastics, EU standardisation mandate M/584 is particularly relevant, as it aims to establish harmonised specifications for recycled material qualities and recycling processes for five areas of application.
- The development of **quality standards** to ensure the safe use of secondary materials in industry should be stimulated. Product-specific standards for recycling technologies, quality criteria for recycled plastics and fundamental research in the field of plastics recycling (including chemical recycling) are important building blocks for the practical implementation of the circular economy concept, especially for plastics. Otherwise, investments in design for recycling (see below) are not justifiable.
- Potential requirements for recycled content must **be compatible with existing international restrictions** and should not prevent European companies from selling identical products to different world regions – this is also a matter of EU industry competitiveness. As an example, capital goods designated for the US market have to meet the requirements of the National Electrical Code to receive the resulting UL approval. Manufacturers of end-products have to

make sure that component specifications are not compromised and continue to meet UL requirements, especially when moulders or fabricators use additives, regrinds and recycled plastics.

- If requirements on recycled content are introduced, they must be **introduced at EU level and designed with a deeper understanding of material flows, quality assurance and long-term consequences, acknowledging the limiting impact of past and future substance restrictions.** As to the recycled content in products, there is an upstream challenge of traceability and data on the materials that have gone through a recycling process. Industrial manufacturers have only a very limited view of this issue, as recycling activities are generally not part of their operational scope.
- A broad understanding of the **availability of suitable recycled materials and of providing incentives** for manufacturers to produce good quality recycled materials and to increase recycled content in their products is needed.
- There is a need to **invest in technology and innovation** to secure high quality secondary materials (e.g. through Horizon Europe and 'Innovative Materials for Europe' (IAM4EU)).
- **Third party verification must be used only if absolutely justified.** Third party verification should not be used as a replacement for stronger market surveillance but only if the nature, the type and the degree of the risks attached to the product justify it.

We note the recent Letta Report suggests that the EU must amplify access to circular materials by stimulating demand for high-quality recycled materials. We also draw attention to the fact that stimulating demand is expected to have a limited impact if the availability of high-quality secondary raw materials is not guaranteed.

3. The future WEEE legislation should achieve harmonisation at EU level. Provisions need to be rigorously enforced. Responsability of producers must be proportionate. Collection targets must be achievable and EU-wide mandatory treatment standards must be implemented.

The future revised Waste Electrical and Electronic Equipment (WEEE) framework must achieve harmonisation at EU level to avoid replicating complexity seen in other regulations and instead focus on coherence with related EU policies (especially for critical raw materials and ESPR). Responsibility of WEEE producers must be proportionate to what they can control. Provisions need to be rigorously enforced. Collection targets must be achievable. Tackling issues such as fires in recycling facilities, illegal shipments, outdated provisions, and online free-riding requires a harmonised, future-proof legislative approach that supports high-quality recycling, fair producer responsibility, and the recovery of critical raw materials – all while ensuring administrative simplification, consistency and involvement of all actors across Member States.

Challenges

- **Most Member States have not reached the WEEE collection targets.** The current 'put on market' method, based on the last three years, is not suitable for long-lifespan products, as it reflects neither actual waste generation nor all the work done by the producers to extend the lifespan of their products. The result is collection targets which are not reachable by most Member States. On the other hand, the 'waste generated' approach depends on reliable data, which is often unavailable.
- **The existing WEEE scope system does not fully work so it should not be extended.** The current WEEE open scope approach is challenging. Many products fall into 'grey areas', where it is unclear whether they are in the scope. Different interpretations by national authorities lead to inconsistent enforcement across EU Member States.
- **Online free-riding** is a serious issue because online sellers not registered and not undertaking take back, or not paying for collection and reprocessing, impose an unfair cost on other producers and retailers, distort the market, make compliant companies less competitive.
- **Illegal transboundary waste shipments inside and outside the EU** are another challenge which would make it hard for the EU to reach recycling goals.
- **Provisions that have become obsolete** are problematic**.** For example, information on components and materials under Articles 14 and 15 would become obsolete under the new Digital Product Passport.

Recommendations for action

- The **revision of the current collection rate calculation methodology must be a top priority. Alternative methodologies should be considered**, such as the 'waste available for collection' methodology introduced in the Battery Regulation. This methodology allows for a fairer and more realistic allocation of collection targets among producers — especially in sectors with long product lifespans. Our industries have made great efforts to make their products more durable, repairable and reusable, which should be taken into consideration when setting collection targets. See also the recommendations in the recent report from the WEEE Forum and Deloitte. In addition, we recommend to **focus on improving collection systems, raising public awareness, and strengthening enforcement to ensure existing targets are reachable**. If collection targets are increased, there should be measures not only for the producers but also for other actors. For these reasons, **we oppose plans for a new tax on the amount of uncollected electrical and electronic equipment (eWaste)** announced by the Commission on 16 July as part of its proposal for the EU's next long-term budget, referred to as the Multiannual Financial Framework (MFF). We believe this measure will add regulatory complexity while doing nothing at all to improve the collection and the quality of recycling or contributing to the circular economy. We note that companies already take financial responsibility in this area through the WEEE Directive that make producers responsible for the entire life cycle of their products, including waste collection and recycling. See more details in our Statement.
- **The responsibility of WEEE producers must be well-defined and proportionate, taking into account what they can reasonably control or where they have the capacity to act.** Clear boundaries must be established to define where the producer's responsibility ends and where the recycler's responsibility begins. Producers cannot be responsible for the difficulties

encountered by the recyclers in their installations. For example, a toner that is non-hazardous in its commercialisation phase can become hazardous in its recycling phase, depending on the process use. If a consumer does not respect the sorting regulations some products can be placed in the wrong recycling facilities – sometimes causing damage, as in the example of lithium batteries. Although this type of consequence is a very serious issue, the producers have no capacity to force the consumer to behave well nor the capacity to intervene in the process of the recyclers. However, manufacturers are already supporting information campaigns for proper disposal of waste batteries. We propose to further develop such campaigns.

- The **WEEE legislation must be consistent with other relevant legislation** (ESPR, CRMA, REACH, RoHS, etc.) to avoid overlaps or double regulation. In particular, coherence between the critical raw materials strategy and WEEE requirements must be ensured. Furthermore, the distinction between B2B and B2C obligations should be reinforced.
- **Harmonisation across Member States** is essential. Reporting obligations, collection systems and enforcement mechanisms should be uniform and coordinated at EU level to ensure consistency. A proportionate harmonisation is needed, together with a revision of the current methodology used to calculate collection rates. This methodology should reflect the actual lifespan of products on the market.
- **All actors involved in the WEEE value chain must share responsibility and contribute to its effective functioning.** Each actor should have a specific target to reach the global recycling objectives.
- **EU-wide mandatory treatment standards must be implemented** as they are also important to ensure the production of high-quality recycled materials for all actors. Improved monitoring and traceability of WEEE flows are needed, together with measures to prevent illegal practices such as free-riding, illegal exports, and non-compliant treatment.
- One of the main objectives of the WEEE Directive must be to support the circular economy by **enabling the production of high-quality secondary raw materials** that are usable by European manufacturers.
- If it is to be extended further, the **WEEE scope must be clearly defined** to avoid misinterpretations. The existing exemptions for certain types of professional equipment under the WEEE Directive are justified from a technical, economic, and regulatory perspective and should be maintained.
- **Simplified regulations for manufacturers regarding cross-border transport within the EU and handling / processing of used EEE** are needed, even if they are dismantled components.
- The **sorting and recycling of critical raw materials** must be enhanced, in line with the EU Critical Raw Materials Act (CRMA), with a focus on low-volume materials such as rare earth elements, where recycling remains economically challenging.
- **Online free-riding must be tackled by clarifying and strengthening the role of Authorised Representatives (ARs), in particular for Online Manufacturing Platforms (OMPs), under the WEEE Directive.** ARs should hold full legal, operational, and financial responsibility – like the PPWR. Registration of each represented producer must be mandatory and obligations to ensure transparency, traceability, and fair competition should be introduced. We recommend standard contracts to be harmonised.

- **The WEEE scope must be clearly and reasonably defined to avoid misinterpretations.** We recommend the Commission to regulate at EU level the list of product groups in the scope. We recommend to maintain the existing exemptions for certain types of professional equipment under the WEEE Directive because they are justified from a technical, economic, and regulatory perspective.
- **The WEEE Directive revision cannot be a repetition of the Batteries Regulation formula** (too complex, contradicting clauses, not future-proof, and several Delegated Acts), as the context is different. Other elements regulated in the Battery Regulation such as carbon footprint, recycled content, etc. should not have a place in the WEEE revision, given that those products already fall under the ESPR.
- Last but not least, **regular stakeholder consultation** must be established to monitor implementation and address challenges.

Additionally, while we appreciate the good intentions behind the **eco-modulation of producers' fees for WEEE** to promote environmentally conscious product design, we do not support the implementation of schemes that are not properly designed, harmonised, or enforceable. Criteria underpinning the modulation of fees for Electrical and Electronic Equipment (EEE) must be harmonised across EU Member States and fully consistent with the indicators developed within the ESPR regulatory framework to ensure coherence and avoid duplication. See more details in the joint industry comments on modulating producers' financial contributions for WEEE.

4. The revision of the Waste Framework Directive (WFD) must end fragmentation, remove duplication of requirements for producers and ensure fair and effective Extended Producer Responsibility (EPR).

Challenges

- **Fragmentation with different implementations of the EPR systems** in the various Member States and regions, but also on the management of waste.
- Currently, only a small number of waste types have **EU-wide end-of-waste (EoW) criteria,** leaving most recovered materials, products and components subject to **national or regional regulations** – leading to inconsistencies, uncertainties regarding waste classifications and potentially lower recycling rates.

Recommendations for action

- We call for a **harmonised and proportionate implementation of the Waste Framework Directive (WFD)** and its amending directive introducing mandatory and harmonised extended producer responsibility (EPR) schemes across all EU countries, **as well as for EU-wide end-of-waste (EoW) criteria.**
- We also call for better **harmonisation of definitions** to avoid different interpretations of by-product and end-of-waste.

- EU harmonised measures are crucial to secure the functioning of the internal market and to enable the circular economy. Going forward, **the upcoming revised WFD should not oblige nor invite Member States to take national measures to prevent waste generation and to encourage the design of such measures**. The regulatory requirements imposed by REACH on materials that have ceased to be waste represent a significant barrier to the development of efficient recovery and recycling channels.
- We strongly recommend **closing the ECHA SCIP database** because ECHA's implementation goes beyond the requirements set out in the legal basis of the WFD Article 9[5] and REACH Article 33.1[6] and because of high bureaucratic costs resulting from extensive double reporting obligations, which do not serve the purpose the database was originally created for. See more details on page 16 of the Orgalim report on decreasing the regulatory burden.
- The EU should implement the **separate collection provisions** in the existing waste legislation, increase sorting capacity with a focus on reuse and minimise secondary material incineration. We highlight that digital solutions (including DPP) can further support this objective – in this area, good examples to be replicated can be found in the Battery Regulation and the PPWR.

Regarding **Extended Producer Responsibility (EPR):**

- EPR measures and requirements should be **enforceable and comprehensive, with a clearly defined scope** and limitations at the EU level. It is essential to avoid overly broad or ambiguous obligations that go beyond what producers can reasonably control or where producers have the capacity to act. Moreover, producers should have the flexibility to choose between participating in individual or collective compliance schemes.
- **Responsibility should be shared fairly across all actors** in the value chain (such as municipalities, retailers, users, waste companies, recyclers, repair organisations and enforcement authorities) and each actor should have a specific target to reach the global recycling objectives. It is important that any measures taken do not inadvertently impose overly prescriptive or burdensome requirements that could undermine functioning current business practices or limit the flexibility needed by companies to implement compliance in the way that works best for them. Actors who dispose of products improperly must be held accountable. Consumers should be responsible for correctly separating their waste and bringing it to appropriate collection and treatment points. Producers have responsibility for the proper collection and treatment of their end-of-life products. The 'polluter pays' principle should be interpreted in line with each actor's capacity. Since manufacturers have limited control beyond product design in influencing consumer behaviour at a product's end-of-life or during repair, obligations for producers should be limited to what they can reasonably control.
- **Clear boundaries must be established** to define where the producer's responsibility ends and the recycler's responsibility begins, ensuring a well-defined role and efficiency in implementation.
- At the EU level, a balanced approach is needed to ensure that the **cost and administrative burden for companies is proportionate** to the environmental objectives of EPR schemes.
- An **EU-wide interoperable digital interface for EPR compliance** should be created to streamline registration and reporting obligations across Member States, improve transparency, and reduce administrative burdens – particularly for SMEs and cross-border operators, while enabling surveillance and enforcement of obligations.
- **EPR financing** needs to be fully harmonised across the EU, ensuring consistency and clarity. However, financial aspects should be approached with caution and common principles and clear instructions should guide implementation, while allowing flexibility to accommodate national and local specificities.

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[5] Directive (EU) 2018/851
[6] Regulation (EC) 1907/2006

- We recommend that **EPR should be defined at EU level**, as is already the case in the Waste Framework Directive.
- **Member States should not have the possibility** to extend the role and missions of EPR schemes.

As to **Producers Responsibility Organisations (PROs):**

- We support the **requirement for PROs to be regulated at EU level,** but the day-to-day operation of PROs and enforcement should be done at national level.
- We do not agree that various actors in the life cycle of the product should be represented in PROs. **Only producers should be represented** because they are the ones financing the PROs and having the legal responsibility.
- In conclusion, we strongly recommend to **'start small to make it work'** – meaning that before extending EPR schemes to new products, it must be clearly ensured that the existing schemes are working well and are successful.

5. To develoip circularity further, circular services and innovative business models should be fostered, including through economic incentives.

Recommendations for action

- To develoip circularity further, **circular services and innovative business models should be fostered**. We see what are known as the "R-strategies" as the foundation for innovative business models and as the basis for the successful implementation of the circular economy. See more details on page 3.
- **Economic incentives for circularity are vital to further develop the internal market**. In our industries, circular services and innovative business models must be designed to reflect the complexity and diversity of industrial value chains. These often span multiple suppliers, technologies and geographies, making harmonised and scalable approaches essential. Economic incentives should not only reward end-of-life circularity but also support upstream innovation, such as modular design, predictive maintenance, and digital twins, that enable reuse, remanufacturing, and longer product life cycles. To unlock the full potential of circularity, policy frameworks must recognise the systemic nature of our complex ecosystems and foster collaboration across sectors and borders.
- We recommend the **inclusion of mandatory total cost of ownership requirements into public procurement processes. This can be achieved by taking into account environmental criteria** (eg. durability and repairability aspects) and not just the upfront price. Solid, comprehensive and scientific Life-Cycle Costing methodologies should be used and may include sustainability criteria (e.g. preference for circular products and/or products with low embedded emissions) as well as criteria to stimulate innovation. These methodologies should be balanced across characteristics like durability, recyclability and the presence of recycled material. They should, for example, avoid giving an advantage to a short-life product containing recycled plastic as opposed to a long-life product containing metal. Such criteria must be designed to minimise the regulatory burden for companies, follow international standards, and be implemented in a technology-neutral manner. To support companies, especially SMEs, and ensure coherence across regulations, we further recommend that the Commission establishes a **centralised EU database for emission factors**, including geographically-specific data. This would enable

consistent and comparable LCA calculations across frameworks such as ESPR and CBAM, while reducing costs for businesses. See details in the section "Implement solid Life-Cycle Costing requirements" of Orgalim Recommendations on how to reform EU public procurement rules to make them a driver of industrial innovation, resilience and success.

- To foster circular services and innovative business models, **robust digital infrastructure and data-sharing mechanisms are essential**. Complex value chains require transparency and traceability of materials, components, and product life cycles. Digital tools such as product passports, blockchain-based traceability, and interoperable data platforms can enable circularity at scale by facilitating reuse, remanufacturing, and responsible sourcing. Economic incentives should support the development and adoption of these technologies, especially among SMEs, to ensure that circularity becomes a viable and competitive option across the entire internal market.
- **Targeted fiscal measures**, such as VAT relief for donations, tax incentives or tax deductions for reuse and repair, can help scale circular business models, reduce waste, and support the uptake of sustainable practices across the value chain.
- The **Environmental Product Declaration (EPD)** landscape across Europe is still very fragmented due to Member States applying their own national requirements. This can raise costs significantly and undermines comparability between products – thus creating a cost for manufacturers needing to comply with different national requirements and making it impossible to truly boost the demand for circular products. Positively, in some cases, sector-specific product standards already exist (or are being developed) so as to enable harmonised and mutually recognised product environmental footprint calculations. Based on such European and international standards, the EU should promote a harmonised framework for EPDs including standardised methodologies that will effectively prevent Member States from introducing market barriers. Orgalim members are currently occupied with the development of practical recommendations for action.

Orgalim represents Europe's technology industries, comprised of 770,000 innovative companies spanning the mechanical engineering, electrical engineering, electronics, ICT and metal technology branches. Together they represent the EU's largest manufacturing sector, generating annual turnover of €2,755 billion, manufacturing one-third of all European exports and providing 11.6 million direct jobs. Orgalim is registered under the European Union Transparency Register – ID number: 20210641335-88.

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