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Enabling EU circularity: A harmonised, digital and globally open single market

Executive summary

DIGITALEUROPE welcomes the forthcoming Circular Economy Act (CEA) as a chance to create a coherent, digital and market-driven framework for Europe's circular transition.¹ The Act must harmonise rules, strengthen enforcement and avoid overlapping obligations under the Ecodesign for Sustainable Products Regulation (ESPR), the Waste Electrical and Electronic Equipment (WEEE) Directive and the Waste Framework Directive (WFD), ensuring clarity and consistency across the single market.²

A successful CEA should prioritise EU-wide definitions, harmonised end-of-waste criteria and mutually recognised standards, enabling the free movement of secondary raw materials. Simplified shipment rules and uniform treatment standards are key to scaling investment in circular infrastructure.

The CEA must also make Europe's system digital by default, establishing interoperable EU-national extended producer responsibility (EPR) registration tools and digitisation of regulatory information and labels to improve efficiency and traceability.

A harmonised and fair EPR framework is essential. Collection targets should be based on 'WEEE available for collection,' rather than EEE placed on the market, to ensure realistic and enforceable goals. A legally binding 'all actors' principle should ensure that only authorised and registered operators handle WEEE, preventing free-riding and improving data accuracy. DIGITALEUROPE warns against the increasing fragmentation and ineffectiveness of WEEE ecomodulation and visible WEEE fee obligations.

Finally, Europe must stimulate circularity through open and globally connected markets. Geographic or regional sourcing restrictions would fragment supply chains, raise costs and limit access to high-quality recyclates. Instead, market-based incentives and investment in advanced recycling should drive uptake of secondary materials.

In short, the CEA should deliver a harmonised, digital and globally open framework that removes barriers, strengthens competitiveness and enables a truly circular single market.

¹ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14812-Circular-Economy-Act_en.

² Regulation (EU) 2024/1781, Directive 2012/19/EU and Directive 2008/98/EC, respectively.





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From fragmentation to flow: building a single market for secondary raw materials

A precondition for an effective single market for secondary raw materials is the **availability of harmonised, robust and verifiable data** across Member States. Current disparities in national data collection methodologies, as seen in Eurostat's e-waste figures,³ demonstrate the need for EU-wide data standardisation under the CEA. The European Commission should prioritise reliable, audited datasets and consistent reporting formats as the foundation for all policy measures affecting resource flows.

A harmonised EU methodology for calculating and managing waste and secondary raw materials is essential to ensure consistency, fairness and efficiency across Member States. DIGITALEUROPE calls for **mandatory harmonised collection, logistics and treatment standards for all WEEE operators**, aligned with CENELEC standards,⁴ and for **consistent quality and traceability criteria for secondary raw materials**. Such alignment will strengthen investor confidence, improve recyclate quality and facilitate the free movement of materials.

DIGITALEUROPE also supports material-specific, output-based recycling targets that reflect real recovery outcomes across the value chain, whilst **avoiding uniform horizontal obligations that disregard market and technological realities**.

To unlock economies of scale and attract investment in circular infrastructure, the CEA should establish **legally binding EU-wide and internationally recognised definitions for circular activities, simplified shipment rules** and clear, harmonised **end-of-waste criteria**. The current fragmentation of national end-of-waste rules and inconsistent certification practices continues to restrict the free movement and market uptake of secondary raw materials across the EU. A harmonised and mutually recognised framework is therefore essential to enable Europe's circular material flows and **strengthen the single market for secondary resources**.

DIGITALEUROPE recommends:

- ▶▶ Harmonising mandatory EU-wide collection, logistics, treatment, preparation for reuse standards as well as quality and traceability standards for secondary raw materials;⁵
- ▶▶ Harmonising 'end-of-waste' criteria and streamlining waste shipments to enable efficient and competitive production of secondary materials; and
- ▶▶ Ensuring that material-specific, output-based recycling targets reflect real recovery outcomes and avoid uniform, horizontal obligations that disregard market and technological realities.

³ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Waste_statistics_-_electrical_and_electronic_equipment.

⁴ EN 50625 and EN 50614.

⁵ Notably EN 50625, EN 50614, EN 15343 and ISO 14021.

Digital by default: transforming compliance into connectivity

Significant inconsistencies in environmental and waste data across Member States underscore the need for **digitalised, interoperable systems**. Existing initiatives such as the Information for Recyclers (I4R) Platform,⁶ developed jointly by producers and recyclers under the WEEE framework, already demonstrate the value of structured digital data exchange to support proper treatment and recycling. Building on such models, a **centralised EU-level digital platform for EPR registration** would simplify compliance for cross-border producers. This system should be interoperable with national registers, ensuring both efficiency for producers and effective oversight for Member States. In the interim, enhancing national registers remains essential, with the long-term goal of a harmonised EU–national hybrid model.

Digitalisation can transform compliance efficiency and consumer access to sustainability information. Currently, most regulatory information under EU law must still be delivered physically, yet consumers often discard packaging and retain little awareness of product labelling. **DIGITALEUROPE calls for full digitisation of regulatory information and labels**, delivering environmental, operational and consumer benefits.⁷ Digital solutions should remain **technology-neutral** to allow flexibility and innovation in how compliance is achieved, whilst ensuring legal clarity and harmonised interpretation across the EU.

Building on existing progress under the Batteries Regulation,⁸ we recommend **replacing outdated physical symbols, such as the crossed-out wheellie bin required by the current WEEE Directive, with digital product information accessible via QR codes or similar tools**. This will allow consumers to access accurate, actionable information on end-of-life product management whilst reducing environmental impact and administrative burden.

Digital markings, such as QR codes, should evolve independently of the full digital product passport (DPP) rollout, allowing for quicker implementation.

DIGITALEUROPE recommends:

- ▶ Making digital product information and labelling the legal default across EU product legislation, including by updating the EU Blue Guide to explicitly recognise digital-first, technology-neutral compliance formats.⁹ This should be implemented independently of the development of the more comprehensive DPP system; and
- ▶ Establishing a centralised EU-level digital platform for EPR registration.

⁶ <https://i4r-platform.eu/>.

⁷ See DIGITALEUROPE, *Moving from paper-based to digital product documentation*, available at <https://cdn.digitaleurope.org/uploads/2025/04/DIGITALEUROPE-approved-position-on-moving-from-paper-based-to-digital-product-documentation.pdf>.

⁸ Art. 13(6), Regulation (EU) 2023/1542.

⁹ 2022/C 247/01. See DIGITALEUROPE, *The Download: Targeted adjustments for a future-ready EU product framework*, available at https://cdn.digitaleurope.org/uploads/2024/12/DIGITALEUROPE-THE-DOWNLOAD-ISSUE-7-FINAL_WEB.pdf.

A fair and effective EPR framework

EPR schemes can only be effective if harmonised across the EU. However, there is **growing fragmentation of national systems, and limited effectiveness of WEEE fee eco-modulation and visible WEEE fee obligations**.¹⁰

We call on the Commission to **put an end to the proliferation of WEEE fee eco-modulation** in the EU. Divergent national criteria and fee methodologies create uneven policy incentives without delivering measurable environmental benefits. They create unnecessary administrative burden for ICT products that are typically small, lightweight and highly diverse. Financing mechanisms must remain cost-reflective, transparent and linked to demonstrable environmental benefits. Incentives for sustainable product design should instead be fully addressed under the ESPR, avoiding overlap with waste legislation.

A fair and effective **EPR system must also ensure accountability across the full value chain**. DIGITALEUROPE supports an **‘all actors’ approach** to guarantee that WEEE is properly collected, treated, recorded and accounted for.

The ‘all actors’ principle should become legally binding, ensuring that only authorised and registered operators are allowed to collect, transport or treat WEEE. This is **essential to capture unofficial waste flows, prevent free riding and stop unauthorised or informal operators** from commercialising waste outside the official system. All organisations managing WEEE must either apply for authorisation to operate, register and report like a Producer Responsibility Organisation (PRO) or be subject to a mandatory handover of the WEEE collected to an authorised PRO.

In this regard, **a strengthened enforcement and coordination** between national authorities, customs and the Commission will be crucial to ensure compliance, improve traceability and maintain a level playing field across Member States.¹¹

Finally, raising WEEE **collection targets** does not mean that more waste will be collected. WEEE collection targets will likely not be reached with the current method of calculation, which is no longer fit for purpose. DIGITALEUROPE recommends revising the collection target methodology, moving beyond ‘placed on the market’ calculations towards a **‘WEEE available for collection’ approach**, aligned with product lifetimes and realistic discard rates. This would make targets proportionate, measurable and enforceable.

DIGITALEUROPE recommends:

- ▶▶ Basing WEEE collection targets on ‘WEEE available for collection’ and replacing general recovery targets with selected material-specific recycling targets;

¹⁰ See DIGITALEUROPE, *Realigning targets and practices for effective e-waste management*, available at <https://cdn.digitaleurope.org/uploads/2024/10/Realigning-targets-and-practices-for-effective-e-waste-management.pdf>. Eco-modulation is the adjustment of producer fees under EPR schemes according to product characteristics such as durability, reparability, recyclability and hazardous substance content. In addition, Member States may require producers to display via ‘visible fee’ to purchasers the cost of collection, treatment and environmentally sound disposal of WEEE.

¹¹ See *Joint priorities for the Circular Economy Act*, available at <https://cdn.digitaleurope.org/uploads/2025/07/Joint-Industry-Recommendations-on-the-Circular-Economy-Act-1.pdf>.

- » Establishing a centralised EU-level digital platform for EPR registration;
- » Implementing an ‘all actors’ approach to ensure all WEEE is properly collected, treated, recorded and accounted for and avoid free riding across the value chain;
- » Prohibiting WEEE fee eco-modulation or mandate a harmonised eco-modulation framework across all Member States;
- » Prohibiting visibility of WEEE fee financial contributions or following a simplified approach where information is shown on point of sale; and
- » Establishing a clear division of responsibilities between product design (ESPR) and waste management (WEEE, Waste Framework Directive, Waste Shipment Regulation¹²) to prevent regulatory overlap and double obligations.

Stimulating circularity through open and competitive markets

Circularity extends far beyond recycling, encompassing reuse, repair, remanufacturing and innovative business models that extend product lifetimes and maintain materials in circulation. A truly competitive circular market depends on **open trade, harmonised standards and consumer confidence in secondary materials**.

Fiscal fragmentation remains one of the biggest barriers to circular investment. National fiscal instruments, such as taxes on waste exports, risk shifting trade flows rather than creating circularity, particularly when introduced without proper assessment or adequate recycling capacity. The recent European Commission’s proposal for an EU own resource based on non-collected e-waste illustrates the risk of overlapping levies that distort competition, raise administrative costs and divert resources from real innovation.¹³

DIGITALEUROPE calls for the CEA to ensure policy coherence, **avoiding parallel fiscal instruments and focusing on harmonised market-based incentives**, such as VAT reductions, that directly stimulate circular demand.


Market-based incentives must be supported by harmonised quality standards and realistic policy design. **Mandatory regional sourcing requirements could increase environmental impact** whilst having minimal effect, due to the limited volumes involved in small electronic devices. Instead, the EU should prioritise investment in **scaling up recycling capacity** and advanced technologies.

Public procurement can serve as a driver for circularity when integrated into a broader policy mix.¹⁴ Circularity criteria should complement price criteria and be based on recognised international standards, whilst remaining optional to ensure flexibility for contracting authorities. Product life-extension services and product-as-a-service models (e.g. device-as-a-service) with measurable environmental benefits should be integrated into funding frameworks.

¹² Regulation (EU) 2024/1157

¹³ See *Joint letter on proposed unitary own resource on non-collected e-waste*, available at <https://cdn.digitaleurope.org/uploads/2025/10/Joint-letter-on-e-waste-own-resource-proposal.pdf>.

¹⁴ See DIGITALEUROPE, *Strengthening the public procurement economic lever*, available at <https://cdn.digitaleurope.org/uploads/2025/07/Strengthening-the-public-procurement-economic-lever-28-Feb.pdf>.



Finally, circularity must extend beyond recycling to **include reuse and preparation-for-reuse**. The CEA should establish realistic, category-specific waste targets that integrate reuse in a measurable and practical way, reflecting market demand and product functionality. Harmonised definitions of reuse and waste under WEEE Directive, as well as the Waste Shipment Regulation, are essential to avoid trade barriers. Digital tools and consumer awareness initiatives should make proper disposal and reuse intuitive and accessible.

Circular products and business models still face structural market disadvantages, whilst restrictive sourcing requirements risk fragmenting the single market and increasing lifecycle emissions. **Europe needs open, globally connected supply- and demand-driven policies to scale circularity.**

DIGITALEUROPE recommends:

- » Promoting circularity through market-based incentives or inclusion in EU and national funding schemes, avoiding fragmentation of fiscal instruments; and
- » Enabling global sourcing of recyclates, avoiding geographic restrictions that distort markets, disrupt supply chains, limit access to high-quality recovered materials and undermine circularity goals.

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About DIGITALEUROPE

DIGITALEUROPE is the leading trade association representing digitally transforming industries in Europe. We stand for a regulatory and investment environment that enables European businesses across multiple sectors, as well as citizens, to prosper through digital technologies. We wish Europe to grow, attract and sustain the world's best digital talent, investment and technology companies. Together with our members, we shape industry positions on all relevant policy matters and contribute to their development and implementation. Our membership represents over 45,000 businesses who operate and invest in Europe. It includes corporations and scaleups which are global leaders in their fields, as well as national trade associations from more than 30 European countries.