

Mr Stéphane Séjourné
Executive Vice-President for Prosperity and Industrial Strategy

Ms Jessika Roswall
Commissioner for Environment, Water Resilience and a Competitive Circular Economy

By email only

Brussels, 19 October 2026

Subject: **Eurochambres input on the forthcoming Circular Economy Act**

Dear Executive Vice-President Séjourné,
Dear Commissioner Roswall,

The European chamber network considers advancing the circular economy a key priority for strengthening the EU's economic resilience and competitiveness. Yet divergent end-of-waste and by-product criteria, fragmented extended producer responsibility (EPR) systems, and disproportionate requirements, such as those under the Packaging and Packaging Waste Regulation (PPWR), continue to undermine progress towards a genuine single market for circularity.

The forthcoming Circular Economy Act (CEA) provides an opportunity to remove these barriers and set the right economic incentives to boost the demand and supply of secondary raw materials. However, its success will depend on delivering a business-friendly framework. This requires limiting new measures to areas with clear added value, ensuring practical and proportionate rules that are coherent with related initiatives such as the Ecodesign for Sustainable Products Regulation (ESPR), the Public Procurement Directives and the Environmental Omnibus, and upholding technology and material neutrality.

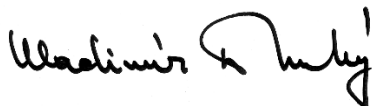
Building on the [Eurochambres position on the CEA](#), we would like to reiterate the following key priorities of the European business community:

- **Establish an EU-wide digital one-stop shop for EPR systems:** Fragmented national EPR systems with differing registration procedures, reporting formats and requirements create significant administrative costs for businesses and discourage SMEs in particular from participating in cross-border trade within the internal market. Allowing businesses to register and report through a single EU-wide system based on harmonised procedures and linked to the European Business Wallet is essential. The appointment of an authorised representative must remain voluntary, with the option of designating a single EU-wide representative.
- **Simplify and harmonise end-of-waste and by-product criteria across the EU:** Divergent national and regional criteria create legal uncertainty, high administrative costs and barriers to trade across the single market. The current patchwork must be replaced by harmonised EU-wide criteria. Pending their introduction, member states must mutually recognise end-of-waste and by-product status.
- **Ensure practical and proportionate EPR requirements:** The implementation of the PPWR clearly illustrates the negative impact that complex and disproportionate requirements can have, particularly on smaller businesses. The “Think Small First” principle must therefore be applied consistently in the forthcoming CEA. This must include simplified EPR procedures, appropriate de minimis thresholds and harmonised reductions in EPR fees for SMEs, alongside measures to prevent national gold-plating.

- **Facilitate circularity through digitalisation:** Digital tools such as the Digital Product Passport (DPP) can improve information flows along value chains and facilitate the recovery of secondary raw materials, but they can also create significant burdens for businesses if not carefully designed. The DPP must therefore be based on proportionate requirements, adequate digital infrastructure and targeted implementation support, particularly for SMEs. Its implementation must also support interoperability and data minimisation and provide robust safeguards for cybersecurity and business-sensitive information, while keeping integration costs manageable.
- **Ensure proportionate and workable demand-side measures:** Circularity criteria in public procurement and minimum recycled-content requirements can help drive demand for secondary raw materials. However, overly complex or prescriptive procurement criteria risk excluding SMEs from public tenders, while recycled-content requirements could undermine competitiveness if the necessary secondary raw materials are not available in the required quantity and quality at competitive prices. Any such measures, whether introduced under the CEA or through related existing legislation such as the ESPR, must therefore be practical and proportionate, based on robust market assessments, and limited to cases where clear benefits can be demonstrated.
- **Expand collection, sorting and recycling infrastructure and accelerate permitting:** To boost Europe's recycling and remanufacturing capacities, investments in infrastructure, research and innovation, and skills development remain critical. EPR fees should be reinvested directly to support these objectives, rather than diverted into general state budgets. In addition, permitting procedures must be streamlined, digitalised and accelerated through shorter deadlines, more flexible procedures, proportionate environmental assessments and clear exemptions for low-impact projects and the modernisation of existing facilities.
- **Safeguard a level playing field within the EU and internationally:** EU-wide standards and certification schemes for secondary raw materials can help ensure quality and support fair competition, while imports must be subject to effective and harmonised controls to verify compliance with EU requirements. At the same time, the chamber network cautions against export bans or taxes on waste and raw materials, as they risk distorting trade, provoking retaliation and limiting market flexibility, particularly for smaller and open economies. Rather than introducing trade restrictions, the EU should improve market conditions and provide positive incentives to retain materials and expand recycling capacity within Europe.

For a successful transition towards a European circular economy, the forthcoming CEA must be accompanied by stronger efforts to streamline and harmonise related legislation, including the PPWR and ESPR. To support this effort, Eurochambres has updated its [list of simplification proposals](#), which identifies concrete measures to reduce regulatory burdens on European businesses, particularly SMEs. The chamber network stands ready to support the Commission in developing and implementing a competitive and business-friendly framework for circularity.

Yours sincerely,



Vladimír Dlouhý
Eurochambres President