

CCIA Europe Response to the European Commission's Call for Evidence

Forging a competitive EU market for circularity

November 2025

CCIA Europe welcomes the opportunity to contribute to the European Commission's call for evidence on the upcoming EU Circular Economy Act (CEA). While progress has been made, fragmentation across the EU and divergent national rules still hinder cross-border operations, circular business models, and ultimately the EU's Green Deal goals. The CEA should focus on regulatory simplification, harmonisation, and targeted investment. CCIA Europe offers these 10 recommendations to create a true single market for waste and secondary raw materials.

I. Embedding harmonisation and innovation in the market

Fragmentation and red tape still block the single market for waste. Efficiency, harmonisation, and innovation must drive a unified, competitive circular market that serves the Green Deal.

Recommendations:

1. Unify national markets into a single EU market for circularity
2. Prioritise supply-side readiness before pushing mandates
3. Embed regulatory coherence in the CEA
4. Simplify EPR compliance
5. Restore business confidence through immediate relief mechanisms

II. Modernising the WEEE framework

Product longevity has increased greatly. The revised WEEE framework should support this, recognising market realities to boost the second-hand market and raw material recovery.

Recommendations:

6. Leverage ESPR as the main legislation addressing EEE product design
7. Reflect longer product lifecycles in WEEE targets with an 'all actors' approach

III. Anchoring circularity in market principles and open trade

Sound market principles and open trade built the EU Single Market. A strong EU circular economy must follow them, unlocking private investment for global competitiveness.

Recommendations:

8. Avoid distorting the market with an e-waste tax
9. Adhere to non-discriminatory, WTO-compliant mechanisms for circularity

IV. Leveraging digitalisation for labels and documentation

As the Commission strives to reduce regulatory and administrative burden while pursuing climate goals, digitalisation offers practical benefits for both business and citizens.

Recommendations:

10. Simplify compliance and reduce circular economy costs through digitalisation

Introduction

The Computer & Communications Industry Association (CCIA Europe) is grateful for the opportunity to contribute to the European Commission's call for evidence on the forthcoming EU Circular Economy Act (CEA).

Despite progress in recent years, significant barriers still prevent the emergence of a true single market for waste and secondary raw materials in the European Union. Persistent fragmentation across Member States – coupled with a complex web of divergent national rules – continues to stifle cross-border operations and limit the scalability of circular business models, ultimately also hindering the EU's ability to meet its Green Deal objectives.

The CEA represents a critical opportunity to move away from the idea of introducing new prescriptive mandates and instead focus on simplification, harmonisation, and targeted supply-side investment. To achieve a true circular market in the EU, the Circular Economy Act must reflect the following four priorities:

- I. Embedding harmonisation and innovation in the market
- II. Modernising the WEEE framework
- III. Anchoring circularity in market principles and open trade
- IV. Leveraging digitalisation for labels and documentation

I. Embedding harmonisation and innovation in the market

Fragmentation and red tape still block the single market for waste. Efficiency, harmonisation, and innovation must drive a unified, competitive circular market that serves the Green Deal.

1. Unify national markets into a single EU market for circularity

When doing business in the EU, companies currently face a fragmented patchwork of 27 national systems. This means that they have to invest substantial resources into legal assessments, national audits, and complex procedures. This fragmentation effectively affects EU competitiveness and is the first and most significant barrier to scaling circular business models.

A clear example is the inconsistent treatment of critical secondary materials. The legal point at which 'waste' becomes a valuable resource again – the so-called end-of-waste status – as well as what qualifies as a 'by-product,' varies widely across Member States. If copper or aluminium is classified as waste in the country of origin but as a by-product in the destination country, cross-border shipments become legally risky and complex.

This uncertainty is amplified in existing legal frameworks with differing definitions across legislation and/or different interpretations of key terms across Member States. Moreover, the current system and regulatory framework for the shipment of waste are too complex.

To unlock scale and competitiveness, the Circular Economy Act (CEA) must therefore **establish EU-wide harmonised criteria for these core legal concepts**, thus making sure that the same definitions are valid from Lisbon to Tallinn. This might also include, for example, a further development of the end-of-waste (EoW) criteria, including potential new EU-wide ones.

The current system and regulatory framework for the shipment of waste, underpinned by the Waste Shipment Regulation (WSR), is too slow and complicated, blocking the Single Market for circular material. Highly specialised and large-scale recycling infrastructures are currently not present in all 27 EU Member States. Waste may accumulate in one country, but the capacity to recycle may lie in another. Companies may also be part of a bigger supply chain that is forcibly located in multiple EU countries, and even beyond the EU's borders.

Indeed, fast-track mechanisms for non-hazardous shipments destined for circular economy operations – such as pre-consented recovery and recycling facilities – would support the development of regional recycling hubs.

2. Prioritise supply-side readiness before pushing mandates

High-quality recyclates require advanced infrastructure capable of correctly sorting and recovering valuable metals. Today, that infrastructure is largely lacking in the EU.

The market dynamic is simple: when supply is low, prices go up. Companies operating in the EU's circular economy today face precisely this situation – high prices and low availability of quality secondary materials. [Eurostat data](#) confirm that virgin raw materials are often cheaper than recycled ones. The issue is not reluctance from manufacturers to use recycled content – it is the lack of sufficient, clean, well-sorted supply.

Instead of pushing demand into a market that is not yet ready, the Circular Economy Act should **prioritise improving the readiness of the supply side**. That means prioritising investment in modern collection and processing infrastructure and supply base; R&D support for next-generation material recovery technologies; and crucially clear, harmonised, EU-wide quality standards aligned with international norms.

The Commission's plans to establish trans-regional circularity hubs are a step in the right direction. However, this must be backed by Union-level legal certainty to unlock both public and private investment.

3. Embed regulatory coherence in the CEA

The EU has already adopted a robust set of cross-sector laws to drive product durability and circularity. If the Circular Economy Act simply adds another horizontal layer without resolving overlaps or clarifying inconsistencies, it risks compounding the problem: more complexity, more administrative burden, and less legal certainty.

The CEA must therefore be built on coherence across the broader policy and regulatory framework, creating synergies and addressing legal ambiguities. Rather than introducing new obligations, it should **focus on aligning existing frameworks and addressing the legal ambiguities** that currently prevent a truly functioning EU circular economy.

This means, for example, clarifying the link between product legislation and waste legislation; leveraging product design legislation for product design measures; and avoiding the introduction of demand-side measures through waste legislation. It also means ensuring that existing regulation does not inadvertently create conflicts with circular economy goals – as illustrated by the removability and replaceability obligation in the Batteries Regulation. While

well-intentioned, promoting do-it-yourself battery replacements risks further depressing the EU's already low e-waste collection rate, which stood at just 40.1% in 2022¹.

4. Simplify EPR compliance

In its current form, the Extended Producer Responsibility (EPR) is the single greatest administrative barrier to a true EU single market for the circular economy. While EPR is a key pillar of circularity policy, the way it currently operates is structurally inefficient. Today, companies must navigate 81 separate compliance schemes across the EU only for packaging, batteries, and electronics. With upcoming rules for textiles, this number is expected to rise to 108.

Take the example of a consumer electronics company – of any size, EU or non-EU – wishing to sell smartphones in Europe. From the very first unit sold, it must register separately in every Member State across multiple EPR schemes (packaging, batteries, electronics, etc), each coming with: divergent registration portals and national entities, inconsistent reporting frequencies, formats, and eco-modulation criteria. All of this culminates in multiple, complex payments to different Producer Responsibility Organisations (PROs).

At a time when the EU is pushing for digitalisation and simplification in every sector, this fully manual, paper-based, nationally siloed compliance system is anachronistic.

Significant improvements could be achieved with a digital-by-default approach to EPR. The Circular Economy Act is the perfect opportunity to **establish a single portal for EPR registration across all waste streams, and to continue harmonising core elements of EPR frameworks across Member States**. This digital portal would allow companies to invest in sustainability rather than compliance gymnastics.

Developing EU-wide criteria for EPR scheme design and transparency, including public reporting on how fees are calculated and used, would also help simplify EPR-related compliance. This simplification does not stop here. Simplifying reporting and synchronising (and possibly reducing) declaration frequency and administrative requirements would allow EPR to become more transparent and a driver for the EU circular economy.

5. Restore business confidence through relief mechanisms

The current EPR compliance patchwork harms all companies – but it hits smaller businesses disproportionately, as they lack the resources and administrative capacity to navigate 27 different national systems. This compliance friction directly limits the scalability of circular business models and cross-border trade, undermining the very principles on which the EU Single Market is built.

A simple and effective relief measure would be to **introduce the “marketplace-on-behalf” model under the Circular Economy Act (CEA)**. Allowing online marketplaces to partly absorb core compliance tasks – such as registration, reporting, and payments – on behalf of thousands of individual sellers would drastically reduce administrative overheads and significantly increase overall compliance rates.

¹ Waste statistics - electrical and electronic equipment, European Commission, 2022, available [here](#).

However, time is of the essence. New EPR obligations are rapidly coming into force under recently adopted rules like the Packaging and Packaging Waste Regulation (PPWR) and the Batteries Regulation. Companies are already investing heavily in building national compliance structures to meet these rules. If simplification is only introduced later via the CEA, these upfront investments will become stranded costs – an entirely preventable waste of capital.

For this reason, CCIA Europe **urges a ‘stop-the-clock’ approach, postponing new EPR obligations by 12-24 months – or at least until the CEA’s digital portal, harmonisation, and simplification rules are fully finalised.** This would restore business confidence, avoid unnecessary sunk costs, and ensure that future compliance investments are directed towards a streamlined, digital-by-default system.

II. Modernising the WEEE framework

Product longevity has increased greatly. The revised WEEE framework should support this, recognising market realities to boost the second-hand market and raw material recovery.

6. Leverage ESPR as the main legislation addressing EEE product design

The CEA’s success depends on legislative discipline, which means building upon existing, relevant product frameworks. For this reason, CCIA Europe believes that the **Ecodesign for Sustainable Products Regulation (ESPR) should be leveraged as the main legislative tool for addressing product design and material aspects of Electrical and Electronic Equipment (EEE).**

Crucially, requirements must be tailored to specific materials and products based on impact assessments. Overlapping or conflicting design mandates within the CEA would only undermine the ESPR framework, adding unnecessary complexity.

7. Reflect longer product lifecycles in WEEE targets with an ‘all actors’ approach

WEEE collection targets are typically calculated as a percentage of the EEE placed on the market in the short term. However, this collection methodology has become outdated.

It fails to account for one of the EU’s biggest recent environmental wins: increased product longevity. The equipment placed on the market today only enters the waste stream many years later than before. This outdated calculation method automatically leads to unrealistic and unfairly high targets for manufacturers, which were established through the WEEE Directive more than 10 years ago, when products were far less durable and longer-lasting than today.

The Circular Economy Act must **review this aspect of the WEEE Directive to shift the target calculation basis to WEEE generated and available for collection, reflecting today’s longer lifespan of products.**

These new targets should also be coupled with strong enforcement against non-compliant actors and illegal exports. Mandating targets that manufacturers cannot meet due to waste being lost to non-reporting actors or illegal waste management would be counterproductive.

In addition, an ‘all actors’ approach can contribute to a stronger WEEE framework. This would imply ensuring that all WEEE is properly collected, treated, recorded and accounted for, as well as avoiding free riding across the value supply chain.

III. Anchoring circularity in market principles and open trade

Sound market principles and open trade built the EU Single Market. A strong EU circular economy must follow them, unlocking private investment for global competitiveness.

8. Avoid distorting the market with an e-waste tax

As part of its proposal for the 2028-2034 EU budget, the European Commission has put forward a €2/kg tax on non-collected e-waste.

This tax imposes a double burden on the industry. Producers already fully finance waste collection and treatment through existing WEEE extended producer responsibility (EPR) schemes. Moreover, the Circular Economy Act is expected to revise the WEEE Directive, meaning this proposal overlaps with planned legislative reforms.

What is more, the measure is not backed by any comprehensive impact assessment that demonstrates its effectiveness or assesses negative impacts. It also fails to recognise that consumers often store old electronics in drawers or cupboards – which, under the Commission’s definition and based on unreliable collection methodologies, would be counted as ‘non-collected e-waste,’ even though these products are not discarded.

Rather than introducing an arbitrary tax, the Commission should prioritise positive fiscal incentives. The focus should lie in enforcing the current WEEE framework and ensuring that the CEA improves the economics of circularity instead of distorting them.

9. Adhere to non-discriminatory, WTO-compliant mechanisms for circularity

The EU’s circularity and resource security goals fundamentally depend on global, open, and resilient supply chains. Isolationist or protectionist measures would do the opposite – that is undermining the Green Deal goals and weakening Europe’s global leadership on climate action.

The European **Commission must resist calls for trade-restrictive measures in circularity**, such as blanket export or import bans on specific waste streams or export fees. These would risk jeopardising the EU’s circular economy ambitions and destabilising the very supply chains on which the EU depends for access to strategic and critical raw materials (CRMs).

Instead, the global and trade dimension of the Circular Economy Act must fully align with the World Trade Organisation (WTO) framework and the EU’s bilateral and plurilateral commitments, including the Government Procurement Agreement (GPA), which enshrines non-discriminatory access to markets.

IV. Leveraging digitalisation for labels and documentation

As the Commission strives to reduce regulatory and administrative burden while pursuing climate goals, digitalisation offers practical benefits for both business and citizens.

10. Simplify compliance and reduce circular economy costs through digitalisation

Digitisation offers powerful tools to unlock efficiencies, inform consumers, and enable better environmental outcomes throughout the product's lifecycle. A much more pragmatic approach to digitalisation is needed in this respect in order to ensure businesses can benefit from simplification right now, not years in the future.

While the Digital Product Passport (DPP) is a valuable long-term goal in the pursuit of such digitalisation, its implementation for key products is still years away, only around 2030 for mobile phones, for example. Forcing businesses to keep waiting for the DPP creates an unnecessary 'simplification gap' of five or more years – locking them into outdated, costly, and inefficient processes.

Proceeding with the move to digital product information and labelling, independently of the development of the DPP, would be a first important step. To ensure that digital tools serve as enablers, rather than barriers, the **Commission should allow for the digital delivery of information requirements as an alternative to their physical delivery** (e.g. today's printed leaflets).

However, in order to maximise the benefits of such simplification, a digital-first approach must always be technology-neutral. A flexible framework is needed that simplifies product design and supply chain management by allowing businesses to choose the most efficient and cost-effective digital tool for their specific labelling needs, whether that be QR codes, barcodes, or RFID tags.

Conclusion

The Circular Economy Act puts the European Commission at a crossroads: either maintain the status quo (with administrative complexity and legal uncertainty), or ensure competitive resource security for those businesses that truly see a business case in the EU's circular economy, much like CCIA Europe does.

The correct path demands digital simplification of EPR and WEEE targets that reflect product longevity, anchoring all policy to market principles and open trade. Protectionist and government-mandated policies – such as the proposed e-waste tax – only push the EU further away from a successful circular market that would ultimately benefit not only businesses of all sizes, but also consumers and society at large.

New complexity must be rejected, instead favouring enforcement, harmonisation, simplicity, and administrative efficiency. Only market-driven principles and a simple administrative framework can help the EU become a global leader in circular business practices.

About CCIA Europe

The Computer & Communications Industry Association (CCIA) is an international, not-for-profit association representing a broad cross section of computer, communications, and internet industry firms.

As an advocate for a thriving European digital economy, CCIA Europe has been actively contributing to EU policy making since 2009. CCIA's Brussels-based team seeks to improve understanding of our industry and share the tech sector's collective expertise, with a view to fostering balanced and well-informed policy making in Europe.

Visit ccianet.eu, x.com/CCIAEurope, or linkedin.com/showcase/cciaeurope to learn more.

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