

The EU Circular Economy Act: A Key Opportunity for Sustainable Resource Use, Long-Term Competitiveness, and Strategic Resilience

1 August 2025

Dear Commission President von der Leyen,

Dear Commissioners Ribera, Roswall, and Sejourné,

As a group of European civil society organisations engaged in accelerating the transition to a circular economy, we express our strong commitment to supporting the development of the upcoming EU Circular Economy Act.

In line with the objective of Commissioner Roswall “to prepare a Circular Economy Act which puts the environmental footprint of the Union on a sustained downward path while strengthening the EU’s competitiveness and fostering our open strategic autonomy”,¹ this initiative marks a pivotal moment to align Europe’s resource use with the objectives of the EU Green Deal and Clean Industrial Deal.

To fully seize this opportunity, the Act must go beyond incremental change and fully embed circular economy principles in Europe’s entire economic system. **A truly effective Circular Economy Act will enable Europe to:**

- **Enhance long-term competitiveness.** Maximising and retaining the value of products and materials for as long as possible within the Single Market can reduce material and energy costs, strengthen the competitiveness of European industries, and create opportunities for quality employment and innovation.²
- **Ensure strategic resilience.** In the face of global supply chain uncertainty and disruptions, a circular economy approach offers opportunities to increase resilience by using resources more strategically, securing the availability of secondary materials, and reducing exposure to price volatility.³
- **Reach carbon neutrality and restore nature.** Meeting Europe’s climate and biodiversity objectives will require rethinking how we extract, use, and manage our natural and material resources.⁴

We therefore invite you to incorporate the following priorities in the Act:

- **Set science-based targets on resource use.** The Commission’s 2020 Circular Economy Action Plan committed to “initiating discussions on an international agreement on the management of natural resources”.⁵ In June 2024, all Member States took this ambition further by calling the Commission to assess “the setting of ambitious and economically feasible science-based targets to keep material and consumption footprints within the planetary boundaries”.⁶ Following the approach taken in the European Climate Law, ambitious and binding targets on primary resource use should be established and supported by concrete policy measures. These targets should be science-based, economy-wide, and accompanied by a robust progress monitoring framework. This will create alignment and confidence in the public and private investments needed to reconcile our economy with planetary boundaries.
- **Harness the potential of keeping products and components in use, not just materials.** The Act should prioritise reuse, repair, refurbishment, and remanufacturing over recycling. This can be achieved by introducing waste prevention, reuse and preparation-for-reuse targets in relevant legislation while introducing economic incentives (including fiscal and public procurement policies) to make repair, remanufacturing, and second-hand products more economically attractive. Extended Producer Responsibility (EPR) schemes should prioritise reuse and repair before recycling, ensuring full cost coverage for these activities and including financial support for social economy actors.

- **Accelerate safe material circulation by integrating chemical and circular economy legislation.** To ensure the safe circulation of products and materials, the principles of the Chemicals Strategy for Sustainability should be integrated within all relevant product and waste legislations. This includes enhancing access to information on substances of concern and ensuring full traceability of chemicals embedded in products. To rapidly increase European material stocks suitable for reuse and recycling, the most harmful chemicals should be swiftly removed from consumer products.⁷ At the same time, robust control systems must be established for imported recyclates to avoid health and environmental risks.

We invite you to take these considerations into account in developing the Impact Assessment and drafting the legislative provisions of the Act. We look forward to actively engaging with you and your services throughout the legislative process and would be pleased to arrange meetings to share our insights in the coming months.

Yours sincerely,

Cambridge Institute for Sustainability Leadership (CISL),
Environmental Coalition on Standards (ECOS),
European Environmental Bureau (EEB),
Ellen MacArthur Foundation,
Institute for European Environmental Policy (IEEP),
Reuse and Recycling European Union Social Enterprises (RREUSE),
Zero Waste Europe.



Endnotes

1. Questionnaire to the Commissioner-Designate for Environment, Water Resilience and a Competitive Circular Economy Jessika Roswall (2024)
2. E. Letta, Much more than a market (2024), Ellen MacArthur Foundation, Building Prosperity (2024)
3. EEA, Accelerating the circular economy in Europe (2024)
4. United Nations Environment Programme, International Resource Panel, Global Resources Outlook 2024 (2024)
5. European Commission, Circular Economy Action Plan (2020)
6. Council of the EU, 8th Environmental Action Programme Mid-term Review (2024).
7. European Commission, Chemicals Strategy for Sustainability (2020)