Postition paper for the Circular Economy Act

The Dutch Association for the Circular Economy (NVCE) represents 1700 businesses working on the circular economy, engaging with policymakers and politicians on their behalf.

The Dutch Association for the Circular Economy welcomes the upcoming Circular Economy Act to enable and accelerate the circular economy and with it the transition towards a more competitive and autonomous EU economy.

In 2025, it is clear that we can no longer blindly depend on others to provide our critical raw materials and components for our vital infrastructure. For instance, the Chinese government's prohibition on the export of computer chips from the Netherlands-based company. Nexperia demonstrates our current dependence on others for our critical infrastructure. Within a couple of weeks, German car manufacturers began to have a difficult time completing their cars because they lacked the necessary components. Proving that disruptions in one part of the supply chain can have massive consequences in other parts of the supply chain.

If we want to build a resilient EU economy, we must invest in the circular economy.

Recommendations

As the Dutch association for the Circular Economy, we would like to offer a few recommendations for the European Commission to consider in its proposed Circular Economy Act.

1 **Expansion of the required Extended Producer Responsibility (EPR) to the full lifecycle of products and more tools to steer towards higher value reuse of resources.**
We agree with the Dutch Government[1] that the EPR is invaluable. In the Netherlands, we have seen how it can improve the collection and processing of resources. The Circular Economy Act should build on the framework that was laid out in the Waste Framework Directive, and the "full product lifestyle" EPR approach taken in the

[1] https://www.rijksoverheid.nl/documenten/rapporten/2025/10/20/bijlage

Batteries Regulation 2023/1542 should be expanded to other product groups. When businesses are responsible for the full lifecycle of their products, it ensures they design their products with eco-design principles in mind,
that they source materials sustainably, offer re-use and repair whenever possible and ensure a circular end of life for their products.

Secondly, it is important that we harmonize the EU legislation more. It is often difficult to determine which requirements are active in each member state. Especially, for our smaller circular pioneers, it is difficult to keep track of all the different implementations. A good start would be a unified platform that would help businesses to quickly find and take action on the responsibilities that they have in the different member states.

Lastly, the extended producer responsibility framework should include more mechanisms to stimulate reuse, refurbishment, and repair. Collecting waste is great, but it would be even better if we would create less waste. One way this can be done is through the possibility to introduce design requirements to the products. We should avoid applying EPRs to second-hand products, so as not to introduce unnecessary barriers to this vital market within the circular economy.

2 **Steering towards circular product demand,**
we commend the European Commission for wanting to foster the market for secondary resources. The Netherlands is a front-runner in this sector. However, there are a lot of recyclers that struggle at the moment due to a lack of demand for their products. If the Commission would truly like to foster this market, one of the ways that this can be done is through a mandatory minimum recycled content, as is done in the PPWR.

In addition to steering towards materials and processes that we want, we also need to phase out our high impact materials. We should identify these high-impact materials and whenever possible we should look for alternatives and other ways to phase them out.

3

Digital Product Passports for the circular economy, can be more than a way to track the origins of a product. As the Dutch government stated in its non-paper[2], it can be the compass by which the EU steers its economy to a more circular one. We recommend the EU move forward with the plan laid out by the Commission in the April 2025 Ecodesign Working Plan – that product passports should cover both product performance (durability, availability of spare parts, minimum recycled content) and product information (e.g. key product features, its carbon /environmental footprint) across a broad range of material groups (iron and steel, aluminum, tires, chemicals, etc.)[3]. For example, the percentage of recycled materials in the product could make it possible for governments to tax products based on this content.

4

Level playing field to protect our secondary critical raw materials industry, we need to ensure that non-EU countries are also stimulated to use secondary resources. One of the ways this can be achieved is through a similar border taxing mechanism that we use for greenhouse gases emission reductions, the CBAM. We could tax incoming resources based on the percentage of virgin materials they contain or by their environmental footprint. This way we protect our own market and stimulate sustainable resource use in other places in the world. It is important that this mechanism would acknowledge that we will still be dependent on critical raw materials from outside the EU for the foreseeable future, but that we want to reduce this dependence.

5

Harmonization end-of-waste criteria, at the moment the end-of-waste criteria are inconsistent across the EU. If we really want to be an open market, it is important that all resources, including waste, can flow freely throughout the EU to enable reuse and to simplify operations for circular businesses.

The Dutch Association for the Circular Economy commends the EU for the progress it has made on circular economy policy and looks forward to remaining actively involved in the implementation of the Circular Economy Act.

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[2] http://www.rijksoverheid.nl/documenten/rapporten/2025/10/20/bijlage
[3] https://environment.ec.europa.eu/document/download/5f7ff5e2