

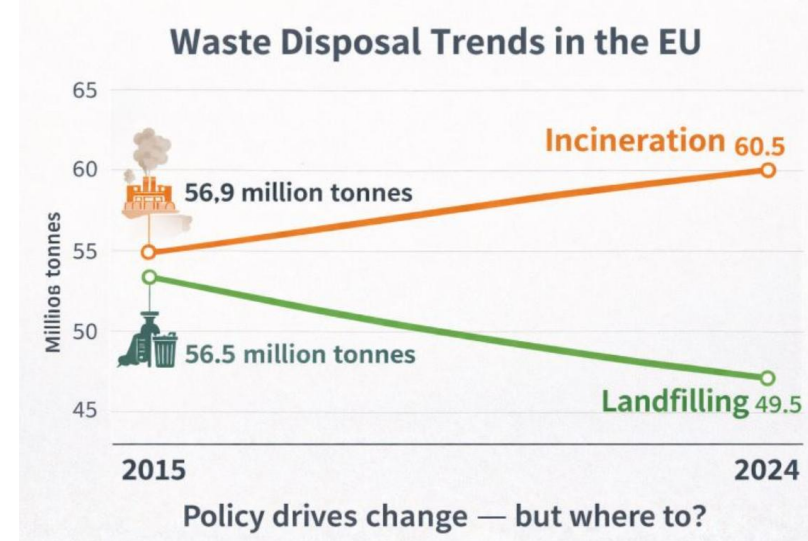


# Circular Economy and Extended Producer Responsibility systems in the EU

Joan Marc Simon – Founder ZWE

# Current situation European Circular Economy

- Waste generation increased 8% (38kg/cap / 20M tn) whilst GDP increased 35% between 2014 and 2024
- Circularity rate from 10,7% to 12,2% - Slow progress in collection and recycling rates
- Landfill is going down whilst incineration and recycling are going up



# Policy outlook

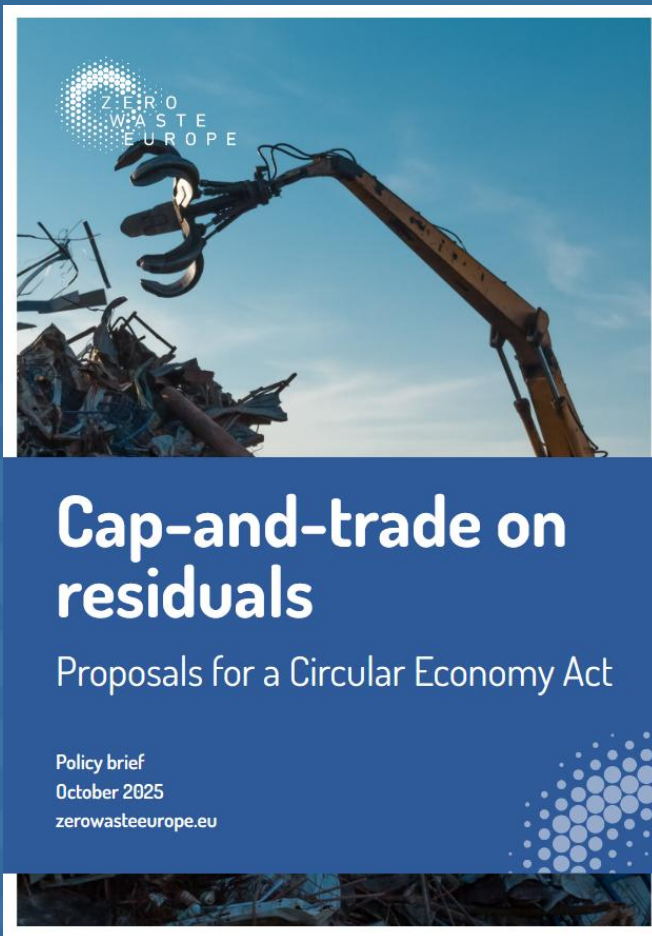
- Ecodesign for Sustainable Products Regulation (ESPR) will be a game breaker when it enters into force
- Carbon Border Adjustment Mechanism
- Emission Trading Scheme applied to incineration (2028)
- Prevention targets (packaging and food waste)
- Reuse targets
- Recycled content targets for PET
- 90% separate collection target for beverage
- Obligation to source separate organics...

| Legislation    | Sector             | Materials               | Polymers specified    | Targets                                |
|----------------|--------------------|-------------------------|-----------------------|----------------------------------------|
| SUPD           | Beverage packaging | Plastics                | PET + all plastics    | 25% (PET 2025), 30% (all bottles 2030) |
| PPWR           | All packaging      | Plastics (mainly)       | PET, PP, HDPE, others | 10–35% (2030), up to 65% (2040)        |
| ELV (rev.)     | Automotive         | Plastics (initially)    | Not polymer-specific  | Mandatory % (TBD, ~15% discussed)      |
| Batteries Reg. | Batteries          | Metals (Co, Li, Ni, Pb) | N/A                   | Binding % from 2031+                   |

The challenge:  
**Create the business case for  
the circular economy so that it  
becomes the default**

In other words: **circularity has to be cheaper and more  
convenient than linearity**

# Fixing the disposal incentives



# The proposal

An **EU-wide cap-and-trade scheme** that limits how much residual municipal waste can be landfilled or incinerated across Europe.

## How it works:

- Each Member State receives allowances (permits) covering a set quantity of residual waste per person per year
- Some allowances are given free; the rest are auctioned at EU level
- Landfill and incineration operators must hold allowances for every tonne they manage
- Allowances can be traded — under-performers buy, over-performers sell
- The cap tightens every year on a pre-announced schedule

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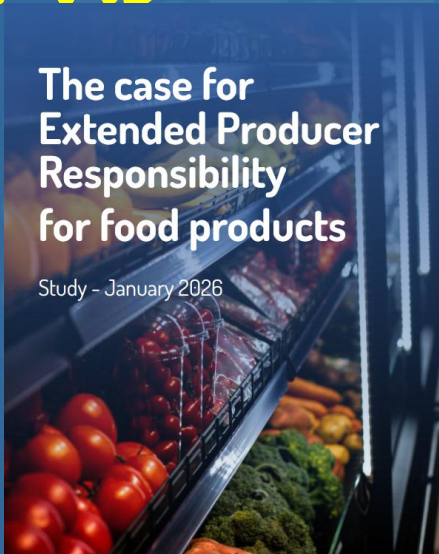
kg/person/year TODAY

↓ *reduce to*

150

kg/person/year BY 2035

# Fixing the finances for prevention, reuse and recycling: **New extended producer responsibility (EPR)**



## The case for Extended Producer Responsibility for food products

Study - January 2026



## Designing EPR

to foster the EU's competitiveness and  
strategic autonomy

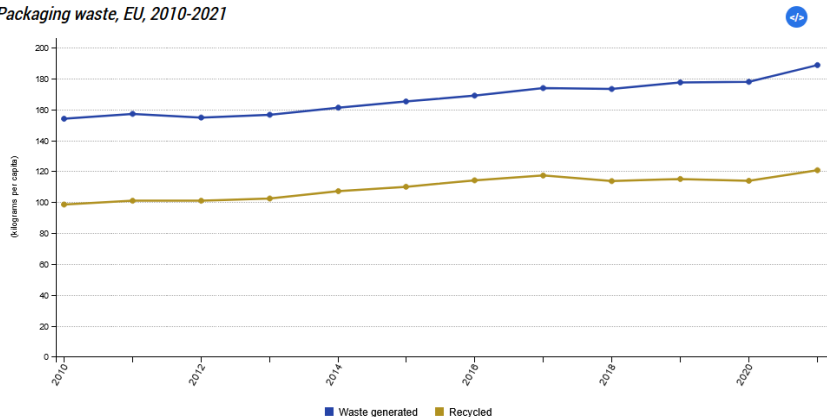
Study  
April 2025  
[zerowasteurope.eu](https://zerowasteurope.eu)

# 1. Impact on waste generation and waste collection

1- Waste generation has increased since the beginning of EPR. Causality or correlation?

2- Waste collection and recycling has also increased –proportionally less than waste generation–

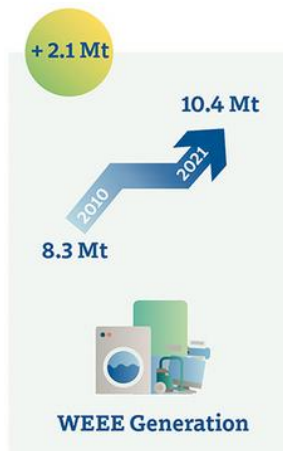
Packaging waste, EU, 2010-2021



Note: estimated data for 2010, 2011, 2021.

Source: Eurostat (online data code: env\_waspac)

euostat



## 2. EPR and reuse

Despite the waste hierarchy placing reuse over recycling the reuse rates have plummeted everywhere and in every sector.

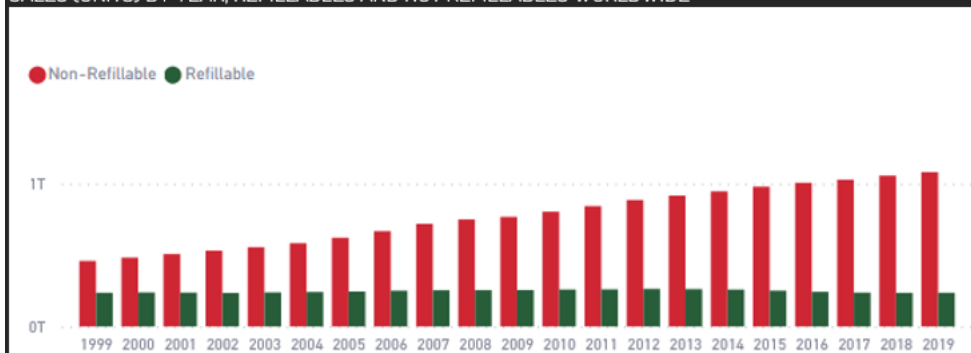
Change in refillables market share for beer & soft drinks, 1999-2019 (Source Global Data - Reloop 2019)

| Countries    | Market share refillables 1999 | Market share refillables 2019 | Difference |
|--------------|-------------------------------|-------------------------------|------------|
| Brazil       | 40%                           | 24%                           | -16%       |
| China        | 52%                           | 22%                           | -30%       |
| Egypt        | 63%                           | 15%                           | -48%       |
| India        | 87%                           | 34%                           | -53%       |
| Indonesia    | 76%                           | 4%                            | -72%       |
| Mexico       | 56%                           | 28%                           | -28%       |
| Nigeria      | 87%                           | 43%                           | -44%       |
| Pakistan     | 88%                           | 27%                           | -61%       |
| Philippines  | 86%                           | 59%                           | -27%       |
| Russia       | 64%                           | 5%                            | -59%       |
| South Africa | 51%                           | 26%                           | -25%       |

Change in refillables market share for beer & soft drinks, 1999-2019 (Source Global Data - Reloop 2019)

| Countries | Market share refillables 1999 | Market share refillables 2019 | Difference |
|-----------|-------------------------------|-------------------------------|------------|
| Denmark   | 93%                           | 13%                           | -80%       |
| Finland   | 80%                           | 4%                            | -76%       |
| France    | 9%                            | 3%                            | -6%        |
| Germany   | 73%                           | 54%                           | -19%       |
| Romania   | 70%                           | 13%                           | -57%       |
| Bulgaria  | 74%                           | 22%                           | -52%       |
| Hungary   | 63%                           | 11%                           | -52%       |
| Spain     | 35%                           | 20%                           | -15%       |
| Sweden    | 44%                           | 4%                            | -40%       |

SALES (UNITS) BY YEAR, REFILLABLES AND NOT REFILLABLES WORLDWIDE



Source: What we waste dashboard, Reloop

## Challenges with current EPR systems



### Pillar 1: system optimisation



### Pillar 2: Circular Economy enabler



### Two-pillar solution



**Outcomes: enhanced competitiveness and strategic autonomy**



# Extended Producer Responsibility (EPR) for waste reduction

Discarded product or packaging



Waste Status

- Collection
- Transport
- Sorting
- Recycling
- Preparation for reuse
- Litter removal
- Residual waste management

**Covered by EPR waste management fee to meet targets**



Circular product or reusable packaging

- Reuse
- Repair
- Refurbish
- Remanufacture
- Repurpose
- Packaging reuse

**Covered by EPR waste reduction fee to meet targets**

Which measures are covered by each fee depends on the product group and packaging type.



**Bridge measure until 2030**

The Fund for Transition to Circularity

Shall apply until the waste reduction fee and respective targets are introduced (by 2030 at the latest).

Earmarks 10% of the Producer Responsibility Organisation (PRO) budget for waste reduction.

Finances waste reduction in the absence of binding targets in a Member State, guaranteeing immediate relief for reuse operators and social enterprises.



Circular product or reusable packaging

- Reuse
- Repair
- Refurbish
- Remanufacture
- Repurpose
- Packaging reuse

**Covered by the Fund for Transition to Circularity**

# Summing up

- EPR has proven to be a useful tool for mobilizing resources to manage waste when the legislation provides the right guidance, but its potential remains largely untapped.
- The use of EPR during the last decades has not prevented the increase in waste generation, it has not supported reuse –in most cases it has undermined reuse options– and, it has not made producers really responsible for the products and packaging they place in the market.
- In terms of fostering ecodesign, EPR has so far not managed to increase the recyclability or circularity of products
- **The future of EPR lies not in perpetuating waste management, but in ensuring it contributes to resource efficiency and just transition.**
- The upcoming Circular Economy Act (end 2026) is expected to be heavy on EPR harmonization.



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<https://zerowasteurope.eu/resources/library/>

# Thank you!



## Cap-and-trade on residuals

Proposals for a Circular Economy Act

Policy brief  
October 2025  
[zerowasteurope.eu](https://zerowasteurope.eu)

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Bio based Industries Consortium

Zero Waste Europe

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