# Non-paper from the Visegrad Group (SK, CZ, HU, PL), BG and RO on the upcoming Circular Economy Act

*Joint input to the European Commission ahead of the proposal for a Circular Economy Act*

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The Visegrad Group (V4), BG and RO welcome the European Commission's initiative to prepare a Circular Economy Act (CEA). We regard the CEA as a timely opportunity to consolidate a fragmented regulatory landscape, strengthen the European Single Market for secondary raw materials and reduce the Union's dependency on imported virgin and critical materials, while contributing to the competitiveness and resilience of European industry. It is essential that the Act also focuses on genuinely supporting the European recycling industry, increasing the attractiveness of using recycled materials for economic operators and improving the circular economy at European level.

At the same time, we wish to stress that the ambition to simplify, harmonise and digitalise EU circular economy legislation must be matched by realistic and cost-conscious pathways. One of the key objectives of the act should be the effective implementation, simplification and streamlining of existing legislation, rather than the introduction of new mandatory targets. The priority should be to fulfil and evaluate existing targets and to create the conditions for their achievement. Waste infrastructure and recycling capacities across the Union remain at very different stages of development. In this context, it may be worth considering how targets, timelines and administrative requirements could better reflect Member States' differing starting points.

This non-paper sets out our joint priorities for the CEA, focusing on the rationalisation of the existing legislative framework, digitalisation, the harmonisation and simplification of Extended Producer Responsibility (EPR) and the development of a genuine single market for secondary raw materials, while emphasising the importance of economic and fiscal instruments, as well as of supporting circular business models and services, as effective tools for accelerating the circular transition.

## *1. Digitalisation and administrative simplification as a horizontal principle*

We recognise digitalisation as an important lever to reconcile higher environmental ambition with lower administrative burden. Any EU-level digital solution should be preceded by a thorough assessment of its added value, costs and feasibility, taking into account the varying levels of development of national digital systems. Where such solutions are pursued, they should be interoperable and machine-readable, connect and build upon existing national systems without replacing or duplicating them, and ensure coherence between the different digital tools developed under EU product and circular economy legislation, including, where relevant, Digital Product Passports (DPP).

Any new digital obligation should be designed to reduce, not add to, the reporting burden already faced by economic operators and should, where possible, reuse data already available through existing systems rather than require it to be reported again.

## *2. Harmonising and simplifying Extended Producer Responsibility*

We support a more consistent EU framework for EPR, provided that harmonisation reduces the administrative and financial burden currently faced by producers, producer responsibility organisations and national authorities. Deeper harmonisation of certain elements of EPR schemes at EU level is welcome, however, some elements require greater Member State flexibility based on specific national circumstances, a principle reflected in the Waste Framework Directive.

The CEA should establish harmonised, cross-sectoral definitions of "*producer*" and "*placing on the market*", consistently applied across all EPR-relevant legislation.

We invite the Commission to assess the added value and feasibility of improved interoperability between national EPR registers, based on common data points, with a view to increasing operational efficiency across the internal market and facilitating the reuse and verification of registration data by competent authorities, where required under Union law. Such an approach should be developed in full compatibility with national registers and enforcement competences, connecting and building on existing national systems without replacing or duplicating them. National registers should remain the authoritative source for determining producers' legal registration status.

EPR requirements should be proportionate, taking into account the quantities of products placed on the market and the environmental risk. The CEA could recognise a general proportionality principle across EPR schemes, allowing, where justified, simplified administrative procedures for low-volume producers. This is of particular importance for Member States where small and medium-sized enterprises form an essential part of the industrial base.

Free-riding by third-country e-commerce operators is one of the most significant enforcement challenges currently facing national EPR systems, and it distorts competition to the detriment of EU-based, compliant producers. The CEA should ensure that producers and sellers from third countries are effectively subject to their EPR obligations. To this end, it should strengthen the responsibilities of online marketplaces, which should verify producers' EPR registration status before allowing products to be offered to EU consumers, building on the approach already established under the Batteries Regulation[1] and PPWR[2]. At the same time, cooperation between customs authorities, market surveillance bodies and environmental inspection authorities should be strengthened.

[1] Regulation (EU) 2023/1542 of the European Parliament and of the Council of 12 July 2023 concerning batteries and waste batteries, amending Directive 2008/98/EC and Regulation (EU) 2019/1020 and repealing Directive 2006/66/EC.

[2] Regulation (EU) 2025/40 of the European Parliament and of the Council of 19 December 2024 on packaging and packaging waste, amending Regulation (EU) 2019/1020 and Directive (EU) 2019/904, and repealing Directive 94/62/EC.

We support the establishment of common technical criteria for eco-modulation of EPR fees at EU level, to assist Member States in determining eco-modulation, to limit unnecessary fragmentation across the Union and to ensure that fee modulation genuinely rewards better product design. At the same time, the calibration of fee levels and the application of eco-modulation should remain a national competence, reflecting differences in the cost of collection and treatment infrastructure across the Union.

New EPR schemes or product categories should be introduced only following a clear ex-ante assessment of environmental benefits, administrative costs, data availability and interaction with existing legislation. The assessment should also cover the costs and technical implications of adapting national registers, reporting systems and data-exchange interfaces, as well as the risk of overlapping obligations. Adequate transition periods of at least three years should be provided before obligations become applicable, in particular for products not currently subject to any EPR obligation. The same minimum period should apply to major changes in national registers, reporting and data-exchange obligations.

### *3. Building a genuine single market for secondary raw materials and economics instruments strengthening*

A well-functioning internal market for secondary raw materials is essential to reduce the EU's reliance on imported virgin and critical materials and to make recycled content commercially viable across the Union, including in Member States whose recycling industries are facing multiple difficulties.

We support the introduction of EU-wide, harmonised end-of-waste and by-product criteria, prioritising waste streams containing critical raw materials. Harmonisation should be accompanied by adequate safeguards, in line with the Waste Shipment Regulation and the Basel Convention, to prevent its use as a means of circumventing existing controls on the export and transport of waste.

We see merit in giving specific attention also to construction and demolition waste in the CEA, given its significant volume and potential as a source of secondary raw materials and reusable construction products. A more circular construction sector would benefit from an integrated approach.

Harmonised EU approaches to the classification and quality assurance of secondary construction materials are useful, including appropriate end-of-waste and by-product criteria, aligned with technical requirements and the Construction Products Regulation (CPR), while avoiding regulatory overlaps. The CEA could also contribute to reducing regulatory and market barriers to the cross-border use of secondary construction materials.

Possible new mandatory recycled-content requirements should be introduced only where supported by robust impact assessments demonstrating sufficient availability of secondary raw materials, functioning supply chains and technical feasibility, and should be limited to waste streams for which generating and strengthening demand for recycled materials is necessary

because market incentives have proven insufficient. Particular caution is needed where manufacturers already face recycled-content targets under existing legislation.

New traceability, reporting or verification obligations should be based on a prior assessment of data availability, verification feasibility, enforcement capacity and practical implementability across value chains. Calculation and verification methodologies should be streamlined and, where products are covered by a DPP, the DPP should serve as the default carrier of recycled-content information, avoiding parallel documentation systems. It should not create a parallel reporting channel or register. Any new reporting obligation should not impose additional burden to the producers.  and should make full use of once-only principle. For material or product categories sourced significantly from outside the EU, equivalence and traceability mechanisms should ensure that imported recycled content meets comparable environmental, social and quality standards.

Given the capital intensity of recycling infrastructure, the CEA should send predictable long-term signals through demand-side measures to support investment decisions, including in regional recycling and critical raw material recovery capacity within the region of V4, BG and RO. Requirements regarding the recycled content and quality of secondary raw materials should be accompanied by financial instruments supporting the modernisation of facilities, the development of high-quality recycling, the recovery of critical raw materials, including from end-of-life equipment and the management of waste streams for which cost-effective technologies are currently lacking.

We attach significant importance to economic and fiscal instruments in supporting circularity. Appropriate economic instruments can stimulate demand for recycled materials and products, strengthen the market for secondary raw materials and improve their competitiveness compared to primary raw materials, thereby contributing to closing material loops through stronger and more stable demand for recycled content.

### *4. Green Public Procurement as a demand-side driver*

We support the use of Green Public Procurement as an effective demand-side tool, alongside other incentives, to stimulate the market for secondary raw materials and more durable, reparable products, provided that its implementation remains manageable for contracting authorities of all sizes, including at municipal level. The development and introduction of green and circular procurement criteria should in all cases be preceded by a thorough impact assessment covering market maturity, the availability of suitable materials, products, and the associated costs and burdens on economic operators, in particular SMEs.

The CEA should avoid creating sector-specific mandatory procurement requirements that duplicate or contradict requirements under other relevant EU legislation, including the Regulation for the setting of ecodesign requirements for sustainable products[3], and should instead provide a coherent enabling framework ensuring that future sector-specific

[3] Regulation (EU) 2024/1781 of the European Parliament and of the Council of 13 June 2024 establishing a framework for the setting of ecodesign requirements for sustainable products, amending Directive (EU) 2020/1828 and Regulation (EU) 2023/1542 and repealing Directive 2009/125/EC

requirements are aligned with the horizontal Green Public Procurement methodology developed under this legislation. In this context, ensuring coherence with the provisions of the Public Procurement Act proposal should also remain a priority throughout the negotiations on the CEA.

Verification and documentation requirements for recycled content in public procurement should be harmonised and, wherever possible, based on data already available through the DPP, to avoid duplicative reporting for both economic operators and contracting authorities.

Sufficient lead time and practical guidance should be provided to contracting authorities to build the technical capacity needed to apply circular criteria effectively. In this context, supporting measures through guidelines and accompanying documents at EU level are also necessary.