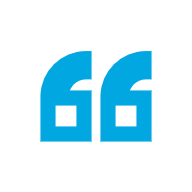
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Circular economy paramount in climate policy

FEAD welcomes the possibility to contribute to the EU climate policy framework after 2030 and emphasises the importance of incorporating in this framework the promotion of the circular economy —a key element currently absent from the call for evidence. When the Commission published its Communication on the 2040 climate target it emphasised the significance of the circular economy to achieve the EU’s climate goals. **FEAD underlines the clear benefits of promoting the circular economy as a stand-alone priority, which must be strictly differentiated from the bioeconomy**.

The waste and resource management industry plays a dual role: it is both a public service ensuring environmental protection and health, and a key enabler of a competitive circular economy, recovering materials, energy and reducing reliance on virgin inputs. By supplying recycled materials and renewable energy, the sector contributes significantly to CO2 savings, making it an essential pillar in achieving the EU’s climate neutrality targets. At the same time, it strengthens the resilience of the European economy by reducing strategic dependencies on imports and reinforcing the security of supply for critical sectors. This has been clearly reflected in the **Clean Industrial Deal,** which **portrays the EU’s ambition to be ‘*world leader on circular economy by 2030’* and underlines the importance of ‘*placing circularity at the core of our decarbonisation strategy’:***

*****Circularity will be a priority.*** *It is the key to maximising the EU’s limited resources, reducing dependencies and enhancing resilience. It reduces waste, lowers production costs,* ***lowers CO2 emissions*** *and creates a more sustainable industrial model that benefits the environment and enhances economic competitiveness. *

For the future EU climate policy framework, FEAD highlights the importance of:

* Integrating circular economy principles as a cornerstone for sustainable climate action, including by recognising avoided CO2 emissions of the waste management industry and of recycled materials
* Ensuring policy coherence between climate goals and waste management strategies
* Promoting innovation and investment in resource efficiency and waste management infrastructure
* Strengthening regulatory frameworks to incentivise circular business models and reduce environmental impact, e.g. by prioritising mechanical recycling, that has higher yield and low energy consumption and by avoiding a diversion of waste streams that could be mechanically recycled into chemical recycling
* Clearly separating the bioeconomy from the circular economy, most importantly by not equating biobased feedstock to recycled materials
* Promoting the utilisation of the various products coming from the treatment of biowaste, for example as fertilisers in agriculture, including by encouraging/rewarding farmers using them
* Supporting the utilisation and recycling of carbon to contribute to circular economy models
* Developing a reliable regulatory framework for CCUS technologies to create a market for carbon captures, not limited to activities included in the EU ETS

**FEAD is the European Waste Management Association, representing the private waste and resource management industry across Europe**, including 21 national waste management federations and 3,000 waste management companies. Private waste management companies operate in 60% of municipal waste markets in Europe and in 75% of industrial and commercial waste. This means more than 500,000 local jobs, fuelling €5 billion of investments into the economy every year. For more information, please contact: [info@fead.be](mailto:president@fead.be)