NG Nordic Position on the Circular Economy Act - Enabling a Circular, Competitive, and Regenerative European Economy

Europe faces a dual challenge: achieving climate neutrality while maintaining industrial competitiveness and strategic autonomy. The solution lies in a truly circular economy where waste becomes a resource and carbon emissions are transformed into valuable materials. NG Nordic is leading this transition by championing recycling activities in the Nordics, treating non-recyclable hazardous waste in the most environmentally safe way, keeping critical raw materials in the loop by treating WEEE and transforming captured CO_2 from waste incineration into high-quality plastics.

To scale these innovations across the industry and secure Europe's leadership amid global competition, we need a regulatory framework that combines ambition with pragmatism. We ask the European Commission to focus on the following priorities to unlock investment and drive the circular transition:

1. **Create a true single market for secondary raw materials and drive market uptake of recyclates through regulatory harmonisation and demand- and supply-support measures**
2. **Include municipal waste incineration in the EU ETS to level the playing field for recycling**
3. **Ensure safe treatment of hazardous waste**
4. **Recognise captured CO2-based production (e.g. plastics made from waste-derived CO_2) as "recycling" under the Waste Framework Directive**

Justifications

1. Create a true single market for secondary raw materials and drive market uptake of recyclates through regulatory harmonisation and demand- and supply-support measures

A successful circular economy depends on strong and integrated markets for secondary raw materials. The Circular Economy Act can and must create a single market for waste to scale circular solutions to the needed size. To expand circular solutions, the EU must ensure that recycled materials are both required by law and financially attractive compared to fossil options.

Make recycled materials the first choice: The EU should introduce mandatory recycled-content requirements for a wide range of products and EU-wide standards for quality, traceability, and certification, and revise public procurement rules to actively promote the use of secondary materials. Crucially, CCU-based materials must be explicitly recognised as counting toward these targets.

Reward circular choices with lower fees: The EU needs to close the pricing gap between circular and fossil materials. In this context, the Extended Producer Responsibility (EPR) schemes are important tools. EPR schemes should be designed to drive recycling, reuse, and better product design. To this end, they should present eco-modulated fees that reward designs that promote recyclability and reuse, and be adopted at the EU level when there is a clear assessment of market failure, with a focus on outcomes, feasibility, and the role of existing actors.

Harmonise End-of-Waste Rules: The Circular Economy Act should introduce EU-wide End-of-Waste (EoW) criteria, so that when the EoW status has been achieved, materials should be recognised as such across all Member States. Today's fragmented and inconsistent national rules create legal uncertainty and barriers to free movement of waste, innovation and market efficiency.

The Circular Economy Act should strengthen the EU capacity to keep valuable materials, such as copper and other critical raw materials, within Europe's circular economy. We support the idea of restricting or imposing fees on waste exports outside the European Union and the European Economic Area (EEA), but such actions should be targeted rather than generic and should not hinder the waste market within the EU and EEA.

3. Include municipal waste incineration in the EU ETS to level the playing field for recycling

We strongly support the full inclusion of municipal waste incineration (Waste-to-Energy) in the EU Emissions Trading System (EU ETS). This solution would create a financial incentive to decarbonise and make recycling economically more competitive than energy recovery, in line with the EU waste hierarchy. To prevent negative side effects, this must be paired with measures to prevent waste from sliding back to landfills, such as the parallel inclusion of landfilling in the ETS or equivalent fiscal measures.

3. Ensure safe treatment of hazardous waste

Not all waste can be recycled. The Circular Economy Act should address the decontamination of hazardous substances, including PFAS and water-related pollutants. For these streams, high temperature incineration remains the only viable and environmentally sound treatment option. It provides the safe and complete destruction of hazardous substances for which no other treatment or recovery option exists. Much of such waste, including POP- or PFAS-containing waste, cannot be landfilled or recovered.

Furthermore, not every Member State has the specialised capacity to handle these streams. Current enforcement of the Waste Shipment Regulation (EU) 2024/1157 is slow and inconsistent, often preventing waste from reaching the best available treatment facilities. The Commission must ensure the swift and uniform application of shipment rules. We need a system that facilitates the movement of waste to high-performing facilities where it can be treated safely, ensuring pollutants are permanently removed from the circular loop.

4. Recognise captured CO2-based production (e.g. plastics made from waste-derived CO_2) as "recycling" under the Waste Framework Directive

To realise a circular economy, the regulatory definition of recycling must evolve to keep pace with emerging technologies and to support industrial decarbonisation efforts.

Hazardous waste incineration is the best available technology for treating certain hazardous substances in an environmentally safe manner. Hence, it must be part of the future European waste management system. Carbon capture represents a valuable and viable solution to decarbonise these operations.

In this context, we urge the Commission to recognise CO_2-based production (such as plastics made from waste-derived CO_2) as "recycling" under the Waste Framework Directive (2008/98/EC). Captured carbon from waste incineration is a material resource that should be kept in the loop, not just stored, or, worse, emitted unchecked into the environment. These technologies should be treated on equal footing with other material sources. Specifically, where biological processes are used to convert captured carbon, CCU should be granted equal status to bio-based sources as outlined in the EU Bioeconomy Strategy. Whether the feedstock is biomass or captured carbon, the result is a non-fossil, regenerative material that supports EU climate goals.

While competitors in China and the US benefit from massive government support for the adoption of CCU systems, European projects often face a "valley of death" due to high capital intensity and low Technology

Readiness Levels. We request targeted EU financing accessible across the entire value chain, from upstream capture to downstream material production. Funding instruments must support consortia that bring these innovative materials from R&D to commercial scale. Investments made now are essential to ensure these technologies are operational and contribute to the EU's 2030 and beyond climate targets.

Contact

Janne Koivisto,
Group Director, Public Affairs
janne.koivisto@ngnordic.com

About NG Nordic:

NG Nordic is a leading provider of circular solutions and environmental services, tackling the urgent challenges of climate change and resource scarcity. Through reuse, collection, recycling, and depollution NG Nordic transforms waste into valuable resources and removes hazardous substances from circulation – scaling access to circular raw materials, decarbonize society and help protect natural ecosystems. With strong presence across the Nordics, and in Poland and the UK, NG Nordic is a vital part of the Nordic industrial infrastructure handling 4.4 million tons of waste annually through 90 facilities and sites.