

LEGAL FRAME WORKS



REGULATIONS ON :

PROCUREMENT

ECODESIGN

CIRCULAR BUSINESS MODELS

Producers, retailers, office managers we all must turn to the circular economy!

CEO brings together 13 partners from 6 countries. The consortium is led by **HiiCCE Hamburg Institute for Innovation, Climate Protection and Circular Economy GmbH**.

The partners are categorized as follows:

Local municipalities and public organizations:

Municipality of Copenhagen, Communauté de Communes Pévèle Carembault, City of Utrecht, City of Malmö, and Ontwikkelingsmaatschappij Oost-Nederland.

These partners will implement circular office pilots throughout the NSR, testing concepts and exchanging knowledge on specific challenges. Their diverse maturity levels enable mutual learning and growth.

Expert partners and/or consultancies:

Public Waste Agency of Flanders/Circular Flanders contributes extensive knowledge on circularity, procurement, and CBM. **INDEED Innovation** is an expert in system mapping and includes human behavior components and stakeholder mapping in their approach. **WOOD** and **Institut Technologique Forêt Cellulose Bois-construction Ameublement** are experts in the wood and furniture industry, providing insights into circular design and its application in the conception and redesign of circular offices. They collaborate closely with local SMEs.

Suppliers of office equipment and SMEs in the furniture industry:

De Kringwinkel Antwerp has insights into the second-hand furniture industry and expertise in furniture refurbishment. They collaborate with **ONBETAAL-BAAR**, circular design experts.

Our partner **Enschede Textielstad Innovatie** specializes in producing circular textile fibers suitable for office environments. Their expertise is applied in various pilot activities of the CEO project, starting with the pilot in the East of the Netherlands.

Collectively, the consortium partners possess comprehensive knowledge, expertise and influence across the entire value chain of office furniture in the European North Sea region.



CIRCULAR
ECONOMY
OFFICE

Contents

1. REGULATION ON PROCUREMENT	05
1.1. EU regulation and principles	07
1.2. National/regional regulation and principles	08
1.2.1. France	08
1.2.2. Hamburg, Germany	09
1.2.3. The Netherlands	11
1.2.4. Flanders, Belgium	12
1.2.5. Malmö, Sweden	13
1.2.6. Denmark	14
1.3. Recommendations on procurement regulations	15
2. REGULATION ON ECODSIGN	17
2.1. EU regulation and principles	19
2.1.1. Ecodesign for Sustainable Products Regulation (ESPR)	19
2.1.2. Net-Zero Industry Act (NZIA)	21
2.1.3. EU Regulation on Deforestation-free Products (EUDR)	21
2.2. National/regional regulation and principles	22
2.2.1. France	22
2.2.2. Hamburg, Germany	23
2.2.3. Malmö, Sweden	23
2.2.4. The Netherlands	23
2.2.5. Flanders, Belgium	24
2.2.6. Other countries	24
2.3. Recommendations on ecodesign regulations	25
3. REGULATION ON CIRCULAR BUSINESS MODELS (CBM)	26
3.1. EU regulation and principles	28
3.2. National/regional regulation and principles	28
3.2.1. France	29
3.2.2. Flanders, Belgium	29
3.2.3. Other countries	29
3.3. Recommendations on regulation on Circular Business Models (CMB)	30
4. REFLECTION	30

Introduction and context

This whitepaper examines the **regulatory frameworks that influence procurement, ecodesign, and circular business models** linked to circular office furniture. The analysis is grounded in extensive literature research, data collected through a targeted questionnaire, and insights shared during an online session with international legal experts.

The document begins with a detailed exploration of procurement, offering an **overview of the EU regulatory framework as a foundation**. This is complemented by contributions from partner countries, which provide nuanced perspectives on their respective national frameworks. A similar methodology is applied to the examination of ecodesign legislation and circular business models, ensuring a comprehensive and comparative analysis across regions. Key studies addressing **critical issues will be highlighted**, including mandatory sustainability criteria, the Ecodesign for Sustainable Products Regulation (ESPR), and the recently introduced regulation on deforestation-free products.

This paper has been developed as part of the **Interreg North Sea – Circular Economy Office (CEO)** project, which aims to accelerate the **transition of the office furniture sector toward a circular, innovative, cost-effective, and resource-efficient economy** through transnational collaboration. Achieving this transition at scale requires robust legal frameworks that both support and incentivize circular economy practices.

The core objective of this paper is to analyze current and prospective policies, regulations, and legislative barriers that impact the development of circular office practices in the North Sea Region (NSR). The analysis encompasses EU, national, and regional levels, offering a holistic perspective on regulatory opportunities and constraints. The findings will serve as a **basis for formulating strategic recommendations for future policy development**. By implementing these strategies, the aim is to facilitate a sustainable market transformation, ensuring that circular office furniture solutions become more accessible, scalable and widely adopted.

1. Regulations on



1. Regulation on Procurement

- 1.1. EU regulation and principles
- 1.2. National/regional regulation and principles
 - 1.2.1. France
 - 1.2.2. Hamburg, Germany
 - 1.2.3. The Netherlands
 - 1.2.4. Flanders, Belgium
 - 1.2.5. Malmö, Sweden
 - 1.2.6. Denmark
- 2.3. Recommendations on procurement regulations

Every year, European public authorities allocate a substantial portion of the EU's Gross Domestic Product (16% in 2008) to procuring goods like office equipment, building components, and transport vehicles, as well as services such as building maintenance, transport, cleaning, and catering. The European Commission highlights that public procurement can influence production and consumption patterns. A significant demand for "greener" goods from public authorities can create or expand markets for environmentally friendly products and services, thereby encouraging companies to develop environmental technologies.

Since the early 2000s, the EU has been advocating for Green Public Procurement (GPP) to minimize the environmental impact of public sector activities. To support GPP implementation, the EU has developed various tools and guidance. The EU's GPP policy and legal framework is underpinned by several directives, regulations, and guidelines.

1.1. EU regulation and principles

The European Union's procurement framework is fundamentally structured around [Directive 2014/24/EU](#), which delineates the procedures for awarding public contracts related to works, supplies, and services. This directive is designed to foster transparency, innovation, and sustainability, while ensuring fair competition and alignment with broader EU policies, such as the Green Deal.

In addition to this directive, the [2023 EU Green Public Procurement \(GPP\)](#) criteria serve as a complementary, voluntary tool aimed at mitigating the environmental impact of procurement activities. These criteria underscore the importance of a lifecycle perspective, innovation, circularity, and sector-specific guidelines, thereby enabling public authorities to integrate sustainability considerations into their procurement processes. Notably, the GPP criteria also address sustainability considerations for [criteria regarding furniture procurement](#). The resources allocated for the GPP criteria are said to be redirected towards developing mandatory sustainability criteria within the framework of various sectoral legislations (NZIA, Ecodesign, Battery regulation, etc.).

Significant changes are expected in 2025, focusing on further enhancing sustainability and improving the environmental performance of public procurement. The European Commission is currently working on revising these criteria, with the new guidelines anticipated to be published in 2025. For more information and updates, you can visit the [European Commission's page](#). While advocating for these changes, it is important to recognize that core principles such as competition and transparency, which are part of the EU base treaties, will likely remain intact. Efforts should focus on attainable changes within this framework.



Website of Green Public Procurement



EU Green Public Procurement criteria for Furniture

1.2. National/regional regulation and principles

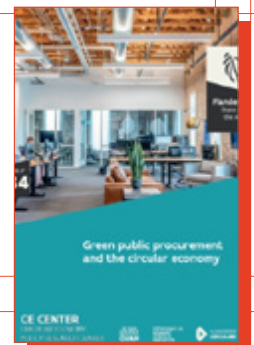
An important note is that recently, two significant studies have been conducted regarding mandatory sustainability criteria in public procurement. The first study by Deloitte (commissioned by Circular Flanders), titled [“Impact Analysis of Sustainability Requirements in Tender Procedures in the Netherlands, France, Italy, and Spain”](#), focuses on the introduction of mandatory sustainability requirements in these four EU member states. It examines the benefits and challenges of these requirements in each country, providing a detailed analysis of their impact on public procurement processes.

The second study [“Green public procurement and the circular economy”](#), conducted by the University of Hasselt, explores the relationship between green public procurement and the circular economy in an even more extensive way. This report analyzes the European regulatory framework in terms of both hard and soft law, highlighting how Green Public Procurement (GPP) can help develop our economy towards a circular economy. It also examines relevant European legislation still in the approval phase. After a brief overview of

what was already possible at the Belgian level, the report analyzes three other EU member states: Italy (the first country to gradually mandate GPP in several sectors), The Netherlands (noted for introducing the “comply or explain” mechanism in its procurement law and developing the MVI-tool) and Spain (of particular interest due to the ambitious and pragmatic role of its Autonomous Communities in greening public procurement and participating in a circular economy, as evidenced by clear mentions in normative texts and the use of the “comply or explain” mechanism). These studies offer valuable insights into the evolving landscape of sustainable public procurement in Europe, emphasizing the importance of integrating environmental considerations into tender procedures.



Impact Analysis of Sustainability Requirements in Tender Procedures



Green Public Procurement and the Circular Economy

1.2.1. France

Current framework

- [2019 French Public Procurement Act \(corrected to 16 December 2021\)](#): This act refers to the French public procurement code, which is a component of business law.
- [2020 AGECE Law on Circular Economy](#): This law addresses various aspects of procurement and consumer products, emphasizing the circular economy.
- [2021 Climate and Resilience Act](#): Introduces mandatory sustainable criteria for procurement. Its corresponding [implementing decree, n°2022-767, dated May 2, 2022](#), includes the concrete mandatory sustainability requirements. However, it should be noted that they will only enter into force in August 2026.
- [2024 Circular Economy Decree \(21 February 2024\)](#): Mandates that public buyers procure a certain percentage of goods from the circular economy, such as 6 second hand goods. The Decree is completed by the [French Arrêté of 29 February 2024](#), in force since July 1st 2024, that lists the furniture that falls under this regulation.

Evolution of national law

As of now, the French Public Procurement Act of 2019 governs contracts below €80,000 for services and below €100,000 for works. This act encourages the procurement of products that align with a circular economy framework. The AGECE law, which covers a broad range of procurement and consumer product issues, will eventually be replaced by the ESPR. The Climate and Resilience Act, which complements the AGECE law, focuses on the end-of-life management of products, particularly through extended producer responsibility. This act may also be modified in response to the ESPR. The implementing decree, n°2022-767 outlines the concrete mandatory sustainability requirements under the 2024 Circular Economy Decree. However, these requirements will not take effect until August 2026. The 2024 Circular Economy Decree specifically targets public procurement, requiring public buyers to purchase a certain proportion of products from the circular economy. This mandate aims to promote sustainability and reduce environmental impact through procurement practices.

Successful tender example: The City of Niort, France

Description: The City of Niort implemented a circular procurement process for office furniture, focusing on reusing and refurbishing existing furniture. The tender included criteria for the environmental performance of the furniture and the use of sustainable materials. The tenderer evaluated the quality of the reused materials, the ergonomics of the design, as well as the efficiency of the delivery and assembly of the office workstations and chairs.

Outcome: The project successfully reduced waste and promoted the reuse of materials, setting an example for other municipalities in France.

Source: [European Commission - Green Public Procurement](#)



1.2.2. Germany Current framework

Germany's national procurement laws provide the overarching framework for public procurement across the country. These laws ensure that procurement processes are fair, transparent, and competitive. Germany has aligned its national procurement laws with the EU's Green Deal and Circular Action Plan 2020, incorporating principles such as sustainability, resource efficiency, and circular economy into its public purchasing regulations.

On both regional and local level, Hamburg — as one of Germany's 16 federal states — has its own procurement regulations that complement the national framework.

Hamburg's sustainable procurement is guided by the ["Leitfaden für nachhaltige Beschaffung der Freien und Hansestadt Hamburg"](#) (Nachhaltigkeitsleitfaden, NLF), effective January 1, 2025. This framework replaces the [2019 Umweltleitfaden](#) and is legally anchored in the [Hamburg Public Procurement Act \(HmbVgG\)](#) and the [Hamburg Public Procurement Directive \(HmbVgRL\)](#), reinforcing its binding nature for Hamburg's core administration.

A key instrument within the NLF is the ["Negativliste"](#) (Negative List, on Page 88), which prohibits the procurement of certain products and materials that pose environmental, social, or ethical concerns. This restriction applies even for low-value direct orders (under €5,000 net). Procurement officers must obtain prior approval from BUKEA (Authority for Environment, Climate, Energy, and Agriculture) and the Finanzbehörde (Finance Authority) before making any exceptions. Hamburg's procurement law encourages contracting authorities to consider environmentally friendly practices by assessing the long-term impacts of products and services—such as durability, repairability, and responsible sourcing. While a full lifecycle approach is promoted in some procurement areas, Life Cycle Cost Analysis (LCCA) is not a required award criterion. Instead, the NLF references recognized eco-labels (e.g., Blauer Engel, FSC, Nordic Swan) to verify sustainability claims in furniture procurement. Additionally, procurement officers must assess whether existing furniture can be repaired or refurbished before purchasing new items. If replacement is necessary, modular and adaptable designs are prioritized.

Evolution of regional law

Hamburg's procurement law has gradually evolved from focusing primarily on economic efficiency and transparency to incorporating clear sustainability requirements. Before 2010, environmental considerations played a secondary role, but as EU policies on green public procurement gained momentum, the city introduced stronger environmental criteria alongside financial concerns. This shift became more structured with the [2019 Green Procurement Guideline](#), which introduced the [Negative Product List](#) to prevent harmful products from entering procurement chains.

Hamburg's regulatory framework aligns with Germany's national procurement laws and broader EU strategies like the [Green Deal](#) and [Circular Economy Action Plan 2020](#). The [Hamburg Public Procurement Act \(Hmb-VgG\)](#), first passed in 2006 under § 129 GWB (Competition Act), set the foundation for public purchasing in the city and has been updated several times. In addition, the [Hamburg Public Procurement Directive \(HmbVgRL\)](#) ensures that all public contracts follow a consistent, legally compliant, and transparent process, aligning with national laws like the [GWB \(Competition Act\)](#), [VgV \(Procurement Ordinance\)](#), and [UVgO \(Regulation for Lower-Value Contracts\)](#). The [2025 Nachhaltigkeitsleitfaden \(NLF\)](#) replaces the [2019 Umweltleitfaden](#), continuing the legally binding framework for Hamburg's core administration. While

sustainability was already required in public procurement, the new NLF expands its scope and enforcement. It now applies not only to the core administration but also to state enterprises and universities, ensuring more systematic integration of environmental and social standards. It also tightens circular economy requirements, making durability, repairability, and responsible sourcing key procurement criteria. Additionally, the new framework introduces clearer compliance mechanisms, requiring procurement officers to justify exceptions and document their decisions. With these updates, Hamburg's procurement law moves further toward standardizing sustainability in public spending, making it a fundamental requirement rather than a discretionary factor.

At present, Hamburg is in the process of documenting its own best practice examples for sustainable procurement. As these are still under review, here we include a brief example from the Deutsche Bahn AG (DB), Germany's national railway company, that incorporates clear environmental criteria—such as mandatory recycled content—to illustrate how circular-economy principles can be embedded in public procurement. The submitted bids are now under evaluation.

Circular tender example: Deutsche Bahn AG (DB)

Description: In 2024, Deutsche Bahn AG (DB) initiated an EU-wide public tender process for procuring office furniture, integrating sustainability and circular economy practices. The tender is divided into four distinct categories or "lots," each addressing specific aspects of office furniture supply. Each lot includes specific sustainability requirements, notably minimum percentages for recycled materials—30% recycled content for general office furniture and for chairs, and 10% for upholstered furniture. One category of furniture uniquely emphasizes using existing furniture through refurbishment and resale, directly reducing waste and prolonging the useful life of office assets. The tender also clearly defines practical sustainability criteria. These include requirements for legally sourced timber, limitations on hazardous chemicals, recyclable packaging, and designs facilitating easy disassembly. Additionally, all furniture must meet established safety, ergonomic, and technical standards (DIN EN, GS, CE).

Outcome: The tender is currently in the review process.

Source: DB Tender Documents



1.2.3. Netherlands

Current framework

The procurement law serves as the legal basis for all procurement activities in The Netherlands. The Dutch Procurement Act 2012 (DPA 2012) is the main body of law with regard to public procurement in the Netherlands. The DPA 2012 contains two relevant provisions regarding mandatory sustainability requirements. The first is Article 2.114(4), which states that if contracting authorities select the lowest price or cost (life cycle costing) as the award criterion, they must provide a motivation for that choice in the tender documents. The second provision is Article 1.4 (2), which requires contracting authorities to ensure that as much societal value as possible is created for public resources.

Procurement regulations in The Netherlands primarily focus on EU-wide criteria, which can make it challenging to prioritize local production. The procurement strategy “Procuring with Impact” and the “Category Plan for the Workplace Environment” guide the goals that need to be achieved through procurement. A note about textiles is that they cannot be procured as stand-alone items for offices or office furniture; they must be part of the complete end product.

Evolution of national law

The DPA 2012 governs public procurement in the Netherlands and includes two key provisions on mandatory sustainability requirements. The first provision concerns the obligation to justify the lowest price or cost as the award criterion. It remains unclear whether this triggers sustainability measures. The intent is to avoid limiting innovative or sustainable solutions by focusing solely on the lowest price, but it does not explicitly require sustainability to play a role in procurement. The second provision is the obligation to procure as much societal value as possible, which could mandate sustainability. However, in practice, this has not yet been the case.

Within the EU procurement framework, the Dutch government has developed a strategy called “Procuring with Impact.” This strategy aims to focus procurement activities on achieving goals related to sustainability, international social conditions, social return, and other impactful objectives. From the government-wide strategy, a specific strategy for the category of office furniture has been distilled. This strategy emphasizes circularity, using the R model (Reduce, Refurbish, etc.) as its basis. Additionally, guidelines on circularity have been developed, primarily by suppliers, ensuring a common understanding and language regarding circularity within The Netherlands.

Overall, the procurement strategy in The Netherlands aims to integrate sustainability and circularity into procurement processes, ensuring that procurement activities contribute positively to environmental and social goals.

Successful tender example: Municipality of Groningen, NL

Description: The municipality of Groningen aimed to become a zero-waste city by 2030. The pilot project focused on reusing textiles for refurbishing office chairs. The process involved multiple stakeholders, including manufacturers and social enterprises, to create a circular textile loop.

Outcome: The project demonstrated the feasibility of circular procurement and set an example for other municipalities.

Source: [North Sea Region – ProCirc](#)



1.2.4. Flanders, Belgium

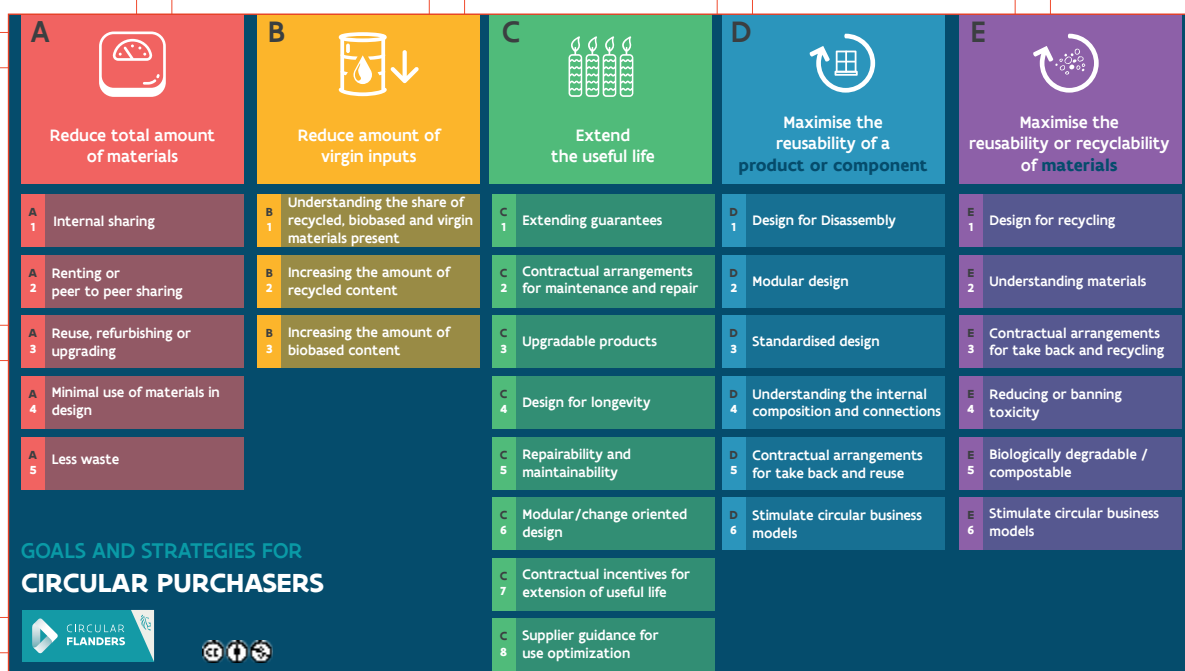
Current framework

Belgium's public procurement law is a federal competence, meaning it applies across all regions, including Flanders. Most [Belgian procurement legislation](#) closely mirror the EU directives, with minimal additional national provisions. However, there are specific legislations for the execution phase and the participation of SMEs (excluding payments and modifications). The current legal framework for public procurement in Belgium entered into force in June 2017. It includes several key legislations that govern various aspects of procurement, ensuring compliance with EU rules while addressing specific national needs. The framework allows for some variation below EU thresholds, providing opportunities for circular contracting, although the general principles of EU procurement rules still apply.

- [Wet inzake overheidsopdrachten van 17 juni 2016](#): This law governs public procurement processes in Belgium, forming the basis of the legal framework.
- [Wet betreffende de motivering, de informatie en de rechtsmiddelen inzake overheidsopdrachten, bepaalde opdrachten voor werken, leveringen en diensten en concessies van 17 juni 2013](#): Addresses the motivation, information, and legal remedies related to public procurement, covering specific assignments for works, supplies, and services.

- [Koninklijk besluit plaatsing overheidsopdrachten in de klassieke sectoren van 18 april 2017](#): Royal decree on the placement of public procurement in the classical sectors.
- [Koninklijk besluit tot bepaling van de algemene uitvoeringsregels van de overheidsopdrachten van 14 januari 2013](#): Royal decree defining the general execution rules for public procurement.

At the Flemish level, the public procurement policy is guided by the [Flemish Public Procurement Plan](#), which emphasizes sustainable and innovative procurement as one of its six primary objectives. For various product groups, including furniture, the Flemish government has defined "[essential sustainability criteria](#)" that can be included in contract documents, although these criteria are not mandatory. Additionally, the Facility Agency of the Flemish Government has drafted some standard clauses that contracting authorities can include in their contract documents. However, the number of these clauses is quite limited compared to other Flemish initiatives. Flanders also promotes and supports circular procurement through various initiatives, such as the [Circular Flanders ambition chart](#), which aims to integrate circular economy principles into public procurement practices.



Successful tender example: Government of Flanders, Belgium

Description: The Agency for Facility Operations of the Government of Flanders (AFFO) launched two framework agreements for circular office furniture. One agreement focused on the delivery of new circular furniture, while the other focused on the collection, storage, refurbishment, and redistribution of used furniture.

Outcome: The project reduced the amount of office furniture ending up as waste and promoted the reuse and refurbishment of existing furniture.

Source: [North Sea Region – ProCirc](#)



1.2.5. Malmö, Sweden

Current framework

- [2016 Swedish Public Procurement Act \(Lagen om offentlig upphandling\)](#): Governs public procurement processes in Sweden, applying to all purchases over €10,000, which must be documented. For purchases over €70,000, a tender and electronic notice are required. This act ensures that procurement processes focus on environmental, social, and labor concerns. The Public Procurement in Utilities Sector Act provides additional flexibility for utilities, allowing for higher value limits and longer contract periods.
- [2017 The Administrative Act \(Förvaltningslagen\)](#): Regulates administrative procedures and decision-making by authorities, including the possibility to appeal decisions. Applies to public procurement and contract award decisions, with processes that can be reviewed in administrative courts.
- [2017 Municipal Act \(Kommunallagen\)](#): Legislation concerning municipalities and their operations, including public healthcare providers. Regulates how the Swedish system functions, with municipalities at the lowest administrative level.
- [2009 Privacy and Publicity Law \(Offentlighet och sekretesslagen\)](#): is regarded as unique to Sweden and the Nordic countries, regulating how authorities handle information and documents. This law ensures that decisions made by authorities, including procurement decisions, can be reviewed by the public, promoting transparency and accountability.

Evolution of national law

Sweden's procurement regulations are designed to ensure transparency, fairness, and sustainability in public procurement processes. The Swedish Public Procurement Act and the Public Procurement in Utilities Sector Act provide a comprehensive legal framework for procurement activities, emphasizing environmental, social, and labor concerns. [The National Agency of Public Procurement](#) has translated Circular Flanders' ambition chart into Swedish and is actively promoting its use in public procurement.

Successful tender example: City of Malmö, Sweden

Description: The City of Malmö has been actively involved in circular procurement since 2017 as part of the Circular PP project. The city focused on procuring second-hand furniture and services such as reconditioning, upholstery, carpentry, painting, and redesign. The tender included criteria for environmental performance, such as the exclusion of chromium and PVC, and emphasized collaboration with suppliers to ensure circularity.

Outcome: The project led to significant environmental benefits, including a reduction in CO2 emissions by 170,000 kg annually. By 2020, 15% of the city's office furniture was reused. The initiative also fostered collaboration with suppliers and set a positive example for broader implementation of circular procurement practices.

Source: [Circular Procurement Platform](#)



1.2.6. Denmark

Current framework

The current legal framework for public procurement in Denmark includes several key legislations:

- **2014 The Public Administration Act Forvaltningsloven:** The Public Administration Act regulates how municipalities and government instances operate. It affects public procurements by addressing issues such as conflicts of interest and confidentiality. For example, it includes provisions to manage situations where a government official has a personal connection to a bidding company.
- **2015 Primary procurement law Udbudsloven:** The primary procurement law in Denmark, Udbudsloven, implements the EU Directive of 2014. It includes most of the same provisions as the directive, with some additional paragraphs that allow for flexibility. These additional rules can be adjusted by the Prime Minister and relevant ministers to reflect current political priorities.

This framework ensures that procurement processes in Denmark are transparent, fair, and aligned with both EU standards and national priorities. The emphasis on sustainability, particularly through the promotion of green vehicles, reflects Denmark's commitment to environmental goals.

Evolution of national law

Denmark's procurement regulations are largely based on EU directives, ensuring consistency with European standards. However, there are specific national adaptations to address local needs and priorities. For example, the focus on green vehicles has led to regulations that encourage the use of electric cars in public procurement. This is implemented through a "comply or explain" principle, where suppliers must either comply with the green vehicle requirement or provide a justification for not doing so.

Successful tender example: National Procurement Ltd, Denmark

Description: National Procurement Ltd. (SKI) launched a tender for sustainable office furniture, including strict environmental and quality requirements. The tender focused on the use of sustainable materials, the absence of harmful chemicals, and the ability to repair and refurbish furniture.

Outcome: The project resulted in significant cost savings and environmental benefits, including reduced waste and improved indoor air quality.

Source: [SAICM Knowledge](#)



1.3. Recommendations on Procurement regulations

In this chapter, we provide specific recommendations regarding procurement law and practices, both general and country-specific.

In France, the current procurement regulations are clear and well-defined, but local companies often struggle with the complexity and volume of necessary documentation. This challenge is particularly pronounced for small businesses. To address these issues, it is recommended to reduce the number of required documents and simplify the content and requirements. Joint statements of demand (JSD) can play a crucial role in aligning market needs with public procurement objectives. By consolidating shared priorities and amplifying collective market signals, JSD can drive efficiency, promote circular solutions, and ensure that procurement practices align with both environmental and socio-economic goals. Consolidating multiple legislative acts into a single, comprehensive document would simplify the process for small businesses. Given that France will only have mandatory sustainability criteria as of August 2026. Therefore, it is recommended to conduct an impact analysis once the criteria are implemented.

In Germany, while the existing framework is robust, there are areas where improvements could be made to integrate sustainability and circular economy principles better. Expanding training and guidance for procurement officers would improve the application of circular criteria, while stronger market engagement mechanisms, such as pre-procurement dialogues and dynamic supplier qualification, could help align award criteria with what suppliers can realistically offer. Hamburg's Nachhaltigkeitsleitfaden (NLF) highlights some of these challenges, noting that not all procurement categories have clear sustainability standards, and that eco-label availability varies, making evaluation inconsistent. Addressing these gaps at the national level could improve regulatory clarity and procurement consistency. Additionally, integrating lifecycle cost analysis (LCA) as a standard requirement would ensure that purchasing decisions consider durability, maintenance, and end-of-life costs, rather than just upfront price. Beyond refining evaluation methods, procurement regulations should expand beyond product-based sustainability criteria to include service-based models, such as leasing, take-back systems, and product-as-a-service agreements, which reduce waste and extend product lifespans. Embedding end-of-life responsibility into procurement contracts, requiring suppliers to offer reuse, refurbish-

ment, or recycling options, would further strengthen circularity.

In the Netherlands, it is suggested to consider proximity as an award criterion in procurement to reduce transport emissions and enhance service efficiency. Prioritizing local suppliers would minimize environmental impact and support local economies. Efforts to promote circularity within the textile industry should be strengthened, encouraging the procurement of reuse and recycling of textiles. Additionally, reevaluating maximum value limits in procurement regulations could facilitate more sustainable practices and foster stronger relationships with suppliers.

In Sweden, increasing flexibility in negotiations and expanding opportunities for dialogue are essential. Greater flexibility in negotiations would allow for more extensive adjustments during the tender process and throughout the contract period, accommodating unforeseen changes that may arise over the course of long-term contracts, often spanning four years or more. Establishing mechanisms to facilitate contract modifications during their term would ensure that agreements remain relevant and effective in addressing evolving needs. Expanding opportunities for dialogue is equally critical. Improved communication during the tender process, particularly between the procuring organization and bidders during the notice publication and evaluation phases, would foster better collaboration and understanding. Furthermore, while pre-tender dialogue is already well-supported, maximizing these early-stage discussions would help clarify requirements and expectations, ultimately leading to more successful and efficient procurement outcomes.

In Flanders, circular tenders often face challenges fitting within existing public procurement legislation. The renewal of EU procurement rules presents an opportunity to simplify processes, but meaningful changes will require reinterpreting core principles like competition and transparency. Extending contract durations for circular procurement, such as up to 10 years for certain products, would enable refurbishment and reuse, advancing circular economy goals. Additionally, integrating criteria to support local production, as seen in the Farm to Fork Strategy, could bolster local economies and reduce environmental impact, promoting sustainability across sectors. In the recent federal coalition agreement, it was made legally possible to include the "short supply chain" as a technical specification in the public food market procurement procedure. This seems

to me something that should be regulated in future EU directives. Despite these potential benefits, challenges remain. Limited training and expertise, coupled with a lack of standardization, hinder broader adoption. Addressing these issues will require the development of standardized certification systems and calculation methods to ensure fair and transparent bid evaluations, fostering greater confidence in circular procurement practices.

An important development is that at the Federal Council of Ministers on December 6th 2024, the draft environmental list for the new investment deduction was approved as attached. The draft has now been sent to the Council of State for advice, which states the following:

1. Circular office supplies and water-saving devices

a. Office supplies - Refurbished furniture and ICT equipment

b. Water-saving devices - Water fountains connected to drinking water, grey water recovery systems

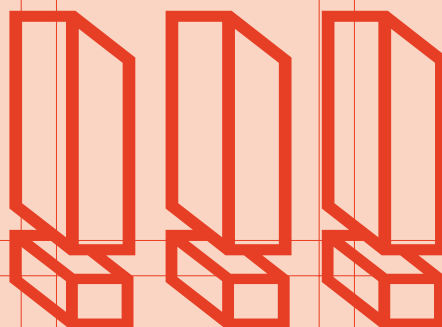
This means that from January 1, 2025, circular refurbished office furniture can be depreciated by SMEs at 140%, and by large companies at 135%.

In Denmark, enhancing flexibility in sustainability requirements to include criteria related to employee well-being and mental health would promote social sustainability. Flexibility in sustainability requirements should be expanded to include criteria addressing employee well-being and mental health, promoting better working conditions. Broader sustainability criteria, such as environmental impact and social responsibility, should be integrated into procurement processes to encourage holistic sustainability practices. Clear guidelines and support, including training, financial incentives, and technical assistance, would help companies, especially SMEs, implement these criteria effectively, advancing green and social sustainability goals.

Overall, addressing the need for training and technical expertise is essential to ensure the effective integration of sustainability requirements in procurement processes. While urging federal and regional entities to undergo compulsory training to understand and apply mandatory requirements in tender specifications is recommended, the emphasis should be placed on enhancing the competencies of the individuals responsible for placing public contracts rather than on the organizations themselves. The EU previously had a policy specifically focused on the professionalization of the procurement function. To avoid limiting market

participation, these requirements should initially be reflected in contract execution conditions rather than in admission or award criteria. While award criteria generally do not exclude companies or bids, execution conditions can hinder a company by prescribing a method of execution that is not feasible for them. Clear and precise definitions of mandatory sustainability requirements, coupled with robust monitoring and enforcement mechanisms, are crucial to maintaining accountability. Periodic reviews of these criteria should be conducted to evaluate their effectiveness and inform continuous improvement.

Opinions on **whether sustainability criteria should be mandatory** in procurement are divided. On one hand, mandatory criteria could benefit product groups with established European markets by applying common standards across the internal market. However, indiscriminate imposition of such criteria could lead to increased administrative burdens for both procurers and companies. To address this, a selective and well-curated approach is needed. For instance, mandatory criteria could be integrated into technical specifications or set as national-level targets, similar to the [Clean Vehicles Directive](#), which mandates overall goals without applying criteria to every procurement. This tailored approach would promote sustainability effectively while minimizing potential drawbacks. Supporters argue that many companies are unwilling to change without formal requirements, but the execution must be carefully managed, with clear targets, specifications, and award criteria. Standardized certificates and methods, such as for CO2 reduction, are essential to ensure fair bid comparisons. Harmonization across sectors is also needed to prevent incomparable tenders, while ambitious targets can drive meaningful progress. A “comply or explain” mechanism with monitoring for non-compliance could improve transparency and effectiveness. On the other hand, some caution that a rigid framework may stifle supplier innovation. While a solid foundation of criteria is important, flexibility is needed to allow for creative solutions. Others recommend waiting for the ESPR and sector-specific legislation for clearer guidance.



2. Regulations on

Download the
**CEO Ecodesign
Guideline**



**ECCO
DE-
SIGN**

2. Regulation on Ecodesign

2.1. EU regulation and principles

2.1.1. Ecodesign for Sustainable Products Regulation (ESPR)

2.1.2. Net-Zero Industry Act (NZIA)

2.1.3. EU Regulation on Deforestation-free Products (EUDR)

2.2. National/regional regulation and principles

2.2.1. France

2.2.2. Hamburg, Germany

2.2.3. Malmö, Sweden

2.2.4. The Netherlands

2.2.5. Other countries

2.3. Recommendations on ecodesign regulations



Figure 1: Key regulatory elements of the Ecodesign for Sustainable Products Regulation (ESPR) as defined in EU Regulation 2024/1781

2.1. EU regulation and principles

Many new laws that will increasingly impact businesses in the coming years are part of the European Green Deal. This is a package of policy initiatives designed to help the European Union make a sustainable transition, encompassing economic, social, and environmental aspects. The Green Deal is the strategy by which the EU aims to achieve its 2050 goal and consists of various components, initiatives, and law.

The Ecodesign Directive 2009/125/EC established mandatory ecological requirements for energy-related products, focusing on reducing energy consumption and environmental impacts during their lifecycle. However, its scope was limited to energy-related products. To expand this framework, the Ecodesign for Sustainable Products Regulation (ESPR) was introduced on 30 March 2022. ESPR is central to the EU's efforts to promote sustainability and circularity.

2.1.1. Ecodesign for Sustainable Products Regulation (ESPR)

The ESPR is the successor to the Ecodesign Directive. While the Ecodesign Directive focused on the energy consumption of electrical products, the ESPR offers comprehensive ecodesign rules for a wide range of products. A crucial aspect of ESPR (2025) is that it is a regulation, not a directive. This means it is binding for all parties involved, regardless of whether Member States implement it in national legislation. The regulation came into force in July 2024. The ESPR introduces a Digital Product Passport, mandatory green public procurement, improved market surveillance, and measures to prevent the destruction of unsold goods. The article on public procurement (Article 65) outlines specific obligations for contracting authorities. It is up to the European Commission to prescribe minimum criteria through implementing acts. The prevention measures consist of three parts:

1. **Disclosure of information on unsold consumer goods (Article 24):** This article mandates the disclosure of information regarding the handling of unsold consumer goods.
2. **Destruction of unsold consumer products (Article 25):** This article prohibits the destruction of unsold consumer products.
3. **Consolidated information on the destruction of unsold consumer products (Article 26):** This article requires the consolidation of information on the destruction of unsold consumer products.

Member states will impose penalties on companies that fail to comply with these regulations. Each member state will determine its own penalties, which will include at least a financial penalty and temporary exclusion from public procurement. The penalties must be proportionate to the violation. Further clarity on these measures will be provided by a delegated act on July 19, 2025.



2022 First version of ESPR

2023 Preliminary approval

2024 Approval on
13 June 2024

Information obligation for large
companies.

2026 Transition period
of 2 years

Ban applies for **large** companies

2030 Transition period
of 6 years

Information obligation and ban
applies to **medium-sized** companies.

Definition of sizes of enterprises

MICRO

Employees ≤ 10
Revenue of balance sheet ≤ € 2m

SMALL

Employees ≤ 50
Revenue of balance sheet ≤ € 10m

MEDIUM

Employees ≤ 250
Revenue ≤ € 50m
of balance sheet ≤ 43m

The [ESPR Working Plan released in April 2025](#) includes a list of product groups proposed during a public consultation. While the final list is not yet confirmed, it is likely that some of these products, such as furniture, will be prioritized. Being a priority product means that specific ecodesign criteria will be developed for these products. These criteria, discussed within the circular economy community, aim to enhance product longevity, recyclability, and reparability.

[A study by the Joint Research Centre \(JRC\)](#) has proposed priority products based on various parameters, including market volume, environmental impact, and the potential impact of European production. For example, furniture is highlighted as a significant product group due to its environmental footprint.

Once a product is designated as a priority, the European Commission will propose a delegated act outlining the ecodesign criteria. These criteria may include durability, ease of repair, availability of repair information, and recyclability. Not all criteria will apply to every product, but those included must be met by all products in that category. Additionally, classification classes similar to energy efficiency ratings for appliances may be introduced for aspects like recyclability and reparability, providing consumers with valuable information. Ecodesign is a shared responsibility. The European Commission initiates the process by developing work plans and delegated acts, involving experts from Member States in discussions. They are also working on proposals for the Digital Product Passport (DPP), which will make essential information publicly available, such as repair instructions and the presence of hazardous substances.

The binding nature of the regulation ensures that all stakeholders in the value chain (producers, manufacturers, importers, and other actors) must comply with the ecodesign criteria to be able to put products on the EU market. These parties are required to provide detailed product information via the Digital Product Passport (DPP), which must remain accessible for up to ten years after the product's market entry. Standardization organizations play a vital role in creating consistent standards that enable the effective evaluation of products based on ecodesign criteria. Member States are tasked with market surveillance, ensuring that both domestic and imported products meet the mandatory ecodesign requirements. This includes preventing non-compliant products from entering the market.

The introduction of the DPP as part of the ESPR serves as a key tool for providing easy access to critical product information related to sustainability, circularity, and legal compliance. In alignment with ecodesign and circular economy regulations, the DPP will allow businesses to meet future EU requirements, offering detailed insights into product materials, production methods, and disposal instructions. This transparency will support better reuse and recycling of materials, making it easier to manage product lifecycles within the EU, especially as waste streams are increasingly restricted to remain within European borders.

Ultimately, the ESPR marks a pivotal move toward advancing sustainability and circularity in the EU. Through broader ecodesign requirements and binding regulations, the EU seeks to reduce the environmental footprint of products over their entire lifecycle, driving the transition to a more sustainable and circular economy.

2.1.2. Net-Zero Industry Act (NZIA)

The [Net Zero Industry Act \(NZIA\) - 2024/1783](#) is a pivotal EU regulation aimed at enhancing industrial capacity for net-zero technologies and promoting sustainable supply chains, including in sectors like furniture manufacturing. It covers a broad array of technologies, such as solar (photovoltaic), wind, batteries, energy storage, heat pumps, geothermal, hydrogen, and alternative fuels. Unlike previous directives, the NZIA is a regulation, meaning it is legally binding across the EU, ensuring uniform compliance from all Member States, regardless of national implementation. Coming into force in July 2023, the NZIA encourages industries, including office furniture production, to adopt sustainable practices. These practices, such as utilizing recycled materials, minimizing waste through refurbishment, and establishing take-back schemes, can

significantly reduce environmental impacts and promote circularity. Much like the NZIA's support for the tech sector, these measures drive long-term resource efficiency and sustainability in the furniture supply chain. Article 25 of the NZIA mandates sustainability requirements through technical specifications and execution clauses. These requirements ensure that all net-zero technologies comply with stringent environmental standards. The European Commission will issue delegated acts to refine and adapt these sustainability requirements in response to technological advancements. These acts will provide detailed guidelines and standards to ensure the effective implementation of the NZIA. The regulation also emphasizes the importance of sustainable supply chains, requiring that all net-zero technologies meet high environmental standards throughout their lifecycle. This approach ensures that the EU's transition to net-zero is both effective and sustainable.

2.1.3. EU Regulation on Deforestation-free Products (EUDR)

The [Regulation on Deforestation-free Products \(EU 2023/1115\)](#), which came into effect on 29 June 2023, is a pivotal EU regulation aimed at preventing products associated with deforestation and forest degradation from entering or being exported from the EU market. This regulation is directly applicable to all Member States, ensuring uniform compliance without the need for national implementation. It broadens the scope of the previous [EU Timber Regulation \(EUTR\) of 2013](#), which focused solely on legally harvested wood, by extending coverage to other products linked to deforestation, such as cattle, cocoa, coffee, palm oil, rubber, and soy.

In terms of office furniture, the regulation could influence the sourcing of new wood from deforested areas. Since the regulation does not apply to recycled or reused wood, companies have less administrative work to comply. This may provide an advantage for using existing materials already within the EU, such as reclaimed wood or furniture from recycling. By promoting the reuse of materials and encouraging

the refurbishment of office furniture, the regulation can reduce reliance on newly sourced raw materials, supporting a more sustainable, circular approach to office furniture production. This would align with the EU's broader environmental goals and help reduce the demand for deforestation-related resources.

The regulation also expands compliance obligations to a broader range of companies, not only importers but also downstream operators and traders. These entities must ensure that the products they buy and sell are deforestation-free by providing geolocation data to verify the origin and legality of the products. Companies are required to perform due diligence: collect the necessary information (amongst others coordinates of harvested trees) to assess deforestation risks and take appropriate steps to mitigate them.

By focusing on sustainable supply chains, the regulation supports the EU's broader environmental objectives, such as reducing greenhouse gas emissions and protecting biodiversity, while encouraging responsible sourcing and production practices.

2.2. National/regional regulation and principles

In terms of input for national or regional regulations and principles, we have gathered insights from France, Germany, The Netherlands, Sweden and Flanders. Currently, no specific national or regional regulations are in force in Denmark.

2.2.1. France

Current framework

France is currently in a transitional phase between its national regulations and the European Sustainable Product Regulation (ESPR). The AGECE law and the Climat et Résilience law continue to apply, but their provisions will be superseded by the ESPR as the delegated acts are published and implemented. This transition aims to harmonize ecodesign requirements across the EU, promoting sustainability and circularity on a broader scale.

- **2020 AGECE Law on Circular Economy:** The Anti-Waste for a Circular Economy Law (AGECE) was introduced to promote sustainability and reduce waste. It includes measures to enhance recycling, reduce plastic use, and encourage the repair and reuse of products.
- **2021 Climat et Résilience Law:** This law aims to address climate change and environmental resilience. It includes provisions to reduce greenhouse gas emissions, promote renewable energy, and enhance environmental protection.
- **French Decree on Circular Economy (21 February 2024):** This decree mandates that public buyers must procure a certain percentage of goods from the circular economy, such as secondhand products. This decree will also be aligned with the ESPR requirements. This alignment will ensure that public procurement practices in France support the EU's overarching goals of sustainability and environmental protection.

Evolution of national law

Initially, France established laws on the circular economy independently where The AGECE law and the Climat et Résilience law were significant steps in this direction, as there were no existing regulations at the European level. However, with the implementation of the ESPR, national laws will gradually be superseded by European legislation. The ESPR takes precedence over national laws within the EU, leading to the progressive phasing out of existing national regulations as new legislative acts to implement the ESPR are developed. The future delegated acts under the ESPR will provide detailed guidelines on how to apply its requirements, effectively replacing the existing national regulations.

2.2.2. Hamburg, DE

Current framework

Currently, there is a lack of specific ecodesign regulations for office furniture in Hamburg, Germany. However, the [Furniture Procurement Chapter](#) (p. 129) in the Hamburg's Sustainable Procurement Guidelines (**Nachhaltigkeitsleitfaden, NLF**) provides a structured approach to categorizing and specifying products based on existing regulations and laws:

- **Categories:** The chapter categorizes furniture into Holzmöbel (Wooden furniture) and Bürostühle und andere Polstermöbel (Office chairs and other upholstered furniture).
- **Product specifications:** Specifications for these categories are based on existing regulations and laws, ensuring compliance with general environmental and sustainability standards.
- **Award criteria:** Detailed criteria for procurement are outlined, focusing on sustainability and environmental standards. This includes considerations for the lifecycle impact of the products.

2.2.3. Malmö, SE

Current framework

- [The Swedish Environmental Code \(Miljöbalken\) 2024:](#) The Swedish Environmental Code, known as Miljöbalken, is a comprehensive legislative framework aimed at promoting sustainable development. Enacted to ensure a healthy and sound environment for present and future generations, the Code applies to all activities and measures that could impact environmental objectives. It encompasses various principles, including the precautionary principle, the polluter pays principle, and the principles of resource management and recycling. These principles guide the actions of businesses and individuals to minimize environmental harm and promote sustainability.
- [The Swedish Waste Regulation \(Avfallsförordningen\) 2020:](#) The Swedish Waste Regulation, or Avfallsförordningen, complements the Environmental Code by providing specific guidelines on waste management. This regulation emphasizes the importance of waste prevention, reuse, and recycling, aligning with the broader goals of the circular economy. It sets out detailed requirements for the handling, transportation, and disposal of waste to minimize environmental impact and promote resource efficiency.

While Sweden has robust environmental laws, there is room for improvement in the application of these regulations. One area of focus is the ecodesign regulation, which aims to integrate environmental considerations into product design. Many of these regulations are derived from EU directives, such as the recent [Regulation \(EU\) 2024/1781](#), which establishes a framework for setting ecodesign requirements for sustainable products.

2.2.4. Netherlands

Current framework

Currently, there is no specific ecodesign regulation for the interior market in the Netherlands. However, there are ongoing discussions about extending the producer responsibility, which has been in effect for the garment industry since last year, to the interior market as well. An example are the [procurement tenders from the Ministry of Defense](#), which provide some guidelines. While specific regulations are not yet in place, guidelines developed by suppliers in collaboration with the relevant categories are being used effectively. These guidelines serve as interim measures until formal regulations are established.

2.2.6. Other Countries

Current frameworks

The reason why some countries or regions are currently relying solely on EU regulations may be because the relevant legislation at the EU level is already binding, and no additional measures have been introduced at the national level. This could indicate that no specific initiatives or regulations have been developed that go beyond the EU frameworks. It is also possible that there is currently nothing concrete available in those countries, meaning there may be room for additional information or adjustments.

2.2.5. Flanders, BE

Current framework

In Belgium, the federal government holds competence over ecodesign regulations. This means that the overarching framework for sustainable product design and environmental standards is set at the national level, aligning with the European Union's directives and regulations. The ESPR, which came into force on July 18, 2024, is a key component of this framework. The ESPR aims to enhance the sustainability of products by improving their circularity, energy performance, recyclability, and durability.

In the summer of 2026, a new regulation aligned with the ESPR will come into effect, banning the destruction of unsold textiles. This regulation mandates that information must be provided on the handling of unsold stocks for all consumer goods, including furniture and textiles. However, the ban on destroying unsold stocks currently applies only to textiles. This measure is part of broader efforts to reduce waste and promote a circular economy. By prohibiting the destruction of unsold textiles, the regulation aims to encourage the reuse, recycling, and donation of these items, thereby minimizing their environmental impact.

2.3. Recommendations on Ecodesign Regulations

In this chapter, we provide specific recommendations regarding ecodesign law and practices, both general and country-specific.

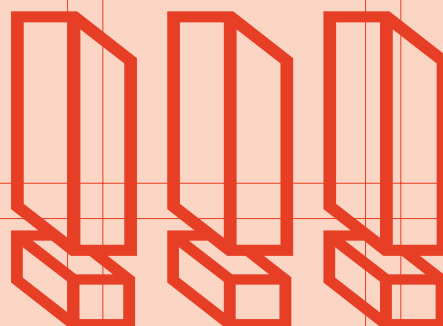
In general, the ecodesign regulation's requirement for the European Commission to consult a stakeholder forum when defining criteria for product groups through delegated acts presents an opportunity to influence the process. This forum includes sector federations and member states, and to shape criteria, such as those related to office furniture, it is essential to engage the relevant policymakers in your country who can participate in the forum and impact the timing and scope of product-specific criteria.

To improve the effectiveness of ecodesign regulations in the NSR, specific actions should be considered. Regulations tailored to office furniture should be developed to address its unique environmental impacts and sustainability considerations. Award criteria should incorporate principles of the circular economy, such as reuse, repairability, recyclability, and the promotion of innovative, sustainable solutions. A practical example can be found in the [Circular Ambition Chart](#), developed by Circular Flanders. Compliance and monitoring mechanisms must be strengthened by implementing regular audits and increasing transparency, ensuring that environmental performance is reported comprehensively. Furthermore, support for small and medium-sized enterprises (SMEs) should be a priority, providing guidance, resources, and simplified procedures to assist them in meeting ecodesign requirements. Strengthening enforcement mechanisms will be crucial to ensuring compliance with ecodesign standards. It is also important to increase collaboration with businesses, consumers, and other stakeholders to foster a culture of sustainability across sectors. To drive innovation, providing incentives for companies to develop eco-friendly products can significantly advance sustainable practices. Finally, raising awareness about the benefits of ecodesign among consumers and manufacturers will be essential for broadening its impact and ensuring its success.

In France, the current Ecodesign Furniture Regulation is well-suited for straightforward cases, such as second-hand furniture. However, upcycled furniture presents unique challenges due to its complexity. Each upcycled furniture project is unique, making it difficult to standardize requirements and accurately define technical needs. To address these challenges, it was proposed to utilize the innovative market exception. This approach would allow for the precise definition of technical needs for upcycled furniture before launching the regular circular furniture market. By doing so, clarity and feasibility can be ensured in the regulation of upcycled furniture. However, these proposals were initially made when the ESPR was at the project stage. Today, the framework regulation is sufficiently clear. Nonetheless, it is necessary to wait for the delegated acts to determine whether further improvements are required.

While the ESPR framework is clear, there are concerns about the forthcoming delegated acts. The Joint Research Centre (JRC) report contains extensive information, and there is a possibility of multiple delegated acts for each part of the ESPR. This complexity could make it challenging to consolidate all regulations and implement them effectively.

French experts hope that the delegated acts will simplify and summarize the requirements, making it easier for countries to enforce and comply with the regulations. Ensuring clarity and simplicity in the delegated acts will be crucial for the successful implementation of the ESPR.



3. Regulations on

CIR-
CULAR
BUST-
NESS
MODELS

Download the
CEO
CBM Guideline



3. Regulation on Circular Business Models (CBM)

- 3.1. EU regulation and principles
- 3.2. National/regional regulation and principles
 - 2.2.1. France
 - 2.2.2. Flanders, Belgium
 - 2.2.3. Other countries
- 3.3. Recommendations on Circular Business Models (CMB)

REGULATORY GAPS & BARRIERS

- No unified framework for PaaS
- Liability & warranty uncertainties
- Lacking insurance for reuse
- Contract law vs. consumer protection



applies to

requires reporting

EU DIRECTIVES

Horizontal Directives

- Consumer Rights Directive
- Unfair Commercial Practices Directive
- Digital Services Directive

Sustainability Directives

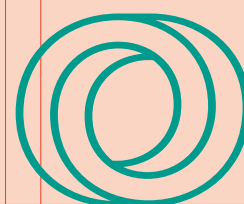
- Corporate Sustainability Reporting Directive (CSRD)
- Corporate Sustainability Due Diligence Directive (CSDDD)



applies to

CIRCULAR BUSINESS MODELS – CBM

- Product-as-a-Service (PaaS)
- Refurbishment & Ruse
- Use-oriented contracts
- Sharing / Leasing



3.1. EU regulation and principles

On the EU level, as far as determined, there is currently no dedicated legislation specifically addressing Circular Business Models. However, various existing regulations and strategies indirectly support their adoption by promoting sustainability, resource efficiency, and waste reduction.

Several **EU Horizontal Directives** apply to consumer contracts, including PaaS contracts. These directives regulate various aspects of service contracts, information obligations, and the prohibition of unfair clauses:

- **Consumer Rights Directive:** Ensures that consumers receive clear information before entering into contracts and have the right to withdraw from contracts within a specified period.
- **Unfair Commercial Practices Directive:** Protects consumers from misleading and aggressive commercial practices.
- **Unfair Terms Directive:** Prevents the use of unfair terms in contracts that could create a significant imbalance between the rights and obligations of the parties.

The **Services Directive** has a limited impact on PaaS contracts. Its main requirement is that service providers must inform recipients about their services (Article 22) and adhere to soft law rules on service quality.

The **Digital Content and Digital Services Directive** is particularly relevant to use-oriented and result-oriented Product-Service Systems (PSS). This directive applies to products connected to the internet, enabling service

providers to collect data for optimizing service delivery and maintenance.

The **Corporate Sustainability Reporting Directive (CSRD)**, which requires large companies to transparently report on matters such as their CO₂ emissions and social capital, as well as their impact on biodiversity and human rights within their supply chain. In the first phase, the large companies will be covered. In a later phase, smaller companies should also start reporting. Companies must collect all this data in a uniform manner, according to the established European Sustainability Reporting Standards (ESRS), and report it in a centralized way, similar to their financial reporting. Your sustainability report will therefore be as important as your financial annual report.

The law does not obligate companies to achieve specific targets, except in one area: CO₂ neutrality by 2050.

The **Corporate Sustainability Due Diligence Directive (CSDDD)** is a directive that will impose 'supply chain due diligence obligations' on a large group of companies regarding their production chains. Companies will be required to investigate the negative sustainability impacts caused by themselves and other parties in their supply chains. They must then attempt to prevent, mitigate, minimize, and/or eliminate these potential negative impacts. The CSDDD can be seen as the directive that requires you to take necessary actions to investigate, mitigate, and monitor risks in your supply chain. The CSRD mandates you to report on this policy, the underlying processes, and actions.

3.2. National/regional regulation and principles

Regarding the input for national and regional regulations and principles for circular business models, it can be concluded that there is currently a limited amount of existing regulation in this area.

3.2.1. France

The French [2023 Ordonnance n°2023-1142 \(Transposition of European Directive n°2022/2464\)](#), dated December 6, 2023, transposes the [European Directive n°2022/2464, known as the Corporate Sustainability Reporting Directive \(CSRD\)](#), into national law. This directive aims to enhance the quality and comparability of sustainability reporting across the European Union, ensuring that companies provide transparent and reliable information on their environmental, social, and governance (ESG) practices.

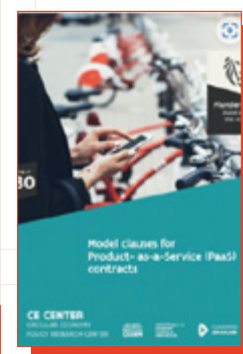
The primary principle of this ordinance is the requirement for external verification of corporate sustainability reporting. In France, the separation of duties between those who perform activities and those who control them is a fundamental aspect of regulatory compliance. Consequently, companies cannot self-verify their adherence to circular economy principles. Instead, all aspects of control and verification are entrusted to external auditors, particularly financial auditors. This ordinance mandates that all sustainability reporting, including compliance with circular business model (CBM) regulations, must be audited by an independent third party. This ensures objectivity and credibility in the reporting process, reinforcing the integrity of sustainability claims made by companies.

3.2.3. Other countries

Some countries or regions may be focusing solely on EU regulations because the existing EU-level legislation is already binding, and no additional national measures have been introduced. This suggests that there may be no specific initiatives or regulations in place that extend beyond the EU framework. Alternatively, it could indicate that there is currently a lack of concrete national legislation, leaving room for further input or potential adjustments to be made.

3.2.2. Flanders, Belgium

The regulatory framework for circular business models in Flanders is shaped by both national and EU-level regulations. The shift to a circular economy necessitates new business approaches, with service-based models like Product-as-a-Service (PaaS) offering significant potential. In 2024, a [CE Centre research report](#) was published with the aim of defining clear model clauses¹ provides the primary legal framework for PaaS contracts, various EU directives ensure consumer protection and service quality. Belgian contract law, which emphasizes contractual freedom within mandatory legal boundaries, supports the flexibility needed for PaaS agreements. However, no specific legal provisions currently govern PaaS contracts, placing importance on how parties define their terms. To encourage PaaS adoption, the research report provides model clauses that outline key obligations and features of PaaS agreements. These templates simplify contract creation, reducing transaction costs and effort for businesses. By addressing these practical barriers, the report aims to accelerate the transition to circular business models. Simultaneously, the model clauses serve as guardrails for safe acceleration. First, they strive to ensure an equitable balance between contracting parties, with a focus on protecting consumers and smaller enterprises. Second, the clauses aim to balance the potential for sustainability, particularly circularity, in PaaS contracts with the risks of unsustainable behavior. To encourage PaaS adoption, the research report provides model clauses that outline key obligations and features of PaaS agreements. These templates simplify contract creation, reducing transaction costs and effort for businesses. By addressing these practical barriers, the report aims to accelerate the transition to circular business models. To encourage PaaS adoption, the research report provides model clauses that outline key obligations and features of PaaS agreements. These templates simplify contract creation, reducing transaction costs and effort for businesses. By addressing these practical barriers, the report aims to accelerate the transition to circular business models.



Model clauses for Product-as-a-Service (PaaS) contracts

¹ A contract with a consumer is a contract between a business in the sense of the Code of Economic Law and a consumer in the sense of the same Code (article 5.11 Belgian Civil Code).

3.3. Recommendations on Circular Business Models (CBM)

There is no dedicated legislation for Circular Business Models, but existing regulations support sustainability, resource efficiency, and waste reduction. To enhance compliance with ecodesign requirements, it is essential to strengthen enforcement mechanisms. Increasing collaboration with stakeholders is crucial to fostering a culture of sustainability. Providing incentives for eco-friendly innovation will drive progress in this area. Additionally, raising awareness about the benefits of ecodesign among consumers and manufacturers is vital for widespread adoption and effective implementation. Our research indicates that the legal framework governing contracts should provide specific provisions to better support circular business models. One key issue is the guarantee and life expectancy of products. Legislation could mandate that suppliers reuse components, aligning with environmental sustainability objectives. However, this presents challenges, as suppliers may find it difficult to guarantee the performance of products containing reused parts. These components may not meet the same quality standards as new materials, potentially compromising the product's reliability. To address these challenges, it is crucial to explore how guarantees can be structured to accommodate reused parts while ensuring overall product quality. For instance, suppliers could be required to refurbish or reuse parts, such as repairing a log by reintegrating certain components. However, feedback suggests that incorporating reused parts may prevent suppliers from offering the same performance guarantees as they would for entirely new products. This issue underscores the need for clear guidelines and research on guarantees and responsibilities, including insurance for refurbished or reused components. These considerations should be incorporated into the CEO project and reflected in the final report. Given the diversity of business practices and product types, the effectiveness of such guarantees may vary. Focusing on a specific product category, such as office furniture, allows for a more tailored approach, ensuring the recommendations are both practical and relevant.

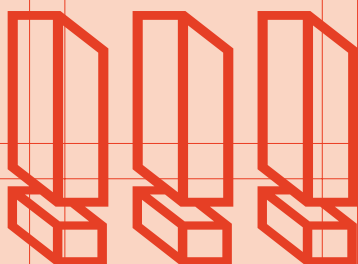
4. Reflection

It is clear that **the core objective is to analyze the policies, regulations, and legislative barriers affecting the development of circular office practices in the North Sea Region (NSR).** The paper provides a comprehensive analysis at the EU, national, and regional levels, offering a holistic view of the regulatory landscape. This approach is crucial for identifying both opportunities and constraints in promoting circular office solutions.

One of the recurring themes is the **complexity of procurement regulations**, which can inadvertently exclude smaller businesses or those transitioning toward circular solutions. For example, France's well-structured yet administratively heavy procurement processes underscore the tension between clear governance and accessibility. **Simplifying documentation and embracing tools like Joint Statements of Demand (JSD) could bridge this gap by aligning public procurement with environmental and socio-economic goals.**

General recommendations focus on prioritizing proximity and increasing negotiation flexibility. **A key takeaway is the need for tailored approaches across different countries**, recognizing that a one-size-fits-all solution is ineffective. These strategies highlight the importance of adaptability and dialogue in addressing the evolving needs of long-term contracts while fostering trust between procurers and suppliers. The case of Flanders is particularly insightful, illustrating how legislative reforms at the EU level could facilitate circular tenders. **Extending contract durations and embedding sustainability criteria, such as support for local production, demonstrate how procurement practices can be aligned with broader policy objectives.** Meanwhile, the Danish framework introduces a critical yet often overlooked perspective: the intersection of procurement and social sustainability. **By incorporating criteria that promote employee well-being and mental health, procurement processes can contribute to holistic sustainability goals, balancing both environmental and social impacts.**

Mandatory sustainability criteria, while a contentious topic, are another focal point of the analysis. The paper wisely advocates for a selective approach, integrating these criteria where they can add the most value without imposing undue burdens. This balance ensures that **ambitious sustainability goals are achievable without discouraging market participation or stifling innovation.** Finally, the emphasis on capacity-building through training, technical support, and clear guidelines, cannot be overstated. The transition to sustainable procurement requires not only robust policies but also the skills and knowledge to implement them effectively. Ensuring that procurement officials



are equipped to navigate new criteria and foster market engagement is essential for success.

The chapter on ecodesign regulations underscores the **importance of adapting ecodesign regulations to address both standard and complex cases, such as upcycled furniture**. In France, challenges in standardizing upcycled furniture requirements highlight the need for innovative solutions, such as leveraging the market exception to clarify technical needs. While the ESPR framework offers clear guidance, its success depends on ensuring simplicity and coherence in forthcoming delegated acts.

To maximize the potential of ecodesign in the NSR, tailored regulations for office furniture are crucial. These should prioritize circular economy principles like recyclability and repairability. Strengthening enforcement mechanisms through audits and transparency, alongside practical tools like the Circular Ambition Chart, can enhance compliance. **Support for SMEs is vital, providing resources and streamlined processes can help them meet ecodesign requirements.** Collaboration with stakeholders, incentivizing eco-friendly innovations, and raising awareness will further embed sustainability into industry practices and consumer choices. By implementing these strategies, ecodesign regulations can drive meaningful progress toward a circular economy.

The absence of dedicated legislation for Circular Business Models (CBMs) highlights the need to optimize existing frameworks supporting sustainability and resource efficiency. Strengthening enforcement mechanisms, incentivizing eco-friendly innovation, and raising awareness among consumers and manufacturers are critical steps toward fostering a culture of sustainability.

A key challenge lies in aligning product guarantees with the integration of reused components. Mandating reuse aligns with environmental goals but raises concerns about performance and reliability. **Clear guidelines on structuring guarantees for reused parts, coupled with research into insurance mechanisms, are essential to address these challenges.** Tailoring recommendations to specific product categories, like office furniture, ensures practical applicability. By addressing these gaps and promoting collaboration among stakeholders, regulations can better support the transition to sustainable circular business models.

Overall, this paper offers a thorough analysis and practical recommendations for advancing circular office practices in the NSR. By addressing regulatory barriers and providing strategic guidance, it lays a strong foundation for future policy development and market transformation towards more sustainable practices.

Acknowledgements

Netherlands: Martijn Vander Rijt (Rijkswaterstaat)

Denmark: Niels Thorup Høegh Madsen (Københavns Kommune)

Germany: Yanik Moldt, Fadwa Kassem (HiiCCE)

Belgium: Alexander Lemmens (Flemish Agency for Facility Operations), Alexandra Vandevyvere, Veerle Labeeuw (Circular Flanders/OVAM)

France: Anne Sacalais (FCBA)

Sweden: Sofie Arebom (City of Malmö)

Layout and Design: Mathias Rüsche (mattrr, Hamburg)

Visit the
Interreg / CEO
Website



Legal Frameworks Overview

PROCUREMENT

EU

- European Green Deal
- GPP

National

- France
- Germany
- Netherlands

- Belgium
- Sweden
- Denmark

ECODESIGN

EU

- ESPR
- NZIA
- EUDR

National

- France
- Germany
- Netherlands

- Sweden
- other

BUSINESS MODELS

EU

- CSRD
- CSDDD

National

- France
- Belgium
- other