

Current status and challenges of the circular economy: Toward a growth-oriented resource-autonomous economy

Tuesday 17 March 2026, 16:30–18:00 Tokyo (8:30–10:00 Brussels)

<Summary>

Opening remarks by Manuel Hubert, EU-side Managing Director, EU-Japan Centre for Industrial Cooperation:

I would like to express my gratitude to all the speakers participating today. This event focuses on the circular economy, a theme that is of critical importance not only for environmental sustainability but also from the perspectives of economic competitiveness and economic security. Japan and the EU face common structural challenges, such as dependence on external energy supplies and critical raw materials, and these vulnerabilities are becoming even more apparent due to geopolitical tensions and export controls. In this context, circularity is positioned as a strategic means to reduce external dependence. Both regions have introduced ambitious policy frameworks to promote recycling, and this session will provide an opportunity to share insights from policymakers and industry representatives, while highlighting the importance of aligning policy objectives with viable business models.

Presentation by Junichiro Mimaki, Director, Resource Efficiency and Circular Economy Division, Innovation and Environment Policy Bureau GX Group, Ministry of Economy, Trade and Industry:

The Ministry of Economy, Trade and Industry (METI), in cooperation with the Ministry of the Environment, has advanced Japan’s resource circulation policy through a comprehensive legal framework, including laws on vehicle, appliance, small electronic, and packaging recycling. These measures respond to Japan’s structural constraints, particularly limited land and landfill capacity, and have long been supported by the 3Rs approach: Reduce, Reuse, and Recycle.

Recently, Japan has accelerated its shift toward a circular economy under the “Circular Economy Vision 2020.” This transition is driven by global challenges such as resource scarcity, carbon neutrality goals, and tighter controls on cross-border waste movement. As a result, strengthening domestic recycling systems and promoting the use of recycled materials have become key priorities.

Policy measures include eco-design promotion, expanded recycled material use, improved recycling industry competitiveness, enhanced material data sharing, and better waste separation systems. Support is also provided for reuse, repair, and sharing-based business models. Government actions are built on three pillars: industry–government–academia collaboration, subsidies for large-scale investment, and regulatory reform to support market development. These efforts are increasingly framed within economic security considerations, aiming to expand the recycling sector and increase demand for recycled materials.

Presentation by Stefano Soro, Head of Unit – Sustainable Products, European Commission DG Internal Market, Industry Entrepreneurship and SMEs (DG GROW):

The EU and Japan share a common approach to the circular economy. The circular economy is presented not as a single sector, but as a comprehensive economic model applicable to all industries and services. The forthcoming ‘EU Circular Economy Act’ is presented as a flagship initiative under the ‘Clean Industrial Deal’ and builds upon previous circular economy action plans and the relevant regulatory framework, including legislation on eco-design and batteries. This initiative aims to accelerate the transition to a circular economy.

Sustainability is multifaceted, encompassing environmental, economic, social and geopolitical dimensions. In particular, in response to recent geopolitical disruptions affecting supply chains, its contribution has been identified from the perspectives of decarbonization, resource efficiency, industrial competitiveness, job creation, regional resilience and strategic autonomy.

This legislative proposal is expected to update and streamline the existing waste-related framework whilst promoting the development of a genuine internal market for waste and secondary raw materials. Measures under consideration include strengthening circular procurement, industrial symbiosis, improvements to extended producer responsibility schemes, harmonization of end-of-waste criteria, strengthening recycling systems, and improved management of construction and electronic waste. This process is being carried out following extensive consultation with a wide range of stakeholders, with the aim of adoption in September 2026.

Presentation by Makoto Harita, President, HARITA Co., Ltd.:

Harita Co., Ltd. is engaged in a wide range of resource recovery activities, focusing on the recycling of end-of-life vehicles, electronic equipment and solar panels, as well as ferrous and non-ferrous metals, precious metals, industrial waste and general waste. The company operates as a certified facility under the Home Appliance Recycling Act and the Small Home Appliance Recycling Act. Its technical initiatives fall into three main categories: ‘sorting technology’, ‘visualization technology’ and ‘collaboration technology’.

Furthermore, the company presents case studies of horizontal recycling achieved through the sharing of design information in the railway rolling stock and construction sectors, and is advancing the sophistication of resource circulation through “connecting technologies”. In addition, regional and international collaboration is being promoted through an industry-government-academia partnership based in Toyama Prefecture and participation in international standardization activities (ISO/TC323).

A key challenge for the future is the need to balance environmental and economic values. To achieve this, it is essential for the government to establish markets and develop regulations, for industry to promote eco-design, and for consumers to change their behavior. Furthermore, we would like to propose deepening international cooperation through the mutual complementarity of the European Union’s institutional design capabilities and Japan’s on-site implementation capabilities.

Presentation by Jan Tytgat, Director Government Affairs EU, Umicore Belgium:



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Umicore is an industrial player in the circular economy for non-ferrous metals, providing material solutions in batteries, catalysis, and specialty materials, alongside integrated recycling systems. Its core focus is recycling, with products designed to enable end-of-life material recovery.

A flagship activity is precious metals recycling in Belgium. The company operates across the full recycling value chain, recovering industrial residues and pre- and post-consumer recyclables. Product dismantling is generally not conducted, except for batteries, which are dismantled prior to metallurgical processing. Battery recycling enables recovery of key metals such as lithium, nickel, cobalt, and copper through energy-efficient smelting with low residual waste. Additional activities include germanium recovery from production waste and optical fibers, as well as short-loop recycling of precious metals from jewelry and catalysts. The company processes precious metals, minor metals, and base metals such as copper and nickel, while excluding iron and rare earth elements due to technical constraints.

Policy recommendations for the EU Circular Economy Act emphasize prioritizing collection rates and recycling quality, preventing leakage of secondary materials outside Europe, and cautioning against recycled content targets that may limit industrial output. Further priorities include harmonized end-of-waste criteria, a strengthened single market, fair treatment of waste exports, support for scalable industrial projects, and recognition of metallurgical recycling as essential for complex waste streams.

Moderator Yasuo Tanabe, Japan-side Managing Director of EU-Japan Centre for Industrial Cooperation, raised the following questions in the Q&A session:

- (To Mr. Stefano, Mr. Mimaki) Representatives from both Japan and the EU explained that regulations mandating the use of recycled materials are becoming standard practice. As I understand it, European regulations on end-of-life vehicles require the use of recycled plastics, while battery regulations mandate the recycling of cobalt, nickel, and lithium, thereby requiring the use of these recycled materials. Mr. Mimaki mentioned that the upcoming amendment to the Act on the Promotion of Effective Utilization of Resources will mandate the use of recycled materials, following the European model. However, regarding each of these areas, what specific recycled materials and which materials will be subject to recycling mandates in the future?
- (To Mr. Mimaki, Mr. Stefano) A key element of the circular economy is the concept of “eco-design,” and initiatives in this area are gaining momentum in both Europe and Japan. While this is likely to take the form of regulations, I would like to ask about the process of standardizing eco-design, as well as the status of these regulations and the direction they should take in the future. When it comes to establishing regulations, what are your thoughts on incorporating international standards—such as those from ISO or IEC—or utilizing existing international standards?
- (To Mr. Harita) In your presentation earlier, you mentioned that your company has also been involved in initiatives relating to international standards. I would like to ask you to tell us about your experiences in this regard.
- (To Mr. Stefano, Mr. Mimaki) Limiting the circular economy to within Japan and the region, or could we envisage a partnership or alliance between Japan and the EU—where countries sharing similar values and objectives could offer each other some flexibility? Perhaps the term ‘free trade zone’ is a bit of a stretch, but is such a partnership between Japan and the EU a possibility?

- (To Mr. Jann) Do you have any comments about this internal market, a cross-border trade of recycled materials as well as recyclable resources based on your experience?

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