

DRAFT EUROPEAN SUSTAINABILITY REPORTING STANDARDS

ESRS E5

Resource use and circular economy

Basis for conclusions



This Basis for conclusions (March 2023) relate to the draft ESRS issued in November 2022.

DISCLAIMER

This Basis for Conclusions accompanies but is not part of the [draft] ESRS E5 *Resource use and circular economy*. It summarises the considerations of the EFRAG SRB and the references to other standard setting initiatives or regulations used in developing the proposed contents of the [draft] Standard.

It does not reflect the position of the European Union or European Commission DG Financial Stability, Financial Services and Capital Markets Union (DG FISMA).

Table of contents

| | |
|--|-----------|
| Objective | 4 |
| Context and reference table | 4 |
| EU legislation and policy alignment | 4 |
| Other frameworks | 6 |
| Disclosure Requirements | 11 |
| ESRS 2 General disclosures | 11 |
| Disclosure Requirement related to [draft] ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities | 11 |
| Impact, risk and opportunity management | 11 |
| Disclosure Requirement E5-1 – Policies related to resource use and circular economy | 11 |
| Disclosure Requirement E5-2 – Actions and resources related to resource use and circular economy | 11 |
| Metrics and targets | 12 |
| Disclosure Requirement E5-3 – Targets related to resource use and circular economy | 12 |
| Disclosure Requirement E5-4 – Resource inflows | 12 |
| Disclosure Requirement E5-5 – Resource outflows | 12 |
| Disclosure Requirement E5-6 – Potential financial effects from resource use and circular economy-related impacts, risks and opportunities | 13 |
| Disclosure Requirements no longer included in the standard | 13 |
| Appendix: Sources for the references | 14 |

Objective

- BC1. The objective of this [Draft] Standard is to set disclosure requirements that cover the information required by undertakings across all sectors (subject to the materiality assessment according to ESRS 1 *General Requirements*) in order to report under a double materiality perspective. It covers in particular:
- (a) the impacts (on resource use);
 - (b) the actions and results of those actions;
 - (c) the material risks and opportunities arising from the undertaking's impacts and dependencies. Such risks and opportunities are sources of financial effects; and
 - (d) the effects of risks and opportunities on the undertaking's development, performance and position over the short-, medium- and long-term and therefore on its ability to affect the undertaking's cash flows, performance, position, development, cost of capital or access to finance.

Context and reference table

- BC2. The global use of both renewable and non-renewable resources continues to grow and is expected to double in the next 40 years¹. The resulting negative externalities such as climate change, biodiversity loss, waste and pollution, as 'the extraction and processing of materials, fuels and food contribute half of total global greenhouse gas emissions and over 90 per cent of biodiversity loss and water stress' according to the UN Environment's Global Resources Outlook 2019. Hence the conclusion that the pressure on resources is deemed to be no longer sustainable.
- BC3. In order to safeguard the future stocks and flows of resources along with their benefits to society, as well as to address the risks of negative externalities, there is a need to secure both:
- (a) the reduction of the extraction of non-renewable resources and extractive practices (e.g., through circular business models increasing asset utilisation or lifespan); and
 - (b) the implementation of practices that secure the regeneration of renewable resources (e.g., soil regeneration rather than depletion) and keep resources in the economy at their highest value (e.g., cascading food to feed to material feedstock).
- BC4. As stated in the Platform on Sustainable Finance's report with recommendations on technical screening criteria for the four remaining environmental objectives of the EU Taxonomy the circular economy ambition level focuses on a system change to enable the achievement of other environmental objectives (including climate). Hence the provisions of ESRS E5 are to be read in conjunction with other environmental standards.
- BC5. The [Draft] ESRS E5 on Resource Use and Circular Economy covers the key following subtopics:
- (a) resource inflows;
 - (b) resource outflows (including waste).
- BC6. Resource inflows and resource outflows are concepts commonly used by most active circularity indicator systems and in particular GRI (301), the WBCSD or Circulytics (Ellen Mc Arthur Foundation) as a way to identify the flows of the undertaking to achieve circularity through its resources, materials and products used and produced. These were also inspired by the ISO TC323/WG3 draft Standard "Circular Economy — Measuring and assessing circularity".

EU legislation and policy alignment

- BC7. To ensure consistency with the political targets of the European Union, and to fit to other frameworks, the following elements have been considered for drafting [Draft] ESRS E5:

¹ [UN Environment's Global Resources Outlook 2019](#)

[Draft] ESRS E5 Resource use and circular economy

- (a) the EU Circular Economy Action Plan published in March 2020;
 - (b) the Platform on Sustainable Finance's report that was published on 30 March 2022 with recommendations on technical screening criteria for the four remaining environmental objectives of the EU Taxonomy;
 - (c) the principal adverse impacts (PAI) indicators requested by Annex I of the European Commission Delegated Act supplementing Regulation (EU) 2019/2088; and
 - (d) the EU Industrial Strategy published in March 2020 and related update proposal published in May 2021;
 - (e) the DIRECTIVE 2008/98/EC (Waste Framework Directive).
- BC8. "The new Circular economy action plan presents a set of interrelated initiatives to establish a strong and coherent product policy framework that will make sustainable products, services and business models the norm and transform consumption patterns so that no waste is produced in the first place. Empowering consumers and providing them with cost-saving opportunities is a key building block of the sustainable product policy framework. As stated in the Commission's 2020 new Circular Economy Action Plan, the EU needs to accelerate the transition towards a regenerative growth model, advance towards keeping its resource consumption within planetary boundaries, and therefore strive to reduce its consumption footprint and double its circular material use rate in the coming decade. The action plan also highlights how scaling up the circular economy will make a decisive contribution to achieving climate neutrality by 2050 and decoupling economic growth from resource use, while ensuring the long-term competitiveness of the EU and leaving no one behind. More broadly, transitioning to a circular economy not only addresses the negative impacts of the linear economy, but more importantly, it represents a systemic shift that builds long-term resilience, generates business and economic opportunities, and provides environmental and societal benefits.
- BC9. The Taxonomy Regulation highlights the importance of increasing durability, repairability, upgradability, reusability and recyclability, in particular in designing and manufacturing activities, prolonging the use of products, including through reuse and remanufacturing, and recycling (Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment). The "transition to a circular economy" is the 4th of the 6 objectives under the EU Taxonomy.
- BC10. The EU's new Industrial strategy states that consumers should receive trustworthy and relevant information to choose reusable, durable and repairable products. It states that consumers should receive trustworthy and relevant information to choose reusable, durable and repairable products. The Commission will propose ways to improve consumer rights and protection, including by working towards a 'right to repair' for consumers.
- BC11. The EU Waste Framework Directive lays down measures to protect the environment and human health by preventing or reducing the adverse impacts of the generation and management of waste and by reducing overall impacts of resource use and improving the efficiency of such use
- BC12. Each of the subtopics identified in [draft] ESRS 5 fit with the EU taxonomy Regulation list of means by which an activity can make a substantial contribution to a transition to circular economy (in Article 13) and to the four high-level categories defined in the JRC report²: SC1 Circular design & production, SC2 Circular use, SC3 Circular Value Recovery and SC4 Circular support.
- BC13. Resource inflows address SC1 and SC3 and cover the means (a) use of natural resources, (d) reduction of hazardous substances and (f) increase the use and quality of secondary materials.

² [JRC Publications Repository - Development of the EU Sustainable Finance Taxonomy - A framework for defining substantial contribution for environmental objectives 3-6 \(europa.eu\)](https://ec.europa.eu/euro-observatory/publications-repository/publication-development-of-the-eu-sustainable-finance-taxonomy-a-framework-for-defining-substantial-contribution-for-environmental-objectives-3-6)

BC14. Resource outflows addresses SC1 and SC2 and covers the means (b) increase the durability, reparability, upgradability or reusability of products and (c) increase the recyclability of products. Waste addresses SC1, SC2 and SC3 and covers the means (g) prevents or reduces waste generation, (h) increase preparing for the re-use and recycling of waste, (i) increase the development of the waste management infrastructure, (j) minimises the incineration of waste and avoids the disposal of waste and (k) avoid and reduces litter.

Other frameworks

BC15. The [Draft] Standard strives to provide transparency on an undertaking’s contribution to international goals especially the UN’s SDG Goal 12 Responsible Consumption and Production: Ensure sustainable consumption and production. It encompasses the following targets:

- (a) Target 12.2 by 2030, achieve the sustainable management and efficient use of natural resources; and
- (b) Target 12.5 by 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

BC16. Appropriate compatibility with other sector-agnostic international initiatives has also been considered including:

- (a) the Global Reporting Initiative (GRI) and in particular GRI 301 – Materials which considers the following: “The type and amount of materials the organization uses can indicate its dependence on natural resources, and the impacts it has on their availability. The organization’s contribution to resource conservation can be indicated by its approach to recycling, reusing and reclaiming materials, products, and packaging (GRI 301, p4)”; and
- (b) ISO TC323 /WG3 ongoing standards.

BC17. The [Draft] Standard aims to meet the requirements of a sector-agnostic approach. However, as the existing frameworks on Circular Economy are more often sector-specific rather than sector-agnostic; sector-specific frameworks such as the Value Reporting Foundation (based on the standards of the Sustainability Accounting Standards Board [SASB]) have also been analysed.

BC18. To comply with the requirements of the CSRD, considering the EU legislative framework and taking into account current international frameworks, the following disclosure requirements emerge as most relevant:

| [draft] ESRS E5 Disclosure Requirements | European framework references | SFRD, Pillar III, EU benchmark, Climate reference | International framework references |
|---|---|---|---|
| Disclosure Requirement related to [draft] ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities | CSRD Art.19a (2) / a / (iv) EU Industrial Strategy | | UN's SDG Goal 12 – Targets 12.2 and 12.5 GRI 301 Material ISO TC323 /WG3 Value Reporting Foundation - based on the standards of the Sustainability Accounting Standards Board [SASB] |

| [draft] ESRS E5 Disclosure Requirements | European framework references | SFRD, Pillar III, EU benchmark, Climate reference | International framework references |
|---|---|---|--|
| Disclosure Requirement E5-1 – Policies related to resource use and circular economy | CSRD Art.19a (2) / a / (iv) EU Circular Economy Action Plan EU Industrial Strategy | | UN's SDG Goal 12 – Targets 12.2 and 12.5 GRI 301 ISO TC323 /WG3 Value Reporting Foundation - based on the standards of the Sustainability Accounting Standards Board [SASB] |
| Disclosure Requirement E5-2 – Actions and resources related to resource use and circular economy | CSRD Art.19a (2) / a / (iv) EU Industrial Strategy - complemented by the European Commission's new Action Plan on the Circular Economy EU Circular Economy Action Plan EU Industrial Strategy | | UN's SDG Goal 12 – Targets 12.2 and 12.5 GRI 301 ISO TC323 /WG3 Value Reporting Foundation - based on the standards of the Sustainability Accounting Standards Board [SASB] |
| Disclosure Requirement E5-3 – Targets related to resource use and circular economy | CSRD Art.19a (2) / a / (iv) EU Industrial Strategy - complemented by the European Commission's new Action Plan on the Circular Economy EU Circular Economy Action Plan European Green Deal targets | | UN's SDG Goal 12 – Targets 12.2 and 12.5 GRI 301 ISO TC323 /WG3 Value Reporting Foundation - based on the standards of the Sustainability Accounting Standards Board [SASB] |
| Disclosure Requirement E5-4 – Resource inflows | CSRD Art.19a (2) / a / (iv) EU Circular Economy Action Plan | | GRI 301-1, 301-2 and 301-3 Circulytics indicators list UN's SDG Goal 12 – Targets 12.2 and 12.5 ISO TC323 /WG3 Value Reporting Foundation - based on the |

| [draft] ESRS E5 Disclosure Requirements | European framework references | SFRD, Pillar III, EU benchmark, Climate reference | International framework references |
|--|--|--|--|
| | | | standards of the Sustainability Accounting Standards Board [SASB] |
| Disclosure Requirement E5-5 Resource outflows | CSRD Art.19a (2) / a / (iv) Platform on Sustainable Finance's report with recommendations on technical screening criteria for the four remaining environmental objectives of the EU Taxonomy published on 30 March 2022 | SFDR Indicators: - n. 13 Table#2 of Annex 1 - n. 9 Table #1 of Annex | GRI 306-3, GI 306-4 and GRI 306-5 GRI 301 Circulytics indicators list UN's SDG Goal 12 – Targets 12.2 and 12.5 ISO TC323 /WG3 Value Reporting Foundation - based on the standards of the Sustainability Accounting Standards Board [SASB] |
| Disclosure Requirement E5-6 – Financial effects | CSRD Art.19a (2) / a / (iv) | | UN's SDG Goal 12 – Targets 12.2 and 12.5 GRI 301 Material ISO TC323 /WG3 Value Reporting Foundation - based on the standards of the Sustainability Accounting Standards Board [SASB] |

BC19. The more detailed elements of GRI and Circulytics that were considered to which the disclosure requirements in this [draft] standard are largely inspired from, are as follows in the below table. They were sometimes slightly changed or simplified.

| Subtopics | GRI | Circulytics Indicators' list |
|-------------------------|--|--|
| Resource inflows | GRI 301-3: a. Percentage of reclaimed products and their packaging materials for each product category. b. How the data for this disclosure have been collected. GRI 301-1: Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by: | Indicators' list or (MIN) and 6a. Mass of inflow products and materials suitable for the technical /biological cycle . For technical cycle: % of non-virgin, % of virgin but renewable and regeneratively sourced . For biological cycle: % of |

| Subtopics | GRI | Circulytics Indicators' list |
|---|---|--|
| | <p>i. non-renewable materials used; ii. renewable materials used. GRI 301-2: .Percentage of recycled input materials used to manufacture the organization's primary products and services.</p> | <p>sourced, % virgin but renewable and regeneratively sourced</p> |
| <p>Resource outflows</p> | | <p>Indicator's list 6d, 6e, 6f. Mass of outflow products and materials suitable for the technical /biological cycle . % of physical products designed along circular economy principles (during use/ during end of functional life) . % of products and materials suitable for the technical cycle that are recirculated in reuse/redistribution, refurbishment, recycling, nutrient recirculation</p> |
| <p>Waste (Resource outflows)</p> | <p>GRI 306-5: a. Total weight of waste <u>directed</u> to disposal in metric tons, and a breakdown of this total by composition of the waste. b. Total weight of hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: i. Incineration (with energy recovery); ii. Incineration (without energy recovery); iii. Landfilling; iv. Other disposal operations. c. Total weight of non-hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations: i. Incineration (with energy recovery); ii. Incineration (without energy recovery); iii. Landfilling; iv. Other disposal operations. d. For each disposal operation listed in Disclosures 306-5-b and 306-5-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste directed to disposal: i. onsite; ii. offsite. e. Contextual information necessary to understand the data and how the data has been compiled.</p> | <p>Indicator's list 6b, 6c . % total outflow of products and materials suitable for the technical / biological cycle being waste or by-products that go to landfill or incineration and are therefore not recirculated (to be questioned ...) . Material outflows (products, by-products, waste and materials used in processes) contain any substances from the Cradle to Cradle Certified Products Program in quantities above the maximum allowable concentration</p> |

| Subtopics | GRI | Circularity Indicators' list |
|-----------|--|------------------------------|
| | <p>306-4: a. Total weight of waste <u>diverted</u> from disposal in metric tons, and a breakdown of this total by composition of the waste.</p> <p>b. Total weight of hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations:</p> <ul style="list-style-type: none"> i. Preparation for reuse; ii. Recycling; iii. Other recovery operations. <p>c. Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations:</p> <ul style="list-style-type: none"> i. Preparation for reuse; ii. Recycling; iii. Other recovery operations. <p>d. For each recovery operation listed in Disclosures 306-4-b and 306-4-c, a breakdown of the total weight in metric tons of hazardous waste and of non-hazardous waste diverted from disposal:</p> <ul style="list-style-type: none"> i. onsite; ii. offsite. <p>e. Contextual information necessary to understand the data and how the data has been compiled.</p> <p>GRI 306-3: a. Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste.</p> <p>b. Contextual information necessary to understand the data and how the data has been compiled</p> <p>GRI 306-1: For the organization's significant actual and potential waste-related impacts, a description of:</p> <ul style="list-style-type: none"> i. the inputs, activities, and outputs that lead or could lead to these impacts; ii. whether these impacts relate to waste generated in the organization's own activities or to waste generated upstream or downstream in its value chain. | |

Disclosure Requirements

ESRS 2 General disclosures

Impact, risk and opportunity management

Disclosure Requirement related to [draft] ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

- BC20. When carrying out circularity measurement and assessment of systems that can be complex it is necessary to generate, search and manage appropriate data and apply those data across the entire life cycle(s) of the product(s) raw material acquisition, production, distribution, use and end-of-life treatment. In performing a circularity measurement and assessment, a systemic approach and a life-cycle perspective should thus be applied. Hence, the importance of the upstream and downstream value chain in the materiality assessment.
- BC21. The materiality assessment may be performed using the LEAP approach proposed by TNFD and structured around four different phases: i) locate; ii) evaluate; iii) assess; iv) prepare. The first phase appears relevant because it requires to identify the areas at risks along the process from the inflows (i.e. raw materials) to the outflows (i.e. waste treatment).

Impact, risk and opportunity management

Disclosure Requirement E5-1 – Policies related to resource use and circular economy

- BC22. The EU taxonomy defines circular economy as “an economic system whereby the value of products, materials and other resources in the economy is maintained for as long as possible, enhancing their efficient use in production and consumption, thereby reducing the environmental impact of their use, minimizing waste and the release of hazardous substances at all stages of their life cycle, including through the application of the waste hierarchy”.
- BC23. In this context, the undertaking shall provide, under the current DR, disclosures on policies that are related to the transition away from virgin non-renewable resources and contributing and securing regenerative production.
- BC24. The current DR does not give emphasis to the decouple of the economic activity from extraction of non-renewable resources. Indeed, the concept of decoupling tends to bring more emphasis on intensity than on absolute value hence putting at risk the ultimate ambition by not considering planetary boundaries as it was highlighted by the public consultation.
- BC25. Optional requirements have been proposed along the lines of the mitigation hierarchy.

Disclosure Requirement E5-2 – Actions and resources related to resource use and circular economy

- BC26. Every undertaking should disclose on their actions and resources aiming to manage waste treatment, circulate products at their highest value and regenerate nature, in line with the subtopics chosen in the [draft] ESRS E5 standard.
- BC27. An important role in actions and resources disclosure requirements is played by the mitigation hierarchy that is structured around a set of guidelines in order to reduce development impacts and control any negative effects on the environment. The undertaking shall allocate actions and resources around the three layers of the mitigation hierarchy which is more detailed than for other environmental standards along with the principles of the Categorisation system for the circular economy.

Metrics and targets

Disclosure Requirement E5-3 – Targets related to resource use and circular economy

- BC28. Targets are to be understood in relation with the Policies and actions as well as the metrics that have been deemed mandatory or material for the undertaking.
- BC29. Ecological thresholds were introduced to strengthen the process of the targets setting. Useful guidance is also provided by TNFD on the use of the methods by the Science-Based Targets Initiative for Nature (SBTN).

Disclosure Requirement E5-4 – Resource inflows

- BC30. The resource inflows subtopic addresses the circularity of material resources inflows.
- BC31. The disclosure requirement was inspired mainly by GRI 301-1, GRI 301-2 and GRI 301-3. It was deemed to give a good level of understanding of the inflows while the requirements remain at a sector-agnostic level.
- BC32. several comments from public consultation underline difficulties to disclose such metrics as this is largely sector specific and linked to manufacturing industries. SRB has taken into consideration these comments and clarifies that metrics shall be disclosed when the inflows are material as well applicable to a closed list of “key products value chain” as defined in the EU Circular Economy.
- BC33. Qualitative disclosures are not subject to this list of sectors but reflect that contextual information was deemed material for a sector-agnostic standard and may also refer to the undertaking’s operations along with upstream and downstream value chain.

Disclosure Requirement E5-5 – Resource outflows

- BC34. The products and materials section addresses the circularity of material intended outflows including being recirculated.
- BC35. Outflows in this category are intended to provide an economic or other benefit.
- BC36. Outflows performance measures provide an understanding of the level of circularity of the products and materials produced by the undertaking and hence provide a sense of the optimised level of waste in the downstream value chain.
- BC37. The disclosure requirement is mainly inspired by the Circulytics indicators list. In terms of metrics, both weight and percentage of outflows are considered important indicators. They provide an understanding of the performance of the undertaking as regards the circularity of its materials and products outflows even if several comments from public consultation underline difficulties to disclose such metrics as this is largely sector specific and linked to manufacturing industries. SRB has taken into consideration these comments and clarifies that metrics shall be disclosed when the outflows are material as well applicable to a closed list of “key products value chain” as defined in the EU Circular Economy.
- BC38. Qualitative disclosures are not subject to this list of sectors but reflect that contextual information was deemed material for a sector-agnostic standard and may also refer to the undertaking’s operations along with upstream and downstream value chain.
- BC39. The waste section addresses objects or substances which the holder discards or intends or is required to discard (no intentional economic or other benefit).
- BC40. The disclosure requirement is inspired mostly by GRI 306-3, GI 306-4 and GRI 306-5 in GRI 306 Waste, but is slightly less granular on some specific aspects. These include: onsite/offsite information or absence of split between incineration with or without energy recovery and has been regrouped in one single disclosure requirement.
- BC41. It provides information on the waste strategy of the undertaking and its related performance and progress.

- BC42. The DR includes also datapoints on “Hazardous waste” and “Radioactive waste” as required by SFDR PAI.

Disclosure Requirement E5-6 – Potential financial effects from resource use and circular economy-related impacts, risks and opportunities

- BC43. The CSRD (article 19 a 1) requires setting disclosure requirements in ESRS that allow to report information necessary to understand how sustainability matters affect the cash flows, performance, position, development, cost of capital or access to finance. This requirement is reflected in the objective of this [draft] standard, in the need to set requirements for undertakings to report about the effects of risks and opportunities on the undertaking’s development, performance and position over the short-, medium- and long-term (financial effects).
- BC44. The phase-in provisions related to E5-6 have been included in the appendix of ESRS 1 due to the immaturity of reporting data and methodology challenges faced by several undertakings. Indeed, three years of qualitative information is allowed instead of quantitative information on potential financial effects of pollution. In any case, undertakings can disclose qualitative information where quantitative disclosure cannot be practicable.

Disclosure Requirements no longer included in the standard

E5-7 – Resource use optimisation

- BC45. Based on the feedback received from public consultation that showed opposition to require such information as a separate DR, SRB has decided to delete the DR but keep the main concept within other sections of the standard: optimisation of the use of the resource has been considered part of the DR on resource outflow along with the other circular principles.

Disclosure Requirement E5-8 – Circularity support

- BC46. Based on the feedback received from public consultation that showed opposition to require such information as a separate DR, SRB has decided to delete the DR and move collective engagement within Action and resources section.

Appendix: Sources for the references

| | |
|--|--|
| Associated process materials | GRI 301-1, 2.1.1.2 |
| By-product | Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives |
| Circular economy | Catalogue of Best Practices in Circular Economy (CBPCE) |
| Circular economy principles | Ellen Mac Arthur Foundation., circular economy introduction |
| Circular material use rate | Ellen Mac Arthur Foundation., circulate products and materials |
| Durability | Ellen Mac Arthur Foundation., circular economy introduction |
| Hazardous/ non-hazardous waste | Annex III of the Waste framework directive |
| Incineration with (without) energy recovery | EC Eurostat Glossary |
| Landfill | See art. 2 (g) of the Directive 1999/31/EC of the European Parliament and of the Council of 26 April 1999. |
| Longevity | Circulytics indicators list |
| Non-renewable material | Ellen Mac Arthur Foundation., circular economy introduction |
| Packaging | Art. 3 (1) of Directive 94/62/EC of the European Parliament and of the Council of 20 December 1994 |
| Recovery | Art. 3 (15) of directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 |
| Recycling | Art. 3 (17) of directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 |
| Regeneration | https://www.projectmoonshot.city/maptags |
| Regenerative production | Ellen Mac Arthur Foundation., circular example |
| Renewable materials | GRI 301 Glossary |
| Resource use optimisation | EEA Report No 6/2017, Circular by design – Products in the circular economy |
| Reuse | Art. 3 (13) of the Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 |
| Waste | Article 3(1) of the Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 |
| Waste hierarchy | Art. 4 (1) of the Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008. |
| Waste management | Art. 3 (9) of the Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008. |



EFRAG is co-funded by the European Union and EEA and EFTA countries. The contents of the documents are however the sole responsibility of the EFRAG PTF- ESRS and do not necessarily reflect those of the European Union or the Directorate-General for Financial Stability, Financial Services and Capital Markets Union (DG FISMA). Neither the European Union nor DG FISMA can be held responsible for them.