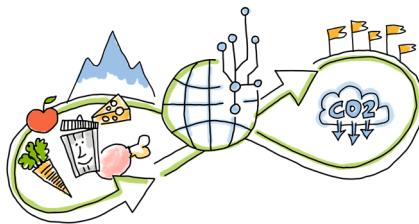


POLICY RECOMMENDATIONS

for advancing a circular food economy

03.2





This document is part of the research project [CEFoodCycle](#): Circular Economy: Mapping Food Streams and Identifying Potentials to Close the Food Cycle (Interreg AS).



SCAN
ME

Imprint

Year: 2025

Title: POLICY RECOMMENDATIONS for advancing a circular food economy

Institutions:

- University of Salzburg (AT)
- Salzburg University of Applied Sciences (AT)
- Austrian Institute of Ecology (AT)
- E-Institute, Institute for Comprehensive Development Solutions (SI)
- BSC, Business support organisation, Ltd., Kranj (SI)
- IDM Südtirol Alto Adige (IT)
- LAMORO Development Agency (IT)
- Nice Côte d'Azur Chamber of Commerce and Industry (FR)
- Agency for Sustainable Mediterranean Cities and Territories (FR)
- Munich University of Applied Sciences (DE)
- Cluster of Environmental Technologies Bavaria (DE)

Collated on behalf of the project partners by:

E-Institute, Institute for Comprehensive Development Solutions



How to cite this document:

CEFoodCycle (2025). Policy recommendations for advancing a circular food economy. Collated by E-Institute. Salzburg University of Applied Sciences GmbH, Salzburg / Puch, October 2025.

Key recommendations

- 01** Establish tailored CE roadmaps in each region.
- 02** Support circular business models through targeted funding and fiscal incentives.
- 03** Harmonize and clarify the regulatory framework for circular agri-food practices.
- 04** Invest in infrastructure for regional circular value chains.
- 05** Promote circularity through education, communication, and awareness.



Why is policy change needed now?

This document represents Output 3.2 of the project CEFoodCycle: suggestions for policies on political framing approaches at regional and national levels, based on the results of project pilots, to support a just transition towards a Circular Economy (CE) for all stakeholders along the cross-regional food chain. These recommendations promote the use of regional products and waste reduction through capitalisation, awareness-raising and networking for CE-based solutions and the role of digitisation tested in our pilots.

Across Europe, food systems remain largely linear and characterized by high levels of resource input and equally high levels of waste. The transition to a circular food economy is essential not only for sustainability and resilience but also for unlocking innovation and creating new economic opportunities.

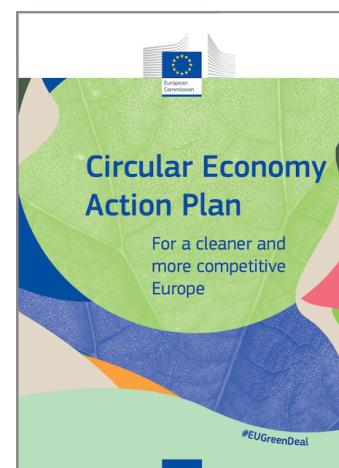
While European Union (EU) level directives provide general frameworks, local and regional actors often lack tailored policies, supportive logistics, and aligned regulations to activate closed-loop systems in practice. In particular, legal ambiguity around the use of by-products, limited incentives for redistribution or upcycling, and fragmented support structures hinder the widespread adoption of circular business models.

CEFoodCycle pilots revealed a clear need for regulatory clarity, market incentives, infrastructure development, and digital enablers. **Without urgent policy intervention, promising circular innovations risk remaining isolated pilot projects.** Now is the time to move from experimentation to systemic implementation, supported by policies that are adaptive, inclusive, and future-oriented.

This document outlines key policy recommendations developed within the CEFoodCycle project, aimed at fostering CE practices across the agri-food value chain in Alpine Space regions. Drawing on pilot activities and stakeholder engagements across five partner countries (Austria, France, Germany, Italy and Slovenia), these

recommendations target national and regional governments, EU institutions, industry associations, and innovators.

The aim is to provide a strategic policy framework that supports food waste prevention, reuse, and valorization, while aligning with the **EU CE Action plan, Farm to fork strategy, Bioeconomy strategy**, and the United Nations **Sustainable Development Goals (SDG) target 12.3**. The focus is on enabling systemic transition through regulatory support, infrastructure investment, business incentives, and stakeholder empowerment.



Establish tailored CE roadmaps in each region

To successfully transition to a circular food economy, regions need context-specific roadmaps that reflect local capacities, food system structures, and economic priorities. While EU and national frameworks provide strategic direction, implementation must be locally owned and adapted. This begins with **regional diagnostics** and **stakeholder mapping** to identify key actors, waste hotspots, and innovation opportunities. Circular goals should then be **embedded in existing development plans**, such as **Smart specialisation strategies** or **Sustainable development agendas**, to ensure policy coherence. The creation of regional multi-stakeholder platforms, task forces, or CE hubs can provide coordination, ensure shared ownership, and accelerate action. These roadmaps should also align with overarching EU goals and global commitments, such as SDG 12.3 (halving food waste by 2030) and the Waste framework directive (**WFD**).

Support circular business models through targeted funding and fiscal incentives



Financial instruments must be redesigned to unlock the potential of circular business models. Many small and medium-sized enterprises (SMEs) and social enterprises working on innovative solutions such as upcycled food and feed products, insect bioconversion, or resource-efficient logistics face difficulties in accessing adequate support. Dedicated CE **grant schemes**, **green tax credits**, and **innovation vouchers** can provide early-stage momentum. **Public procurement criteria** and **CAP Strategic plans** should explicitly prioritise CE models, especially in agri-food systems. Funding programmes should also include capacity-building components and encourage partnerships that strengthen regional circular ecosystems.

Harmonize and clarify the regulatory framework for circular agri-food practices

Regulatory clarity is essential to scale up circular food system innovations. Legal ambiguity, particularly around the use of byproducts, insect-based feed, or reused food components, creates barriers for entrepreneurs and investors. National legislation must align with key EU provisions, including the **regulation on novel foods**, the **regulation for feed hygiene** and the **WFD**. Clear, transparent, and proportionate certification and approval procedures for circular food and feed products should be introduced. By streamlining processes and reducing administrative burdens, authorities can encourage compliance and innovation while safeguarding public health and environmental standards.



Invest in infrastructure for regional circular value chains

Circular value chains rely not only on business innovation but also on enabling infrastructure, both physical and digital. Investments are needed in shared facilities for waste sorting, processing, drying, and short-haul logistics to enable local resource loops. This is particularly important for perishable materials, such as food waste, which require timely and hygienic handling. Digital platforms (e.g., **Foodcycle.ai**) can facilitate matchmaking, traceability, and logistics optimisation. Additionally, the establishment of regional **CE Hubs** can serve as central points for training, stakeholder engagement, data collection, and pilot coordination.

Promote circularity through communication, education and awareness

Behavioural change, consumer trust, and skilled human capital are foundational to the success of circular food systems. CE thinking should be mainstreamed across vocational education, agricultural training, and business development programmes. Regional campaigns targeting food waste reduction and responsible consumption can shift social norms and elevate the profile of circular products. Equally, a publicly accessible repository of circular best **practices, success stories, and case studies** can serve as a knowledge commons, inspiring replication and scaling while fostering a culture of innovation.



DE

- ◆ Develop a **regional CE strategy** with integrated infrastructure support and stakeholder engagement platforms.
- ◆ Provide **financial support** for upscaling business models.
- ◆ **Harmonise regional policies** with the EU's circular food priorities.



IT

- ◆ Strengthen **regional logistics** networks for circular food supply chains.
- ◆ **Formalise** CE partnerships (e.g., CE food HUB, Slow food movement).
- ◆ Address **regulatory fragmentation** in food reuse and processing.



AT

- ◆ Support **redistribution infrastructure** for bakeries and retail food waste.
- ◆ Build **digital ecosystems** (via **Foodcycle.ai**) for matchmaking supply and demand.
- ◆ Improve access to social economy partnerships and **tax incentives**.



FR

- ◆ Empower **local authorities** to enforce and support bio-waste regulations.
- ◆ Shift focus to **awareness** and **digital outreach tools**.
- ◆ Develop municipal-level **CE action plans** for urban HORECA sectors.



SI

- ◆ Address **logistical** and **storage** issues for bio-waste and byproducts.
- ◆ Train and support entrepreneurs in **CE start-ups** and **processing facilities**.
- ◆ Promote **insect bioconversion** as a CE solution, with clear legal pathways.



Future outlook

The CEFoodCycle project has laid a solid foundation for transitioning toward regional circular food systems by combining technical innovation, multi-stakeholder collaboration and digital tools. These efforts support the goals of the European Green Deal, the EU CE Action Plan and the Farm to fork strategy, which aim to make food systems more sustainable, resilient, and resource-efficient.

The tested pilots (closed food loop solutions), participatory methods and the Foodcycle.ai platform offer replicable pathways for reducing food waste, increasing resource productivity, fostering new business opportunities across urban and rural regions, and helping local actors implement **resource-efficient, low-waste food systems**. Their integration into regional innovation platforms and national policy frameworks can directly contribute to regional innovation agendas, local development plans and SDG 12.3 on halving per capita food waste by 2030.

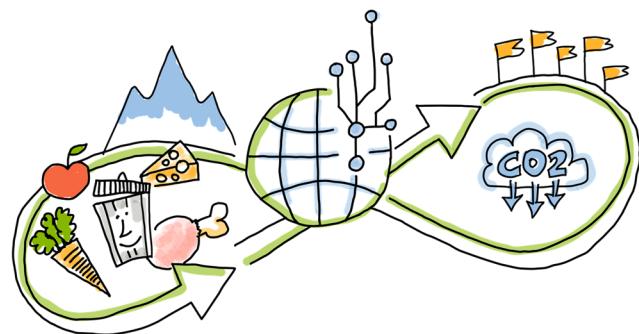
To guide this transition, ensure accountability and measure impact, tracking indicators should include:

- ◆ tons of food waste diverted from landfills,
- ◆ number of CE food initiatives launched,
- ◆ jobs created in circular food sectors,
- ◆ the value of bio-based circular products introduced.

The CEFoodCycle project has shown that circular food systems are achievable through the right combination of experimentation, policy support, and stakeholder engagement. However, the full potential of these solutions can only be realised if **governments, regional authorities, and EU institutions** take coordinated action to mainstream circularity into food policies, infrastructure, and funding priorities.

We call on decision-makers to adopt these recommendations, integrate circular food economy models into existing strategies, and turn today's CE pilots into tomorrow's circular food system standard.





This document is part of
the research project
[CEFoodCycle](#): Circular
Economy: Mapping Food
Streams and Identifying
Potentials to Close the
Food Cycle (Interreg AS).



SCAN ME