European Remanufacturing Council

For sustainable products
in a Circular Economy

Mixed Prospects For 2026

In January 2027 it will be 10 years since the launch of the European Remanufacturing Council at the Stanhope Hotel in Brussels. The founding of the council followed the publication of the ERN (European Remanufacturing Network) study of the €30-billion sector in Europe. (https://www.europeanreman.eu/media/23n1.pdf)

What have been the greatest changes since the publication of the ERN study? And what are the prospects for companies in the sector now, at the beginning of 2026?
In this article, I offer plenty of good news but also point out some dark clouds at a time when I myself prepare to seek out new leadership for the ERC from 2027.

What has changed most since January 2017?

1. Horizon R&D funding for innovation has increased to between €35 million and €50 million annually. This has attracted a much wider group of SMEs and OEMs that are building their own remanufacturing activities or enabling it for others.
2. Remanufacturing has been integrated into 'circular economy' policies with a new EN standard (EN45553), a definition under ESPR (ecodesign for sustainable product design), and inclusion in the (world's-first) EU Taxonomy. Not all of this has been well executed but, taken together, it has established remanufacturing as the pinnacle of quality in product value retention (PVR) and reuse.
3. Reuse platforms have proliferated. eBay has created eBay 'refurbished' and Amazon, Amazon 'Renewed'. Back Market has grown rapidly since it opened in 2014, creating new market channels for remanufacturing and refurbishment businesses.
4. The global supply chain disruption of 2020 to 2023 demonstrated the risk mitigation effects of remanufacturing, especially for OEMs. Theory was tested and, for some, exceptional sales performance was delivered.
5. Declining sales in some sectors (e.g. tyres) have been offset by rapid growth in others (e.g. servers, laptops, telecoms, off-road vehicles, aviation and new products such as self-service devices and e-mobility). The all-important automotive aftermarket sector has been largely stable as it transitions to electric and hybrid drive trains.
6. Manufacturers are openly adopting one or more business models that include remanufactured products. Before 2017, companies would only exceptionally promote these services. At Global Industrie 2025 in Lyon, for example, more than 10% of the exhibitors referenced their capability for the disassembly and return to use of their own products.

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7. The World Bank expects sales in the European remanufacturing sector to reach €100 billion by 2030. However, due to volatility in the sector, we have not found a reliable method to compare the €30 billion sales surveyed in 2015 with the progress toward the forecast sales of €100 billion.

Prospects for 2026

The bad news is that the 15th Chinese five-year plan (2026-2030) is unlikely to significantly redirect the investment-led growth model in manufacturing. This strategy has, for many years, created overproduction for export. Overproduction results in factory gate prices deflating annually by approximately 1.5% in real terms. This thereby makes remanufacture less viable in Europe. European consumers receive a large benefit in the form of cheaper electronics, furniture, clothing, shoes, tyres, electric passenger cars, and much more, but European governments are left with the ever-growing problem of wastes management. Whilst the five-year plan aims to start increasing domestic (Chinese) consumption, China in 2025 was home to 25% of global manufacturing output. The intended change in direction will take many more years to implement.

The good news is that the EU and member states have learned how to balance the benefits of free trade with regulations that protect the environment, local manufacturing and remanufacturing. But will the forthcoming Circular Economy Act, Ecodesign regulations, new quality standards, Carbon Border Adjustment Regulations and trade controls be sufficient to compensate for annual factory gate deflation imported from China? We don't know.

Certainly, the appetite for these 'Green Deal' related reforms is waning in Brussels and elsewhere. Yet it is widely understood that remanufacturing has to be a key element of a more resource-efficient and competitive EU economy.

The regulatory framework is important, but the investment decisions of business are what matter most. And because of the renewed uncertainties for international trade, company boards are once again more sympathetic to business models offering reduced supply chain risks. The evidence from the covid-years is recent enough to convince more board members to invest in remanufacture, either on their own or through an approved third party. Existing independent remanufacturers may therefore expect to grow by becoming approved third-party remanufacturers or see the sector grow through more OEM in-house investment.

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Renewal too at the European Remanufacturing Council

It was Professor Walter Stahel, author of *The Performance Economy*, who first inspired me to look at how ecodesign to enable the remanufacture and refurbishment of products could 'move the dial', not just in terms of climate change, critical raw materials' demand, and reducing supply chain risks, but also in developing new business services for clients. I have since met many other inspirational business owners, senior managers, academics and policymakers who share these same goals. Robert Trebus at d&b audiotechnik in Stuttgart is one such business leader. Others include John Chalifoux, recently retired from MEMA in the USA, Maxime Furkel at Xerox, Rajiv Ramchandra at WaterSmart in Canada, Amoury Desombre at Valeo, and Andrea Caputo at Electrolux Professional. Amongst the academics, Professors Jef Peeters at KU Leuven, David Peck at TU Delft and Erik Sundin at Linköping in Sweden, are just three of many who have consistently seen through current fashions for longer-term trends. The Ellen MacArthur Foundation has been consistently supportive and insightful; the World Economic Forum and World Business Council for Sustainable Development equally brilliant at convening great companies to challenge the theory and ask for evidence.

Just as Professor Walter Stahel first inspired my own work to improve the regulatory and business conditions for remanufacture, I now want to invite interest from suitably qualified and motivated people who wish to take on the leadership and ownership of the European Remanufacturing Council from a mutually agreed date in 2027. If this interests you, begin with a cover letter explaining why you should be shortlisted for consideration by our steering group. If you have read this far, you must already be intrigued by the potential for remanufacture in a competitive industrial economy in Europe. Where do you want to go next?

David Fitzsimons

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