

CIRCULAR CONSTRUCTION: BETWEEN REGULATORY OBLIGATION AND THE SECTOR'S REAL TRANSFORMATION

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The construction sector is one of the largest consumers of resources and one of the main generators of waste within the economic system. Its role in the transition towards a circular economy is therefore unquestionable. However, despite the growing body of regulations and strategic frameworks around circularity, the material model that dominates much of construction activity remains essentially linear.

In recent years, the management of construction and demolition waste (CDW) and the use of recycled materials have become central elements of the circular economy discourse. Regulation has made significant progress, particularly in relation to prevention, selective demolition and waste recovery. Nevertheless, these advances have not always resulted in a real transformation of sectoral practices. As highlighted in the [White Paper for the Decarbonisation of the Construction Sector in Gipuzkoa](#), developed within the BUILD:INN cluster with the participation of Naider, the challenge is not only regulatory but structural, affecting the entire life cycle of buildings, from design to end of life.

This gap between regulatory ambition and operational reality raises a key question: are we using regulation as a lever for transformation, or merely as a framework that allows compliance without substantially changing the model?

CDW management: regulatory compliance without a change in logic

CDW management is one of the areas where this tension is most evident. Frameworks such as Law 7/2022 or the Basque Country's *2030 Waste Prevention and Management Plan* set clear objectives for reduction, source separation and material recovery. On paper, waste stops being an end-of-process problem and becomes a potential resource.

In practice, however, CDW management is still largely treated as a procedural requirement linked to the construction phase. Separation, traceability documentation or the contracting of authorised waste managers are seen as administrative obligations. They remain disconnected from design, procurement or project planning decisions. Selective demolition, although mandatory, is in many cases limited to separating basic fractions, without a real strategy for the reuse of components.

When the focus is on completing the paperwork rather than maximising the recovered material value, waste management loses its transformative potential. The result is a formal circularity that is difficult to measure in terms of impact. It is also limited in its ability to reduce dependence on virgin raw materials or to redefine the construction model.

Selective demolition and recovery: high potential, low ambition

Selective demolition has become one of the main levers for moving towards more circular construction. When applied properly, it makes it possible to recover high-value materials and components, reduce waste generation and decrease demand for virgin raw materials. In practice, however, its implementation often remains basic and lacking ambition.

In many projects, selective demolition is limited to separating the most obvious fractions, particularly mineral materials, which are then sent for recycling as aggregates. This approach,

although necessary, still operates at the lowest levels of the waste hierarchy. It also leaves aside the direct reuse of building components, where the greatest environmental and economic potential lies.

There are, nevertheless, experiences that show a different approach is possible. Initiatives such as the European project *Super Circular Estate* in Kerkrade (the Netherlands), or large-scale material reuse actions in the refurbishment of office buildings in London, have achieved reuse rates above 90%. They have done so by incorporating pre-demolition material inventories, digital traceability and planning oriented towards reuse from the project phase. These cases, widely documented in technical publications and specialised media, demonstrate that the main barrier is not technical, but rather strategic and organisational.

As long as selective demolition is not understood as a design and planning tool — and not only as a waste management requirement — its transformative capacity will remain marginal.

Recycled materials: a clear regulatory framework, uneven implementation

The use of recycled materials and secondary raw materials is another formal pillar of circular construction. In the Basque Country, Law 10/2021 on Environmental Administration requires public procurement specifications to include clauses that promote their use, establishing a minimum percentage of 40% in public works, unless there is a technical justification. At European level, forthcoming regulatory revisions are moving in the same direction, linking circularity, environmental footprint and procurement.

Despite the clarity of the legal framework, its practical application remains uneven. The inclusion of circular clauses in procurement documents is not always accompanied by effective verification mechanisms, making it difficult to assess actual compliance with the required percentages. In many cases, justification is limited to generic statements or non-standardised documentation, without systematic control of the project's material impact.

This is compounded by persistent technical and cultural inertia. Recycled materials continue to be perceived as more expensive, less reliable or technically risky, despite the availability of certified products, UNE standards and tools such as environmental product declarations. The result is a gap between what regulation allows and requires and what is ultimately delivered on site.

The risk of regulatory greenwashing

The proliferation of legal requirements on circularity does not, in itself, guarantee a transformation of the construction model. When compliance is measured through formal percentages, supporting documentation or standard clauses, without real monitoring of material impacts, the circular economy runs the risk of becoming regulatory greenwashing. A framework designed to drive change can end up legitimising business-as-usual practices, where the letter of the law is met without altering design, procurement and resource-use logics. Circularity then ceases to be a lever for transformation and becomes an exercise in administrative validation.

From waste management to resource governance

Moving towards truly circular construction requires going beyond regulatory compliance and embracing a profound shift in approach. It is not only about managing waste more efficiently, but about governing resources from the earliest project stages, embedding circular logic into design, procurement and planning. Regulation already provides a sufficient framework for this. The challenge lies in activating it with ambition, coherence and technical capacity. Only then will circular construction cease to be an administrative obligation and become a genuine tool for transforming the sector and the material model that underpins it.

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