

The background of the entire page is a photograph of a wicker basket filled with white wool. The wool is piled high, with some strands hanging over the edge of the basket. The lighting is soft, highlighting the texture of the wool and the weave of the basket.

# Wool circularity – removing legal barriers to exploit its full potential

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**Livestock, Fish and Crops  
Productions**

**copa**\***cogeca**

european farmers

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## Introduction

Wool is an important products due to its unique natural properties such as thermal insulation, elasticity and wear resistance. It is also a renewable and biodegradable material making it a sustainable choice compared to synthetic fibres and with strong potential for circular applications in industry and agriculture. Able to absorb water, rich in nutrients and even naturally repellent to deer, wool represents an agricultural resource that deserves to be valorized.

However, under the current EU legal framework, farmers and cooperatives face significant barriers to handling, marketing and exporting that prevent them from using or revalorising wool. This has led to a widespread perception of “wool as waste”, as a cost rather than an opportunity, a narrative that urgently needs to be reversed. Treating wool as a waste undermines the principles of the EU Bioeconomy Strategy and the Circular Economy Action Plan.

Further to this, unfortunately, the use of wool and its economic value have declined significantly, and the European wool industry has almost completely disappeared. As a result, farmers and their cooperatives can no longer find a market for their wool in Europe, and most of it must be exported to Asia for processing. Prices have fallen so low that, in some cases, they do not even cover basic costs, including shearing.

The closure of certain export markets, particularly China, has exacerbated this situation by drastically reducing demand. Combined with the limited capacity of existing European wool-scouring facilities, this has led to the creation of stocks of raw wool (with lanolin, neither washed nor treated) directly on farms and cooperatives. In many regions, farmers are therefore forced to treat wool as waste, despite its clear industrial, agronomic and environmental value. The situation is further aggravated by the decline in farm-level wool collection services, making wool collection even more difficult. As a result, some farmers have even stopped collecting wool altogether due to the lack of profitable outlets.

It is therefore key that different and varied marketing and use outlets will remain. Marketing and valorisation within the industrial applications, with value added, should be encouraged and prioritised.

When this added value cannot be achieved due to various circumstances, the focus should be on removing legal and regulatory barriers to enable its practical and sustainable use in agriculture and other circular applications, also directly at farm level. All, this would ensure that any possible bottlenecks or burdensome situation is avoided for EU farmers.

That is why, as Copa-Cogeca, we believe that the framework of EU Bioeconomy Strategy and the EU Livestock Strategy provide a timely opportunity to address and resolve this issue, by focusing on the limitations imposed by Regulation (EC) 1069/2009.





## Context

Under **Regulation (EC) No 1069/2009** (the Animal By-Products Regulation), raw wool from healthy animals is classified as a **Category 3 animal by-product**, whether it comes from live or dead animals, provided it shows no sign of disease transmissible to humans or animals. This classification places wool in the same category as other by-products, such as carcasses, blood, or hides, even though its associated risk is significantly lower. In fact, wool does not represent a risk comparable to other animal by-products, and handling it under basic hygiene conditions minimizes any potential hazard. Due to its classification under this category, farmers and cooperatives face significant barriers to its handling, marketing and export.

Regulation (EC) 1069/2009 also specifies that Category 3 raw wool may be used for biogas production or converted into organic fertilisers and soil improvers, in accordance with the methods laid down in Regulation (EU) 142/2011 and subject to microbiological transformation criteria. However, the direct application of wool to soil is prohibited (Regulation (EC) 1069/2009), and EU legislation does not allow national competent authorities to authorize such practice, regardless of any national

risk assessment, as it is the case of raw milk, colostrum and products derived therefrom, which the competent authorities do not consider to present a risk of any disease (Article 14, point I). Furthermore, its high nitrogen content and slow decomposition make it an excellent product for improving soil quality and fertility.

Therefore, when wool is not directed towards a recognised use under this regulation, such as textile processing, composting in an authorised facility, or fertiliser manufacturing, it automatically falls under the **Waste Framework Directive (Directive 2008/98/EC)**.

This dual legal status means that untreated wool and the associated obligations, obliges farmers and cooperatives to bear the costs of collection, storage, treatment or/and disposal, and it prevents simple and safe on- and off-farm uses and reuses. The result is a regulatory paradox: a low-risk, biodegradable material is treated as a liability rather than as a renewable resource.



## Impact on EU sheep farmers

The current situation creates both economic and environmental inefficiencies. Farmers and cooperatives face additional costs for handling, marketing, exporting and disposing of a material that could otherwise bring benefits to soil health and nutrient recycling. In many cases, wool ends up incinerated or abandoned due to the lack of legally accessible alternatives. Opportunities for circular farming are lost, as wool's potential use as a natural material remains largely untapped. The introduction of a reimbursement mechanism for collection and disposal activities should be considered, in order to reduce the economic burden on enterprises and ensure proper and sustainable management of the material.

This regulatory inconsistency also discourages innovation and the development of wool-

based solutions. At a broader level, treating wool as waste undermines the viability of sheep farms, which are already facing low margins and structural challenges. What could be a valuable component of local bio-based systems instead becomes an administrative and financial burden.

This approach stands in contrast with growing demand, in Europe and internationally, for natural and biodegradable alternatives to synthetic products derived from fossil resources. Moreover, the results of the European Lanaland<sup>1</sup> project have demonstrated the technical, biological, and sanitary feasibility of wool valorization in agricultural and circular applications, confirming that safe, effective, and sustainable solutions already exist.

<sup>1</sup> <https://www.lanaland.eu/es/>



## Policy recommendations

Copa-Cogeca calls for a **proportionate and practical approach** to the regulation of wool, allowing its safe and sustainable use at farm level.

■ **Encouraging and prioritising the marketing and valorisation of wool** within the textile industry and explore marketing into other industry-based value chain (i.e., building, insulation, decoration etc.). The development of a wool-washing industry in Europe should be promoted, its use in textiles supported, European wool valued by consumers, and exports to countries with a developed textile sector facilitated.

■ **Reclassify wool status under Regulation (EC) No 1069/2009** to reduce the administrative burden associated with the handling, marketing, and export of raw wool from healthy animals. Dirty wool is usually classified as a Category 3 animal by-product, which imposes unnecessary restrictions when it comes from healthy animals, and its intended use does not pose zoonotic risks. In fact, wool does not represent a risk comparable to other animal by-products and handling it under basic hygiene conditions minimizes any potential hazard. A new, lower-risk category should be established for this product, or certain requirements and obligations should be relaxed or exempted.

■ **Introduce a “low-risk on-farm use”** permitting the use of raw wool from healthy animals as fertiliser or compost under basic hygiene conditions<sup>2</sup>, when added value cannot be achieved due to various circumstances. Introducing an exception for low-risk agricultural uses (such as fertilizer or compost) would be reasonable and consistent with the EU's circular economy objectives. In fact, wool does not represent a risk comparable to other animal by-products, and handling it under basic hygiene conditions minimizes any potential hazard. In this sense, reclassifying it or introducing an exception would reduce disposal costs, encourage sustainable practices, and support the profitability of livestock farms. This could release some pressure for wool types that, while having still some market in textiles, do not reach a minimum profitable price once

transport and sorting costs are considered. Similarly, the agricultural use of wool should no longer require specific sanitary approval, as this constitutes an unnecessary administrative burden for a material with very low biological risk.

Practically, Regulation (EC) No 1069/2009 already allows for Category 3 materials to be applied to land without processing, such as colostrum, raw milk and products derived therefrom (Article 14(I)). This article should be amended by listing also raw wool among the materials that can be applied to land without processing.

■ **Clarify the interface between animal by-products and waste legislation**, explicitly stating that untreated wool used for agronomic purposes does not constitute waste when managed according to good agricultural practice. The introduction of clear, supervised good practices is essential to avoid misuse or informal practices.

■ **Promote research, innovation and awareness** on practical and environmentally sound ways to use and recycle wool, including on farms, recognising it as a renewable and low-risk agricultural resource and its contribution to the rural bioeconomy<sup>3 4</sup>.

■ **Broaden the approach to encompass the entire agricultural sector**, recognising the valorisation of co-products and by-products as key opportunities within a circular economy framework.

In particular, seek new applications for wool that provide added value for producers and cooperatives, thereby improving the profitability and sustainability of farms. Special focus should be placed on solutions that benefit a significant number of producers, given the substantial volume of wool produced annually in Europe. Additionally, for periods when market conditions are unfavourable, promoting research and innovation for instance on its effectiveness as an organic soil amendment, its role as a moisture retainer or slow-release nitrogen source, and its use in erosion control would allow us to make use of a natural material that is often treated today as worthless waste.

<sup>2</sup> Biodegradation of Sheep Wool Geotextiles Designed for Erosion Control

<sup>3</sup> The use of wool in compost and other alternative applications

<sup>4</sup> Turning Waste Wool into a Circular Resource: A Review of Eco-Innovative Applications in Agriculture

It is essential to build on existing knowledge and initiatives to accelerate the deployment of operational solutions. Experimental trials on wool composting, as well as the results of the Lanaland project, provide robust references. Showcasing them in discussions and future EU programmes particularly via the Interreg Marlaine project and the focus

group “Innovative and sustainable means to strengthen the role of farmers in revitalising the European wool value chain” would increase their visibility, facilitate knowledge transfer, and stimulate the emergence of new circular and competitive solutions at territorial level.



## Conclusion

The current regulatory framework treats wool as a risk rather than a resource. This approach is disproportionate, given wool's very low sanitary risk and its high potential value for sustainable agriculture. A targeted adjustment, recognising clean, untreated wool as a **low-risk circular agricultural material**, would reduce unnecessary costs for farmers, encourage innovation, and support more sustainable resource use.

The necessity to reconsider governing circularity and the use of by-products becomes clear when examining three longstanding challenges: **simplification, international dependencies, and extensification in relation to biodiversity**. Simplifying these rules would enable businesses to bring a highly valuable additional product to market while supporting more environmentally friendly and circular production systems, without compromising consumer safety. At the same time, although wool is often treated as waste in the EU, the Union still depends heavily on imports.

Updating regulations could allow domestically produced wool, already generated within existing systems, to return to the market, reducing environmental impact and transport needs. Restoring the value of wool could support extensive grazing systems that sustain biodiversity and rural communities in less-favoured areas. Facilitating the marketing of wool could provide an important additional income stream for farms that currently face particularly low profitability.

By removing these legal barriers, the EU can help farmers turn wool from a waste problem into a solution for soil health, circularity, and farm sustainability. It is time to shift the paradigm: wool is not a waste; wool is a resource.

That is why, as Copa-Cogeca, we call for these issues to be addressed in the policy actions within the framework of the EU Bioeconomy Strategy and the EU Livestock Strategy.





Copa and Cogeca, founded respectively in 1958 and 1959, form the united voice of farmers and agri-cooperatives in the EU.

Copa members represent leading farming unions at national level, speaking for millions of farmers across Europe. Cogeca members represent the interests of the thousands of agricultural cooperatives in Europe.

Our democratic organisations, led by elected representatives, embody the vibrant diversity of European agriculture across all 27 EU Member States.

We are the collective voice of farmers and agricooperatives of all sizes and specialisations dedicated to the daily production of crops, livestock or mixed farming, encompassing both conventional and organic practices. Together, we ensure that EU agriculture is sustainable, innovative and competitive, guaranteeing food security to half a billion people throughout Europe and contributing to reducing food insecurity globally.

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