

Valorising used textiles locally through re-use and recycling activities: The contribution of social enterprises

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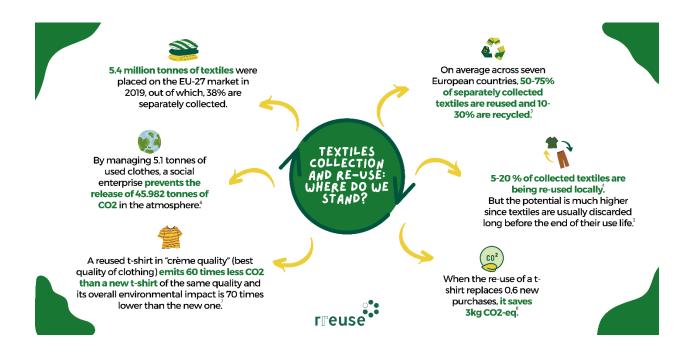


Introduction – Why does local re-use matter?

Waste prevention is at the top of the waste hierarchy, and the positive impacts of re-use are further multiplied when re-use activities and second-hand sales take place locally. Re-using textiles locally is the most sustainable way to close the textiles loop as well as to deliver local jobs for the circular and just transition. Activities of social enterprises of the re-use sector are driven towards implementing the waste hierarchy and respecting the proximity principle. As such, they manage to extend textile products' lifetime locally while delivering circular skills to vulnerable individuals and building local communities.

Over half of RREUSE's 33 members work with used textiles, collectively managing 341,000 tonnes across Europe annually. By putting local re-use at the heart of their activities, social enterprises running textile collection, sorting, repair, resale and upcycling operations deliver environmental benefits and provide job and training opportunities for people distanced from the labour market or at risk of socio-economic exclusion. Indeed, a social enterprise creates between 20 and 35 jobs for 1000 tonnes of textile collected in view of being reused¹.

As highlighted by the European Topic Centre Circular Economy and Resource Use and the European Environmental Agency "there is an important role for social innovation that facilitates sustainable behaviour, such as easy access to reused clothing and textile repair services²". In light of this, this paper outlines good practices in responsible used-textile management carried out by our social enterprises community, focused in particular on local options for textile valorisation. It will zoom in on good practices to improve textile collection and local re-use, through efforts focused on improving textile transparency.



¹ RREUSE (2021) Job creation in the reuse sector: data insights from social enterprises (Available <u>here</u>).

² European Topic Centre Circular Economy and Resource Use, European Environmental Agency (2022) Textiles and the Environment - The role of design in Europe's circular economy (Available <u>here</u>).



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1. Building partnerships to increase collection and secondhand sales

In view of the upcoming mandatory separate collection of textiles, it is of major importance to explore the most efficient ways to collect in order to maximise local re-use. In this regard, partnering with public and/or private actors is one of the paths taken by social enterprises active in post-consumers textiles collection. Such partnerships do not only improve collection but also allow citizens to find out how and where to discard used textiles, increase local second-hand sales and as such, extend products' lifetime locally. Since citizens strongly link textile donations to social objectives, collection by social enterprises in itself is an efficient way to boost citizens' motivation to donate pre-owned clothes rather than throwing them away.

• Partnering with local authorities to improve textiles collection while creating jobs

Box 1. Textiles collection in Antwerp: bringing together social & circular

In 2014, the City of Antwerp decided to better coordinate its collection of textiles. The city subsequently developed guiding principles for textiles collection which suggested that collected textiles should be reused/resold within the local market as much as possible, and that the collection and processing of textiles should contribute to social employment and training opportunities. These principles were included in a public tender in 2016. Five collectors decided to answer the tender together rather than compete. They formed "<u>De Collectie</u>", a consortium that subsequently won the tender. De Collectie brings together five non-profit organisations that have been active in the collection and processing of textiles for many years and share clear social, transparency and environmental principles.

Partnering with the private sector to facilitate the collection and local re-use of textiles

Partnerships with private companies is also a lever to increase cooperation along the value chain and expand re-use activities. Social enterprises are often excluded from business opportunities and, consequently, so are impactful solutions for the circular economy. However, partnerships must stand on an equal footing and ensure coherence with social enterprises' values.

Box 2. Het Goed and Zeeman cooperating to collect and prepare for re-use clothing items

Under the name <u>RESALE</u>, Zeeman started selling and collecting second-hand clothing. The items collected by Zeeman are donated to <u>Het Goed</u>. The used clothing is then carefully checked and sorted; all pieces that meet the quality requirements are provided with the RESALE label. Clothing that does not meet the criteria is recycled as much as possible. In addition, both parties are working with a coalition of partners to develop new circular articles from used materials. After a successful start at the Zeeman branch in Amsterdam-Osdorp, five more Zeeman stores followed. The aim is to further expand the number of branches throughout the Netherlands. Through this collaboration, both parties want to stimulate the re-use of clothing and reduce the impact on the environment. As a social enterprise, Het Goed also sees this project as an opportunity to offer suitable work to more people.



Box 3. AERESS partnerships with companies to increase textiles collection

<u>AERESS</u>, created in 1994, is the Spanish Association of recovery entities of social and supportive economy. In 2018, AERESS launched a textile collection campaign at the home textile company Textura's stores in an effort to promote textiles collection and re-use. For a month, AERESS' entities collected textile waste in the 77 Textura stores, collecting 1,892 kg. All textiles were sorted and reconditioned by AERESS and delivered to families without resources or sold in AERESS stores. The 1,9 tonnes collected prevented more than 14 tons of CO2, an amount equivalent to what 730.000 trees consume and what 2.500 cars emit in a day.

2. Promoting local re-use first by developing innovative reuse activities

Social enterprises of the RREUSE network provide best practices with regard to innovating in domestic re-use of textiles. Indeed, out of the 341,000 tonnes of textiles that over half of RREUSE's 33 members manage every year, 11 % (39,000 tonnes) are re-used locally³. Social enterprises always prioritise local re-use, re-use and preparing for re-use being both the most sustainable, job-creating and cost-efficient waste treatment activities. For instance, in Austria, 10% of collected items can be sold domestically, which accounts for 60% of revenues⁴. To maximise the potential of the local second-hand market, social enterprises acting as re-use operators develop innovative activities and business models, such as second-hand outlet stores, swapping or upcycling initiatives. In addition, social enterprises also develop their own e-commerce solutions, with a variety of items including textiles, to offer a convenient solution to buy second-hand such as Label Emmaüs, Thriftify or Widado. The platforms developed by social enterprises participate in maximising both their environmental and social positive impact. For example, in just 5 years, Label Emmaüs delivered e-commerce training to 1,400 individuals and allowed the re-use of 1 million of products (including textiles).

• Increasing local re-use rates through innovative business and consumption models

Social enterprises present a long experience in developing creative business models and building local communities to increase domestic re-use rates. In this regard, the introduction of very affordable alternatives, particularly in low-income areas, can be an effective lever to scale up local re-use.

Box 4. Discount concept store for second-hand textiles: The example of "Factory shopping" <u>Terre</u> is a social enterprise active in textiles collection in the region of Brussels and Wallonia. With its network of 2,600 textile containers, Terre collects nearly 16,500 tonnes of used clothing per year in the territory. Next to regular shops with textiles, Terre Factory Shopping is a sister concept, an outlet that aims to re-use more textiles locally. The Factory Shopping stores have a different system of pricing including for example prices per category and 'the more you buy, the less you pay' offer. The concept was born in 2014 and was quickly embraced by the public, so much so that Terre opened 10 more stores within six years.

Another strategy to increase the local re-use of textiles is to create local initiatives to use the power of the community to affect behavioural change, introduce innovative alternatives, and promote a circular economy mindset.

⁴ RREUSE (2022) RREUSE's position paper on the EU Textiles Strategy (Available <u>here</u>).



³ RREUSE (2022) RREUSE Member Impact 2021 (Available here).

Box 5. Promoting clothes swapping and upcycling: The example of Change Clothes Crumlin

<u>Change Clothes Crumlin</u> is a new clothing re-use hub for the Crumlin area of Dublin. This initiative aims at creating a social community space for swapping, up-cycling, mending, learning, and meeting likeminded people and welcome to everyone. The first round of events took place in October 2022, also known as 'Reuse Month' in Ireland, with events consisting of entry-level repair and up-cycling workshops, clothes-swapping facilities, social space for exchanging ideas, and an awareness-raising exhibition for learning more about the impacts of the fashion industry. In 2022, 5 events have been held, gathering 354 attendees and allowing the swapping of 1,239 garments, the creation of 97 repair kits, and the upcycling of 53 items. Change Clothes Crumlin estimates that in 3 months only, they prevented the emission of 19.38 carbon tonnes⁵!



source. change clothes crammin

Mainstreaming upcycling and repair activities

Besides extending the scope of local re-use activities through new business models, social enterprises explore innovative solutions such as repair and upcycling to prolong the lifespan of products and maintain them within the local community. Upcycling presents major assets in terms of providing circular skills, offering new opportunities for the re-use sector and extending products' lifetime at the local level by spreading the scope of the market and attracting new consumers.

⁵ Change Clothes Crumlin (2023) Impact Report 2022 (Available here).



Box 6. Innovating in upcycling activities: "Les Surcyclés du Léopard"

Le Relais Est based in Alsace and Franche Comté (France) collects and sorts between 24 and 30 tonnes of second-hand textiles while creating jobs for people in situations of exclusion. Its aim is to maintain its activity at the local level. Therefore, Le Relais Est launched a sustainable integration initiative in the field of sewing called "Les Surcyclés du Léopard" to create jobs by giving a second life to used jeans and work clothes. The production is outsourced and was initiated at the end of 2020 by the partner integration site, La Petite Manchester. The group also wants to experiment with small-scale repairs in the sorting workshops. Expected impacts: 2 jobs in social integration (3 or 4 in the long term) at La Petite Manchester, increased skills in the field of sorting and 1 to 2 people on repair at the Relais Est.



Social enterprises are pioneers in delivering circular skills to vulnerable individuals, which is crucial for the development of a just and sustainable circular economy. Alongside delivering transferable manual skills (sorting, stitching, handling, repairing, dismantling, etc⁶.), social enterprises undertake initiatives bringing repair services and skills closer to citizens.

Box 7. Delivering circular skills: Solidanca's DidalTruck

<u>Solidança</u> is a non-profit organization established in 1997 with the aim of building a fairer, more supportive and respectful society towards the environment. To achieve this objective, the entity offers innovative proposals for groups at risk of exclusion and offers quality services linked to waste management and the circular economy. Around 401 people have undergone courses at Solidanca in 2021. In order to promote and enhance accessibility to repair, Solidança launched the DidalTruck ("ThimbleTruck") service, which focuses on promoting upcycling, mending, and stitching of textile products, thus prolonging their lifespan. This is a collaborative and free repair service, where tools and guidance are provided to citizens, empowering them to try to repair their own textiles and learn circular skills. Solidança's repair vans were present in 35 municipalities in 2021, preventing 1,680.17 kg of waste and saving 6,892 kg emissions of CO2 through repair.

⁶ RREUSE (2022) Delivering a just transition to a circular economy (Available <u>here</u>).





3. Developing local recycling to deal with non-reusable volumes

Currently, 50% of European textiles are recycled but the vast majority is downcycled and only 1% of collected textiles are used to make new clothes⁷. Since the quantity of textiles produced keeps increasing while the quality drastically decreases, social enterprises have to deal with high volumes of non-reusable textiles. While eco-design requirements should be strongly implemented to reverse the situation and improve products' durability, developing local recycling in the EU should be explored to allow social enterprises to deal with large quantities of low-quality textiles. The examples below highlight that recycling should be envisaged in a closed loop while still including social parameters for an inclusive circular transition.

• Finding circular and local solutions for non-reusable products

Box 8. Increasing circularity of the footwear sector within the EU

The Life Kanna Green project, of which Proyecto Abraham (AERESS) is a partner, has been created to propose and define a new consumption and circular economy model for the footwear sector, based on the "cradle to cradle" principles, to change the way that footwear is produced and goods and resources are consumed, which involves all the key players of the value chain of the footwear sector to close the loop. The implementation of this model consists of establishing a system to collect used shoes in shoe stores (off and on-line) on a European level to encourage and motivate consumers to recycle their shoes. Collected shoes are sent to social enterprise Cambio Circular (part of Proyecto Abraham Foundation) for sorting, and shoes are either sent for re-use in Proyecto Abraham's stores or sorted,

⁷ Ellen McArthur Foundation (2017) A New Textiles Economy: Redesigning fashion's future (Available <u>here</u>).



disassembled, and ground for maximum material recycling. Therefore, the project promotes social inclusion, collection, and re-use but also makes new shoes from recycled materials to reduce the impact of the footwear on the environment. Project results estimate that collecting 1,100,000 shoes between 2025 and 2029 and processing them according to the Life Kamma Green model would result in creating between 25 and 50 jobs, saving 5.386 tonnes of CO2 and producing 1,200k sustainable shoes.

• Closing the textiles loop: recycling and using recycled fibres locally

Local recycling creates jobs for people in the region. It can also help bring together public and private stakeholders of the textiles sector thus enabling greater collaboration in different activities of the value chain.

Box 9. Developing high-quality yarn from recycled materials: The CircularWool project

Solidança promotes CircularWool, a textile innovation project that seeks to create yarns from recycled wool. Solidanca has decided to get into the world of yarns, close to new lines of textile recycling, with the aim of obtaining a high-quality yarn based on post-consumer recycled wool. HILATURAS ARNAU BARCELONA, FITEX – Private Foundation for Textile Innovation – and Solidança/Roba Amiga, together with the support of the Waste Agency of Catalonia, promote the development of the recycled textile material to incorporate it into local productions, with a clear intention of helping to close the loop. At the end of this process, Solidança/Roba Amiga, will accurately classify plain fabrics, post-consumer clothes from Roba Amiga, because this could be processed and converted into new yarns.

4. Enhancing transparency around used textiles management

Social enterprises, unlike other actors involved in used textiles management, are driven by both environmental and social purposes. To ensure transparency on the positive impacts of their activities, social enterprises of the RREUSE network developed labels according to their ethical principles and charters. Increased transparency allows better management of used textiles by improving collaboration between all types of actors, from citizens donating their pre-owned clothes to local authorities dealing with textiles waste.

• Developing labels to enable transparency and traceability

Box 10. Ensuring the visibility of non-profit collectors through a label

FairWertung is a German organisation whose main aim is to make the 130 non-profit textile collectors it represents more visible through a label. The 'Fairwertung' label aims to highlight that its holders are non-profit organisations and that the clothes collected will either be donated directly to those in need or sold with revenues being reinvested in the social mission of the organisation. FairWertung also monitors the flow of goods from the collector to the sorting facility to make sure that all textiles are sorted under high environmental and social standards⁸.

⁸ RREUSE (2016) Ethical principles for the clothing re-use sector (Available <u>here</u>).



Box 11. Ensuring consumers' access to the certified ethical management of their donated textiles <u>Solid-R</u> is an ethical label and charter developed by RESSOURCES, the Brussels and Walloon network of social and solidarity enterprises, that is valid across the BENELUX region. The social enterprises which sign up for this ethical charter engage themselves to adhere to its criteria which focus on transparency and ethical conduct of the clothes themselves and revenues gained. The organisations which adhere to the charter also agree to be audited against the criteria by an external organisation. The label follows two guiding principles: ethics and solidarity. Ethical because, collectively, social enterprises holding the Solid'R label employ 900 people and 500 individuals in reinsertion while they collect 36,500 tonnes of goods each year, 85% of which are recovered. Finally, the benefits of the project are being reinvested in solidarity-based projects⁹.

5. Extending textile products' lifetime through export

When re-using textiles avoids the production of new clothes, export for re-use is more environmentally beneficial than recycling¹⁰. While exporting textiles outside the EU offers the opportunity to extend products' lifetime, and as such can produce environmental and social benefits, it has to be strongly regulated due to the unfortunate existence of malpractices and illegal activities. On the contrary, practices among the RREUSE network demonstrate that exporting textiles can be done in a way that benefits local communities both in the exporting and receiving countries.

• Creating local jobs both in exporting and receiving countries

By exporting re-usable products that meet presorting requirements and developing long-term partnerships with local resellers, social enterprises maximise products' reusability and employment opportunities¹¹.

Box 12. Opening sorting centres in importing countries

Le Relais exports re-usable, pre-sorted goods only and encourages local employment in both exporting and importing countries¹². To ensure the proper management of exported volumes and create jobs in receiving countries, Le Relais opened sorting centres in three countries: Burkina Faso, Senegal and Madagascar. Collection, preparation for re-use, and the process of removing all the waste and clothes unfit for the local climate are being done in France while additional sorting is being done in Africa. This model supports importing countries' economies since revenues from the sales are directly reinjected into the local economy and strengthens local employment. The model developed in Madagascar is particularly advanced. Together with the sorting centre which employs 100 people dealing with 350 tonnes of textiles every month, a local waste treatment facility has been developed. It helps fix sorting mistakes and provides treatment solutions for imported goods when they become waste. In addition,

¹² Repanet (2022) Gebrauchtkleidung in Afrika Second Hand Kleidungsmarkt ökologisch und fair gestalten – wie Textilexporte Kreislaufwirtschaft und lokale Gesellschaft fördern können (Available <u>here</u>).



⁹ RREUSE (2016) Ethical principles for the clothing re-use sector (Available <u>here</u>).

¹⁰ EuRIC (2023) LCA-based assessment of the management of European used textiles (Available <u>here</u>).

¹¹ Novethic (2022) Montagnes de déchet: "La seconde vie sera toujour plus intéressante que de jeter", Louana Lamer, Emmaüs (Available <u>here</u>).

some of the recycled textiles are sent to the Gash'Mlay textile workshop which employs 15 people and produces circa 90 unique pieces of clothes or household linen every month¹³.

Box 13. Building partnership with local actors in importing countries

TESS is a pan-European network of textiles collectors, sorting centres and re-use stores. Among the 1,259 people employed in the network, 64% are in the process of social reintegration. TESS aims to give a new life to 100,000 tonnes of clothing, household linen, shoes and leather goods each year. To extend textile products lifetime while creating social and solidarity projects, TESS is building partnerships with local actors in Africa and Latin America in view of creating and developing recycling plants. For example, the network built partnerships in Burkina Faso with the Baobab Association and Frip Solidaire which manage a sorting centre, employing 15 people and which have sorted around 550 tonnes in 2018. Likewise, the pan-European network developed close partnerships in Uruguay where they are supporting the opening of the first sorting, recycling and distribution plant for second-hand clothing in the country.

Policy recommendations

To mainstream those initiatives, an appropriate policy framework is needed at the EU level. In this regard, RREUSE is calling on the European institutions to take into consideration the following recommendations:

- In the context of the Waste Framework Directive's revision, set separate quantitative re-use and preparation for re-use targets to implement the waste hierarchy. Introducing strong targets for re-use activities would be the basis to improve local re-use, and prevent premature recycling while creating job opportunities for vulnerable individuals. Re-use targets could be linked to geographical criteria, following the example of the French new agreement for EPR for textiles which set up a local reuse target: 15 % of the collected volumes have to be reused within 1,500 km of the collection site by 2027¹⁴.
- Use EPR fees to prioritise domestic re-use, through financial support to domestic re-use shops for instance. The re-use potential is often much higher than the actual capacities and opening new local second-hand shops has the highest job creation and remuneration potential. EPR schemes could also be used to invest in local recycling in the EU to deal with large quantities of low-quality textiles.
- Support and finance social enterprises active in textile waste management. EPR schemes should give the responsibility of collection and sorting and the ownership of the collected volumes to social enterprises which always prioritise re-use and the application of the proximity principle. This could be based on the Spanish example where the recently approved "Law on Waste and Contaminated Soil for the Circular Economy" includes a provision that mandates 50% of public tenders related to the collection, transport, and treatment of textile waste and furniture to social enterprises¹⁵.
- Dedicate a portion of the EPR fee to improve collection and directly support the activities of relevant social enterprises as well as covering the costs of residual waste disposal following a

¹⁵ RREUSE (2022) New Spanish law mandates 50% of tenders to social and circular enterprises (Available <u>here</u>).



¹³ Le Relais, Un développement humain en Afrique (Available <u>here</u>).

¹⁴ Ministère de la Transition écologique et de la Cohésion des territoires (2022) Produits Textiles (Available <u>here</u>).

preparation for re-use process, as is the case in France where 5 % of fees collected via EPR schemes covering re-usable waste streams are devoted to supporting social enterprises¹⁶.

- In view of the recently revised VAT Directive, apply zero VAT rates to the re-use activities of social enterprises¹⁷ to extend the potential of the local second-hand market and inclusive employment, by making second-hand clothes prepared by social enterprises more competitive.
- In the context of the definition of mandatory criteria for green public procurement under the Ecodesign for Sustainable Products Regulation, bring the proximity principle into public procurement to foster the link between environmental and social criteria in public tenders while increasing the share of local re-use.
- Following the implementation of the EU Pact for Skills, develop measures such as certified training schemes, guidance to member states in terms of developing formal qualifications, and guidance on how to include skills related to the prevention and sustainable management of waste textiles in VET curricula to consolidate the circular transition by created local jobs in post-consumers textiles management¹⁸.
- In line with the Social Economy Action Plan, build partnerships along the textile value chain together with social enterprises with the view of closing the textile loop at the local level¹⁹.

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¹⁹ RREUSE (2022) RREUSE's position paper on the EU Textiles Strategy (Available here).



¹⁶ RREUSE (2022) RREUSE's answer to the second public consultation of the Waste Framework Directive: toward a more effective and inclusive European waste policy (Available <u>here</u>).

¹⁷ RREUSE (2022) RREUSE Position Paper on the revised EU VAT Directive (Available here).

¹⁸ RREUSE (2022) RREUSE Feedback for the Call for Evidence: 2023 European Year of Skills (Available <u>here</u>).