#EUCircularTalks

EXPLORING EPR FOR TEXTILES: TAKING RESPONSIBILITY FOR EUROPE'S TEXTILE WASTE

REPORT

SEPTEMBER 2021
Background

The #EUCircularTalk "Exploring EPR For Textiles: Taking Responsibility For Europe's Textile Waste" brought together a panel of experts to discuss the ongoing developments and needs regarding Extended Producer Responsibility (EPR) schemes for textiles.

The OECD defines EPR as a market-based instrument used to promote total life-cycle environmental improvements of product systems by extending the responsibilities of the manufacturer of the product to various parts of the product's life cycle, and especially to the take-back, recovery and final disposal of the product. This financial responsibility comes in the form of a levy that is integrated into the market price of the product.

When it comes to textiles, the European Commission is now considering EPR as a regulatory measure to promote sustainable textiles and treatment of textile waste in accordance with the EU waste hierarchy. At Member State level, France is the only EU country with an EPR scheme for textiles currently in place. The Netherlands has called for an EU-wide obligation for EPR for textiles, and Sweden has set in motion plans to introduce an EPR for textiles from 1 January 2022. Outside the EU, the UK government has committed to review and consult on an EPR for textiles in England.

It remains to be seen whether setting up EPR schemes will become mandatory for all EU Member States and whether criteria for EPR schemes for textiles will be harmonised or whether diverging national approaches to EPR will be favoured.

During the #EUCircularTalk, several issues were raised and views expressed. This output document summarises the key take-aways from the two panels and following discussion.
The EESC has always maintained that eco-design is an essential part of a well-functioning EPR. Moreover, our opinion on Circular Public Procurement (INT/902) points out that CPP can and should cover aspects such as EPR and eco-design to encourage sustainability and circularity.

In our opinion on the Eco-Design Work Programme, we reiterated our support for the use of Extended Producer Responsibility as a tool to promote the transition to circular economy business models. In this opinion, we stress the need to focus on the full lifecycle of products, including their durability, ease of maintenance and repair, potential for sharing and digitisation, reuse, upgradeability, recyclability and actual uptake after use.

We also talk about Life Cycle Costing (LCC) in the Opinion Towards Circular Public Procurement, where we welcome the standardized free-to-access LCC measuring tools developed by the European Commission. Stakeholders have submitted many ideas and practices on Circular Public Procurement to the Platform; a particularly relevant one in this context is the one submitted by Interreg.

Governance of EPR schemes should be more collegial and integrate re-use social enterprises, local authorities, NGOs (not only producers/retailers).

The following panellists gave short presentations, which were followed by reactions from Chiel Berends from DG Environment.

Mathieu Rama, Senior Policy Officer, RREUSE

- EPR for textiles must implement the waste hierarchy and always prioritise prevention and re-use over recycling, even if costlier.
- This can be achieved through integrating minimum targets on prevention and re-use in EPR schemes.
- Governance of EPR schemes should be more collegial and integrate re-use social enterprises, local authorities, NGOs (not only producers/retailers).

Jelmer Vierstra, Senior Program Leader Circular Economy, Natuur & Milieu

- A circular economy must make us less dependent on resources so it is vital to incorporate the environmental impact of textiles into the price of the product. If properly implemented, EPR could create a business incentive for circular textiles and address the integration of environmental externalities.
- It is crucial to formulate the goals of an EPR system for textiles – do we want to stimulate use of recycled content, do we want to promote recyclability, do we want to stimulate reuse, for example.
- We will not get the job done with EPR alone, it is key to also disincentivise low-quality and sub-standard products by getting them out of the market in the first place through effective Ecodesign minimum requirements for textiles. The combination of policy instruments is key.

Myriam Tryjefaczka, Sustainability and Public Affairs Director at Tarkett Group for the Europe, Middle East and Africa division.

- Tarkett has developed an eco-design approach based on Cradle to Cradle® principles to close the loop for floorcoverings. This includes the development of ReStart® take back programmes and recycling technologies.
- There is a need for a harmonised framework at EU level to avoid fragmentation.
- Ecomodulation can incentivise the companies that are already investing in the circular economy and provide encouragement to newcomers.

Cécile Fèvre, French Ministry of ecological transition (Waste prevention and EPR)

- The French anti-waste law of February 2020 provides for an important reform for EPR schemes, and we are working on a revision of provisions of EPR schemes for textiles.
• EPR schemes should have quantified objectives. Some measures should support reuse and help to reduce the cost of repair for consumers.
• We consider that EPR is essential to addressing the treatment of post-consumer products, and to supporting Ecodesign.

Femke den Hartog, SMEunited
• It is important for the Netherlands to develop an EPR scheme for textiles but we want it to be more than a waste scheme. We want more textiles to be recycled.
• EPR schemes can be an enabler to make the circular transition work, for example it can be a way to try to motivate companies to use more recycled content in their textiles.
• One big problem in the textiles sector is that there are a lot of sustainability initiatives but a lack of coherent vision: i.e. “lots of lovely pearls but no string”. Crucially, we also need a sustainable approach where social aspects are included. So sustainable products which are produced under good labour conditions must be the norm.

Jo Van Landeghem, Circltex
When does an EPR for textiles make sense?
• When we agree that “one EPR system fits all textiles” never fits fully.
• When we agree that circular economy is not a recycling economy.
• When we agree to all share responsibility for the eco footprint throughout the lifespan of a product.

Baptiste Carriere-Pradal, Chair of the Policy Hub – Circularity for Apparel & Footwear
• We need to be clear about the objectives of an EPR scheme for textiles. What type of attitude do governments want to reward?
• We need a proper harmonised approach where national and regional schemes all work together. Pan-national initiatives can only thrive based on the harmony of the national schemes behind them.
• EPR is one essential element as part of the overall Textile Strategy which is vital to push the industry to transition.

Martin Böschen, Vice-President of EuRIC Textiles
• From a collector/sorter/recycler point of view EPR schemes will be important to finance the industry. Currently the sorting is done for reuse, The reuse part is currently financing the recycling but with the predictions of higher collection volumes, the recycling rate will increase thus the financing of the recycling companies will be a challenge if not impossible to ensure the sustainable handling of post-consumer textiles. EPR schemes can, beside the possibility of placing waste fees by municipalities, enhance the brands to take on the responsibility and help to finance the recycling industry.
• The challenge nowadays is that the consumer behavior still shows that the textiles are given to organizations to be reused which comes from the earlier idea of donating clothes to find another life for other people. The textiles are not considered as resources which need to be recycled. The EPR system could enhance this shift of consumer behavior.
• It is important that garments are produced for recyclability in a circular way, meaning that they include recycled content. Even though there are for example possibilities to put PET materials into new garments, the post-consumer journey of these garments will remain linear as opposed to the possibility to take out polyester out of the garments and bring it back into textiles or any other products. Therefore, the demand for recycled content in textiles has to increase.

Dr. Stina Wallström, Director of Regulatory Affairs, IKEA Range and Supply
• We need harmonised solutions at EU level to secure access to secondary raw materials, safeguard the free flow of goods at the EU internal market and optimise administration.
• Harmonise textile EPRs by agreeing on one common and clear definition of the product scope, registration and reporting requirements and future criteria for eco-modulation.
• We encourage a centralised EU-registry to meet the obligations across all Member States.
Key Take-Aways

These are the key take-aways and conclusions from the two panels and discussion:

- EPR schemes for textiles were widely considered as being a key policy instrument for reducing the volume of textile waste and its negative impact on the environment. In accordance with the principles of the EU Waste Hierarchy, they are part of the broader landscape of policy initiatives to make sustainable products the norm.
- Even though regional differences currently hinder full harmonisation, it remains important to agree on the scope (products covered) of an EPR scheme for textiles, the data to be reported and the format for the reporting.
- EPR schemes for textiles can be an important driver of promoting more sustainable products and shaping eco-modulation, but only if criteria are harmonised at an EU level.
- Combined with an eco-modulation of fees, EPR schemes for textiles could reward investments in circularity, eco design, recycling technologies, along with initiatives by sustainable SMEs that operate in niche markets.
- EPR schemes for textiles could help account for externalities and hence provide an incentive to reduce related costs.

The Netherlands will follow suit with their own national EPR scheme with a focus on circularity, encouraging companies to use more recycled content while increasing recycling capacities.

In Belgium, as of 2022, the private voluntary EPR platform Circletex will collect and recycle both pre- and post consumer textiles.

In the discussion, a number of pre-requisites were addressed for making EPR schemes for textiles work at scale:

- From a business perspective, EPR schemes and eco-modulated fees should be harmonised and follow a common approach within a EU-wide framework as market fragmentation leads to inefficiencies and compromises the principle of the Common Market, especially for international companies.
- With national schemes in place, harmonisation will be more difficult but necessary to maximise efficiency and take circular business models to a scalable level.
- National and regional schemes need to be coordinated also in view of better traceability and reporting.
- Whether an EU circular economy for textiles should be driven by market mechanisms or by public subsidies was discussed.

It was pointed out that policy instruments like EPR schemes are required to create a level playing field for sustainable companies. Even though regional differences may hinder full harmonisation of the EPR schemes it is important to agree on the scope of the textile EPR (products covered), the data that should be reported and the format for the reporting.
Defining the objective of an EPR scheme for textiles is key. Panellists discussed ensuring EPR schemes are governed collaboratively and that they pursue a qualitative objective as to reuse as much resources as possible to generate a maximum of value, opposed to a linear model geared to incineration.

The question remains what would be more effective: a fee according to the degree of recyclability of a product, or on the volume that could not actually be recycled. It was argued that stakeholders must decide what a truly circular EPR scheme ought to reward to make sure it becomes more than another waste scheme.

For this reason, some argued that the circularity of textiles should be defined by eco-design criteria rather than recycling rates. To promote circularity, minimum quality requirements should be defined for all textile products.

To promote re-use of textiles, products ought to be designed to last and resist multiple washes. It was argued that the number of washes could be a good indicator for durability and that ongoing EU policy development on definitions around eco-design, durability and misleading green claims will be crucial in this respect.

To facilitate the creation of an EU market for secondary materials, EPR schemes for textiles would require a common agreement on the scope and type of products to be included, the collection and sorting criteria, and the criteria for recycled content from (and for) the same product.

Harmonised EPR schemes for textiles should be modular and pursue clearly defined objectives and targets.

The amendment of the Waste Framework Directive in 2018 provides the option to set waste prevention targets by 2024.

Regarding reuse and recycled content, transparency is key. A digital product passport and an EU label for recycled content are considered important instruments.

Effective market surveillance needs to be at the basis of any EPR scheme for textiles, regarding collection, reuse, recycling, and end of life treatment.
Further information

The #EUCircularTalks “Exploring EPR For Textiles: Taking Responsibility for Europe's Textile Waste” was co-organised by members of the ECESP's Textiles Leadership Group.


During the event, several participants shared links to relevant information:

- EPR IN TEXTILES | Creamoda
- Extended Producer Responsibility and the role of social economy re-use operators: Implementing a socially inclusive waste hierarchy | RREUSE
- Policy Hub's joint paper on EPR: 61125720931e91313d7c111a_20210408JOINTPOSITIONPAPER_EPR.pdf (website-files.com)
- MWE Harmonisation of separate collection position paper: Microsoft Word - Harmonisation of Separate Collection-POSITION PAPER B&W pictograms.docx (municipalwasteeurope.eu)
- Euratex ReHubs: ReHubs - EURATEX
- Euratex REACH4Textiles: REACH4Textiles: Better market surveillance for textile products - EURATEX
- Recycling and redesign of Men shirts: https://paulejosephe.com/
- Product claims: https://bawear-score.com/
Stakeholder Survey Results

Below are the results from a poll among members from the #EUCircularTalks LinkedIn Group (https://www.linkedin.com/groups/9072072), which was also used as a platform of discussion during the #EUCircularTalks on Textiles.

Should there be separate targets for reuse and recycling of used textiles?

You can see how people vote. Learn more

<table>
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<th>Yes</th>
<th>100%</th>
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<tr>
<td>No</td>
<td>0%</td>
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<tr>
<td>Other (Please comment below)</td>
<td>0%</td>
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<tr>
<td>I don’t know</td>
<td>0%</td>
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20 votes • Poll closed

Who should be responsible for the administration of the EPR scheme?

You can see how people vote. Learn more

<table>
<thead>
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<th>Producers through PROs</th>
<th>14%</th>
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<tr>
<td>Municipalities</td>
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<tr>
<td>Municipalities &amp; producers</td>
<td>57%</td>
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<tr>
<td>Other (Please comment below)</td>
<td>29%</td>
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7 votes • Poll closed
Do you think fees should be eco-modulated to foster circularity in the textiles sector?
You can see how people vote. Learn more

| Yes       | 93% |
| No        | 7%  |
| Other [please comment below] | 0% |
| I don't know | 0% |

15 votes • Poll closed

Should there be an EU-wide mandatory EPR scheme for textiles?
You can see how people vote. Learn more

| Yes       | 86% |
| No        | 14% |
| I don't know | 0% |

14 votes • Poll closed
What’s next?

Other #EUCircularTalks organised by this Leadership Group are:

#EUCircularTalks: Circular textile design: get it right from the start! Registration via: https://circulareconomy.europa.eu/platform/en/news-and-events/all-events/circular-textile-design-get-it-right-start (November 9, 2021, 10:00 - 12:30 CEST)

Please fill out the World Bank Survey on the capacity of the public sector in mainstreaming the CE: Capacity of the Public Sector in Mainstreaming Circular Economy Survey (surveymonkey.com)