

#EUCircularTalks

EU TEXTILES STRATEGY IN MOTION: WHAT DOES IT MEAN FOR THE FUTURE OF TEXTILES?

REPORT



SEPTEMBER 2022

In September – December 2022, the #EUCircularTalks continue to raise attention to the discussion around the circular economy topics in the textile sector. The 26 September 2022, 14:30 - 16:00 CEST, was the turn for the workshop on the implementation of the Textiles Strategy: **'EU Textiles Strategy in Motion - What does it mean for the future of textiles?'**. **Ecopreneur, Ecos, EEA, EEB, EuRIC, Rreuse, SMEunited, Sustainable fashion academy**, and the **ECESP** organized an event to illustrate the sector's state of the art six months after the release of the EU Strategy for Sustainable and Circular Textiles by the European Commission.

We would like to thank the speakers and the participants for their valuable contributions, and for the results of the Circular Talk:

- 678 registrations;
- 433 event attendees;
- 85+ questions submitted.

We hope that the discussion around the textile circular economy will continue during:

- Tuesday, December 13, 14-16 CET – **EU Circular Talks on Circular Business Models in Apparel**.

In the meanwhile, keep discussing on the LinkedIn "ECESP group on Textiles":

<https://www.linkedin.com/groups/9672072/>.

The workshop on the implementation of the Textiles Strategy: **'EU Textiles Strategy in Motion - What does it mean for the future of textiles?'** was the first in a series of two #EUCircularTalks organized within the ECESP Textile Leadership Group in 2022. The broader scope of the event was unpacking the Strategy and discussing the tools and the actors able to implement the various aspects. In particular, the ECESP Textile Leadership Group during the 2022 cycle of activities intends to enlighten on what is going on after the release of the **EU Strategy on Circular and Sustainable Textiles** as to discuss the Strategy's implementation based on its vision towards the current textile industry: offering longer lasting, recyclable but also affordable and high-quality textile products while developing economically profitable re-use and repair services, in a competitive, resilient and innovative textiles sector. How to achieve the workshop's objective? Organizing a panel discussion among EU policymakers including the European Commission, European Parliament, EESC, and frontrunner national representatives on how they envisage the implementation and the next steps.

OPENING

The Textile-Fashion Industry is at a crossroad: on March 30th, 2022, European Commission released the EU Strategy for Sustainable and Circular Textiles, following the trace dictated by the EU Green Deal and the Circular Economy Action Plan.

What will the EU Strategy for Sustainable and Circular Textiles implementation mean for the future of the sector?

Florian Marin, Member of the European Economic and Social Committee (EESC)

Due to the economic importance of the EU market, the complexity of the textile value chain, and the social, economic, and environmental issues increasing with the growth of the sector, the textile-fashion industry needs a just transition able to ensure a more cohesive and resilient, but also competitive EU industry.

EU Strategy gives important guidelines:

- the 2030 targets: the textile product needs to be durable, repairable, and recyclable; to a greater extent made of recycled fibres; free of hazardous substances; produced with respect to social rights and the environment;
- set of initiatives on mandatory eco-design requirements; digital product passport; microplastic pollution; green claims for truly sustainable textiles; EPR; due diligence for environmental and social fairness; reuse and recycling of textile waste.

Those guidelines need precise points of intervention to be activated:

- bring all stakeholders together to represent the huge variety of interests existing in the circular economy;
- create enabling conditions to ensure fair competition and compliance;

- support R&I and investments;
- develop skilling and re-skilling for the green digital transition;
- expansion of eco-design as an essential tool for transition, mainly for the changing of production models on the orientation to product durability and reuse, and also to support a new consumerism orientation.

At the base there is an enabling condition according to which the textile-fashion sector requires a holistic mindset where new business models need:

- to deal with materials and design production and distribution, market development, reuse, but also collection, and recycling;
- a common EU framework and financial support;
- strong investments in R&D and large-scale EU funding programs;
- supporting collaboration between large companies and SMEs, where are also included the social partners, academia, and interested stakeholders;
- social dimension and proper working conditions balance, in particular, refers to a fair distribution of added value within the value chains.

PRESENTATIONS AND KEY POINTS FROM THE PANEL

Dealing with EU Strategy policy coherency and timeline: from what is on the table to what is coming

Maria Rincon-Lievana, DG Environment, European Commission

EU Strategy for Textiles was prepared and adopted in the context of the EU Green Deal and the Circular Economy Action Plan: Strategy is a policy framework to enable the transformation of the textile sector. Ambition is the key to the Strategy as it is settled on an end date dictated by 2030 targets, and by the requirements to have a truly sustainable EU textile market.

Since the publication, the European Commission has gained a good overview of potential instruments and synergies with

other regulations in order to give effect to the Strategy. In this process, the role of coherence is fundamental due to the complex set of legislation and policy instruments behind the Textiles Strategy.

Legislation revision is fundamental:

- textiles are among the first products to comply with the new Ecodesign Regulation (now in negotiation);
- introduce or integrate mandatory criteria for GPP in the purchase of textiles by public authorities;
- transparency obligation on disclosing products discarded and destroyed (possibility to ban it);
- tackle microplastic release via ESPR linked to another horizontal initiative covering the unintentional release of microplastics in the environment, not only textiles;
- building up Digital Product Passports (DPP), going hand in hand with the review of the EU textiles labelling regulation;
- tackle greenwashing, going hand in hand with the horizontal revision of consumer protection legislation, the unfair commercial practices directive, and the Consumer Rights Directive;
- the green claims initiative that will set up criteria for all types of environmental claims;
- the review of the EU Ecolabel criteria for textiles;
- harmonized EU EPR rules to increase and foster waste prevention, and measures for preparing for reuse. The initiative goes hand in hand with the 2025 obligation for public authorities to set the textile separate collection.

Enabling conditions:

- the transition pathway, a co-creation process with the industry, public authorities, and NGO on how to implement the Strategy;
- level playing field to ensure market surveillance and compliance with the rules (set minimum requirements to enter into the EU market);

- R&I and investments to support infrastructure for recycling, new technologies in sorting and collection, and developing new materials while incorporating digital tools to collect information along the value chain. Recycling technology and infrastructure are bottlenecks in achieving fiber-to-fiber recycling (unlike PET to textile recycling, for example);
- horizontal measures to support the global value chain: sustainable due diligence directive (in negotiation now); a legislative initiative to prohibit the placing on the EU market products made by forced labour; a legislative initiative to ban the export of textile waste in other countries unless they are able to prove that they are managed sustainably;
- clear information by the producers to leverage consumer awareness.

Holistic view and concrete targets to make the green transition work

Delara Burkhardt, MEP (S&D)

There is a high urgency to act on the textile sector considering the full cycle from different perspectives with different solutions: embrace the holistic view of the problem and at the same time act with concrete legally binding targets. Priorities are the measures to tackle overproduction addressed to fast fashion and ultra-fast fashion industry: without first acting on this part of the sector, every new kind of innovation will be not enough.

Setting concrete targets is the key:

- product durability and transparency;
- balance responsibility both for consumers and producers;
- ban on the destruction of unsold goods: mandatory disclosure of End-of-Life (mandatory public disclosure on the destruction of unsold items by companies).

A view from the trade aspect and social dimension: changing the producer and consumer models from the beginning

Saskia Bricmont, MEP (Greens/EFA)

The trade dimension of textiles is fundamental to activate the change of the sector: due to its significant weight in international trade, the EU has the leverage to bring improvement at the global level for international supply chains. In particular, the main challenge for the new textiles' regulatory and strategic framework will be to have not only a Community action range but what the EU framework can do to address the transition abroad. In fact, the Green Deal needs to include producing countries, driving them to comply with common sustainability standards, changing the models, and addressing the environmental and social issues for both producers and consumers, where in particular a lot needs to be done at the producer level.

Some important enabling elements are missing in the current legislative framework:

- Due Diligence Directive excludes the application to SMEs and it is characterized by the absence of unfair trading practice themes;
- Coherence of free trade agreements with producing countries, e.g. by linking compliance rules to development programs and UNCTAD Generalised Scheme Of Preferences Plus (GSP+);
- Cooperation, and sharing of best practices and know-how;
- Empowering stakeholders both within the EU and with partner countries;
- Chemicals regulation (REACH) is not efficient to prevent toxic products from entering the EU.

Emphasizing the role of the entire value chain and the policy coherence to the effectiveness of the EU Strategy

Sarianne Tikkanen, Senior Specialist on Circular Economy, Ministry of Environment, Finland

Addressing the entire value chain from design and raw materials to consumption, reuse, and repair, up to considering End-of-Life (e.g. fibre-to-fibre recycling vs downcycling), and coherent implementation of the policy instruments and actions are two main pillars

to implement efficiently the EU strategy for sustainable and circular textiles.

Finland has settled its three priorities:

1. *Goal:* find more sustainable and circular material flows and raw materials.
Tool: consistent investments in R&D to develop sustainable and circular solutions, leveraging on new forms of collaboration between universities, research institutes, municipalities, waste management companies, public/private sector actors, and the third sector;
2. *Goal:* reduce overconsumption and overproduction of textile products prolonging the life cycle.
Tool: accelerating reuse, repair for reuse, repair services models, and second-hand shopping (e.g. 2nd hand, providing reuse centres both online and physically);
3. Massive investments to improve the separate collection, sorting identification of materials and fibres, and recycling of textiles.

About the latter, mandatory separate collection of used textiles in Finland is constituted in the collection and sorting of textile waste from households organized by municipal and waste management companies; pre-sorting is made at the local level with the aim to pick up all the textiles good for reuse and preparing for use; the rest will be recycled by the waste management companies in southern Finland.

At the EU level, EU Strategy will be the key to the change. Measures and initiatives, and related policies, with forthcoming regulations, can really change ways to produce and consume textile. Three are the main instruments: Eco-design Directive; ban on the destruction of unsold items; economic instruments.

Status update of the Dutch EPR scheme entering into force in 2023

Marije Slump, Policy officer circular economy, Ministry of Infrastructure and Water Management, Netherlands

The Netherlands' priority regards introducing a national EPR scheme while supporting the need for a harmonized scheme to incentivize textile reduce, reuse, and durability in coherence with the Eco-design Directive.

During the winter of 2021, the Government published a draft version of the general administrative order for public consultation on the Netherlands EPR Scheme, after a request by the textile organizations.

Although the EPR scheme will be formally established in January 2023, there will be a transition period for the sector organization to set up the system:

- without eco-modulation, not part of the general legislation, but responsibility lies within companies who first enter products on the Dutch market;
- including consumer waste, industrial textiles, and households;
- excluding shoes, bags, decor/curtains, etc – for the first stage.

The general goal during the first stage is to constitute a proper implementation system: when the EPR scheme will be active and when producers will collaborate in the value chain, it will be implemented a collection and sorting system to make sure that every piece of textile goes into reuse or recycling.

In particular, the Netherlands set a 50% reuse target by 2025 (2023 and 2024 are years to prepare and set up the collection system), but it is not a collection target, because this needs to be re-evaluated and adopted over the years, taking into account feedback/data of all players in the value chain. Dutch action now is focalized on balancing the “50 percent ambition” and the voices of who will effectively act to improve the model, so the collection system actors.

CONCLUSIONS

The EU Strategy on Circular and Sustainable Textiles represents an important opportunity to enable the transformation of the textile-fashion industry: measures and initiatives, and related policies, with forthcoming regulations, can really change ways to produce and consume.

The following are the key take-aways and conclusions from the panel discussion.

- **Policy coherence:** all the aspects underlined during the discussion need to move in the right direction all at the same scope. The role of coherence is fundamental due to the complex set of legislation and policy instruments behind the Textiles Strategy.
- **Concrete targets:** keeping the 2030 Textiles Strategy targets in perspective, the industry needs to act with concrete legally binding targets in order to tackle the main priorities represented by overconsumption and overproduction.
- **EPR schemes** harmonised at an EU level and combined with an eco-modulation of fees will be an important driver to increase and foster waste prevention, and measures for preparing for reuse. To consult the Netherlands' draft proposal: <https://www.rijksoverheid.nl/documenten/besluiten/2022/04/21/bijlage-2-ontwerpbesluit-uitgebreide-producentenverantwoordelijkheid-textiel>.
- **Trade dimension** and **GSP+ regimes** to foster better sustainable production processes at the global level for international supply chains.
- **Eco-design** is an essential tool for transition, mainly for the changing of production models on the orientation to product durability and reuse, and also to support a new consumerism orientation.