European Circular Economy Stakeholder Platform
(ECESP) Coordination Group

Leadership Group on
Textile

Strategy paper

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Preamble

Textiles are a very broad category and need a clear and unambiguous definition. The ECESP Leadership Group on Textiles deals with products of the textile, garment, leather and footwear (TGLF) value chains. Technical textiles, carpets and furniture are in need of a different approach and are not in the scope of this group's work.

The TGLF value chain goes from sustainable production of raw material to the treatment of end-of-use textiles. Textile industry being labour-intensive, its connection to workers' rights is inarguably prominent. To address the most relevant challenges from a social, environmental and economic perspective, action is needed in each part of the TGLF value chain and across these areas:

- Sustainable & fair production of raw materials
- Overconsumption of textiles
- Re-use and design for re-use / durability
- Recycling and design for recycling

Given their cross-cutting influence along the value chain, the TLG will pay particular attention to business models and design, yet not neglecting the abundance of open key questions in the textile sector. The TLG's focus thus includes the role of economic instruments, policy interventions, i.e., regulations or trade policies.

Business models

Despite the many efforts and some progress towards sustainability over the last decade, the textile sector as a whole is mainly linear, based on conventional business models and relationships. Many retailers and manufacturers pursue the fast fashion business model associated with significant negative environmental and social externalities. Cheap, non-durable textiles are brought to the market in short delivery times, which fuels rapid change of collections, resulting in a raised and unsustainable consumption. Recent legislative developments, notably the obligation for separate collection of textiles by 2025, will also have a direct influence on future textile value-chains. New circular business model patterns, like producer ownership, i.e., selling a service rather than a product, or others like resource recovery, circular sourcing or reconditioning, among others, are important elements to extend product useful life, close and slow down fashion flows.

A new sector concept, based on sustainable and circular business models, that doesn't foster (over-) consumption, but enables the potential for quality, longevity, reusability and reparability will be needed to build a future-proof textile sector and to support consumer behaviour change towards more sustainable lifestyles. Skills shortages caused by the prevailing market situation will be a topic of concern, as will be job losses (in unskilled work). Hence, job / skill creation potential at different stages of new circular business models are important factors to consider when developing business models of the future.

Changes in business models and design will affect how textile collection, sorting, re-use and recycling are organized and financed and alter impacts on the actors involved, ranging from the private and public sectors through to social economy actors. Ideally, sorting can be more efficient and effective, facilitating the collection of more textiles of higher quality, increasing reuse rates, which is a priority. Concurrently, making closed-loop recycling (TGLF-to-TGLF) easier, even if the amount of contaminated or otherwise damaged items will grow according to an increased collection rate.

Economic instruments, such as EPR schemes, should be designed in such a way as to promote reuse and create high-volume, reliable and consistent feedstock for textile-to-textile recycling. These instruments need to promote high quality and durable textiles. A need for due diligence to promote / enforce transparency and traceability can be identified. Long-term relationships (supplier reduction) should be encouraged, an input from a wider range of stakeholders is necessary.

Design

Apparel product design is of eminent importance for a sustainable textile supply chain. In close cooperation with the expert stakeholders, producers and retailers, concrete design criteria need to be specified. At an EU level, this can be pursued within the proposed widened scope of the Ecodesign Directive.

Economic instruments, like EPR schemes, should be designed as to create incentives for design for longevity (less trends, increased quality, multifunctional design) and design4rebirth (reuse, repair, redesign, textile-to-textile recycling), which are key aspects to reduce the TGLF value chain's negative impacts. Smart production techniques (e.g. 3D printing, 3D weaving, knitting, zero waste cutting) can help to improve design; considering the function of and obstacles imposed by basic design elements (e.g. Lycra fibre) and alternatives, can be an important point of action, too. Transparency and product information are another indispensable aspect. Sustainable textiles necessitate proper labelling, which must include material inputs, especially on fabric/fibre level, and may provide information on labour conditions. Machine-readable labels (e.g. RFID) should condense these data gathered along the whole production chain.