Recommendations for the EU Strategy for Sustainable Textiles from Environmental Civil Society Organisations
The following organisations are members of the Wardrobe Change coalition:

![Organisations Logos]

This paper is also supported by:

![Supporting Logos]
CONTENTS

4  Introduction

7  Make sustainable textile products the norm
8   1.1 Ecodesign minimum requirements for textiles
11  1.2 Stopping the chemical overload
13  1.3 Sustainable production
14  1.4 Raw materials
16   1.5 Mandatory information disclosure through a digital product passport
17  1.6 Banning destruction of textile products

18  Drive resource-sufficient textile consumption
20   2.1 Drowning in a sea of green claims
22   2.2 The role of voluntary green labels and certification schemes
23   2.3 Circular Business Models
23   2.4 Promote a repair and reuse culture
24   2.5 Sustainable public and corporate procurement

25  Leave the linear business model behind
26   3.1 Taxing the linear economy
26   3.2 Sustainable Finance
27   3.3 Extended Producer Responsibility

30  Hold the EU textile industry accountable for its role in the world
31   4.1 Binding EU Due Diligence rules and a trade reset
33   4.2 Waste exports and textile material flows

34  References

June 2021
With support from the Laudes Foundation.
This publication reflects the authors’ views and does not commit the donors.

Editor responsible:
European Environmental Bureau (EEB)
Rue des Deux Eglises 14-16
1000 Brussels, Belgium
+32 (0)2 289 1090
eeb@eeb.org
eeb.org

International non-profit association - Association internationale sans but lucratif (AISBL)
BCE identification number: 0415.814.848
RPM Tribunal de l’entreprise francophone de Bruxelles
Textiles are part and parcel of our daily lives. They are used in a wide range of products and sectors, from clothing and fashion products to technical and household items, such as floor coverings, bedding, cleaning products, and upholstery. The EU is one of the biggest global markets for textiles and home to many of the sector’s most powerful companies.

Decades of voluntary self-regulation have led to textiles and clothing value chains becoming synonymous with the use of huge amounts of our planet’s finite natural resources, pollution from hazardous chemicals, the production of high levels of waste, poor working conditions, and human rights violations.

Despite this huge impact and the EU’s market power, policy measures taken at the EU level on the textile sector are currently limited, scattered, and vary in relevance and specificity to textile value chains.

But, finally, political momentum to rein in the sector’s worst practices is picking up, and in 2021 the European Commission has committed to publishing an EU Strategy for Sustainable Textiles (hereafter referred to as the EU Textile Strategy) to boost the "competitiveness, sustainability and resilience of the EU textile sector".

To end the global overuse of resources and the transgression of planetary boundaries, all industries need to change; the textile industry is no exception. In this position paper, ‘Wardrobe Change’, a coalition of environmental civil society organisations, is calling for the EU Textile Strategy to be a coherent overarching framework which ties together the many different policies that are needed to set Europe on a transformative path to sustainable textile production and consumption.

While EU environmental action is needed for the textile industry as a whole, this paper is focused on how a new regulatory framework could work for clothing and fashion products, given that clothing and fashion make up 60% of global demand for fibres. In terms of global revenue share, the fashion sector made up 74% of the total global textile market in 2020.

High turnover, high profits, and low prices in the clothing and fashion sector drive exploitation of both workers and natural resources. Our focus in this paper is on the environment and the climate, but we work closely with civil society organisations working on labour issues and human rights. Human rights and the environment are deeply intertwined. Human rights cannot be enjoyed without a safe, clean and healthy environment, and equally, sustainable environmental governance cannot exist without the establishment of and respect for human rights. Economic growth in the global textile and clothing industry has been maintained through exploitation of some of the world’s most vulnerable workers, and the transition to a more resource-sufficient and toxic-free industry must also be a fair and inclusive one. We need to ensure that less is produced while value is more evenly distributed to those who contribute to creating that value.

COVID-19 has compounded existing injustices which have been associated with the textile sector for decades: poor working conditions, low wages, long working hours, limits to freedom of association and collective bargaining, as well as barriers to accessing remediation for violations and gender-based violence and inequalities. The impact of COVID-19 has further driven the dominance of online sales, and at the same time donations have overloaded charity shops as many people used lockdowns to clear out unworn clothes.

The EU Textile Strategy must reflect the impact of COVID-19, not by seeking to rebuild the pre-pandemic business model but by breaking with the past and setting it on a new course of social and environmental justice.
OUR VISION

The overarching objective of the new EU Textile Strategy must be to contribute to absolute reduction in production of textiles.

This will be the only way to bring the sector in line with what is known as a ‘safe operating space’ conducive to preserving the life-sustaining Earth functions we all rely on while ensuring a decent living standard for all. To this end, we need an EU-wide quantitative target for material and consumption footprint reduction with specific objectives for textile products, as well as EU-wide targets on waste prevention, reuse, preparation for reuse and recycling.

‘Circularity’ should not become a mere buzzword in the fashion industry. It is not enough for brands to promote a few collections made from so-called ‘sustainable’ materials or put in place take-back schemes, while continuing to promote the sale of thousands of cheap products with a huge environmental and climate impact. This approach follows a ‘green growth’ logic, where only small incremental changes are made to the current business model without truly transforming it or meaningfully addressing the myth that we can infinitely overconsume finite natural resources while continuing to grow our economy.11

Circularity must mean radically cutting the environmental impacts of industry. In this paper we will make the case that much needed mandatory regulatory measures should seek to overhaul the fundamental structure of the business model through an approach that is not limited to boosting recycling and decarbonising manufacturing while allowing virgin fibre production levels to keep growing. We need better materials, less toxic and more durable, reusable and recyclable clothing, but this should go hand in hand with overall reduction in production.
In this position paper, we set out **four overarching principles for the EU Textile Strategy** and the policy measures needed to achieve them.

1. **Make sustainable textile products the norm**
2. **Drive resource-sufficient textile consumption**
3. **Leave the linear business model behind**
4. **Hold the EU textile industry accountable for its role in the world**
1

MAKE SUSTAINABLE TEXTILE PRODUCTS THE NORM

The EU’s consumption of clothing, footwear, and household textiles uses 675 million tonnes of raw materials every year – an average of 1.3 tonnes per EU citizen. Textiles cause the second highest pressure on land use and are the fifth largest contributor to carbon emissions from household consumption, and are responsible for using 53,000 million cubic metres of the world’s water every year. 73% of all textiles end up in landfill or incineration.

Responsibility for more sustainable consumption is often put on the shoulders of individual citizens. But while individual behaviour change is important, to truly address these problems, policymakers need to set new legislation to make textiles sustainable by default so that sustainability becomes the norm and not a luxury available to only the most affluent consumers. This means holding the industry accountable and responsible for the externalities of its activities.

Measures to make textiles last as long as possible and facilitate their repair and reuse can contribute to reducing the amount of new clothes that are bought, sold, and thrown away, as well as to reducing levels of pollution, and the impact of raw material extraction.
Towards the end of 2021 the European Commission will put forward its Sustainable Products Initiative (SPI) - a package of measures to make sustainable products the norm on the EU market. The initiative should include a series of ‘horizontal’ measures applying to all products, as well as ‘vertical’ measures applying to specific sectors, including textiles.

Denying all unsustainably produced, toxic, wasteful, and polluting textile products access to the EU market is about ‘moving the goalposts’ so that sustainability becomes the default choice and not the exception. If they are set at an ambitious level to reflect sustainability, these new rules are an opportunity to end the ‘race to the bottom’ on price and quality which hampers the uptake of products with a better environmental performance.

It is estimated that over 80% of all product-related environmental impacts are determined during the design phase of a product, and to date, EU product policy has mainly set Ecodesign requirements to regulate the energy efficiency and some circularity features of electric and electronic appliances (for example, refrigerators, washing machines and dishwashers) sold on the EU market.

Now, as part of the SPI, the Commission has committed to expand the Ecodesign approach to a wider range of products, including textiles.

This means that textile products not complying with a minimum level of sustainability, as set out in these new Ecodesign requirements, will not have EU market access. To this end, there is a clear need to ensure the EU’s market surveillance regime is made more robust as systemic and effective product checks will be necessary to ensure compliance with these new requirements.

In addition to reducing the overall impact of the textiles sector, such measures will ensure that consumers benefit from better quality-price ratios. Developing durability, reusability and repairability Ecodesign requirements for textile products will also have a positive impact on both social economy enterprises and consumers, who will in turn be able to resell higher quality products.

The new Ecodesign requirements for textiles must be set through an open, transparent, science-based process involving civil society actors (modelled on the multi-stakeholder Ecodesign and Energy Labelling Consultation Forum which exists for Ecodesign requirements for energy-related products).
Design for longer lifetimes

According to the EU’s waste management hierarchy, the best waste is the one that is not generated, so increasing the life expectancy of textile products should be the first objective of Ecodesign requirements for textiles, as well as ensuring that they can be easily reused and repaired.16

The Ecodesign requirements for textiles should build on existing requirements for durability in the EU Ecolabel (and equivalent labels). Durability requirements could ensure fabrics are more resistant to pilling, improve colour fastness properties, tear strength, and dimension stability.17

Ecodesign requirements for textiles could enhance repairability by taking inspiration from some of the Ecodesign requirements set for electronics which ensure consumers and repairers have access to spare parts to repair products. For textile products, repairability can be enhanced by ensuring that consumers and repairers have access (on demand or in store) to information in the form of sewing guides and tutorials; fabric; and articles such as the buttons, thread and zips needed for repair operations, and, where appropriate, by restricting the use of design techniques and the application of certain fastenings which may make repair operations too complicated, while ensuring that this does not lead to less durable textiles.

Such requirements would help to combat textile products being used for a shorter period, which results in high rates of discard. In addition to ensuring that textiles are designed for repairability, it is important to ensure that repair skills (for professionals in the repair sector as well as individuals) are enhanced through dedicated capacity building and awareness raising programmes. To this end, it is important to note that Ecodesign alone will not ensure more clothes are repaired and used for longer, other market instruments and measures are necessary in this regard (see Section 2.4 Promote a repair and reuse culture).

Ecodesign requirements for textiles should ensure that durability is not achieved through the use of persistent hazardous substances.

To market a textile product on the EU market, a minimum requirement should be participation in an Extended Producer Responsibility (EPR) scheme. Products which exceed the ambition of Ecodesign requirements could be eligible for a lower eco-modulated fee (see Section 3.3 Extended Producer Responsibility).
Circular material flows and recycled fibres: a reality check

To say that the material recycling of textile waste back into new textile products is currently limited is an understatement: less than 1% of clothing is recycled into new fibres for the clothing industry, and most recycling of textiles goes to lower-value applications. There are two main recycling options for textiles: mechanical recycling transforms waste into a secondary material without changing its basic molecular structure, while chemical recycling uses a series of chemical processes to separate and recycle non-homogenous waste streams in a process that releases high amounts of greenhouse gas emissions and is not energy efficient, therefore not seen as an environmentally advantageous option. Both those options are generally inexistent for textiles.

In general, there are some recycling options for pure material waste streams. However, currently clothing is often made from blended textiles, or includes chemicals that make the recycling processes extremely difficult. We can say without a doubt that textile-to-textile recycling is still in its infancy.

Ecodesign requirements for textiles could therefore promote design for recyclability through restricting the number of and types of certain material mixes, for example, as well as banning chemicals of concern which hinder recycling.

However, the EU Textile Strategy must recognise that in this specific industry, given these recycling roadblocks, reducing the amount of textile waste generated is paramount. The EU Textile Strategy should not support the development of industrial recycling to enhance the secondary raw materials market without questioning the overuse of virgin resources in the first place. To make a comparison with the packaging sector, investments in waste recycling infrastructure for packaging waste have not seen any reductions in the overall levels of packaging waste arising; in fact, these have increased year on year.

Where minimum thresholds for secondary raw material content are set for specific textile products, these should be met with material from viable fibre-to-fibre closed loop recycling, rather than by material from other waste streams such as plastic bottles. Currently, many brands seek to gain green credentials by using recycled fibres made from plastic bottles, which is marketed as recycled PET or ‘rPET’. Not only is basing sustainability strategies on the use of recycled PET a false solution as it promotes the myth that we can continue to overconsume natural resources in the form of disposable plastic goods as they can be recycled into more products, rPET can only be downcycled and is a one-way street to landfill or incineration.

The European Commission should ensure that any recycled content obligation on the textile sector does not contradict existing EU legislation (the Single-Use Plastics Directive) according to which the industry needs to increase collection and use of rPET in plastic bottles, as well as decrease the overall consumption of single-use plastic and shift to reusable solutions instead.

Recycled synthetic fibres can also shed microplastics during the production, use, and end-of-life stages. Just as for any textile product made from virgin plastic, recycled textiles should also be tested for hazardous chemicals and microfibre loss before they reach the market (see Section 1.4 Raw materials).

Toxic-free textiles

All chemicals used to produce textiles should be proven safe and sustainable before they are used, in line with the EU’s forthcoming Safe and Sustainable by Design criteria for Chemicals. As a minimum, Ecodesign requirements for textiles should also restrict and substitute chemicals of concern with safe and non-toxic alternatives. The EU Textile Strategy should ensure transparency on the chemicals present in textiles products, in line with the commitments of the Chemicals Strategy for Sustainability. (See next section, 1.2 Stopping the chemical overload).

Circular material flows can only be safe if they are free from hazardous chemicals or if hazardous chemicals that cannot be phased out are strictly regulated. When mandatory requirements for recycled content are set, applying different standards for recycled materials must be avoided. The same restrictions of toxic chemicals should be ensured for virgin and recycled fibres.
1.2 Stopping the chemical overload

Around 3500 chemicals are known to be used in textiles manufacturing. Although the hazards of all these substances are not fully known, over 240 chemicals are considered to be of potential risk to human health and 120 of potential risk to the environment according to EU regulations.23

Most pollution from hazardous chemicals occurs during production processes to wash, treat, dye, print, and finish fabric, so-called ‘wet processes’, which are also very energy-intensive. These production processes are dangerous for workers as well as the environment and the communities around production sites.

Approximately 80% of textile articles consumed in Europe are imported from non-EU countries, often from places with limited environmental, chemical, and social regulation.

Workers are exposed to health damage in connection with the chemicals used in textiles processing and the tanning of leather. And as some chemicals can also remain on finished textile products, when they are washed prior to or during use, chemicals present in textiles are released, causing more water pollution.

It is vital to achieve sound chemicals management throughout the whole textile value chain, not just at one stage or tier, and to go beyond looking at what is in the final product. A ban on hazardous chemicals in the final product on its own does not prevent their use during manufacturing, as most chemical residues in clothing can be washed out and consequently enter into the local waterways where they can have a significant environmental impact.

Going beyond a voluntary approach

The lack of globally agreed requirements to ensure the availability and accessibility of information on hazardous chemicals in textile products throughout the product life cycle leads to continued contamination in the supply chain. The EU Textile Strategy could play the leading role in developing global information requirements that would eliminate this obstacle and improve progress in the work between countries.

When it comes to the use of hazardous chemicals in the production of textiles, the industry is currently heavily relying on voluntary measures (for example the Zero Discharge of Hazardous Chemicals - ZDHC initiative),24 which only cover part of the sector and do not represent a comprehensive approach. While voluntary initiatives and certifications can play a role in informing best practice, they cannot, and should not, replace governmental and international regulations. In its ‘Chemicals Strategy for Sustainability: Towards a Toxic-Free Environment’ the Commission has committed to minimise the presence of substances of concern in textile products through the introduction of new requirements, as well as through the Sustainable Products Initiative.

It is therefore vital for new legislative measures to - as a minimum - restrict the manufacture, marketing, import, and export of textile products made with or containing hazardous chemicals/substances to minimise their presence in the production processes and in products. This should go beyond the chemicals on the official list of Substances of Very High Concern (SVHC), and build in the generic approach to risk assessment25 embedded in the Chemical Strategy for Sustainability. It should anchor the principle of substitution of hazardous substances by safe and non-toxic alternatives, or via the use of alternative materials or designs in products placed on the EU market.
**Restrict, test, and disclose: new chemicals requirements**

The EU Textile Strategy and the Sustainable Products Initiative should address the prevention, disclosure, and traceability of the use of hazardous chemicals across textile value chains by setting requirements on chemicals of concern in final products as well as those used in the different steps of the production cycle including raw material sourcing (e.g., pesticides used in cotton cultivation), manufacturing and recycling. The European Commission must take steps to address the fact that for much of the textile products sold in the EU, all or part of the manufacturing process may occur at sites in other regions of the world.

That’s why we call on the European Commission to:

- Set requirements on the restriction, testing and disclosure of chemicals of concern in final products. To this end, it is necessary to immediately extend the existing restrictions on several substances which are carcinogenic, mutagenic or toxic to reproduction (CMR substances) and then include all substances of concern. These requirements should build on existing chemical requirements under the EU Ecolabel for textiles and make them mandatory within a given timeframe.

- Set requirements on the traceability and disclosure of information on all chemical ingredients used throughout the supply chain. This can be implemented through harmonised product information systems and/or a product passport (see Section 1.5 Mandatory information disclosure through a product passport) that the European Commission has committed to put in place as part of the Sustainable Products Initiative.

- Set requirements on the restriction, testing and disclosure of chemicals of concern used throughout the production process as well as those discharged to wastewater (before any wastewater treatment) as a result of the most chemically intensive processes, usually wet processes such as bleaching, dyeing and printing, but also during the production of fibres, for example viscose and modal. Testing should take place both before and after wastewater treatment. The same strict requirements must also apply for recycling processes.

- Prohibit the intentional use of per- and polyfluoroalkyl substances (PFAS).

**Setting new chemicals requirements: a robust process**

These requirements should go beyond national regulatory requirements and international standards and be set through an independent process. EU standards should apply to all imports and cover manufacturing in third countries, as workers and local communities are often exposed to discharges from sub-standard factories.

To inform the setting of these chemical requirements, it is necessary to:

- Conduct an analysis of existing voluntary standards for safe chemical management (for example, the waste water testing guidelines of the ZDHC programme, Oeko-Tex, Bluesign, AFIRM, EU Ecolabel, the Nordic Swan, Global Organic Textile Standard (GOTS) and equivalent).

- Conduct an analysis of how the above testing results are disclosed, aggregated and communicated to actors (e.g. market surveillance authorities and retailers) at different stages of the value chain via platforms such as the Institute of Public & Environmental Affairs (and to a lesser extent ZDHC Detox Live).

- Require the disclosure of wastewater testing results, e.g. for hazardous chemicals from textiles wet processing facilities on the European Pollutant Release and Transfer Register (PRTR), to enable documentation of the problem and encourage facilities and their clients to eliminate the use of hazardous chemical inputs leading to their presence in wastewater.

- Conduct an assessment of the hazardous substances (on their own or in mixtures) most commonly used in the manufacturing value chain (inside and outside the EU), beyond the REACH SVHC list. The Commission should make use of best practice Manufacturing Restricted Substances Lists available via industry initiatives and certifications (see above), with particular attention put on addressing chemicals on a group basis where possible, and inclusion of Persistent Mobile and Toxic Chemicals.

- Conduct a gap analysis on hazardous substances addressed by existing voluntary standards for sound chemicals management (which largely focus on chemicals used at the last stages of the production value chain, such as the textile wet-processing stage that includes textile dyeing, printing and finishing) in order to identify and address hazardous chemicals used throughout the entire supply chain and notably the upstream stages.
While fibre production accounts for 15% of greenhouse gas emissions from textiles, by comparison the emissions that occur in the dyeing and finishing phase account for 36% of total greenhouse gas emissions, and the yarn extraction phase accounts for 28%, mainly due to energy-intensive processing and high dependence on fossil-based energy.  

As noted in Section 1.2 Stopping the chemical overload, all or part of the manufacturing process of a textile product sold in the EU can often occur in one or several non-EU countries, and as a result, most of the pressure and impact linked to clothing, footwear and household textiles consumed in the EU does not occur there. The EU Textile Strategy should recognise the need for policies that account for this pressure and impact beyond the EU when it comes to pollution and emissions from manufacturing.

Manufacturing standards are set in the EU through the Industrial Emissions Directive (IED) and its Best Available Techniques (BAT) documents (BREFs) to prevent and control pollution from factories, power plants and other large-scale industrial activities.

Where BATs are adopted and implemented, they can relieve some of the pressure on the environment.

The world’s biggest viscose producers, accounting for over 50% of total viscose production, already achieve or have made commitments to achieve emission levels in line with the EU BATs for Polymers at all their facilities in the coming two to three years, illustrating that EU BAT has become a global benchmark for the viscose industry.

However, EU BAT does no longer represent actual best available techniques: best viscose production largely exceeds the ambition level of the 2007 EU BREF for Polymers, or even of the WGC BREF currently under development.

Where EU BAT standards are not regularly updated to truly reflect technological developments, they should not be promoted internationally as they can undermine more ambitious legal standards set elsewhere.

### Decarbonisation of production

The production of textiles causes the most climate and environmental damage in the value chain and needs to be prioritised in our attempts to decarbonise the textile industry. It's important to recognise that a major challenge in textile value chains is that most brands do not own the factories in their supply chains, so their climate commitments do not necessarily cover all facilities involved in their value chains.

To decarbonise the textile industry we must decrease and ultimately phase out the use of fossil fuels in textile production throughout the EU and beyond. The EU Textile Strategy should incentivise textile companies to use 100% renewable energy. Sustainability criteria for the definition of renewable energy are provided under the soon-to-be revised Renewable Energy Directive.

Targets set by companies to decarbonise based on offsetting will not be enough and there is risk of greenwashing (see Section 2.1 Drowning in a sea of green claims). The EU Textile Strategy should also support the new initiative for a carbon border adjustment mechanism, which will set a carbon price on imports of certain goods from outside the EU.
1.4 Raw Materials

When it comes to the decarbonisation of the textile industry, it is not just about the fossil fuels used to power manufacturing facilities, the elephant in the room is the raw materials themselves used as feedstock to make so much of today’s clothing: synthetic fibres made from fossil fuels. If the EU Textile Strategy is serious about contributing to the European Green Deal’s aim of climate-neutrality, it must seek to reduce the use of fossil-fuel derived synthetic fibres in textile value chains.

At the same time, biobased materials are increasingly being promoted in product policies as we move away from fossil fuels. The EU Textile Strategy should not consider bio-based materials as being de facto circular and sustainable per se.

It should ensure that the full lifecycle of textiles is covered and that measures are put forward to ensure the sustainable sourcing of raw materials, which needs to be based on data disclosed on CO2 emissions, hazardous chemicals, water and land use, for each stage or process in the supply chain. It should also ensure that the ongoing initiative for a mandatory EU Human Rights and Environmental Due Diligence legislation (see Section 4.1 Binding EU Due diligence rules and a trade reset) reinforces the sustainability of the whole supply chain.

It is important to note that all types of fibre are resource intensive and come with climate and environmental impacts. In this regard, the European Commission should be wary of metrics (see Section 2.1 Drowning in a sea of green claims) used to compare fibres ‘like for like’. Land and water use can be sustainable or completely unsustainable, depending on scale, surroundings, and management.

The Commission should take action to ensure a high standard of living, transport and slaughter conditions for animals whose skins are used in the leather industry.

Synthetic fibres and ‘fast fashion’

The onset of the ‘fast fashion’ era began back in the early 2000s when clothing retailers started to bring ever-more new collections of clothing to the high street at a faster pace, more often, and for cheaper prices. In recent years, social media platforms have propelled the emergence of a new breed of even ‘faster’ brands that are able to reach a generation of consumers who shop on social media rather than in store. This has led to the phenomenon of consumers buying many items and returning the ones that do not fit which can then end up being destroyed or landfilled along with unsold goods (see Section 1.6 Banning destruction of textile products).

This steep and unprecedented growth in global clothing production was driven by access to cheap labour in low income countries and the rise of polyester. As polyester is cheap, costing half as much per kilo as cotton, it allows brands to produce a never-ending variety of cheap items, with durability of little concern.

In 2000, polyester overtook cotton as the dominant fibre on the market. The use of synthetic fibres in textiles has now more than doubled since 2000, and it already represents over two thirds (69%) of total global fibre production. If nothing changes, this is likely to continue growing to reach nearly three quarters of total global fibre production in 2030, with polyester accounting for 85% of this share.

While clothes sold at higher prices are certainly not intrinsically more ethical or sustainable, it is the proliferation of cheap fashion products which has made clothing ‘disposable’ in the eyes of many consumers. This is due to a lack of physical durability and quality (the idea that products are not designed to last so consumers do not keep them for a long time), as well as a lack of emotional durability (which can be described as ‘premature psychological obsolescence’ - the idea that consumers also do not want to keep products, even if they are still usable, because they have grown out of fashion). The average consumer buys 60% more clothing compared to 15 years ago, yet wears each item of clothing for half as long. Of a total of 48 million tonnes of clothing produced in 2017, the final destination for 73%, or 35 million tonnes, was landfills or incineration, with 70% of that being landfilled and the remaining 30% incinerated.

Without tackling the fast-fashion business model’s deeply rooted dependence on fossil-based synthetic fibres, the sector will not be able to operate within the constraints imposed by planetary boundaries. Staying on this trajectory is incompatible with global efforts to reduce climate emissions.

Given that there is an urgent need to reduce the volume of all synthetic fibres in textile production, in Section 3.1 we outline the need for the EU Textile Strategy to introduce the setting of taxes on all virgin resources used by the textile sector, starting with a tax on virgin synthetic fibres.
Stop microplastic pollution

1. Design better to address microplastic pollution at source

The first priority should be to reduce the use of fibres that shed microplastics in the first place. To this end, recognising that the increase in microplastic shedding is the visible result of the explosion in polyester use and policy action to reduce the use of synthetic fibres in line with precautionary principle will be vital.

2. Production

Research shows that certain types of fabrics (e.g. 100% polyester) release the highest amounts of microplastics during the first washes. The Commission should explore setting rules on industrial pre-washing and waste-water filtering in European processes so that these large quantities of microplastics are washed out and collected before the products are sold on the market. This would remove the burden from the consumer and put responsibility on to the producer in line with the polluter pays principle.

The use phase

Requirements relating to the design of textiles could also potentially be complemented by other measures related to sectors involved in the use phase (for example, the revision clause in the Ecodesign requirements for washing machines and support for waste-water treatment generated through EPR schemes). However, it is important to note that tackling the use phase alone through proposals on filters will not be enough, and the above 'upstream' steps on design and production should be prioritised. In addition, unintended impacts such as consumers rinsing off filters and/or filters ending up in landfill should be carefully considered and appropriate collection and recycling schemes identified.

Microplastic pollution

The growth of synthetic fibres is also causing a huge amount of microplastic release. All textile materials may shed fibres. When these fibres do not degrade, they will cause harm to the living environment: this is the case for synthetic fibres such as polyester and polyamide, but also to some degree for semi-synthetic fibres such as viscose. Synthetic textiles are a significant source of microplastic (or microfibre) pollution, potentially accounting for up to a third of all microplastics entering the ocean annually. In addition, plastic fibres are constantly released into the air: research has shown that polyester clothes pollute the air as much as the water.

Globally, landfills are an important source of microplastic emissions, because synthetic clothes are broken down into microfibres and spread to the soil, the air and rivers, eventually ending up in the ocean. Microplastics from synthetic clothing seem to have a greater negative impact on the environment than other microfibres. They get stuck more easily inside the digestive organs of organisms such as birds and fish and block the absorption of food, which in turn leads to reduced growth or death. Other effects are lower energy levels and growth, and changes in behavior and reproduction. The large surface area of the microfibres also provides more space to absorb environmental toxins.

Research shows that microplastic emissions are also harmful to humans. We are eating and drinking plastic and plastic fibres which are found in outdoor air, but they are also present in indoor air inside of buildings, especially in the dust on the floor. About 33% of fibres in indoor environments are plastic fibres. We breathe in at least 13,000 to 68,000 plastic microfibres from our clothing, carpets, curtains, and other textiles every year. New research raises strong concerns about the damage nylon and polyester microfibres could cause to human lungs.

To tackle microplastic pollution, the EU Textile Strategy must prioritise preventative ‘upstream’ measures and go beyond corrective measures to clean up microplastic pollution and initiatives to measure the problem.

Due to the fact that the EU is the largest importer of textiles and apparel in the world, it is important to not only consider the final product, but focus on the whole value chain when it comes to plastic microfibre pollution. In line with the polluter pays principle, the Commission must define legislation that sets measures and maximum thresholds for the amount of microplastics released during production, the use phase, and the end of life phase.

Ambitious EU legislation to regulate microfibre shedding is needed. It is important that public authorities take the lead in defining and monitoring this legislation so that it is not solely in the hands of industry bodies. Textile microplastic shedding considerations need to be coherently reflected in all main instruments tackling textile products. All instruments tackling textile products should ensure that clothes made of synthetic fibres or clothes made of recycled synthetic fibres are not ‘categorised’ as sustainable if microfibre release from these items has not been prevented.
1.5 Mandatory information disclosure through a digital product passport

Alongside existing EU product databases (e.g. SCIP\textsuperscript{56} and the European Product Database for Energy Labelling), the product passport could make relevant environmental information available: such as the bill of chemicals and material content; CO2 emissions from production; other information on expected lifetime and repairability; and due diligence information. A product passport will also be useful to recyclers. According to a ‘no data, no market’ principle, for market access, producers would be obliged to ensure that relevant information on all elements of the textile value chain is available in a standardised way to allow common understanding, accessibility, enhanced enforceability, and comparison. For EU market access for textile products it must be mandatory to supply environmental and social due diligence information about Tier 1, Tier 2, and Tier 3 production as well as the suppliers involved in the production of raw materials.

A product passport should be linked to an Extended Producer Responsibility (EPR) scheme for textiles (see Section 3.3 Extended Producer Responsibility), because it is important for recyclers and collectors to have information about fibre composition and potential chemicals, and to allow possible differentiated fees to be paid by producers depending on the profile of the garment they place on the market. A comprehensive product passport would also enable the setting of benchmarks and clear sustainability performance criteria for what can be defined as a sustainable textile product.

Under the new Ecodesign rules it must be mandatory to disclose:

**Product-level information on:**

- Material and chemicals content (bill of materials) and information on possible hazards related to the chemicals contained.
- Product origin (including sourcing of raw materials).
- Circularity performance (durability/lifetime expectancy, repairability, reusability, recyclability and product care guidance).
- Comprehensive environmental footprint information (starting with CO2 and material footprint, but progressively extended to more dimensions) including a product’s Product Environmental Footprint (PEF) profile when this is available - i.e. once the PEF Category Rules for apparel and footwear are finalised (see Section 2.1 Drowning in a sea of green claims).
- The upstream or downstream environmental (including water and air pollution) and social impacts of production.

**Factory-level information on:**

- The production units in the supply chain and types of products made, in line with the demands of the Transparency Pledge\textsuperscript{57}
- How workers’ rights are respected throughout the supply chain and information about worker grievances;
- How environmental and social impacts, as well as worker grievances, are dealt with.

**Company-level information on:**

- Companies’ corporate social and environmental policies, targets, practices, risks and impacts on human rights (including labour rights), the environment and governance\textsuperscript{58}
- Auditing outcomes, including full disclosure of report findings and recommendations\textsuperscript{59}

Mandatory information requirements on the country of origin or ‘made in’ labelling for textiles should be introduced. However, as various production stages can happen in different countries, transparent information on the various countries where different stages of production have taken place should be easily accessible to the consumer.
The Commission has committed to consider a ban on the destruction of unsold/returned durable goods in the Circular Economy Action Plan. The EU Textile Strategy should set out how this would be implemented in the textile sector. Unsold goods should include excess inventory, deadstock and returned items, with a particular focus on returns through e-commerce.

The practice of destroying goods (unsold stock, deadstock, excess inventory, and returned items) is not new and has been reported over and over again. In July 2018, Burberry admitted in its annual report to the destruction of textile products with the justification that this was necessary to preserve its exclusive reputation. It was also revealed that between 2013 and 2017, the fast-fashion retailer H&M had burned 60 tonnes of new and unsold clothes. In light of these scandals, France has now made it illegal for fashion brands and retailers to destroy unsold or returned clothing under their anti-waste legislation.

The treatment and potential destruction of returned products is a problem in all value chains, but it is particularly so when it comes to e-commerce. When buying online, free return policies encourage customers to take a ‘changing room’ mindset and select different sizes of the same item of clothing with a view to sending back the ones that do not fit.

With apparel having the highest rates of product return, and given alarming instances and allegations of some e-commerce actors engaging in the destruction of returned products, the EU Textile Strategy should immediately set an EU-wide ban on the destruction of unsold textiles.
While the mandatory measures on design and production set out in Section 1 will be crucial to deny market access to the most unsustainable products, the EU Textile Strategy will also need to drive resource-sufficient textile consumption through ensuring the availability of reliable and trustworthy information for business and consumers, setting well-designed price signals, and fostering access to circular business models.

When it comes to access to information on the sustainability of textiles, the Sustainable Products Initiative has an important role to play beyond setting mandatory design requirements and increasing transparency and knowledge of products’ sustainability through the product passport. In addition to digital information, through the Sustainable Products Initiative, the Commission should also consider developing a mandatory labelling scheme for textiles with key information on relevant aspects which consumers could easily identify at the point of sale when making purchase decisions. In combination with Ecodesign requirements, the introduction of harmonised and mandatory labelling for textiles would represent the application of the ‘push and pull’ approach which has successfully improved the energy efficiency of electric appliances through a combination of Ecodesign measures and the Energy Label.
In addition, the Commission is currently working on ‘Empowering consumers for the green transition’ and ‘Substantiating Green Claims’, two new legislative initiatives which should deliver measures to tackle greenwashing and make sustainability claims more reliable. They should both be developed in synergy with the Sustainable Products Initiative to deliver on sustainability information.

Through the ‘Empowering consumers for the green transition’ initiative, the Commission should propose a new dedicated regulatory instrument (beyond a simple reform of existing consumer protection legislation) that sets strong rules for the provision of information to consumers on sustainability aspects while protecting people against environmentally damaging commercial practices. This regulatory instrument should clearly set out minimum provisions for when clothes can be associated with green claims and which minimum aspects of the lifecycle should be covered.

Both initiatives should address the proliferation of certification and labelling schemes in the sector (see Section 2.2 The role of voluntary green labels and certification schemes). To prevent overstated claims of sustainability by fashion brands, only the most ambitious, robust, transparent and full life-cycle schemes should be allowed and provisions should be taken to require independent verification of these claims.

In addition to addressing sustainability claims, the ‘Empowering consumers for the green transition’ initiative has the opportunity to support the provision of information on the expected lifetime of textiles, and incentivise longer guarantees. This in combination with Ecodesign requirements for durability has the power to foster the development of more quality garments on the market and push producers to compete to make the most durable clothes. To the extent that this is possible, relevant information can be provided on repairability, maintenance and options for reuse under this initiative.

Legal and commercial guarantees to promote long minimum lifetimes can make it easier for both individual consumers and procurers (such as hospitals and hotels) to choose products that last and appreciate their true value. Legal and commercial guarantees are a way to extend the lifetimes for textiles and make the sale of poor-quality products at ‘disposable’ prices economically disadvantageous.

Member States should exercise their rights as set out in the Sales of Goods Directive to extend the minimum legal guarantee period (beyond two years). Through the ‘Empowering the consumer for the green transition’ initiative, the Commission can make it mandatory for sellers to provide clear information on commercial guarantee periods. This means if a seller offers a commercial guarantee which goes beyond the minimum legal guarantee period this should be clearly indicated on the product, (any period which is less than the legal guarantee should also be labeled as if there is zero years of additional guarantee.)
2.1 Drowning in a sea of green claims

With so many claims made on textile products as to an item’s supposed ‘green’ or ‘sustainable’ credentials, consumers can understandably be lost in this sea of words. Minimum requirements for textiles should therefore be complemented by better consumer information on textile products so consumers can make sustainable choices based on reliable information. For the textile products which are granted EU market access (i.e. those that meet the minimum requirements), the Commission must develop clear guidelines and criteria for what can be called environmentally-friendly or sustainable.

A recent analysis of various business sectors such as garments, cosmetics and household equipment carried out by the European Commission found that as many as 42% of the 344 claims investigated used exaggerated, false or deceptive terms that could potentially qualify as unfair commercial practices under EU rules. The research concluded that companies across these sectors wildly “exaggerate” their sustainability credentials without supporting evidence.

The words used in marketing and product descriptions are hugely important as these can convey an impression among consumers that a product has no negative impact on the environment.

Broad terms such as ‘eco-friendly’, ‘conscious’, and ‘sustainable’ have no agreed definitions. Their purpose is to convey a vague and general impression of a product’s environmental credentials. A term such as ‘biodegradable’ can be misleading as a product will not biodegrade unless you have specific conditions to enable biodegrading. Claims on recycled content must be carefully evaluated to prevent greenwashing. The industry is calling for a ‘mass balance approach’ to determine the use of recycled content in products. Those rules need to be very strict or this method could become a major tool for greenwashing and would allow companies to claim and market products as made from recycled materials, regardless of their true content.

The EU Textile Strategy should address how consumers access sustainability information not only on the specific sustainability of a specific item of clothing but also on the overall sustainability of corporate activities of the retailer. This would help consumers situate the sustainable merits of a product in the brands’ overall performance.

The objective should be to significantly reduce the number of green claims made so that they only appear on products which genuinely perform well, compared to the current situation, where any product can make sustainability claims. It is important to ‘clean’ the market of misleading claims before making new labels.

Developing clear guidelines and criteria for what can be called environmentally-friendly or sustainable is not unprecedented. In the food sector, industry is required to provide robust proof before health claims can be made on products.
The pitfalls of assessing green claims on textile products

The Product Environmental Footprint (PEF) for apparel and footwear is the European Commission’s initiative to develop a methodology to help verify green claims made by the sector. The sector will only be able to make green claims related to the environmental impacts covered by PEF, when the category rules that will be defined for apparel and footwear are applied. Any such claim will have to be substantiated by a PEF study. We see a potential for using the product passport as the vehicle for accessing the PEF studies and data that will support green claims.

While the Product Environmental Footprint Category Rules (PEFCR) for apparel and footwear will be used for the substantiation of green claims, the Commission should also limit the proliferation of labels and avoid that voluntary initiatives will lead to the availability of relevant information on only a limited range of textiles.

Instead labelling and the provision of mandatory reliable, comparable and verifiable information for all textiles should be considered. Such a mandatory scheme could be developed within the Sustainable Products Initiative. It should not only be based on PEF results but complemented for aspects which might not be sufficiently addressed by the method (based on the outcome of the ongoing PEF work).

Microplastic emissions, exclusion of hazardous chemicals, and biodiversity are aspects not currently sufficiently covered by the PEF method. A clear limitation with the PEF methodology is that it does not offer consumers and other stakeholders information on the social impacts of the product’s production.

Limitations of lifecycle assessments

It is also important for the EU Textile Strategy to recognise the limitations of approaches to assessing environmental impacts of textile products, in particular the Higg Index’s Material Sustainability Index (MSI), established by the Sustainable Apparel Coalition (SAC), which, over the last decade, has awarded participating brands and retailers scores for environmental impacts of their products based on fibre choice. However, the MSI has been criticised as it does not provide a fully-rounded picture of the environmental impact of a textile product, i.e. the whole life-cycle is not adequately taken into account. The environmental impact generated from finishing processes is not reflected in the final score, for example, and it ranks polyester ahead of natural fibres.

Following this criticism, the SAC announced that it will retire the aggregated single score used in the Higg MSI and will shift focus from materials to the product level.

A report from the UN Fashion Industry Charter for Climate Action has warned of the limitations of comparing one material to another. Instead it focuses on insight into reducing greenhouse gas emissions for an individual material through changing methods of production.
In addition to the types of environmental claims made by companies as set out in Section 2.1, the textile sector has also seen a proliferation of voluntary green labels and certification schemes – over 100 are listed in the Ecolabel Index. Despite this proliferation, many labels and certification schemes fail to uphold the highest level of ambition, enforce greater transparency, or take a holistic approach, thereby providing cover for unsustainable companies and practices. Many labels and schemes are leading to confusion and ‘label shopping’, which waters down the ambition of certification in general.

Voluntary labels and schemes have proliferated in the context of growing demand for commodities, as well as insufficient national and international regulation to protect the environment and safeguard human rights. These schemes also exist within the framework of globalised production and consumption, where complex supply chains and a lack of transparency often prevent access to relevant information and reduce the level of external scrutiny.

A recent report titled Not Fit-for-Purpose, based on a decade of research and analysis into 40 standards setting multi-stakeholder initiatives (MSIs) by MSI Integrity, concludes that while “MSIs can play important roles in building trust and generating dialogue, they are not fit-for-purpose to reliably detect abuses, hold corporations to account for harm, or provide access to remedy.” Similarly, in The False Promise of Certification (2018), Changing Markets Foundation exposed the drawbacks of certification and labelling in the fashion industry and revealed how many industry labels are providing cover for unsustainable companies and practices to proliferate. Another report from HEJSupport, shows that textile brands do not communicate sustainability claims properly, and that most of them fail to meet the basic UN–Environment and International Trade Centre (ITC) 2017 Guidelines for Providing Product Sustainability Information. The existence of so many initiatives should signal to stakeholders that there are governance gaps that need to be filled.

The new EU initiative to ‘Empower consumers for the green transition’ can help establish a white list of environmental labels for textile products. This should identify only Type 1 ISO ecolabels (e.g. EU Ecolabel, Nordic Swan, Blue Angel) and a small number of credible independently verified labels (e.g. GOTS and OEKO-Tex).

EU Ecolabel

Unlike most of the labels and schemes in the textile sector, the EU Ecolabel considers the entire life cycle of a product, from design to use to recycling/disposal, and it particularly focuses on the stages where the product has the highest environmental impact. In addition, the Ecolabel criteria help to identify products and services that tend to be among the 10–20% most environmentally friendly in their category – meaning that, in principle, only the products that go the extra mile and do more than just abiding by the law can be certified. This makes the EU Ecolabel one of the most ambitious schemes, although the current criteria for textiles were adopted in 2014 and need to be revised to improve.

As part of the EU Textile Strategy, the European Commission must revise the EU Ecolabel criteria for textiles in parallel to the process of developing Ecodesign minimum requirements for textiles so as to ensure that the EU Ecolabel identifies the best-in-class textile products and continues to differentiate frontrunner companies. The upcoming revision of the EU Ecolabel is therefore an opportunity to make the scheme even more ambitious and address known shortcomings, and in turn to increase the number of companies that take up the Ecolabel. The Commission should also consider opening the scope of the label to sustainable textiles services which contribute to reduced resource consumption, by building on the criteria developed by the Nordic Swan Ecolabel.

Another way to incentivise uptake of the Ecolabel could be to include criteria that help producers prove that they have the right to pay a lower fee in an Extended Producer Responsibility (EPR) scheme (see Section 3.3 Extended Producer Responsibility), be exempt from some tax payments under new market measures in order to shift the tax burden to the most unsustainable practices (see Section 3.1 Taxing the Linear Economy), or facilitate its use as a reference for Green Public Procurement (GPP).
2.3 Circular Business Models

Circular business models are often presented as alternatives to the current linear model, however, there are many competing definitions of circular textile business models, from those focused on reduced resource use, the use of recycled materials, longer use of products, reuse or repair of products, and the recycling of materials.\(^8\)

Sharing, resale, reuse, repair, and rental business models focus on keeping textiles in circulation for as long as possible and stop them getting to the end of life, whereas business models based on circular design can mean both designing for durability and/or designing for disassembly (i.e. specifications on what types of fibre blends can and can’t be used, and what types of hardware can be used to allow the garment to be taken apart for remanufacture or textile-to-textile recycling). It is important to look at the actual degree of resource reduction and any rebound effects in a circular business model.\(^8\)

The EU Textile Strategy must ensure that it only promotes circular business models that truly address the material dependency of the products they process and deliver reduced consumption of virgin resources.

Traditional models, such as second-hand and repair services, should be bolstered, as well as newer business models, for example, business models where clothes are produced on demand, meaning that products will only be manufactured once ordered by customers, and rental schemes for clothing that does not necessarily need to be owned such as technical and special occasion wear.

While efforts to pioneer circular practices by brands should be welcomed, the overall approach of the EU Textile Strategy should be to redesign the dominant business model, and not simply to encourage initiatives that make up a small percentage of an overall ‘business as usual’ economic model, or to reward circular practices with vouchers that encourage more consumption of unsustainable products.

Packaging used in online sales of textile products is not negligible. Currently, the main materials used are cardboard and plastic. Reusable packaging options should be promoted as preferred options in all types of business model.\(^8\)

2.4 Promote a repair and reuse culture

The reality is that we have collectively lost sewing and repair skills that a few generations ago were commonplace. Many clothes thrown away today could be used for much longer with a few simple repairs. The EU Textile Strategy should promote a future where repair shops are commonplace in the EU’s towns and cities.

The EU Textile Strategy can promote the setting of lower VAT rates for reuse, repair, and remanufacture activities in the textile sector in order to make them accessible, affordable and more attractive compared to the purchase of buying new products. A repair culture can also be fostered through the earmarking of Extended Producer Responsibility (EPR) revenues to social economy and preparation for reuse actors (see section 3.3 Extended Producer Responsibility).

The EU Textile Strategy should also promote education and capacity building on textile repair and sewing skills.

Limits on advertising that encourages premature psychological obsolescence can help increase the ‘emotional investment’ made in a product, reduce unnecessary consumption, and encourage consumers to choose repairing over making a new purchase and reusing clothes re-sold by others on consumer-to-consumer platforms.\(^8\)
To really tackle over-consumption, we need procurement rules for the biggest consumers of all: public and private institutions. Just as minimum requirements should make sustainable products the default choice for consumers, procurement rules should ensure they are the default choice for public and private organisations, and that this is monitored and checked.

To truly ‘pull’ the market up, the EU Textile Strategy can make sustainable procurement the default approach, taking inspiration from the Energy Efficiency Directive (article 6) which requires that public authorities buy electric and electronic appliances within the top Energy Label efficiency classes, i.e. above and beyond the Ecodesign minimum performance criteria. The Commission should also consider measures boosting sustainable procurement by private organisations, as they also represent economies of scale. Unfair competition among public and private organisations delivering similar services (e.g. schools, hospitals) should be avoided, and public organisations should not be the only leverage for sustainable procurement.

Green Public Procurement (GPP) criteria for textiles should be updated so that the textiles purchased by public organisations can be a key lever for frontrunners’ products to be taken up and for circular business models to flourish. GPP criteria should build on the EU Ecolabel criteria to ensure coherence between both instruments and higher market uptake.

The Commission should provide guidance facilitating procurement and direct reference to the EU Ecolabel or equivalent labels by public authorities. It could also help to share and spread best practices in the field. For example, the municipality of Copenhagen has set up guidelines to procure textiles certified with the EU Ecolabel or Nordic Swan Ecolabel. They have also invited other Danish public institutions to join the initiative.

Procurers should be pushed to purchase products which are more durable and ensure a longer protective function, are repairable, and encourage resource-efficient business models such as service-models, take-back and buy-back.

To boost the EU market for sustainable and circular textiles, the EU Textile Strategy should ensure that both green procurement for textiles as well as procurement of textiles produced by socially responsible enterprises are the default approaches. The EU Textile Strategy should also consider a combination of social and green public procurement that focuses on reused textile collection and management services, in particular to promote the use of social clauses and reserved contracts to social enterprises in public tenders.
Economic incentives are measures that seek to correct the economy’s market failures, namely that the external costs along the value chain that occur as a result of placing products on the market are not included in the final product’s price. In other words, we need market interventions to make the linear business model unviable.
3.1 Taxing the linear economy

Taxes should better internalise the environmental and social externalities of economic activities. The Textile Strategy should introduce the setting of taxes on all virgin resource-use by the textile sector, as well as taxes on disposable, non-essential goods and advertising.

This will disincentivise the use of virgin fibres and encourage resource-sufficiency, for example through safe recycling and reuse. Clear targets to achieve this by 2030 and beyond should be set.

At the same time it is important to consider the rebound effects of taxing resource use. Increases in taxes should not be passed on to workers and a living wage should always be prioritised.

The Commission should start with introducing a tax on virgin synthetic fibres. This can be done as part of the reform of the EU budget’s revenue sources (the ‘own resources’ instrument). With this instrument currently too narrowly focused on only taxing unrecycled plastic packaging, the Commission and Member States should instead ensure that it sets enough incentives to reduce overall virgin plastic use, including the virgin plastic used in textile products. The ‘own resources’ instrument should be calculated based on the weight of plastic resin put on the market in each Member State.

3.2 Sustainable Finance

The ongoing ‘taxonomy’ process to set criteria for which economic activity relating to the ‘manufacture of textiles and wearing apparel’ can be labelled as a sustainable investment must reward activities which are in line with the waste management hierarchy, efforts to phase out hazardous chemicals, circular production principles, and emissions reductions.

This process should be coherent with and not duplicate work carried out by other processes on GPP, EU Ecolabel and the expected extension of Ecodesign criteria to textiles.

For green finance to work a certain level of accountability and transparency is required. This exists to an extent in the Non-Financial Reporting Directive (NFRD), but it must be complemented by the new law on Mandatory Human Rights and Environmental Due Diligence (see Section 4.1).

Any guidelines for use of COVID-19 Recovery Plan funds under the EU Textile Strategy must come with strict conditions for compliance with international labour, environmental and taxation rules and standards. Priority should go to supporting business models that promote the reduction of the use of virgin resources.
3.3 Extended Producer Responsibility

According to the EU’s ‘polluter pays principle’, those who produce pollution should bear the costs of managing it to prevent damage to human health or the environment. Extended Producer Responsibility (EPR) is a market-based instrument that can help make this principle a reality.

The OECD defines EPR as a policy principle 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.

An EPR scheme should make manufacturers financially responsible for the environmental costs associated with their products throughout the whole life cycle, including, but not only, the costs of collecting and sorting those products after they have been thrown away by consumers. If designed correctly, an EPR scheme could make it financially advantageous for a manufacturer to design and produce products in such a way that they are not intended to be thrown away after a short life. An EPR scheme could even encourage producers to implement production processes that are less harmful to the environment (use renewable resources and energy, be more energy-efficient, etc.).

An EPR for textiles?

To date, France is the only EU country with an EPR scheme for textiles. 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 (including at least all clothing, as well as other household and commercial textiles, such as bed linens) in England.

The European Commission is now considering EPR as a regulatory measure to ‘promote sustainable textiles and treatment of textile waste in accordance with the waste hierarchy’. All EU Member States will be required to meet a new requirement to set up separate collection schemes for textiles by 2025, EPR schemes are expected to play a vital role in raising the financial resources that public authorities will need to fund this.

Extended Producer Responsibility (EPR) schemes could therefore be developed for all textile products placed on the market in every EU country. Member States should facilitate discussion with the relevant stakeholders on the potential benefits of setting up an EPR scheme for textiles. EPR schemes could be set for different types of textiles, including household textiles, carpets, mattresses, clothes and footwear.
How should the EPR fees be calculated? Where does responsibility start? Setting EPR fees for textiles

In many EPR schemes, fees are typically ‘modulated’ according to weight and material placed on the market. But simply weighing textile products tells you nothing about their environmental performance.

‘Eco-modulation’ of fees for a textiles EPR scheme could recognise the efforts of producers that design better – i.e. act as an incentive to sustainable design.

EPR schemes and Ecodesign requirements should work together to ensure a consistent alignment with the minimum ecodesign performance requirements (to avoid a multiplication of criteria and measurement methods).

EPR fees that are ‘eco-modulated’ according to environmental performance along the whole value chain can reward those who go beyond Ecodesign minimum requirements. Eco-modulated fees can take into account the costs beyond waste management and drive the circularity potential of a product. By going beyond looking at the end-of-life stage, an EPR scheme for textiles can provide meaningful incentives for resource-sufficient production, design for circularity, and closed loop (circular) practices with high quality recovered materials.

Both the Ecolabel criteria for textiles and the Product Environmental Footprint Category Rules (PEFCR) for apparel and footwear could be considered in setting EPR modulated fees for textile products.

How could fees be spent? What activities can they support? Going beyond collection and recycling

When it comes to planning an EPR scheme for textiles, Member States should also think about how an EPR scheme can go beyond supporting the end-of-life phase (i.e. beyond funding collecting, sorting and recycling or disposal) and also provide financial resources for prevention, reuse and remanufacture activities.

An EPR scheme for textiles should include the consideration of earmarking fees for resource use and waste reduction, reuse systems, and to assist social economy actors in the repair sector. Costs incurred through disposal of non-reusable textiles combined with limited markets for textile recycling are important factors affecting the ability of used textile operators to make ends meet. EPR fees could therefore support these and other social enterprises. A proportion of the EPR fee should be dedicated to financing re-use and/or preparing for re-use activities, as exists in France for example.

The Commission must ensure that when it comes to the spending of EPR fees, the focus is not only on managing post-consumer textiles. It is vital to move further up the waste hierarchy. To this end, in addition to collection, reuse and recycling activities, EPR fees should be spent to support the uptake of Ecodesign and circular innovations along the value chain, as well as safe chemical substitution.
**Getting the governance right**

Policymakers must pay close attention to the fact that, depending on how an EPR scheme is designed, producers and retailers can exert more or less control over the waste treatment. For example, putting mandatory take-back requirements on retailers can give them control over the input with no oversight from other actors. It is also important to ensure that any take-back scheme does not encourage consumers to discard clothes that are still usable while encouraging them to consume new textiles with earned vouchers.

Decisions made about the spending of the EPR fee should be decided by a collegial committee made up of organisations implementing EPR obligations, private or public waste operators, local authorities, civil society organisations (environmental, social and consumer protection), re-use and preparing for re-use operators, and social economy enterprises. To avoid conflicts of interest, in no case should producers and organisations implementing EPR be solely responsible for the spending of the fee and the design of the EPR system. EPR schemes must also have a high level of transparency and include targets set by legislators (including fees on companies that do not meet the targets).

EPR can be dangerous for the preparing for re-use and the re-use sector if it results in monopolies set up by retailers and producers on the collection and treatment of textiles (see above). There is a risk that everything would go to recycling to avoid having second-hand products compete with new products or to optimise collection. EPR schemes should be obliged to safeguard and guarantee the potential reuse of products in their entire logistic chain by ensuring adequate collection, transportation and storage systems. EPR schemes that manage waste collection points/take back schemes directly/indirectly should grant access to the waste stream for approved reuse centres in order to sort and select potentially reusable items. EPR schemes should also include mandatory provisions to support social reuse activities within their calls for tender for collection and treatment.

It will be important to ensure that there are appropriate control and auditing measures to ensure compliance with EPR schemes.

**Waste prevention targets**

EPR schemes should be designed in such a way that manufacturers are actually encouraged to reduce waste generation in the first place. It should not be the case that investments in recycling infrastructure lead to EPR models where it becomes more efficient to produce waste than to avoid it.

To this end, the Commission should consider underpinning EPR schemes with EU-wide targets on waste prevention, and product reuse and refurbishment. Targets to significantly step-up safe, pollution free, recycling efforts should also be considered, while ensuring that the same restrictions for substitution of hazardous chemicals apply to virgin and recycled textiles. All of these targets should increase incrementally over time.

In no circumstances should textile waste be considered as renewable energy when incinerated as part of refuse-derived fuel (RDF). EPR schemes should disincentivise the use of textile waste streams for RDF.
The EU textile industry does, of course, not exist in a vacuum. As has been outlined already in this paper, textile value chains are global, integrated and complex. The EU Textile Strategy is a golden opportunity to put global accountability and responsibility at the heart of the EU’s relationship with textiles.

The reality is that unfair and unfettered global trade has made it possible to outsource and hide the exploitation of people and nature. This economic strategy means companies can avoid responsibility, and blame for supply chain abuses can be shifted onto actors outside the EU.

The current architecture of global trading rules stimulates a race to the bottom where ever-more demanding purchasing practices from fashion brands often lead to suppliers cutting corners on labour rights, working conditions, and environmental standards if they are to successfully fulfil the orders fast enough for the retailers. It is these same purchasing practices that drive the overproduction that is causing environmental harm and human rights’ violations.

In this regard the EU Textile Strategy must bolster and complement parallel initiatives on an EU due diligence law, trade, and waste shipments.
4.1 Binding EU Due Diligence legislation and a trade reset

Corporate accountability and responsible business conduct

The United Nations Guiding Principles on Business and Human Rights set up the expectation on all companies to respect human rights and conduct due diligence, which is understood as the process of identifying and assessing; ceasing, mitigating and preventing; tracking and monitoring; communicating and accounting for environmental and human rights risks and impacts. But the European Commission itself has identified that voluntary self-regulation has failed when it comes to due diligence, and to this end it will soon publish a proposal for a new Directive that will put Human Rights and Environmental Due Diligence (HREDD) obligations on companies. It is vital to ensure corporate accountability for both human rights and environmental damage.

The EU Textile Strategy must explicitly recognise that textiles must be considered as a high-risk sector with regard to HREDD obligations, and that this will require specific binding procedures to address the challenges of the industry. Given global textiles supply chains' length and that they consist of an abundance of small and medium-sized enterprises (SMEs), in this high-risk sector all companies should be subject to HREDD obligations, and companies' obligations must go beyond their tier one suppliers.

These new binding obligations should require all companies to identify, prevent, address and remedy their human rights and environmental risks and impacts across their entire value chain, and to report publicly on these processes. This includes companies’ own business practices and decisions on purchasing practices or product design, for example. The new laws, and the revised Non-Financial Reporting Directive (NFRD) can improve transparency in textile supply chains, not least by requiring companies to disclose their suppliers, ideally beyond tier one. This increase in transparency will not only help consumers and enforcement bodies to verify compliance, but it will help companies identify weaknesses and risks in their value chains and acquire a more holistic view of all their impacts, and to track and monitor the implementation and effectiveness of their company measures.

The EU-wide due diligence law must be applicable to all business enterprises domiciled or based in the EU, and to any company importing goods into the EU, including those in the textile industry. The European Commission must therefore closely align the Textiles Strategy with this initiative to ensure policy coherence and certainty for companies in this high-risk and globalised sector.

The new EU-wide due diligence legislation should help prevent human rights abuses and environmental harm while ensuring a level playing field within the EU, a coherent legal framework, and it should also increase leverage over third parties in the value chain. It must include clear, robust and enforceable cross-sectoral requirements on business enterprises, including financial institutions, to respect human rights and the environment and to carry out due diligence.

There must be strong dissuasive penalties for failing to carry out due diligence, as it cannot be a voluntary business practice, and there should be an obligation on companies to actively prevent harm. Authorities must regularly control selected enterprises (as a minimum) to check if due diligence has been carried out.

Moreover, we need binding legal obligations to ensure that companies can be liable for human rights and environmental adverse impacts in their global value chains and within their operations and business relationships (i.e. their subsidiaries and companies that they can control directly or any business partner manufacturing on their behalf). These obligations on companies need to give rise to effective remedies and access to justice to victims and affected communities. Business enterprises must provide for, or cooperate in, the remediation of adverse impacts in their global value chains and within their operations and business relationships. Business enterprises must also be liable for harm they, or a company they control or have the ability to control, have, by acts or omissions, caused or contributed to. Equally, grounds for liability must be established on the basis of failure to carry out due diligence.

EU legislation which imposes HREDD on companies will alleviate pressure on governments in production countries to deregulate in order to attract foreign companies and investors. It will also ensure that the burden of compliance and respecting HREDD is distributed across the value chain, including to suppliers and producers in non-EU countries.
Trade

The European Commission should ensure that the EU Textile Strategy promotes the following principles in trade policies, including in the ongoing revision of the Regulation governing the EU’s Generalised Scheme of Preferences (GSP):

- Multilateral collaboration should not be based on the exchange of such an amount of goods that is detrimental to human and planetary health.
- Trade should not be approached from the perspective of a fixation with growth but one that realises its potential to support the transformation towards a wellbeing economy within planetary limits, rather than ever growing gross domestic product (GDP).
- Tariff regimes should reflect climate and environmental impacts. For example, the updated list of international conventions that must be respected under GSP trading rules should include the Paris climate agreement.
- Action should be taken on Unfair Trading Practices (UTPs) in the textile sector.

The broader EU trade policy framework should positively influence the current unsustainable trading patterns through its market power, which can be leveraged to encourage sustainable production practices. The EU should also ensure that trade agreements and preference programmes are used as levers to promote sustainable development, human rights, and fair and ethical trade around the world, and to improve the responsibility of value chains.
4.2 Waste exports and textile material flows

European countries export a large amount of their used clothes. Much of the used low quality synthetic textiles which are exported end up on a landfill or as rubbish in production countries. These countries are therefore negatively affected by the emissions and pollution from the production, as well as the enormous waste-problems connected to overconsumption of textiles and the shipment of used textiles outside the EU. There is a need to regulate the export of used clothes.

The EU should take a much more responsible stance on textiles that it exports, taking into account whether there is reason to believe that they will be re-used in third countries. Textile shipments can prevent the development of or harm existing local businesses which focus on repairing and creating textiles as they cannot compete with foreign shipments of used, cheap textiles.

The upcoming revision of the Waste Shipment Regulation to prevent the inappropriate export of waste and secondary/reused materials is an opportunity to address the environmental and social impacts of Europe’s exported textile waste. Recent amendments to the Basel Convention were created precisely to eliminate trade that offers a cheap and unsustainable escape for waste instead of focusing on upstream reductions, and safe and non-polluting solutions. A future EU ban on waste exports, notably plastics, outside the EU should also include textile waste and, in particular blended synthetic textiles.

To this end, only quality recycled textiles and textiles which have been prepared for reuse and have been approved by the recipient country should be exported, not textile waste. Hand in hand with measures (highlighted in this paper) to promote waste prevention so that EU countries generate less textile waste in the first place, only good quality clothing should end up being exported.

It is important to clearly define and enforce what is a product and what is waste: exporters must be made accountable for repatriating shipments if they are waste instead of reusable items, and dissuasive penalties should be applied. There is also a need to get tough on fake social enterprises (private operators that act like charities in order to collect and export).

In order to have a true picture of the problem, it is vital that waste trade data is made available and accessible for the public, as well as data on shipments for reuse. This could be implemented as part of the new Electronic Data Interchange (EDI) system proposed to monitor shipments under the EU Waste Shipment Regulation.
It is important to respect the ‘cascading use of biomass’ principle which indicates that using land for food should be prioritised over materials, which can then offer a second useful life in the form of nutrients and, lastly, can be converted into bioenergy.

In 2019, EUR 80 billion worth of clothing was imported into the EU with China, Bangladesh, and Turkey the top three countries of origin. [Online] Available at: https://ec.europa.eu/eurostat/web/products-eurostat-news/-/EDN-20200424-1


ibid.


Environmental Pollution (2018) Low levels of microplastics (MP) in wild mussels indicate that MP ingestion by humans is minimal compared to exposure via household fibres fallout during a meal [Online] Available at: https://www.sciencedirect.com/science/article/abs/pii/S0269749117344445

bioReiv (2021) Inhalable textile microplastic fibers impair airway epithelial growth [Online] Available at: https://www.biorxiv.org/content/10.1101/2021.01.25.428144v2

SCIP is the database for information on Substances of Concern In articles as such or in complex objects (Products) established under the Waste Framework Directive (WFD).

See the Transparency Pledge: https://transparencypledge.org/ and the Civil society call on all clothing brands and retailers to disclose all the facilities in their supply chain: https://call-for-transparency.medium.com/a-global-call-for-full-supply-chain-transparency-in-the-clothing-sector-335350111ced

See the work carried out through the Fashion Revolution Transparency Index: https://www.fashionrevolution.org/about/transparency/

It should be noted that audits are often performed in-house or by large analysis companies and they seldom give a correct picture of the situation at the factories. Corruption and manipulation of data is widespread. It is therefore important to find other, more accurate ways to gain insight into the supply chains. Codes of conducts for suppliers checked by external independent auditors on a set frequency are not enough.

Clean Clothes Campaign (2019) Fig Leaf For Fashion [Online] Available at: https://cleanclothes.org/file-repository/figleaf-for-fashion-brief.pdf/view


Textile Value Chain [Online] Available at: https://www.textilevaluechain.pdf
