

# EuRIC calls for an ambitious Strategy on Textiles in the Circular Economy through re-use and recycling

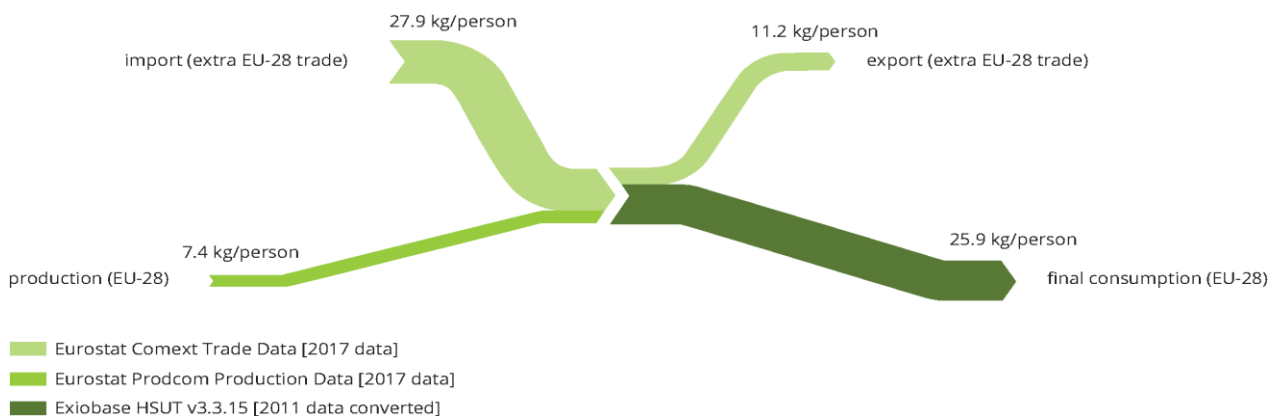
**Textiles and clothing are essential to our everyday life. Over the last two decades, the textiles’ industry, in particular the development of ‘fast fashion’, has deeply changed the consumption patterns, in Europe and globally. These changes, rooted in the production and consumption stages, have also impacted the textiles re-use and recycling sector. EuRIC, the European Recycling Industries’ Confederation, strongly welcomes the European Commission’s decision to make textiles, apparel and fabrics a priority product category within the Circular Economy 2.0.**

The European textiles re-use and recycling industry is key to accelerate the transition to a circular economy in textiles. It gives them a second life either through second-hand markets or, to a smaller extent, through material recovery. **Textiles re-use and recycling saves resources, emissions and energy.** In addition, it is a **labour-intensive** and **local industry**, be it at **collection** or **processing stages**, relying on a wide variety of skilled professionals ranging from social workers, to experts in materials’ processing and marketing of second-hand textiles.

**EuRIC’s newly constituted Textiles’ Re-use and Recycling Branch calls for ambitious measures to render textiles circular throughout the value chain (from design to end-of-life preparation for re-use or recycling). The obligation to separately collect textiles by 2025 will mechanically increase the supply of used textiles, shoes and accessories without addressing current issues linked to poor circular textiles’ design and low-quality materials directly impacting preparing for re-use and recycling of used textiles. Hence, the need to complement the separate collection obligation by equally ambitious measures aiming at pulling the demand for re-use and for material recovery of post-consumer textiles, in line with the waste hierarchy.** In doing so, EuRIC Textiles looks forward to work with all stakeholders, in particular the textiles’ industry to achieve such a goal.

## 1. Specificities of textiles at production and end-of-life stages

As outlined by the Report recently released by the European Environment Agency<sup>1</sup>, the vast majority of textiles including clothing, footwear and household textiles (carpets, curtains, bedlinen, towels, etc.) marketed in Europe are imported from non-EU countries while domestic production only accounts for 7.4 kg/person.



<sup>1</sup> ETC/WMG 2019/6 Textiles and the environment in a circular economy (2019)

The raw materials used to manufacture textiles are mostly **synthetic** (60%), with polyester being the most widely used synthetic fibre. Cotton is the most widely used organic fibre but accounts only for 37% of the fibres used.

**Textiles are the fourth largest contributor to resource's use and greenhouse gas emissions accounting respectively for the share of textiles consumed in the EU-28 to 1321kg/person and 654kg CO2-eq/person in 2017.**

<p><b>The textiles re-use and recycling industry</b> collects, sorts either for re-use purposes or for material recovery discarded clothing, apparels, shoes and accessories. Given its activities, it works closely with both municipalities and charity organisations locally and with end-markets which are both local and global. The main specificity of that industry, when compared with other waste streams, is that <b>the vast majority of the value is generated via preparation for re-use to meet the high demand for second-hand textiles, which is the highest treatment option in the waste hierarchy, after waste prevention. Approximately 70% of the world population purchases second-hand clothing.</b></p>	<p>The diagram is an inverted pyramid representing the waste hierarchy. At the top, a horizontal line separates 'PRODUCT (NON-WASTE)' (green box) from 'WASTE' (green box). Above the line is a yellow box labeled 'PREVENTION'. Below the line, the pyramid is divided into five horizontal sections: 'PREPARING FOR RE-USE', 'RECYCLING', 'RECOVERY', and 'DISPOSAL'.</p>
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Taking the example of Germany, which represents the largest European market with on average **1 million tons of used textiles collected per year, 60% are directed to the re-use market (second-hand market), 20% are used as wipers and only 15% are recycled, with 5% going for disposal<sup>2</sup>. Similar orders of magnitudes are observed in the BENELUX countries, France, Switzerland or some Eastern countries, with preparing for re-use remaining in all instances the largest treatment option.**

**To maximise the value of used textiles, preparation for re-use at industrial scale requires proper handling at collection and processing stages** with dedicated textiles collection and skilled workers trained for a professional fine-grained manual grading process ensuring the highest achievable level of reuse. It is at the processing stage that the suitability of used textiles for re-use (second hand textiles market), material recovery or disposal is decided for every single item, through **manual sorting** on garment level assisted by machinery to speed up the logistical part of the process.

In terms of end-markets, depending on Europe's geographic area, overall 70 to 75% of used textiles prepared for re-use are exported outside the EU while a remaining 20% to 25% is marketed domestically. As a result, in the absence of stronger end-markets in Europe, international trade is vital to Europe's textiles re-use and recycling industry.

**2. Issues affecting the post-consumer textiles reuse and recycling industry**

The shift towards synthetic fibres is linked to the development of the fast fashion industry. **It directly impacts the quality and the end-of-life recyclability, hence the value of textiles reaching end-of-life, especially if blended with other synthetic or organic fibres.**

**Fast-fashion has also brought as a megatrend quicker turnaround of new styles, increased number of collections offered per year, and – often – lower prices<sup>3</sup>.** In other words, it is getting more and more complicated and troublesome for the textiles re-use and recycling industry to actually re-use or recycle those clothes since product quality is declining as well as consumers' demand responsive to fast changing fashion trends.

In terms of end-markets, a number of barriers, beside the ones mostly rooted in the design of textiles, affect current day-to-day textiles re-use and recycling activities and long-terms investments:

<sup>2</sup> Internal sources

<sup>3</sup> Ellen MacArthur Foundation, A new Textiles Economy (2017)

- Cheap low-quality textiles competing with second-hand textiles markets in Europe and in developing countries;
- Lack of textiles' producer responsibility to contribute to the costs of collection and treatment of clothing placed on the market;
- Unilateral trade restrictions impacting second-hand textiles in Asian or African countries;
- Lack of business case for further investments in material recovery of textiles unfit for re-use;
- Failure of the market to internalise the social, environmental and economic benefits of textiles' re-use and recycling which curbs long-term and large-scale investments needed;
- National policies which further affect the ability of the textiles re-use and recycling industry to compete on a level playing field.

Bulgaria, for example, proposed to tax imports of second-hand textiles which are either directly sold in the domestic market or further prepared for re-use by companies in Bulgaria, hence harming both Bulgarian consumers of second hand-textiles and companies processing textiles. Such a proposed tax does not only discriminate against imports from other European Member States and constitute a double taxation for one product but also runs against the waste hierarchy.

**To turn these challenges into opportunities, EuRIC strongly recommends the following measures as part of an EU Textiles Strategy:**

- 1. Market-based and fiscal incentives for textiles' re-use and recycling activities;**
- 2. Extended producer responsibility (EPR) for new textiles with eco-modulation of fees rewarding textiles' re-usability, recyclability and recycled content. Additionally, fair and transparent financial contributions should be paid by the producer to cover the cost of the treatment for used textiles, in accordance with the minimum requirements set by the Waste Framework Directive. EPR fees should be directed to the textiles re-use and recycling industry;**
- 3. End-of-waste criteria for prepared for re-use textiles to create a stronger internal market for second-hand textiles;**
- 4. Eco-design criteria for textiles incentivising the use of mono-material fibres in textiles, apparel and fabrics;**
- 5. Recycled content targets for textiles to pull the demand for quality recycled fibres, boost end-markets for separately collected used textiles and invest to scale up textiles' material recovery;**
- 6. Proper labelling of sustainable textiles and apparels to empower consumers' choices;**
- 7. Alleviate trade and fiscal barriers, be it within Europe or imposed by third countries, affecting second-hand textiles markets;**
- 8. Public awareness campaigns to highlight the importance of textiles' re-use and recycling;**
- 9. Fair competition between all actors be them private companies, charities or publicly owned companies;**
- 10. Funding opportunities in research and development for the various stages of textiles' re-use and recycling and in projects fostering partnerships across the value chain to foster textiles' circularity.**

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EuRIC - The European Recycling Industries' Confederation - is the umbrella organisation for recycling industries. Through its Member Federations from 21 EU&EFTA countries, EuRIC represents across Europe over:

- 5,500+ companies generating an aggregated annual turnover of about 95 billion €, including large companies and SMEs, involved in the recycling and trade of various resource streams;
- 300,000 local jobs which cannot be outsourced to third EU countries;
- Million tons of waste recycled per year (metals, paper, glass, plastics, textiles, tyres and beyond);

By turning wastes into resources, recycling is the link which reintroduces recycled materials into the value chains again and again.

Recyclers play a key role in bridging resource efficiency, climate change policy and industrial transition.