

EPR for circularity: towards a more sustainable EU textile sector



Wednesday 29th November 2023, 15:00 – 17:30 CEST

Hosted by MEP Malte Gallée

Speakers:

- **MEP Malte Gallée**
- **Françoise Gaill**, Secretary General, ACR+
- **Ekaterina Stoyanova**, Policy Officer Sustainable Businesses, EURATEX representing CISUTAC
- **Wolfgang Trunk**, Team Leader, Circular Economy - From Waste to Resources, DG Environment, European Commission
- **Marije Slump**, Policy Officer Circular Economy, Ministry of Infrastructure and Water Management, The Netherlands
- **Maud Hardy**, General Manager, Refashion
- **Jean-Benoît Bel**, Research Lead and Projects Management, ACR+
- **Marie-Jeanne Gaertner**, Project and Advocacy Officer, RREUSE
- **Branson Skinner**, Co-Founder & Executive Producer, The Or foundation
- **Lars Mortensen**, Circular Economy, Consumption and Production Expert, European Environment Agency (EEA)
- **Mauro Scalia**, Director Sustainable Businesses, EURATEX

Opening Remarks

MEP Malte Gallée

“The biggest impact of the textile sector - the environmental impact and the CO2 emissions - are outside of Europe.”

As an opening statement, **MEP Malte Gallée** highlighted the importance of the **textile sector** to the next legislation and the **European Green Deal**, as well as the **environmental harm and exploitation** that comes with it. He called for the textile sector to be seen from a **holistic and global perspective** and remarked that most of the **impacts of the textile industry are felt outside of Europe**. He stated the need for **more circularity in the sector** through **Extended Producer Responsibility (EPR)** schemes.

Françoise Bonnet, Secretary General, ACR+

“The fundamental principle guiding all EPR systems should be an effective, full cost coverage, meaning that they must cover the entire cost of collection and treatment of waste.”

Ms. Françoise Bonnet initiated the discussion by presenting disconcerting statistics pertaining to the **textile sector**, particularly emphasizing its **excessive water and raw materials consumption, as well as the substantial release of CO2**. She underscored the emergence of **EPR as a valuable tool for fostering sustainability** in the textile industry. However, she cautioned that **EPR alone is insufficient** and stressed the importance of complementing it with other strategies. These include promoting eco-design, encouraging reuse and repair, prohibiting toxic substances, and implementing fiscal measures. **Ms. Bonnet** emphasized the **necessity of drawing lessons from successful initiatives**, citing the **EPR for electronic equipment waste** as a noteworthy example. Furthermore, she highlighted the **pivotal role of public authorities in conducting awareness campaigns**. Throughout her presentation, she reiterated the complex and multifaceted nature of the challenges confronting the textile industry.

Presentation

“Vision for a European EPR that drives textile circularity” by Ekaterina Stoyanova

“(EPR) needs to be seen as a piece of a puzzle together with a lot of other different policy and legislative developments in the area of textiles, stemming from the EU strategy for sustainability.”

Ms. Ekaterina Stoyanova presented the **objectives, partners, and vision for fostering a circular and sustainable textile sector** within CISUTAC. She emphasized that **EPR** serves as a tool to ensure **businesses bear the costs of waste management**, contributing to **reduced environmental impact**, the **implementation of circular business models**, and a **more efficient end-of-life model**. Ms. Stoyanova outlined **key principles of EPR**, including tailoring it to promote widespread circularity, adhering to the waste hierarchy, incentivizing eco-design, recognizing the diversity of textiles, fostering shared responsibility and partnerships, ensuring effective compliance and enforcement, allowing time for implementation and stakeholder consultation, and promoting more sustainable consumer behaviour. Within the first principle, she underscored the **importance of harmonization, identifying barriers to textile circularity, evaluating the costs of industrial transition**, and recognizing the need for structural changes. In addressing the second principle, Ms. Stoyanova emphasized the significance of **looking beyond waste management costs**, emphasizing that **EPR is not a one-size-fits-all solution**, and advocating for **regulatory alignment**. She also highlighted the need for **digitalization and the scaling up of local reuse and repair**, cautioning that only minimal volumes of textile waste are currently being recycled.

First Panel discussion

Speakers that took part in the panel discussion:

- **Wolfgang Trunk**, Team Leader, Circular Economy - From Waste to Resources, DG Environment, European Commission
- **Marije Slump**, Policy Officer Circular Economy, Ministry of Infrastructure and Water Management, The Netherlands
- **Maud Hardy**, General Manager, Refashion
- **Jean-Benoît Bel**, Research Lead and Projects Management, ACR+

The panel discussion commenced as **Mr. Wolfgang Trunk** intervened, bringing attention to the regrettable news of the **unsuccessful attempt to implement a European-wide EPR scheme**. He emphasized that the **EU is initiating its journey toward an EPR scheme** and a circular economy within the textile sector. Stressing the significance of **standardized sorting requirements and producer registration**, he underscored that all **textile products** would be categorized as **waste** until subjected to a **thorough evaluation**

for potential refurbishment and reuse. Mr. Trunk reiterated that the EU is in the early stages of progressing towards the establishment of an EPR system.

Following Mr. Wolfgang Trunk, Ms. Marije Slump took the floor, emphasizing the necessity of adopting a **holistic approach**. She asserted that the **EPR** system could serve as a **potential tool to enhance the rates of reuse and recycling** in the textile industry. Ms. Slump presented statistics on **Dutch textile recycling** and its corresponding **EPR scheme**, underscoring the **crucial role of consumer education**. Additionally, she advocated for **integrating EPR considerations into product design**, ensuring that it becomes **economically advantageous to create products with extended durability and improved recyclability**. Ms. Slump acknowledged that while **EPR** is a valuable step, it alone cannot address all industry challenges, emphasizing the **importance of policy coherence and alignment**. She drew attention to the **significance of textile exports**, stressing the need for the **EPR's influence to extend beyond European borders**, considering the associated **socio-economic and environmental risks**.

The next intervention was from Ms. Maud Hardy, who introduced **REFASHION**, an organization covering the **EPR in France**. She claimed that the **EPR** has impact and can harmonize the **3 stages of the product life cycle**, them being **production, consumption and regeneration**. On **production**, she mentioned the need to **accelerate eco-design and implementation of eco-modulation**. On **consumption**, she focused on **enhancing repair**, encourage local authorities to **improve collection**, and **increase BtC communication to raise consumer awareness**. On **regeneration**, she called for an **increase collection**, a **development in local reuse, more and better sorting**, and an augmented **investment in R&D** for financing recycling facilities. She highlighted that **EPR schemes** organizations **bring together all stakeholders**. Finally, she introduced France's targets for the 2023-2028 period in terms of reuse, recycle and repair.

Finally, Mr. Jean-Benoît Bel took the floor, introducing the **ACR+** and sharing insights from their **study on textile waste management**. He highlighted that the **primary carbon impact occurs during the production phase** and stressed the imperative to **heighten consumer awareness**. Mr. Bel noted that **charities** predominantly handle **textile collection**, yet they often receive items of **diminishing quality and value**. Expanding resources for collection and sorting is essential. He emphasized the potential of **EPR** as a tool to encourage the **development of more environmentally conscious designs**. Mr. Bel underscored that the **value chain must not rely on disposable products**; instead, changes should be instituted during the **production phase**, with a concentrated effort on **adopting an end-of-life approach**.

Q&A

Mr. Wolfgang Trunk is questioned about the existence of **EPR** schemes on other sectors and the call from the industry to **harmonize**, to which he replied that the **Commission is not starting from scratch** and they are **learning from the experiences of national EPRs**

and **European EPRs in other sectors**. He added that they plan to take a similar approach to that of the **packaging waste directive**, and that there will be a focus on a **European EPR scheme**, adapted to embrace the already existing national ones. He was also asked about the **gaps in the legislation** that could allow for **freeriding** and about the **increase of the standards**. He answered that this proposal **goes further than the packaging regulation**, but there is going to be **difficult to regulate online retailers**. The Commission wants to **keep the waste in the EU**, since it would **increase resource efficiency, create jobs and value for the environment**.

Ms. Marije Slump was asked about how to further **collect data and set targets**. She replied by saying that they **extensively monitor recycle and reuse data**, but the **targets need to be ambitious, yet achievable**. She also said that there is an **evaluation period** to see if there is a need to change targets. She was asked a follow-up about the **challenges of the collection part** of the cycle and **improving the capture rate** of textile waste, both in quantity and quality. She remarked that **half the textiles still end up as waste**, because the general population is not well informed on how, why and where to recycle. However, she claimed that the **technology and facilities are there to recycle and repair**. She called for an **improvement in quality**, not only in the **collection, repair, and recycle phase**, but also on the **production one**.

Mr. Jean-Benoît Bel was also asked to comment on the previous question. He mentions **three aspects that make people sort**, the first being **information**. He also called for an **increase in the understanding** of the perception people have of sorting. The second aspect is **convenience**, making it **easy to sort and recycle**. The final aspect is **incentives**, that have been proven to work in the past. **Ms. Maud Hardy** was questioned about whether consumers would be able to **pre-sort textiles** in wearable or recyclable. The answer given was a clear no, **not being able to distinguish** between reusable textiles both nationally or internationally. They would have to **bring everything to the collection point**, and let the **sorting be done by professionals**. There was another question to **Ms. Maud Hardy** and **Ms. Marije Slump** on the **implementation of the EPR scheme**, to which **Ms. Maud Hardy** replies that it is **difficult to keep brands complying with rules**, but that the French government has a system in place to identify **free riders** and **trustworthy companies**, and that information is made available for the public.

Ms. Maud Hardy was again asked about the **existing system of collection** that some brands already have in place, and if this needs to be tackled or it is something that local and national authorities have to deal with. She answered that **REFASHION** welcomes all these **individual initiatives**, however, they are still bound by the **same targets imposed by the French government**. The follow up about **collaboration with these brands** was answered saying that these companies have to **prove that they will comply** with the objectives of the government, though **no one has managed to be approved** on this **individual scheme**. There's a question about the **penalties if the EPR is not followed**, to which **Ms. Maud Hardy** replied that the ministry is **suing the freeriders**. The final question was what is the **impact of the EPR on the lives of citizens**. **Mr. Jean-Benoît Bel** answered that it can really **improve the situation of consumer awareness and end-of-life products**. However, its **impact on prices** will be almost **negligible**. **Ms. Maud Hardy**

highlighted that consumers will have access to the **environmental impact of the product** they are purchasing. She disagrees with **Mr. Jean-Benoît Bel** on the **price due to the eco-modulation**, which means that **prices will increase** on products that don't comply with durability standards.

Second Panel discussion

Speakers that took part in the panel discussion:

- **Marie-Jeanne Gaertner**, Project and Advocacy Officer, RREUSE
- **Branson Skinner**, Co-Founder & Executive Producer, The Or foundation
- **Lars Mortensen**, Circular Economy, Consumption and Production Expert, European Environment Agency (EEA)
- **Mauro Scalia**, Director Sustainable Businesses, EURATEX

The panel discussion started with the intervention of **Ms. Marie-Jeanne Gaertner**, who introduced RREUSE. There was a question from the moderator on the elements necessary for EPR to drive circularity, which she tackled by saying that there's two key elements. The first one she mentioned was to prioritize local reuse, through involving social enterprises. She justified it saying that they have the **respect for waste hierarchy** and the proximity principles at core, while creating jobs and reinforcing the will to donate. To make this work, she claims all the costs must be covered by EPR schemes. The second point mentioned is eco-modulation rules, ensuring that they drive circularity and volume reduction. These eco-modulation fees need to be high enough and aligned with the waste hierarchy, while introducing a volume criterion. Due to the EPR, she highlighted that waste will be seen as valuable but value is not strictly monetary: preparation for reuse has many social and environmental externalities. She concluded with the fact that governance plays a role in ensuring transparency and a proper share of responsibilities within EPR schemes.

The next speaker was **Mr. Branson Skinner**, who stated that **fashion is disposable** and introduced the problem with textile waste that led to the **origin of EPR**. Whatever the motive for **recycling and reusing textile** products may be, he reinforced that all these motives must take into account that **fashion is disposable**, and that the problem of **waste can't be sorted out**. He stated that the **notion that receiving third countries experiencing textile waste crisis is related to unsorted waste shipped outside of Europe is factually inaccurate**. In fact, the vast majority of **waste is sorted and legally imported or exported**. The fact that **fashion is disposable lowers the price of products** so much that it costs more the process of circulating that product than the amount of money one would get from reselling it. Therefore, the **solution is to make EPR globally accountable**, since **global EPR** will help the communities bearing the **externalised cost of waste management**.

Following him, it was time for the intervention of **Mr. Lars Mortensen**, who called for the **EU to build on and learn from existing EPR schemes**. There is also a need to **consider the entire value chain** carefully and **set eco-modulation fees** to enable **textile waste prevention**. On his first point, he reminded that **EPR schemes have been in place in EU countries** for years and even decades in other areas. He further added that it's really important that the **EPR schemes are similar and harmonizable** across different countries. Secondly, he reinforced that **eco-modulation fees must be high enough to ensure waste prevention**. On his second point, since **80% of the textile waste is transported to Africa and Asia**, these countries bare a lot of the **financial and environmental costs of the waste management**. On his third and last point, he mentioned that the **size and variability of the eco-modulation fees are crucial factors for success**. He concluded by reinforcing his three points made in his intervention and the fact that **EPR cannot stand alone**, but must be accompanied by other instruments to **prevent textile waste**.

Finally, it was the turn of **Mr. Mauro Scalia**, who presented the **change on waste and the textile industry** and stated that **EPR** must be a fundamental part in **cracking the waste problem** and **build a European textile recycling value chain**. However, there's **no valuable solutions on how to recycle the textile waste**. He reinforced the need for **political and legislative harmonisation** and reminded that **textile products are not all the same**. He also mentioned that there is a **growing interest from the business side** in creating a recycling value chain. However, there is **not enough infrastructure** to recycle the waste that the countries have set themselves to, meaning that they have to **invest and expand on this recycling capacity**. Even though this **expansion will be expensive**, he claimed that **the funds exist, from EPR and private businesses**. He mentioned that the **EU must not focus on the best performers and ignore freeriders**. He reinforced **Lars Mortensen's** last point, saying that there is a need to look at **best practices** and on how to **properly implement existing and new legislation**.

Q&A

Before the Q&A session, there was two final comments made. The first one was by the EEB's Director for Climate, Circular Economy and Industry **Mr. Stéphane Arditi**, that reinforced the point of **Mr. Branson Skinner** to make **EPR go beyond the European border**. He also appreciated the point of **Mr. Lars Mortensen** when he mentioned that the **EPR can be used for waste prevention**, highlighting the problem of **overconsumption and the existence of hazardous materials in textile products**. He pointed out that the **EPR cannot work without targets** and that there should be **harmonized eco-modulation criteria**. His final points are that **SMEs and online platforms should not be excluded** from the **EPR scheme** and that the **EU should broaden its scope**, this means **going beyond clothes, garment, and footwear**.

The other comment was made by **Ms. Bettina Heller**, Programme Officer at the UNEP's Consumption and Production unit, that **reinforced the need for systemic change and a**

holistic approach. She invited the audience to collaborate in a **project that analyses the shipment of used textiles** to four different countries, with the objective of **quantifying what happens on the ground**, this means how much is being used, recycled, or end up in landfills, to establish a **set of global criteria involving all stakeholders**. This would allow the stakeholders to **evaluate the environmental and socio-economic impacts, as well as the development** of these countries.

The first questions go to **Mr. Wolfgang Trunk**, it being why was **eco-modulation left out of the Annex II directive**, and why the proposal only tackles **household waste, leaving out commercial waste**. There's also a question to all the panellists about the **need for a specific legislation for textiles**, just like the ones that exist for **packaging waste and batteries**. The final question highlights that there was **no talk about fast-fashion**, what should the **criteria for eco-modulation** be, so that the **EPR can cover fast-fashion and overproduction**.

Mr. Wolfgang Trunk replied that given the **lack of performance criteria and criteria for eco-design**, it would be **premature to come up with eco-modulation for footwear**. He considered this point to be **pragmatic** given the **time that the industry will take to adapt** to these changes. He also approached an earlier point about **SMEs**, stating that **only microenterprises are be excluded**. He mentioned that **no further proposal is being put forward, to ensure coherence**, but also for political reasons. On the point of **commercial waste**, it was said that there are already **systems in place**, therefore there was **no need to tackle it**. On the **fast fashion topic**, he pointed the **need to change the consumers' mindset**. **Mr. Lars Mortensen's** final remarks mentioned a **report on the way on unsold and returned textiles on the EU**. He concluded stating **that tackling fast-fashion is going to be the main challenge**, but that the **eco-modulation fees can help** if they are really high and variable.

Closing remarks

As closing remarks, **Mr. Mauro Scalia** underlined the **importance of the topic** and the **diversity of stakeholders present**, while stating that there is a **transformation happening in the industry**.