

Extended Producer Responsibility for Textiles

- Whitepaper – version 1.0 -

General Considerations

Extended Producer Responsibility – a Holistic Approach

The Extended Producer Responsibility (EPR) is an appropriate instrument to implement the 5-stage waste hierarchy. Circular economy can be foster due to different kind of regulatory elements which can be set-up within this system, e.g.:

- Design requirements (durability, reparability, recyclability)
- Targets for collecting, sorting, preparation for reuse or recycling (fibre-to-fibre-recycling)
- Specifications on documentation and control
- Information requirements
- Requirements on research and development

The combination of several targets has direct or indirect influence on the total textile's cycle including waste management.

With this in mind, EPR is also a suitable instrument to influence the environmental impact of products. Against this background, the producer of textiles will become a prominent role in this future EPR system, starting with the design of textiles till the management of the end-of life stage.

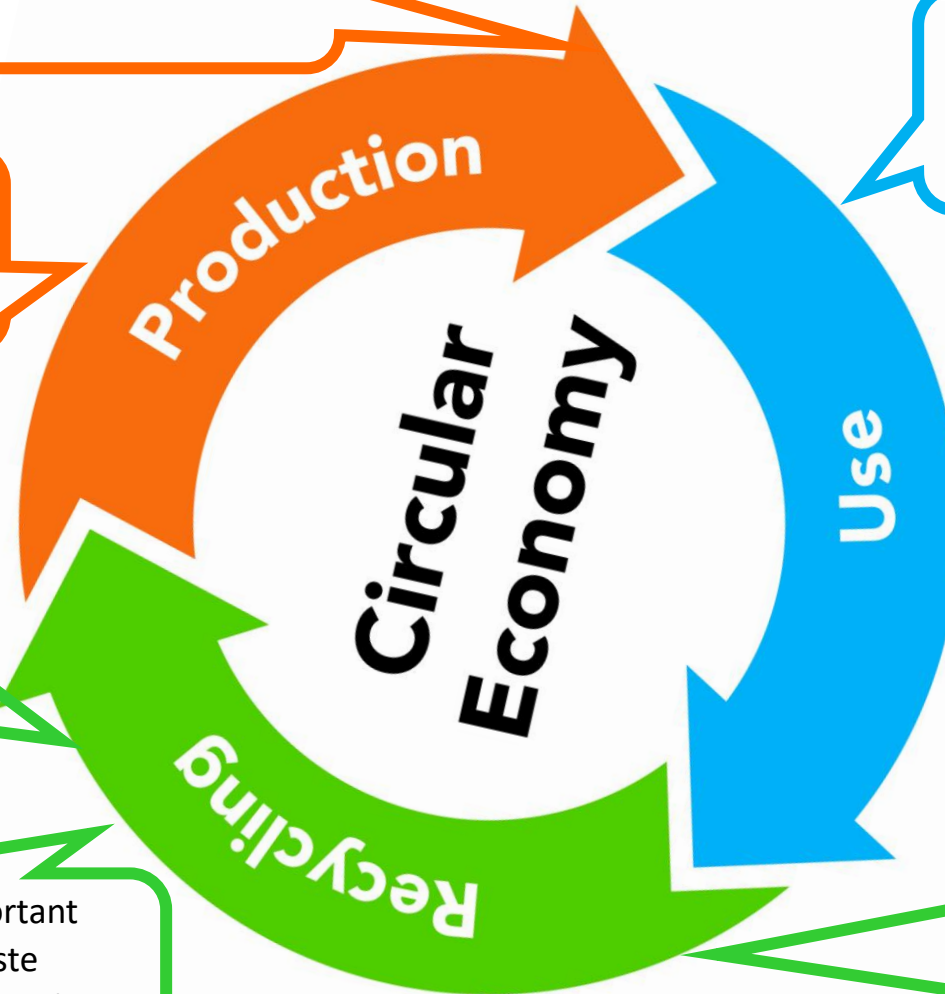
Roles and Responsibilities

Producers or importers, who sell products or make products available on the market.

Textile supply chain: Design for circularity, durability, recyclability; use of sustainably raw materials and recycled fibres.

Recycling: Within the framework of the waste hierarchy and based on specific requirements, recovery should be aimed for at the highest beneficial level.

Preparation for reuse / sorting: Important interface for compliance with the waste hierarchy or specific sorting and/or recycling requirements.



Consumer: Long use of sustainable textiles; use of second-hand or leasing/renting offers. At the end of life, used textiles are disposed properly in the designated collection system.

Circular business models: Set-up leasing/renting models, local reuse and repair.

Collection in order to obtain the highest possible proportion for reuse. Consideration of existing infrastructure and activities of social enterprises.

Municipalities organize the collection or agree on the collection systems, support them and inform consumers.

Specific Responsibilities as an Actor in the Textile's Circular Economy

The Producer

Producer- am I affected?

In general, those ones (any manufacturer, importer or distributor) who makes textile products available on the market for the first time are the “obliged producer or importer” in an EPR system. Sometimes, the definition refers only to products manufactured for private households and there are exemptions from being obliged.

But which textiles are in the scope so far in Europe?

	Waste Framework Directive (draft 5 July 2023)	France	Netherlands
Scope			
in terms of consumers	All final consumers	Only for private households	All final consumers
in terms of the definition of "textile"	Household textile products, articles of apparel, clothing accessories and footwear, apparel and clothing accessories according to CN Codes: 61,62, 6301, 6302, 6303, 6304, 6309, 4203, 6401, 6402, 6403, 6404, 6405, 6504, 6504	Clothing, clothing accessoires, footwear, household textiles (no CN Codes but non-exhaustive list of products incl. sub-categories)	Household textiles (CN Code 6302), clothing (CN Code 61, 62)
excluded in particular		Leather clothing, textiles that fall under another category such as furniture, camping products or bedding	Footwear (CN Code 64), bags, belts (CN Code 42), household textiles (CN Codes 6301, 6303, 6304, 6305, 6306, 6307), unsold stocks from manufacturers (textiles not placed on the market)
Exemptions for SMEs	Excluded are enterprises which employ fewer than 10 persons and whose annual turnover and balance sheet total does not exceed EUR 2 million and self-employed tailors producing customised products	Flat fee of 75 EUR per year for those whose annual turnover is less than 750000 EUR or sell less than 5000 products in France	There is a possibility to exclude SME; as yet no decision has been made as to whether an exemption will be introduced for textile producers and, if so, what the limit should be.

Producers

How to fulfil obligations?

In general, there are two options to take responsibility. Since the textile sector is 99% comprised of small and medium sized companies the waste framework directive determines that the fulfilment of extended producer responsibility should be exercised collectively; therefore, producer responsibility organisations (PRO) shall be implemented and fulfil the obligation on behalf of the producers. Alternatively, the obliged producer can fulfil the responsibility individually.

PRO – Collective Responsibility

PRO acts on behalf of the producer and takes over the responsibility for the producer in the system; all joint producers fulfil requirements collectively.

Individual Responsibility

A producer is individually responsible for all requirements set in legislation, e.g. nationwide collecting, reuse and recycling, information requirements, support innovation etc.

Municipalities / Public Disposal Providers

Municipalities / public disposal providers – how to be involved?

Municipalities or public disposal providers are responsible for handling private household waste. With this in mind, what will be the future role within an EPR framework? There are several options of involvement, however this depends in particular on the legal framework of the future national legislation. Here, some basic principles:

Obligation to coordinate or direct the organization

Agreement on the collection structure in the respective area (collecting points, system, etc.) or the legal framework considers that waste disposal provider can specify the collection structure (even without agreement with the obligated parties).

Organizational responsibility

Waste disposal provider is responsible for the collection; however, financing continues to come from the producers (e.g. “standard cost reimbursement”). Producers are still responsible for collection rates, qualities, etc.

System responsibility (“Shared producer responsibility”)

Waste disposal provider is responsible for the collection and must bear the costs and meet the requirements.

Social Enterprises

Municipalities / public disposal providers – how to be involved?

Today, social enterprises are one of the pillars in the used textile sector. Besides collecting used textiles, social enterprises take care about local reuse within a social economy. The revision of the Waste Framework Directive underlines the importance of social enterprises. Producer responsibility organizations shall consider social enterprises according to the topics below. However, so far there are uncertainties how these rules will be implemented into national legislation.

Maintain and operate own separate collecting points

No obligation to hand-over used textiles collected

Equal or preferential treatment in the location of separate collecting points

Waste term related to donation of used textiles to social enterprises

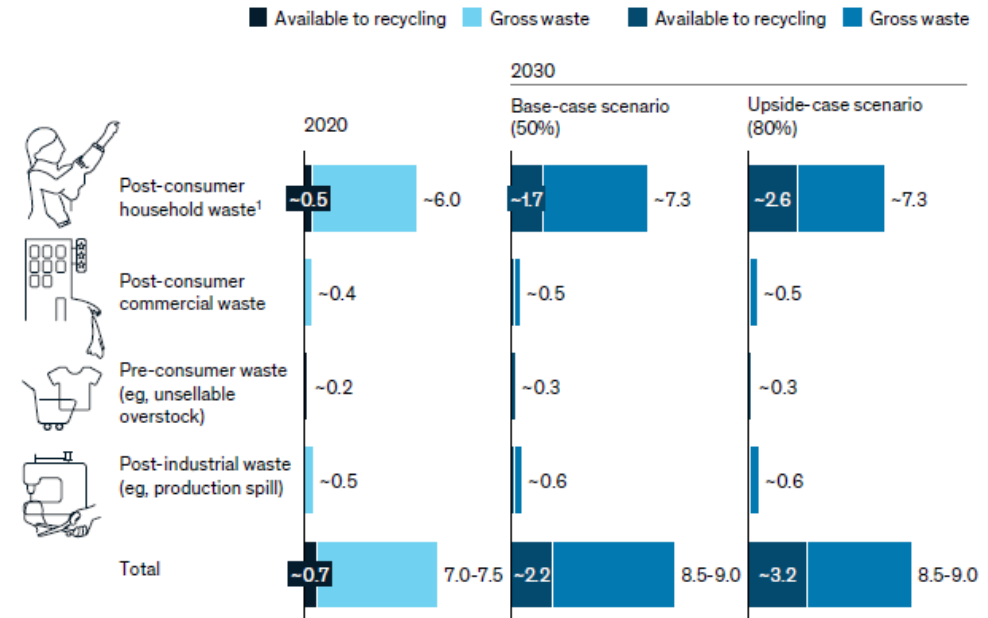
Waste Management Operators

Collectors, sorters, recyclers – collaboration is key to create a circular economy in Europe

The other main pillar within the used textile branch is the private sector. So far, the business model differs from country to country, and it is far from clear how the existing infrastructure will be integrated into the future EPR system. Besides this, other new regulation with regards to waste shipment and end of waste criteria for textile waste will influence the daily business. Additionally, due to the increase of textile waste in Europe there is a big lack of sorting and recycling capacities.

Estimation total waste volumes in 2023

To fill the gap, the private sector needs investment security which can be supported by reuse and recycling targets and targets on recycled content in new textiles.



¹ Estimated historical values for 2020; estimated scenario for 2030.

Source: Deloitte European Market Study for ETSA, 2014; Ellen MacArthur Foundation; EUROSTAT Prodcorn; expert interviews; Humana Annual Report, 2020; Intecus, Germany report, 2020; ISRPA, Italy reports no. 1 and no. 2, 2021; JRC, 2021; Modare, Spain report, 2021; Rebel, Netherlands report, 2021; ReFashion, France report, 2020; Nordic Council for Ministers Baltic countries reports, 2020; Umweltbundesamt, Austria report, 2022; McKinsey analysis

Waste Management Operators

How to be involved?

Depending on the organizational responsibility there are different ways to get involved. In case of collective systems, non-discriminatory selection procedures based on transparent award criteria needs to be met. For public waste disposal providers exists rules for the award of public contracts.

Future requirements on waste management according to Waste Framework Directive are (not conclusive):

Collection Point – area coverage – increase of separate collection

Waste-flow documentation

Requirements on sorting operations – assessment of suitability for reuse -

Recycling – increase of fibre-to-fibre recycling

Information requirements on shipments of used textiles

What are your thoughts on - How can legislation support the transition towards a circular economy for textiles?

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