Reaction paper by Generation Climate Europe to the EU Textile Strategy

Introduction

As part of a new package of European Green Deal proposals to make sustainable products the norm in the European Union (EU), and as announced in the New Circular Action Plan published in 2020, the European Commission's communication on the "EU Strategy for Sustainable and Circular Textiles" has been adopted on March 30th 2022.

This new strategy sets the first stone to establish legislative requirements targeting the textile sector, which is estimated to have the fourth highest environmental and climate footprint in the EU among consumption areas (1). The main objectives of the strategy are to regulate products on the EU market through ecodesign requirements, which include circular criteria such as durability and recyclability, to support re-use and repair services for garments, to make producers responsible for their waste, and to tackle greenwashing.

The EU Textile Strategy falls in the midst of IPCC's much awaited Sixth Assessment report which demonstrated that climate action is more urgent than ever. The EU must take immediate steps to keep global warming to below 1.5°C and avoid any disastrous consequences for current and future generations. This will only be mitigated if ambitious legislation is adopted and implemented now.

With the urgent need to cut carbon emissions in half by 2030 and in light of the alarming environmental and social impacts of the textiles industry, Generation Climate Europe has developed several policy recommendations surrounding the EU strategy for sustainable and circular textiles. These are categorised into the following 4 topics:
- Policy issue 1: Overconsumption and circularity
- Policy issue 2: Improving social standards
- Policy issue 3: Green Claims
- Policy issue 4: Intergenerational justice

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1. EEA (2022) Textiles and the environment: the role of design in Europe's circular economy.

Policy issue 1:
Overconsumption & circularity

GCE welcomes the regulation of circular design aspects for textiles through binding ecodesign requirements (durability, reusability, repairability, recyclability) with the recognition that fibre-blending hampers recyclability. Circular design and circular business models are vigorously encouraged in the Strategy as a means to sustain growth in the sector. However, none of these options will ensure a reduction of the number of clothing items produced. With consumption and negative environmental impacts predicted to rise exponentially by 2030 (2), it will not be sufficient to rely solely on recycling and reuse solutions. Statistics have shown that textile production doubled between the years 2000 and 2015 (3), whilst fibre-to-fibre recycling still needs up to 80% of virgin materials (4) which is rarely applied due to low viability. Doubts have also been raised about the positive effects of circular business models such as renting, reselling, or take-back systems. These models are believed to even increase consumption behaviour by making people believe that clothes will be responsibly dealt with once discarded. Among the circular practices outlined in the strategy, refuse and reduce, which are on top of the waste hierarchy, are unfortunately left behind.

While the Textile Strategy acknowledges overproduction and overconsumption patterns as unsustainable, it still fails to propose and implement effective solutions to this problem. Even more concerning, the European Commission (EC) still regards economic growth as a vital element of a clean and circular economy and aims for decoupling growth from textile waste generation, even though it has never been proven that an absolute decoupling of economic growth from environmental pressures and greenhouse gases emissions is feasible (5). The proposed circular practices could achieve a relative decoupling of sector growth and waste generation. However, waste generation will still continue to increase in absolute numbers with a growing production. The currently lacking implementation of recycling practices (less than 1% of clothing is fed into closed-loop recycling) (6) further emphasises that establishing a fully functioning circular economy will not work without reducing consumption.

As there is a lack of sufficient evidence that circular business models will be enough, we believe it is irresponsible of the EC not to urge explicitly for a significant reduction of resource use, consumption and production, and, thus, an immediate downscaling of the textile industry. Reducing production and consumption is the most sound and efficient solution to alleviate environmental harm for which the textile industry is responsible, and therefore should be the preferred and primary point of action.

2. European Environment Agency (EEA) (2019). Textiles and the environment in a circular economy.
3. Ellen MacArthur Foundation (EMF) (2017). A New Textiles Economy: Redesigning fashion's future.
4. Keßler, L., Matlin, S. A., & Kümmerer, K. (2021). The contribution of material circularity to sustainability—Recycling and reuse of textiles. In Current Opinion in Green and Sustainable Chemistry (Vol. 32, p. 100535). Elsevier BV. https://doi.org/10.1016/j.cogsc.2021.100535
5. European Environment Agency (EEA) (2021). Growth without economic growth.
6. Ellen MacArthur Foundation (2017). A new textiles economy: Redesigning fashion's future.

Policy issue 2: Improving social standards

The EU Strategy for Sustainable and Circular Textiles outlines plans for a more environmentally sustainable textile industry, but yet fails to include how to mitigate its social impact. Despite human activity being at the core of its processes, tackling human rights and labour conditions remains a key problem in the fashion industry. When looking at how the sector was negatively impacted by the pandemic, conclusions have mostly been drawn regarding its performance in economic terms. The Strategy implies that the main associated issues were a decline in demand and disrupted value chains (7), with no explicit mention of the social implications the pandemic caused. COVID-19 further amplified the stark inequities prevalent in the supply chain as the working conditions of garment workers significantly worsened during this time.

The first year of the pandemic saw factories closing, a high number of redundancies, and global apparel brands and retailers cancelling orders whilst refusing to pay for those already shipped (8). These events proceeded to have a serious effect on garment workers as their wages further declined, leaving some with next to nothing. This was exacerbated by the lack of unions present to protect workers against unfair payment and violations of their labour rights. The overconsumption and production of textiles puts pressure on the climate, environments and its people. Brands are putting pressure on factories by demanding quick delivery, failing to pay prices in full and disrespecting the rights of the people making their clothes.

Despite the EU's ambitious efforts to make the fashion industry more sustainable, the strategy fails to meaningfully address human rights and to propose an action plan to tackle the poor working conditions that many workers still face. This strategy should not only focus on environmental solutions, but should also establish social standards applicable to the whole global supply chain as well as actively recognise the value of the fashion industry's underpaid workforce. Often, migrant and seasonal workers but also the cotton farmers, the ginners and spinners are forgotten, especially during the pandemic. Since much of the garments are still produced outside of the EU, the effects of cancelled orders and stores closing during the pandemic have caused a sudden stop in production (9). Consequently, cotton farmers, who are at the root of the textile production, could not sell their products anymore and had to consider diverting their land to other uses. There are already signs, especially in Africa, that prices for cotton are declining, which can have disastrous consequences on local economies (10).

When tackling sustainability issues in the textile industry, improving unfair trading practices, buying prices, living wages, and incomes should be of equal importance to environmental solutions, since there cannot be any progress in making the textile industry more sustainable when disregarding the backbone of it – the human factor (11).

7. European Commission (2022). EU Strategy for Sustainable and Circular Textiles. COM(2022) 141 final.
8. Genevieve LeBaron, Penelope Kyritsis, Perla Polanco Leal, and Michael Marshall (2021). The Unequal Impacts of Covid-19 on Global Garment Supply Chains: Evidence from Ethiopia, Honduras, India, and Myanmar. University of Sheffield.
9. Remake (2021). One Year Later: What Has Changed for Garment Workers Since the Pandemic?
10. Clean Clothes Campaign (2020). Un(der)paid in the pandemic. An estimate of what the garment industry owes its workers.
11. The Fashion Revolution (2022). Textile strategy contains green ambition but forgets workers from the equation

Policy issue 3: Green claims

GCE welcomes the inclusion of a section on green claims related to textiles, as we consider it to be an essential element to push the textiles industry to transition to a truly circular and sustainable business model (12). These policies will support consumers in making informed purchase decisions, by regulating in which cases the claims such as "eco-friendly" or "green" are allowed to be made and thereby prohibiting the publication of false or misleading statements by brands.

The initiative on Empowering Consumers for the Green Transition will determine the rules on which information will have to be provided for consumers at the point of sale. GCE highly welcomes these provisions as they will incentivise brands to improve the durability of their products through a 'commercial guarantee of durability' while providing consumers with access to information on the repairability of their clothes through a 'repairability score'. Generic environmental claims can only be made when these products are produced with 'excellent environmental performance'. However, we believe that it is important to provide specific and unambiguous claims that leave no room for misinterpretation. This is why we advocate for an overall ban on these generic claims.

In addition, the Green Claims initiative further complements these provisions by establishing minimum criteria for all types of green claims made by brands. GCE strongly supports this initiative; however, the effectiveness of these criteria remains to be determined. Therefore, we deem it important to establish ambitious and progressive minimum criteria depending on the best available process relevant to the specific claim made.

The Strategy further acknowledges that recycling fibres from plastic polymers (currently this is mainly the case for PET bottles) does not align with closed-loop recycling and should therefore be discouraged, but it does not specify how to handle the associated green claims. GCE believes that fibre-to-fibre recycling should be strongly prioritised, even though it needs further technical development. Therefore, claims in regard to recycled content should only be allowed when the fibres come from a closed-loop recycling system.

12. Generation Climate Europe (2021). Greenwashing in the fashion industry. Retrieved from: https://gceurope.org/greenwashing-in-the-fashion-industry-policy-paper/

Policy issue 4:
Intergenerational justice

As a youth organisation, GCE considers the notion of intergenerational justice as key to ensure that current EU legislation and policies will benefit young and future generations alike. The EU Strategy for Sustainable and Circular Textiles has the potential to be the starting point to drive the transition to circular and sustainable business models, provided that youth/future generations are not left out of the equation and that their demands are taken into account.

In this sense, GCE supports the creation of the Transition Pathway for the Textiles Ecosystem, where stakeholders can exchange and deliver on their pledges and commitments to transition to a circular and sustainable textiles industry. However, we outline the need for representation and involvement of civil society organisations and especially youth organisations within the creation process of the platform, as we believe it is key to its success. A balance between public and private interests should be achieved to ensure that the resulting pledges and commitments are in line with the objectives to reach, e.g. green and digital transitions. Further, as mentioned in the Textile Strategy, young people are not attracted by jobs in the textile sector, notably due to the lack of high-skilled positions and its inherent unsustainability (13). Involving youth organisations in this stakeholders platform will therefore allow for the development of commitments and actions that are in line with youth demands, such as job security, gender equality, and increased inclusivity.

We also welcome the mention of the Year of Youth (2022) as part of ReFashionNow, the Commission's new motto to promote more sustainable consumption and production patterns, considering the role young people have as key consumers of textiles items. Thus, as previously mentioned, GCE stresses the need for youth organisations to also participate in the development of measures to tackle the overproduction and overconsumption of textiles. However, despite this recognition, the Textile Strategy does not seem to fully acknowledge the important role that young citizens bear in supporting the transition towards a sustainable and circular textiles industry. As part of the Year of Youth, 11 Youth Goals have been developed, demonstrating the political priorities for young people in Europe and areas where change is still required (14). GCE believes that, to ensure that youth demands are considered, the relevant key actions listed under the Textile Strategy should be linked to the Youth Goals (e.g., 2- Equality of all genders, 3- Inclusive societies, 4- Information & constructive dialogue, 9- Space and participation for all, 10- Sustainable green Europe). This will also ensure that the Strategy provides for adequate solutions to key issues raised by the European youth.

13. European Commission (2022). EU Strategy for Sustainable and Circular Textiles. COM(2022) 141 final, 11.
14. EU Youth Goals (2018). Retrieved from https://youth-goals.eu/youthgoals

Recommendations

Overall, GCE considers the proposal for the EU Strategy for Sustainable and Circular Textiles a good starting point to address the inherently unsustainable business practices of the textiles industry. We support the EU's goal to push for a transition to more circular textile products, reduced environmental footprint, and improved working conditions.

Nonetheless, GCE believes there is still significant room for improvement as the Strategy is lacking some more stringent targets and criteria, especially in relation to overconsumption, social issues, and the inclusion of youth. The success of the Strategy in achieving circular textiles, respecting social rights, and drastically mitigating its environmental impacts is strongly dependent on the implementation process of the various proposed initiatives and regulations. As much written in the Textiles Strategy leaves room for interpretation, this implementation will be subjected to the goodwill of all parties involved.

Therefore, we urge the EC to consider and incorporate the following recommendations in the development of the legislative requirements targeting textiles, to ensure that the textiles industry actually transitions to a circular and sustainable business model. Ambitious actions at the legislative level are essential for current and future generations to be able to live on a healthy and non-polluted planet where workers' rights are respected.

<u>Overconsumption and circularity:</u>

- Set EU-wide targets on reduction of consumption. This should be done with information campaigns, training, and activities that allow European consumers to be more knowledgeable on the downsides of the textile industry.
- Aim for a strong enforcement of binding product-specific ecodesign requirements and set ambitious and progressive targets for companies in regard to durability, reusability, reparability, fibre-to-fibre recyclability, and mandatory recycled fibre content.
- Prioritise measures that allow for a longer use phase of products (i.e. enhanced durability, reusability, and repairability) over recycling, as these will not only avoid consumption in the first place, but also do not require an energy intensive recycling process.

<u>Improving social standards:</u>

- Requiring proof and certification of working standards and human/social rights from producing factories (whether made in the EU or abroad) to import textile items.
- More actively address human rights and propose an action plan to tackle the illegal and poor working conditions of workers in this industry across the whole supply chain.
- Consider the rights and needs of workers from all segments of the industry in the Textile Strategy and involve them in decision-making processes.

<u>Green claims:</u>

- Green Claims should include specific and unambiguous statements. Therefore, generic claims such as "eco-friendly" or "green" should be banned.
- Minimum requirements for green claims shall be set ambitiously and progressively to ensure a continuous improvement of products in environmental terms.
- Ensure that green claims made in regard to recycled content can only be made when the recycled fibres originate from a closed-loop recycling system to discourage the use of PET bottles.

<u>Intergenerational justice:</u>

- Involve youth organisations in the Transition Pathway for the Textiles Ecosystem and the development of the Strategy's requirements.
- Align the Textile Strategy's key actions with the relevant Youth Goals established as part of the European Year of Youth.