



**POLICY
HUB**

**circularity for
apparel and footwear**

A common framework for EPR in the apparel and footwear industry



A common framework for extended producer responsibility (EPR) in the apparel and footwear industry

The Policy Hub – Circularity for Apparel and Footwear - supports the European Commission’s initiative to address the challenge of textile waste and welcomes the consideration of extended producer responsibility (EPR) as an option to implement the regulatory requirement to separately collect textiles by 2025.

First and foremost, it is important to ensure that potential EPR requirements stemming from the European Waste Framework Directive are workable for the textile, apparel and footwear industry. They should not hamper innovation nor competitiveness in a global trade context.

The Policy Hub seeks to open a dialogue with policymakers to jointly shape a common framework for an EPR system for the textile, apparel and footwear industry that:

- takes into account the key learnings and success factors from EPR implementation and existing EPR schemes,
- factors in the specificities of the industry and its broad portfolio of materials and products,
- effectively aligns the EPR efforts to the circularity strategies already under way within the global value chain.

This dialogue can tap into the opportunity of strengthening the instrument of EPR in the light of the broader perspective of circularity. Laying the foundations for a harmonized policy approach will achieve the following goals:

- an effective and efficient collection system for used textiles (secondary raw materials) and for textile waste that ensures that material value is recovered as much as possible,
- well-functioning circular pathways connecting secondary raw materials with production cycles,
- a key focus on encouraging innovative forms of consumption and enabling informed choices by consumers,
- a clear support to cross-stakeholder and cross-sectoral collaborations and to innovations that accelerate systemic change across the value chain,

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- a consistent incentive to products, business models and initiatives that strive to maximize resource use and to retain the highest possible value in products and materials, hence minimizing waste.

The Policy Hub supports a common framework based on the policy principles outlined below, in priority order.

1. A clear, harmonized scope

Agreeing upon a common set of definitions is key, including a harmonized interpretation of who is considered a “producer” and what is considered “waste”, along with a clear differentiation between waste, used products and secondary raw materials. Harmonized end-of-waste criteria for textiles, along with consistent incentives for the textile, apparel and footwear industry, are important steps to remove current barriers to trade of secondary raw materials and to promote their reintroduction in the production cycle.

The harmonized approach shall also cover issues such as the scope of products covered by EPR requirements, the reporting obligations by Member States, the criteria to rule collection and sorting for reuse and for recycling, the criteria to establish or modulate EPR financial contributions or recycling standards.

It is important that EPR requirements stay consistent with coexisting environmental policies in the EU in order to prevent single market distortions and to maintain an aligned product policy framework across the EU.

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2. Responsibilities clearly allocated to all stakeholders in proportion to their role in the EPR system and their sphere of influence

Different stakeholders play a role within the EPR system and across the value chain, including producers, national and/or regional authorities, municipalities, waste management operators, commercial and non-profit agents that collect and remarket used products, retailers, consumers, etc.

Financial and organizational responsibilities should be clearly defined and allocated to each EPR stakeholder. Each stakeholder shall be responsible and deliver results within its scope of influence, keeping in mind the overall goal of minimizing products' environmental impact. Compliance with EPR requirements should always be a cooperative effort of all EPR stakeholders. Where feasible, EPR instruments should build upon existing activities.

Producers should be able to comply with EPR requirements either individually or collectively by creating or joining a compliance organization of their choice. EPR should not translate into an obligation for producers to join a prevailing compliance organization without any flexibility nor industry involvement.

Stakeholders shall take collective responsibility to drive the implementation of innovative solutions and new technologies within the sorting phase of EPR. **With the adequate support and funding by the industry and the EU, new sorting technologies combined with an adequate infrastructure to recover the material value in used products and textile waste can enable circularity and revitalize the sorting and recycling industry.**

Financing competent authorities or waste management operators shall be secured within the limits of subsidiarity, proportionality, transparency and control.

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3. A robust mechanism of monitoring, control and surveillance with equal rules for all EPR stakeholders

The EU policies shall define a stable and clear framework to ensure a level-playing field, leading to an effective and efficient EPR implementation, without introducing unnecessary administrative red tape through control and surveillance mechanisms.

This framework shall include measures of monitoring, control and surveillance of all EPR stakeholders' compliance and performance. This shall be supported by enforcement measures, including a sanctioning regime.

4. Proportional EPR financing with optimal transparency

In the context of EPR, producers are responsible to finance and/or organize the collection and treatment of their products after their use. It is important that any financial contributions proposed are transparent, simple to administer and proportionately set within the limits of cost-effectiveness and sustainable costs.

Also, a harmonized, evidence-based approach at EU level to modulate EPR financial contributions could provide consistent incentives to producers to further adopt and scale product and business strategies that effectively contribute to circularity.

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About the Policy Hub

The Policy Hub is an initiative launched in May 2019 by the Sustainable Apparel Coalition, Federation of the European Sporting Goods Industry, Global Fashion Agenda and their members to develop and promote a unified European policy framework that accelerates the transition to a circular system for the textile, apparel and footwear industry, incentivises environmental performance at all stages of products' lifecycle and stimulates innovation and new business models.

The Policy Hub seeks to foster cross-stakeholder collaboration within textile, apparel and footwear's global value chain and open dialogue with policy-makers to jointly drive forward a circular economy agenda that generates new and sustainable competitive advantages for Europe and brings benefits to society at large and to the planet.

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Annex I – Definitions

End-of-waste status (EU)

Substance or object ceasing to be waste after a recovery operation (including recycling) if complying with specifically regulated criteria in accordance with the following conditions:

- is commonly used for specific purposes,
- there is market or demand,
- fulfils the technical requirements for the specific purposes and meets the existing legislation and standards applicable to products,
- its use does not lead to overall adverse environmental or human health impacts.

EPR (Extended Producer Responsibility) (OECD)

An environmental policy approach in which a producer's responsibility for a product is extended to the post-consumer stage of a product's life-cycle.

European Waste Hierarchy (EU)

A priority order in waste prevention and management legislation and policy:

- prevention,
- preparation for reuse,
- recycling,
- energy or other recovery,
- disposal.

Prevention (EU)

Measures taken before a substance, material or product has become waste, that reduce:

- quantity of waste, including through the re-use of products or the extension of the life span of products,
- adverse impacts of the generated waste on the environment and human health,
- content of harmful substances in materials and products.

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Recyclable (wording proposal from across the Apparel and Footwear Industry in the absence of a pre-existing norm)

A product that can be processed and recycled within commercial recycling processes where the recycled material becomes a raw material that can be reintroduced in the production of new products.

Recycling (EU)

Any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes. It includes the reprocessing of organic material but does not include energy recovery and the reprocessing into materials that are to be used as fuels or for backfilling operations.

Recycled materials (wording proposal from across the Apparel and Footwear Industry in the absence of a pre-existing norm)

Materials (fibers, yarns, fabrics) made from the recycling process of 'used products' and 'secondary materials' and are suitable for the production of new products, such as garments, instead of or alongside virgin raw materials.

Reuse (EU)

Any operation by which products or components that are not waste are used again for the same purpose for which they were conceived.

Secondary raw material (EU)

Recycled materials that can be used in manufacturing processes instead of or alongside virgin raw materials. Waste material that is recycled and reintroduced in the production processes of new materials. This material is subject to the same trade and shipping regulations as a primary raw material.

Waste (EU)

Any substance or object which the holder discards or intends or is required to discard.

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