



*Employers entrusted to deliver
Sustainability Growth Innovation*

Position Paper

SGI Europe Position on the New EU Textile Strategy

20 July 2021

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SGI Europe welcomes the effort and willingness of the European Commission to address the challenge of handling new and recycled textiles by developing a new EU Textile Strategy. As a cross-sectoral EU association representing the public services and services of general interest in the energy, water, waste/wastewater management, amongst others, our interests lie in further developing the strategy and concept of the Circular Economy as it is a key missing piece of the new European economic architecture enabling a more efficient and sustainable element to the EU's sustainable and industrial strategy.

SGIs can play a big role in driving this new EU Textile Strategy and can support the European Commission in paving the way for other economic actors to follow.

Climate protection and economic development are not competitors but go hand in hand. It is therefore of vital importance to acknowledge that investments in sustainable textile solutions have an incredible impact on economic growth and have job-creating effects. **SGI Europe believes that the new EU Textile Strategy must harmonise and be in line with the ambitious goals of the European Green Deal and the Circular Economy Action Plan (CEAP) and its related EU files to ensure a resilient, sustainable, and forward-looking development when making EU policies.**

As already welcomed in our [SGI Europe Opinion on the CEAP](#), the new **Textile Strategy is a necessity to make better use of the textiles industry and ensure better resource efficiency that is at the same time significantly improving its direct environmental impact on soil and water by introducing the polluter pays principle.** SGI Europe believes it is necessary to develop a functional method for the recovery and recycling of textiles. In this regard, **SGI Europe calls for integrating new measures with well-functioning established systems to ensure a circular textile mechanism.**

SGI Europe would like to underline that the waste management represents a small part of the textiles' climate and environmental impact. Hence, whether textile waste can be recycled, or not, depends on the design and production phases. For this reason, **measures with the needed environmental impact have to be taken at the design and production phases of the value chain.**

In order to establish efficient cycles in the value chain, regulations and instruments should:

- **define which textiles are covered**
- **who is responsible in different parts of the value chain**
- **how the costs that arise are to be covered, and**
- **how to support cities, regions and communities**

Overall, the solutions for handling textiles must follow the principle of 'polluter pays', and the regulations for state aid. In the following paragraphs, SGI Europe would like to highlight its policy recommendation on how the EU Textile Strategy can be developed in a manner that will serve on a social, economic, and environmental dimension:

Definition

- **Regulations should define which textiles should be included:** Textiles, interior textiles, bags and accessories of textiles, furniture, industrial textiles, filters, yarns, non-woven fabrics, fabrics, mattresses, shoes, and carpets. This list is not exhaustive but includes far more than what is covered by today's textile collection.
- The definition should **strengthen circularity** by putting an emphasis on material flows rather than on products and producers.

Quality and market

- **Recyclability must be clarified** to enable the production of eco-design-friendly textiles, for example through standards.
- Although waste sorting is important, the **key aim should be to ensure that textile materials are returned for reuse, repair or for new production.**
- There is a **need for research**, development, and innovation in all parts of the value chain of textiles.

Extended producer responsibility

- **The key to developing new business models based on reuse and repair is to make manufacturers responsible for the textiles they sell** and the waste that arises from production and sales.
- **All costs incurred by handling textiles and textile waste are to be covered by producers**, including textiles from littering and in the sewerage.
- **Separate sorting does not mean that the same solution is correct everywhere.** The total solution for sorting, transport and treatment of waste must together provide a better solution for the environment and climate.
- **The manufacturer/return company should be responsible for everything that is collected.** All actors must be involved to develop a well-functioning producer responsibility.

Transparency, product passport and taxes

- The authorities must ensure **transparency in production methods**, working conditions and environmental impact.
- **Digital passports and labelling** need to be introduced to ensure quality and environmental impact, both for industry and consumer.
- **Make it economically interesting to reuse and re-design:** Second-hand retailers, municipalities and other actors who ensure the reuse of textiles must have easy reporting requirements and VAT exemption during a transitional period.

The role of non-profit organisations

- **Non-profit organisations and companies are important** for the collection, sorting, and resale of used textiles. This activity helps to reuse clothes, accessories, shoes, and furniture. In addition, they create important arenas for work training.
- **These social and circular economic aspects of textile collection should be taken into account.** Producer responsibility must not be at the expense of, but work in cooperation with, the non-profit organisations' handling of textiles.

Making Textile Circularity work for people, regions, and cities

The value of new jobs that can evolve from exploiting the methods of reusing materials will be a game changer in the labour market:

- We emphasise at SGI Europe to **include in the EU Textile Strategy a clear pathway to bringing multiple benefits and opportunities for local and regional businesses and society.**
- The transition phase towards a circular economy in the labour market needs to be **transparent, fair and practical for public authorities at the EU, national and regional level on a level-playing field.** Authorities dealing with environmental protection, education and training should be supported in cooperating with the EU social partners.
- The process of adapting the economy and the labour market **towards more circularity and resource-efficiency will require a better skilled and competent work force with investments in education and vocational training to deliver and update relevant skills.** SGI Europe appeals to the Commission to take this into account, as appropriate.
- Finally, **SGI Europe calls on the European Commission to build the necessary close relationship with SGI Europe and other EU Social Partners for identifying sustainable options and conditions to make the EU Textile a success** in Europe for the environment, the economy and workers.