

Contribution to the Consultation on the Proposed Extended Producer Responsibility Scheme for Textiles

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The Policy Hub – Circularity for Apparel and Footwear welcomes the Dutch government's proposal to establish the extended producer responsibility (EPR) scheme for textiles. We believe that EPR is an important instrument to promote sustainable textiles and textile waste management, as well as to support handling of the expected increase in textile collection volumes in the EU as of 2025.

While welcoming the Dutch proposal, we believe that any EPR rules should be established with the purpose of delivering circular value chains that prolong the life of products through preparing for reuse, or if not suitable for reuse encourage recycling of the materials from apparel and footwear. In this regard, we would like to stress our key recommendations:

- 1. **The harmonisation of EPR schemes across the EU is critical.** Therefore, the Proposed EPR scheme should be aligned with other existing EPR schemes for textiles in the EU. Ideally, it should follow the EPR Guidelines which will be proposed by the European Commission to ensure an even level playing field for the industry.
- 2. The Proposed EPR scheme should be aligned with the EU's waste hierarchy.¹
- 3. Any design requirements for textiles, e.g., recycled content percentage should be set at the EU level to ensure a proper harmonisation and an even level playing field. These requirements will be set as part of the EU's upcoming <u>Sustainable Product's Initiative</u>. Thus, we recommend the Dutch government to wait for the EU's proposal before regulating design of textiles.
- 4. Any targets set as part of the EPR should be realistic yet ambitious acknowledging that they will only be reachable once the collection/ reuse/ recycling infrastructure is in place to absorb the expected textile volumes.
- 5. It will both be paramount that the needed reverse logistics are in place not only in the Netherlands but across the entire EU, i.e., appropriate infrastructure capacity for collection, sorting, and recycling.
- 6. The Dutch authorities should create/ appoint a relevant producer responsibly organisation (PRO) to manage the textiles waste as part of the proposed EPR scheme.
- 7. The Dutch EPR should provide relevant definitions such as define "readiness for reuse", "reuse" and "recycling" or "fiber to fiber recycling" and how they will be measured or certified. Any definitions should be aligned with the EU's Waste Framework Directive and its upcoming revision.

The below outlines our other suggestions and concerns for the proposed Dutch EPR scheme for textiles, focusing on 1) ensuring consistency; 2) having a harmonised EPR scope with a phased approach; 3) EPR funding, and 4) setting targets.

1. Ensuring Consistency

Moreover, it is essential to **ensure consistency** in the implementation of EPR across Europe, aiming at and delivering on the following **common goals**:

- Providing **sufficient financing** to secure the adequate, proportionate infrastructure and processes to effectively and efficiently collect and sort used textiles and to prioritise 1. reuse and 2. high-value recycling, including fibre-to-fibre recycling. Also, to support **textiles waste minimisation**.
- Ensuring **thriving markets for second-hand textiles**, through the establishment of (preparing for) re-use targets that cover both the management of used textile and the uptake of such products on the EU market, as well as through safeguarding shares of the EPR fees to these activities.
- Boosting **functioning markets for recycled materials with a strong demand for recycled materials**, ensuring their quality and their demand to truly enable circular pathways that connect used textiles with production cycles.

We also call on Dutch policymakers to ensure that EPR contributions and cost-sharing models are oriented towards funding the different activities that are necessary to fulfil this set of common goals, operating under a **shared responsibility system** that takes into account all actors in the textile value chain and their respective contribution to circularity (e.g., professional collectors, sorters and recyclers of used textiles, as well as charities and social enterprises).

¹ The EU's waste hierarchy that promotes 1. waste prevention, 2. the extension of life of textile products and 3. the recirculation of textile resources.



2. Harmonised EPR scope with a phased approach

We further propose the following recommendations:

- The Dutch government should choose a **phased approach** to define which categories or types of textile products are in-scope, which exemptions should be considered for complex products posing a challenge with the currently available technologies (e.g., Personal Protective Equipment) and how to consider the role of technology in the future and the opportunities it may bring to expand the EPR scope.
- Clear and detailed definition of the obligations of all actors involved should be provided. Responsibilities of all relevant actors (producers, distributors, organizations implementing extended producer responsibility obligations -PROs-, private or public waste operators, local authorities and re-use and preparing for re-use operators and social economy enterprises) should be established. The role of new operators should also be regulated, such as online sales platforms (marketplace). The same requirements must be fully applicable also for imported products and for distant, cross-border selling to minimise the risk of free-riding.
- **EPR should not be detrimental to second-hand textiles**, avoiding double contributions for textile products that were already placed in the market once.
- The Dutch government should ensure that EPR is **not detrimental to existing, well-integrated and commonly agreed collection systems** set up and organised by producers, distributors, and other stakeholders in the textile value chain (e.g., professional, and charitable collection, charities sorting and preparing for re-use used textiles, brands managing in-store and/or online collection systems). Credits or discounts on EPR fees should be foreseen for materials that have been returned and processed through in-store and/or online collection systems.
- It should be guaranteed that all collection, sorting, handling, and treatment activities are performed by authorised operators.

3. EPR Funding

EPR should finance the management costs, as well as awareness activities and traceability systems. In this line:

- EPR funding should be shared by producers with other agents (who will benefit from these measures) and with the competent authorities.
- Funding should be ring-fenced to ensure it is dedicated to a clearly defined scope of activities and to achieving specific pre-defined objectives.
- We consider that the eco-modulation of EPR fees can encourage and reward circular design while consistently complementing other policy efforts in the context of the upcoming EU's Sustainable Product Policy Initiative.

4. Setting Targets

When setting EPR targets, we recommend focusing on:

- Aiming at **realistic yet ambitious collection targets** acknowledging that collection targets will only become reachable once the infrastructure is in place to absorb the expected volumes.
- Reflecting consistency with the EU waste hierarchy **through prioritising prevention**, re-use and then recycling, as well as aiming at effectively and significantly minimising incineration and landfill of textile waste.
- Acknowledging the need to factor in the contribution of **all actors** and **all collection pathways** (e.g., private textile collectors, charities, municipalities, in-store and online collection systems) towards reaching targets.

The Policy Hub looks forward to collaborating with the Dutch government to deliver on our common ambition to help the textile value chain become circular. For more insights on the EPR for textiles please see our joint position paper on EPR drafted together with industry players from textiles, manufacturing, reuse, and recycling.

ABOUT

The Policy Hub – Circularity for Apparel & Footwear unites the apparel and footwear industry to speak in one voice and propose policies that accelerate circular practices. Launched in 2019, the Policy Hub has five partner organisations: Sustainable Apparel Coalition (SAC), Global Fashion Agenda (GFA), Federation of the European Sporting Goods Industry



(FESI), Textiles Exchange (TE), and ZDHC Foundation. In total, these organisations represent more than 700 apparel & footwear stakeholders including brands, retailers, manufacturers, and NGOs.

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