

Textile Industry's Feedback on the Proposed Regulation on Ecodesign for Sustainable Products

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The Policy Hub – Circularity for Apparel and Footwear, uniting more than 700 brands, retailers, manufacturers, and other stakeholders within the industry, and representing more than 50% of the apparel and footwear sector, welcomes the European authorities' efforts to reduce the environmental impact of products placed on the EU's market. As an industry, we are supporting the expansion of the ecodesign principles to apparel and footwear products.

We specifically welcome the below-outlined points that we consider fundamental for the success of the legislation:

- **Harmonisation for a single market:** The harmonisation of requirements across the EU to ensure the functioning of the single market.
- **Tailored product-specific requirements:** The EU Commission's approach towards vertical, product-specific requirements to ensure these are tailored and fit for purpose.
- **Impact-focused LCA approach:** The selection of requirements applied per product group that are most relevant/ impactful from a circularity perspective and follow an LCA approach based on the Product Environmental Footprint (PEF).¹
- **Comprehensive assessments:** Emphasising the need for comprehensive assessments for the development of the Delegated Acts.
- **Digitalisation of product information:** Increasingly sharing product information through digital means e.g., the Digital Product Passport (DPP).

However, we would like to highlight the sectors' suggested areas of improvement concerning the presented proposal.

1. Policy coherency between different EU legislations

We urge the EU Commission, Members of the European Parliament, and the Council to ensure policy coherency between the ESPR and other initiatives and legislations (e.g., Substantiating Green Claims, Empowering Consumers, the revisions of REACH, the Packing and Packaging Waste Directive, the Waste Framework Directive, and the Textile Labelling Regulation, etc.). This will be crucial to ensure a well-functioning policy framework for more sustainable products. We believe it is a fundamental responsibility of the European institutions to guarantee that these policies are complementary and function in harmony.

In addition to a market access regulation that establishes an environmental baseline, incentive-based policy instruments are important to reward environmental frontrunners

2. Strong inclusion of key stakeholders notably from the industry in policy making

Involvement of relevant stakeholders, including technical experts from the industry (from large to small companies) will be key to ensuring that the requirements developed as part of the ecodesign forum will be relevant and realistic.

¹ In the preparations and prioritisation of delegated acts for textile it will be highly relevant to build on existing climate analysis. For example: World Resource Institute (<u>roadmap-net-zero-delivering-science-based-targets-apparel-sector.pdf (wri.org</u>)) and Textile Exchange (<u>Textile-Exchange_Preferred-Fiber-Ma-terial-Market-Report_2020.pdf (textileexchange.org</u>)



3. Clear definitions

We call on the EU authorities to establish clear definitions that are based aligned with existing standards and can be leveraged globally. The term "destruction" for example, should be aligned with the EU waste hierarchy. In addition, we recommend excluding recycling to be considered a destruction of a good as long as all other routes (e.g., reuse, remanufacturing) have been explored by the economic operator and recycling is the only available end of life solution for said product. Any destruction, even done in an environmentally responsible manner, only occurs in extraordinary circumstances, e.g., if the further sale or distribution of products concerned would lead to legal risks.

4. Destruction of Unsold Goods

The reporting responsibilities between economic operators and potentially third parties executing the destruction of unsold goods shall be clarified.

5. Substances of Concern

Our preferred suggestion is that for the disclosure of substances of concern, obligations should align with the SCIP database. Hence, we recommend that the threshold of 0,1% weight by weight is per se exempt, and additional duties start with concentrations of substances of concern above the limit value.

However, if the EU authorities do not follow this approach, we recommend the below. Instead of "all substances of concern", it would be more practical to have a specific list of restricted chemicals that are <u>relevant</u> to a specific product group, like textile and footwear. Particularly, from a manufacturing point of view, the availability of approved international test standards is imperative to enable monitorability and legal sound enforcement.

To ensure consistency and avoid potential overlaps, we urge the EU Commission to leverage the role of ECHA and to follow the existing REACH article 33 notification and Article 59(10) SVHC including the scope of coverage instead of adding other requirements. Additionally, we would caution that chemical substance that "negatively affects the re-use and recycling of materials in the product in which it is present" (Point C of Article 2(28)) is yet to be defined. This could increase the complexity of the information collection. In fact, a derogation mechanism within REACH is vital to overcome roadblocks in scaling circularity.

6. Language requirements of documentation

We would like to caution the EU Commission, that translation of documents (among others article 21 & 36), possibly into several languages, places an administrative burden on operators. To avoid excessive administrative burden, other users rather than consumers, should in principle always accept the information in English. In justified cases, translations may be requested.

7. Declaration of Conformity (DoC) and CE marking

We welcome the option for alternative rules on conformity assessment than the declaration of conformity or CE markings. This alternative route will be highly relevant for the apparel and footwear sector. CE markings provide consumers a sense of security of at the point of sales (vis-à-vis potentially dangerous products for example as for toys, electronics etc.). This, however, might cause confusion of consumers in the context of textiles. The DPP could be a better tool to communicate such product related information.

Additionally, the requirements on DoC and CE marking would be burdensome and would only create inefficient administration for the apparel and footwear sector, which has never worked with CE markings before.



8. Enforcement

Strong enforcement of the requirements set as part of the ESPR needs to be in place to ensure a level playing field. Hence, we would highlight the following:

- a. Clear and measurable ecodesign requirements need to be established, to drive enforcement,
- b. The proposed DPP registry (art. 12) can support market surveillance and enforcement is welcomed. However, uploading all the legally required information will be a significant task for the industry requiring proper IT infrastructure and resources. Hence, support from the EU will be needed on this.
- c. Ill-equipped Member States authorities might cause insufficient enforcement. This will be detrimental to the success of the ESPR.

A level playing field is essential to drive impact and maintain competitiveness for compliant companies.

The Policy Hub, its partner organisations (Sustainable Apparel Coalition (SAC), Global Fashion Agenda (GFA), the Federation of the European Sporting Goods Industry (FESI), Textile Exchange, and ZDHC Foundation) as well as their members stand ready to support the development of the intended requirements for the apparel and footwear.

ABOUT THE POLICY HUB - CIRCULARITY FOR APPAREL & FOOTWEAR

The Policy Hub 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), Textile Exchange, and ZDHC Foundation. In total, these organisations represent more than 700 apparel & footwear stakeholders including brands, retailers, manufacturers, and NGOs.