

RREUSE's Feedback to the 2023 Targeted Revision of the Waste Framework Directive

RREUSE welcomes the proposed revision of the Waste Framework Directive as a major milestone in recognising the pivotal role of social enterprises in promoting the re-use of textiles.

The work of social enterprises in this field is paramount for the transition to a more circular and sustainable textile value chain, while also creating local jobs for people distanced from the labour market. <u>Data from the RREUSE network</u>, also cited in the Impact assessment accompanying the proposal, indicates that 20 to 35 jobs can be supported for every 1000 tonnes of textiles collected for re-use¹.

RREUSE is pleased to see social economy actors being recognised as key actors in the upcoming Extended Producer Responsibility (EPR) schemes and stresses the importance of maintaining all provisions related to social enterprises in the Commission's proposal are maintained to ensure legal certainty for the sector. However, there are other aspects requiring further clarification and improvements to enhance the ambition and the effectiveness of the proposal.

Throughout the text, there is a tendency to refer to social enterprises as purely "non-waste operators", although the impact assessment correctly states that many of them possess the necessary accreditation to be regarded as fully fledged waste operators involved in the collection and preparation for re-use of textile waste². Therefore, it is essential to clarify that social enterprises with the necessary accreditation to handle textile waste are also regarded as waste operators in the Directive, ensuring legal certainty in the implementation phase of the Directive.

While the introduction to the proposal emphasizes the importance of involving social enterprises in the governance of EPR schemes, there is no provision reflecting this in the legislative text. Currently, EPR schemes tend to mostly involve producers, resulting in other stakeholders often being side-lined. Because of the key role played by the social economy in future EPR schemes on textiles, social enterprises should be given decision-making power in the governance of these schemes. A more inclusive approach, ideally also involving actors from civil society and municipal authorities, is therefore needed to unlock the full potential of the social economy in driving meaningful change through the re-use, repair and recycling of textiles.

The upper stages of the waste hierarchy (prevention, re-use, preparation for re-use) often receive significantly less funding from EPR schemes compared to recycling, if any. This is a major missed opportunity because the upper stages of the waste hierarchy yield better environmental, social and economic outcomes than recycling. Furthermore, social enterprises, often employing individuals distanced from the labour market require additional upfront costs for re-insertion and training, although these investments can result in savings from welfare payments once workers from social enterprises become regularly employed.

The EPR fee, the economic contribution paid by producers to finance the end-of-life managements of their products, can be a crucial tool to provide environmental and social benefits without relying on taxpayers'

¹ RREUSE (2021) Job creation in the re-use sector: data insights from social enterprises. Available at https://www.rreuse.org/wp-content/uploads/04-2021-job-creation-briefing.pdf

² European Commission (2023) COMMISSION STAFF WORKING DOCUMENT IMPACT ASSESSMENT REPORT Accompanying the document Directive of the European Parliament and of the Council amending Directive 2008/98/EC on waste, Part 3, page 113. Available at https://environment.ec.europa.eu/system/files/2023-07/IMPACT%20ASSESSMENT%20REPORT_SWD_2023_421 part3.pdf



money. <u>Earmarking a portion of the EPR fee to finance the re-insertion activities of social enterprises</u> involved in the re-use of textiles, following the example of the French "Solidarity Re-use Fund" is a best practice that could be replicated at the EU level³.

The EPR fee can also be a crucial tool to discourage the production of low-quality textiles products and addressing the environmental consequences of fast fashion. <u>Introducing a strong eco-modulation of this financial contribution</u>, adjusting the amount of the fee based on the environmental performance of a product, can incentivise producers to design and manufacture more sustainable products. Crucially, a volume criterion should be introduced to progressively increase the fee according to the number of new textiles placed on the market by a brand each year to reduce wasteful consumption of fast-fashion items.

Furthermore, the text excludes certain products (listed in the second part of Annex IV) from the scope of eco-modulation. This means that such products would still have to be collected and managed like regular textile waste, but without providing any incentives for producers to increase the circularity of these products. Such an approach would also exclude footwear and leather, two product categories with major sustainability challenges and significant environmental impacts. Therefore, all the products covered by the EPR should also be in the scope of eco-modulation.

Moreover, recital 19 of the proposed Directive states that encouraging competition between different producer responsibility organisations (PROs) may lead to several benefits. RREUSE warns against adopting a purely market-based approach, which overlooks the risk of encouraging "races to the bottom" where producers manufacturing the least sustainable textiles would join the PRO offering the lowest fee or the least stringent criteria.

Unfortunately the lack of quantitative targets is a notable omission, which does not take into account the EP's report on the sustainable textiles strategy emphasizing the need for specific targets for textile waste prevention, collection, re-use and preparation for re-use⁴. Several examples of such targets already exist at the national and regional level⁵, providing a crucial driver for both investments and cooperation in the circular textile value chain. RREUSE therefore calls for the establishment of similar national targets in each Member State of the EU.

In conclusion, RREUSE sincerely welcomes the proposed revision of the Waste Framework Directive, recognizing it as a crucial step toward acknowledging and harnessing the potential of social enterprises in promoting textile re-use. RREUSE also looks forward to working collaboratively with policymakers and other stakeholders to further improve the proposal, with the aim of fostering more circular and inclusive textile waste management for the benefit of all European citizens.

For more information please contact:

Edoardo Bodo, Environmental Policy Officer, RREUSE

edoardo.bodo@rreuse.org

³ RREUSE (2020) France to create a solidarity re-use fund. Available at https://rreuse.org/france-to-create-a-solidarity-re-use-fund-and-other-re-use-friendly-measures/

⁴ European Parliament (2023) Report on a EU Strategy for Sustainable and Circular Textiles (2022/2171(INI)), point 61. Available at https://www.europarl.europa.eu/doceo/document/A-9-2023-0176 EN.html

⁵ RREUSE (2021) Reuse targets factsheet. Available at https://rreuse.org/wp-content/uploads/2022/03/re-use-targets-factsheet.pdf