



JOINT POSITION PAPER

Extended Producer Responsibility for textiles

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EXTENDED PRODUCER RESPONSIBILITY FOR TEXTILES

RREUSE and Municipal Waste Europe

March 2024

The separate collection of textiles will become mandatory in the EU from January 2025 and Member States will need to put in place an appropriate legislative framework and infrastructure.¹ To this end, the European Commission has mandated Member States to introduce Extended Producer Responsibility (EPR) schemes for textiles in its proposal for a revision of the WFD.² This milestone comes with great risks for the re-use sector and beyond. Preserving municipal responsibility and existing collection systems run by social enterprises is key to mitigating those risks and ensuring that EPR schemes function as intended by EU legislation. That is why Municipal Waste Europe (MWE) and RREUSE are issuing these joint recommendations for future textile EPR schemes.

As we explain in more detail below, we ask the policy makers to ensure:

- Accounting for the diversity of national contexts and for the vulnerability of social economy
- A fair representation of all actors in the design, functioning and governance of EPR schemes
- Comprehensive cost coverage through EPR schemes
- Preventing a race to the bottom
- Separate EPR schemes for bulky waste with textile composition

WHAT IS AT STAKE?

Whereas it may appear only positive at face value for producers to have full responsibility for the goods they make, their interests clash with those of society at large. Producers undeniably have profit-driven motivations to favour the early recycling of re-usable goods. Contrary to this approach, social enterprises and municipalities, in their effort to act in the general public interest, strive to prioritise the waste hierarchy in which waste prevention, preparing for re-use and re-use take priority.

Without mitigating measures which include the obligation to sort for reuse, the mandatory separate collection of textiles could fuel the premature recycling of goods that could actually be re-used. This would create barriers for social enterprises in accessing waste streams and that would, in turn, lead to negative social and environmental consequences.

¹ WFD 2008/98/EC as revised in 2018

² See https://environment.ec.europa.eu/publications/proposal-targeted-revision-waste-framework-directive_en

Therefore, we need enlightened policy interventions that will implement the waste hierarchy and ensure that (preparing for) re-use cannot be pushed aside in favour of recycling – and we need them fast.

Furthermore, if not designed properly, the EPR schemes may bring inequalities in geographical coverage of the separate collection of textiles. They may also encourage undesirable competition between Producer Responsibility Organisations (PROs) that would be profit-driven rather than motivated by efficient separate collection and the promotion of the waste hierarchy.

WHY DOES COOPERATION BETWEEN SOCIAL ENTERPRISES AND MUNICIPALITIES MATTER?

Both, social enterprises and municipalities, strive for socially responsible and circular textile waste management.

Municipalities hold the obligation to ensure the collection of municipal waste in line with the enacted legislation and as a part of delivering this Service of General Interest. In practice, this can be carried out by the municipality itself, outsourced, or organised in coordination with other actors. Unlike profit-oriented actors, social enterprises active in textile waste management always prioritise local preparing for re-use and re-use, as well as inclusive employment opportunities. The strong link between textile donations and social objectives boosts consumers' motivation to donate clothes to social enterprises rather than throw them away.

Across the EU, municipalities have established a harmonious system of cooperation with social enterprises. They enable them to place street containers for textile waste collection. Social enterprises sort what they collect in view of maximising local preparing for re-use and re-use and employment. Many examples of cooperation are already in place and stand ready to be widely replicated:

- The municipality of Vicenza (Italy) prioritises social enterprises by offering two types of contracts for waste management centres run by operators whose main purpose is social integration. Below a certain threshold, the contracts are reserved for social work integration cooperatives.
- Likewise, in the Province of Vorarlberg (Austria), all municipalities opt to cooperate with a social enterprise present in the area instead of subcontracting to private collectors.
- Finally, by reserving 50% of collection tenders for social enterprises, the Spanish “Law on waste and contaminated soil for a circular economy” shows how such cooperation can be replicated at the national level.

HOW SHOULD THE REVISED WFD MITIGATE RISKS ASSOCIATED WITH FUTURE EPR SCHEMES?

RREUSE and Municipal Waste Europe have identified the following key measures to ensure that future EPR schemes strengthen rather than undermine social enterprises and municipalities' efforts to enact the waste hierarchy by delivering local preparing for re-use and re-use and contributing to the recycling of non-reusable textiles:

1. Accounting for the diversity of national contexts and for the vulnerability of social economy

The current diversity in waste definitions among Member States has led to a patchwork system of textile waste collection and management, and local social enterprises have evolved accordingly.

To ensure that national diversity as well as robust social and environmental goals are preserved, the EU should maintain the possibility of direct donations and should limit the understanding of this term as only applicable to social enterprises, charities, or state-mandated re-use centres.

Despite the move toward a harmonised approach, Member States will be able to maintain, or adopt, more stringent measures. For instance, in France, even in-store donations (social enterprise or charity shops) are considered waste which goes beyond the currently proposed EU-wide standard. Where Member States opt for new standards that go beyond what is currently in place, they should ensure that social enterprises receive adequate support to adapt to new requirements, as the sector may otherwise not be able to survive.

2. Ensuring a fair representation of all actors in the design, functioning and governance of Extended Producer Responsibility schemes

Existing EPR schemes tend to be governed exclusively by producers. Likewise, the Commission's proposal for a revision fails to recognise the need to include social enterprises and municipalities in the governance of the EPR schemes. Yet, there are compelling reasons why EPR fee redistribution, which is a general interest, should not be decided by producers only.

A mandatory collaboration between social enterprises, municipalities and Producer Responsibility Organisations (PRO) is crucial to ensure effective separate collection and treatment of textile waste in line with the waste hierarchy as well as the pursuit of ambitious social objectives.

Giving decision-making power in EPR schemes' design, functioning, and governance to social enterprises and municipalities will be an effective way to create fair and transparent governance and responsibilities.

3. Comprehensive cost coverage through Extended Producer Responsibility schemes

The EPR schemes should fully compensate social enterprises and municipalities' costs for collection, transport, sorting and preparing for re-use as well as other costs outlined below.

Mandatory separate collection of textiles will leave sorters with a higher proportion of non-reusable textiles. That will lead to higher waste treatment and disposal costs. Therefore, the EPR schemes should also cover the costs of recycling and treatment of residual waste textiles that cannot be prepared for re-use or recycled and thus need to be incinerated or (in the worst-case scenario) landfilled.

Another important consideration is that social enterprises provide employment and training opportunities to people distanced from the labour market and foster the uptake of skills that are crucial for building efficient sorting, preparing for re-use (including repair) and re-use for textiles. This greatly contributes to

future competitiveness and European strategic autonomy. However, these activities come with higher upfront costs compared with purely profit-driven operators, and those costs should also be covered by the EPR fee. As an example, the “Fonds de Réemploi Social et Solidaire” in France dedicates 5% of the EPR fee to create 70,000 jobs for the most disadvantaged individuals by 2030. This model, with improvements, could be extended at the EU level.

Likewise, in view of the upcoming mandate for the separate collection of textiles, municipalities and public waste management operators will have to bear the cost of deploying the necessary infrastructure and communication before EPR financial support systems are in place in most EU Member States. As an example, obligatory separate collection was advanced to January 2023 in Finland, and municipalities and public waste operators have already invested considerably in collection, sorting capacity and pre-processing of recyclable textiles at their own cost as Finland does not yet have a textiles EPR scheme.

Communication is an aspect that is often neglected by the EPR schemes and waste prevention measures. To achieve the goals of textile waste prevention, efficient separate collection and promotion of re-use habits, the EPR schemes should be required to cover the cost of awareness-raising communication activities.

Lastly, for them to accelerate the much needed move toward a truly circular economy, the EPR fees should be used to increase investments in Research & Development for re-use and preparation for re-use.

4. Preventing a race to the bottom

We oppose the Commission’s approach of encouraging competition among different PROs.

Producers who manufacture the least sustainable textiles would seek to join the EPR scheme offering the lowest fee and/or the least stringent criteria. This would severely distort economic incentives to produce more sustainable products which should be one of the main objectives of any EPR scheme.

To avoid this race to the bottom, having a single national PRO should be the preferred option. Alternatively, if various PROs are in place, Member States should be required to set up an independent monitoring body to ensure that all PROs cover all the above-mentioned costs and respect ambitious eco-modulation rules.

5. The special case of bulky waste with textile composition

Including mattresses and carpets under the EPR would stimulate Research and Development for sustainable design of these products. The EPR obligations for mattresses and carpets would contribute to achieving the maximum 10% landfill target by 2035 (in line with the Landfill Directive). They would shorten the path toward the achievement of the combined preparing for re-use and recycling targets currently laid down in the WFD (that should be specified as separate targets in the future for all waste streams).

Municipal waste operators and social enterprises are usually involved in the collection of these items, often through door-to-door collection and disposal in civic amenity sites. This reaffirms our call for both these actors to be included in the decision-making process of the EPR schemes.

However, these items are bulky and collection and management logistics differ greatly to those for apparel and footwear. The producers are also different from apparel and footwear. Therefore, separate EPR schemes for mattresses and carpets would be the most appropriate way forward.

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Municipal Waste Europe aisbl (MWE) is the voice of European public responsibility for municipal waste management. Our members are municipalities and public waste management companies that play a crucial role in providing this Service of General Interest and in delivering a circular economy in Europe. We support the waste hierarchy, resource efficiency and the exchange of good practices to develop environmentally sound and efficient waste management systems in Europe.



RREUSE is Europe's largest network of social enterprises active in re-use, repair and recycling whose members collectively manage over 340,000 tonnes of used textiles per year. As such, they play a pivotal role in the circular economy as well as provide job and training opportunities for people distanced from the labour market or at risk of socio-economic exclusion. On average, a social enterprise in RREUSE network creates between 20 and 35 jobs per 1,000 tonnes of collected textiles.



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