

# Policy recommendations for green and social ambition in EU textiles policies

October 2024



The EU Strategy for Sustainable and Circular Textiles adopted in 2022 and its complementary parliamentary resolution represented a landmark moment on the road to more accountability in the textile sector. The much-needed policies set out in the Textile Strategy which were initiated during the last mandate must continue to be developed and implemented in the direction of environmental and social justice.

At the same time, the Textile Strategy fell short on ambition. This is why in this new legislative cycle, policymakers must build on the foundations laid in the last mandate and work on developing the further necessary actions to build a fair and sustainable sector.

In this document, we have laid our priority calls based on three pillars:

**What's in my clothes**, how are they produced and how to prolong their lives - looking at the amount and types of textiles produced as well as their production practices and the end-of-life

1. End overproduction and the overgeneration of textile waste
2. Clean up polluting and destructive practices and products
3. Powering supply chains with renewable energy

**Who made my clothes** - focusing on accountability, transparency and purchasing practices to ensure fair and safe working conditions, address forced labour and enable living wages for the people who make our clothes as well as how businesses should operate

1. Transparency and traceability across textile and fashion supply chains
2. Safeguard workers, producers and farmers throughout the value chain and in a changing context
3. Use trade mechanisms to push for sustainability

**How my clothes are sold** - looking at how clothes are advertised, with a focus on green and social-washing

1. End green and social-washing

# What's In My Clothes

## 1. END OVERPRODUCTION AND THE OVERGENERATION OF TEXTILE WASTE

[Global fibre production more than doubled since 2000](#), with synthetic fibres now making up 67% of total global fibre production. While the Textile Strategy states the objective of making fast fashion “out of fashion”, the EU’s policy response to this overproduction is limited to actions such as increasing physical durability and the amount of recycled fibres in products. This fails to address the root causes of overproduction, including the sheer volume of predominantly synthetic goods produced at low cost off the back of worker exploitation in corporate impunity and that are discarded after only a few wears. The fashion industry is driving consumer demand using cheap prices and pervasive social media as effective marketing tools. In parallel, [12.6 million tonnes of textile waste is generated annually in the EU](#). Only a small amount of textile waste is currently diverted from landfill or incineration in the EU through collection and sorting, and a huge share of what is collected and sorted is ultimately exported, where it saturates receiving countries, with huge environmental, social, and economic impacts.

**We call on incoming MEPs and European policymakers to address the root cause of overproduction as well as work towards holding brands accountable for the textile waste they produce beyond waste management.**

### General demands:

- adopt EU legislation on sustainable resource management, with [clear, binding material footprint targets for 2030, 2040, and 2050 that cover textiles and footwear](#). Set a long-term strategy for sustainable resource use which includes material footprint reduction targets for the textile sector and provides for safeguarding employment and ensuring a Just Transition for all regions and workers at its core.
- define and limit the number of collections per year.
- tackle the root causes of why so much unsold stock is generated (bulk ordering and increased return rates from online sales).

### Legislation-specific demands:

#### **Ecodesign on Sustainable Products Regulation**

The ESPR is an unprecedented legislation, aiming to ban the least sustainable products by setting requirements on how products are designed, produced and how they need to perform. Furthermore, the ESPR introduced a ban on the destruction of unsold goods products.

To strengthen this legislation, the EU should:

- set minimum design criteria to ensure garments are of higher quality, used longer and repairable and recyclable
- effectively ban the destruction of unsold and returned goods, while keeping the exceptions to this rule at the very minimum. The definition of unsold consumer products must include all products that brands cannot sell through traditional sales channels, regardless of their final destination. Otherwise, there is a clear risk that

brands, which are the operators who decide on the volumes to source, will pass the problems of dealing with the unsold goods to other operators in the value chain, such as outlets.

- measure and set targets to reduce the overall material footprint of the products in the scope of ESPR delegated acts covering textile products

## **Waste Framework Directive**

The ongoing targeted revision of the Waste Framework Directive will see new rules for Member States to set up Extended Producer Responsibility (EPR) schemes to fund and organise mandatory separate collection of textiles from 2025.

To strengthen this legislation, the EU must:

- set waste prevention and preparation for reuse targets.
- ensure that producers assume financial responsibility covering the entire lifecycle of their products, including costs incurred in the final destination country and waste management.
- ensure fees paid into EPR schemes by brands are based on the quantity of products placed on the market, and eco-modulated to take into account the business practices which lead to waste and exploitation, such as the frequency of collection renewal and low pay. Ensure fees are sufficiently high to cover the full costs of collection and to meet future targets for reuse and recycling, and that EPR schemes have the correct incentives to encourage recycling of clothes back into clothes and not false circularity, for example by using polyester from recycled plastic bottles.
- adopt Targeted Producer Responsibility fees, which focuses on labelling clothing with the date of manufacture or market introduction and applying a fee based on the product's lifespan.
- promote the reuse and repair sector with minimum or zero VAT for the repair and sale of second-hand textiles products. Ensure the involvement of key reuse operators such as social enterprises by giving them decision-making power in the governance of EPR schemes and by implementing a social reuse fund within EPR schemes to specifically finance their reuse activities.
- strongly implement the proximity principle to maximise local reuse while only prepared for reuse or recyclable textiles which have been approved by the recipient country should be allowed for export and strictly monitor the impact of exports of second-hand products and materials to assess the economic, environmental and social impacts in receiving countries.
- ensure that the export of discarded textiles is controlled more tightly, and that there are no loopholes in new rules to define whether articles can be classified as waste or as second-hand products.

## **Textile Labelling Regulation**

The EU is currently reviewing rules on the label that textile products must display, with the intention of including information on the sustainability and circularity of products. The revision should be used to steer textile consumption patterns in a more sustainable direction by increasing transparency on environmental impacts, and provide a clear and robust level playing field.

To strengthen this legislation in regards to ending overproduction, the EU must:

- adopt information requirements to communicate precise product measurements. To reduce the volumes of returns, companies should be required to disclose precise measures of garments and products, as well as offer consumers better tools to aid fitting decisions, including photos of the same style on different body shapes to ensure the best fit before the purchase.
- mandate companies to disclose in the digital label the month and year of production, and the number of garments produced in the batch of that style, to collect data on which companies are contributing most to the rapid disposal of products.
- adopt information requirements to communicate total production volumes.

## 2. CLEAN UP POLLUTING AND DESTRUCTIVE PRACTICES AND PRODUCTS

In the EU Textiles Strategy, the Commission set the objective that by 2030 "fast fashion is out of fashion" and all textile products placed on the EU market are durable, repairable and recyclable, to a great extent made of recycled fibres, free of hazardous substances, produced in respect of social rights and the environment. Production models based on short-lived, disposable, inefficient, toxic, and unrepairable textile products must become a thing of the past. Furthermore, ecodesign requirements should also address the most polluting hotspots in the value chain, such as the wet processing and finishing. Hazardous chemicals used in the manufacturing of textiles are harmful to workers and the environment, particularly those used at the wet processing stage, and harmful substances can also remain in garments and household textiles exposing consumers to a cocktail of hazardous chemicals. Moreover, [the fashion industry's reliance on fossil fuels](#) is exemplified by the fact that synthetic fibres in our clothes account for [1.35% of global oil consumption](#) - this exceeds the annual oil consumption of Spain. If the fashion industry continues on this trajectory of oil-dependency, by 2030 almost three-quarters (73%) of our textiles will be produced from fossil fuels.

**We call on EU policymakers to ensure that ecodesign requirements for textiles are robust and ambitious and will drive real change to address the environmental impacts of the textile value chain and that requirements for durability do not come at the expense of over-reliance on plastic-based fibres, which would exacerbate microplastic pollution. Additionally, we call on the EU to promote agroecological practices that regenerate soil and better production processes for water.**

### General demands

- ensure that products are circular and sustainable by design
- address the hotspots in the textile value chain, such as fibre sourcing, wet processing and finishing, to minimise their environmental impact. Collaborate and support actors in the value chain in this transition.
- restrict virgin fossil-fuel based fibres through financial disincentives to significantly reduce the industry's reliance on the fossil fuel industry
- phase out recycled synthetics to limit microplastics and hazardous chemicals pollution
- promote fibres which ensure soil health and are processed without hazardous chemicals, and ensure that comparisons of sustainability attributes of fibres are based on sound data and incorporate social sustainability of natural fibres.

- mandate accurate information that enables consumers to prolong their products' life and to choose more sustainable products.
- reduce hazardous chemical use and deforestation from man-made cellulosic fibres

### Legislation-specific demands:

#### **Ecodesign on Sustainable Products Regulation**

To truly realise the vision and the objectives of the ESPR and the potential of ecodesign, the EU must:

- Adopt robust and ambitious ecodesign requirements for all textile products to ensure that they are of high quality, more durable, reusable, repairable, recyclable and non-toxic, and address microplastic release at all stages. Ecodesign requirements must take into account the performance of different fibres and hence be fibre-specific, targeting relevant hotspots.
- take action to prevent and minimise water, air and soil pollution due to sourcing of textile materials and the production of textile products. Particular attention should be given to the release in the environment of microplastics, chemicals and pollutants during the production, use and end-of-life of textile products.
- ensure that chemical restrictions as part of the forthcoming minimum ecodesign requirements for textiles go beyond focusing solely on substances which impede circularity by restricting substances of concern that pose significant risks to human health and the environment and which are not adequately covered by REACH.
- ensure that ambitious and impactful minimum requirements are combined with effective market surveillance and enforcement, and that sufficient resources are allocated to this end. Enforcement should be guided by the best available evidence on ecological thresholds.

#### **Textile Labelling Regulation**

To strengthen this legislation and contribute to addressing the increasing negative impacts of the textile sector as well as the growing rise in greenwashing, the EU must:

- Include relevant environmental and circularity information, such as presence of allergenic or hazardous substances, or information on the expected or guaranteed lifespan.
- Include a mandatory microplastics warning pictogram highlighting the presence of plastic in textile products and the environmental and toxic impact of microplastics to inform buying decisions, similar to the Single Use Plastic marking, if the fabric contains more than 50% synthetic fibres by weight.

### **3. POWERING SUPPLY CHAINS WITH RENEWABLE ENERGY**

Despite the fashion industry increasingly committing to [Science-Based Targets](#), studies show that out of 250 of the largest brands and retailers reviewed, 17% of them increased their supply chain emissions compared to their baseline year. As [96% of emissions](#) stem from Scope 3 across fashion brands with approved science based targets (SBTs), the Apparel Impact Institute (Aii) and World Resources Institute (WRI) identified seven solutions the fashion industry must adopt to stay within the 1.5°C pathway by 2030. The good news is that their research indicates that 45% of the necessary emissions reductions by 2050 can be achieved by implementing existing solutions, including: renewable electricity, scaled-up sustainable materials and processes, energy efficiency, and phasing-out burning coal.

To reach Net Zero by 2050, [an estimated USD \\$1 trillion](#) of financial support for suppliers is needed to transition to renewable energy over the next 30 years in fashion's supply chains - that's about USD\$33 billion per year using 2020 as the baseline year. This funding could go far to significantly reduce the industry's greenhouse gas emissions and help phase out fossil fuels in fashion's manufacturing. However, [suppliers are expected to not only do most of the work to decarbonise but also to fund these efforts](#), which is often impractical and inequitable. The burden of decarbonisation is disproportionately placed on suppliers in the Global South, which have contributed the least to climate change historically and currently. Suppliers face significant financial burdens when adopting new technologies or mitigating the impacts of the climate crisis. Those operating on thin profit margins are often reluctant to make expensive investments that do not offer short term returns, especially when brand commitments remain uncertain.

**We call on EU policymakers to create financial incentives to decarbonise fashion supply chains without penalising garment producing countries that lack access to renewable energy sources.**

### General demands:

The EU must:

- create incentives for supply chain decarbonisation
- provide financial and technical support to garment producing countries, specifically those in the Global South, to fund renewable energy and electricity projects through bilateral trade agreements
- require fashion brands selling in the EU to invest in renewable energy transition across their supply chains, supporting suppliers in the transition away from fossil fuels through grant-based funding
- increase government investment in renewable energy transition and enacting supporting legislation to unlock further funding

## Who Made My Clothes?

### 1. TRANSPARENCY AND TRACEABILITY ACROSS FASHION SUPPLY CHAINS

The EU has [recognised](#) that anyone, anywhere should be able to know who, where and how their clothes are made. A lack of transparency and traceability in the textile sector underpins the industry's lack of accountability for social and environmental impacts. In a 2020 [survey](#), 91% of respondents considered compliance with social standards in the manufacture of products to be "very" or "rather" important.

Transparency is key to ensuring living wages for garment workers worldwide, remediating human rights abuses including forced labour, and generating specific data on environmental impacts of products and companies. In addition to garment workers being subjected to severe violations and not being paid a living wage, smallholder cotton farmers – who produce [approximately 75%](#) of the world's cotton – are not able to achieve a living income. Several new EU policies have been adopted or are in the works which have the potential to advance

transparency and traceability, and thereby address human rights abuses, if they are ambitiously designed and implemented: the Digital Product Passport for textiles will be implemented as part of the new Ecodesign for Sustainable Products Regulation; a revision and update of the Textile Labeling Regulation is planned for 2025; and sector-specific standards for Corporate Sustainability Reporting will be developed over the coming years. The European Parliamentary Research Service published a [study](#) which emphasised including information on social impact, noting that there should be policy coherence with the CSDDD and the Corporate Sustainability Reporting Directive (CSRD).

**We call on incoming MEPs and European policymakers to work towards ensuring that current and future policies advance transparency and traceability whether at the supply chain or product level, to ensure tangible improvements in the lives of those making our clothes.**

### Legislation-specific demands:

#### **Corporate Sustainability Reporting Directive:**

- support the development of ambitious and comprehensive textile and garment sector-specific sustainability reporting standards, to ensure full supply chain traceability, transparency and facility disclosure as well as provision of environmental and social information. This should include disclosure on purchasing practices relating to product production, pricing, wages and incomes, as this is required for policy coherence with the CSDDD which includes living wages, living income in its scope.
- make it mandatory to disclose suppliers lists encompassing all tiers of the supply chain, make them publicly available and stay with the product to enable full supply chain transparency and remediation.
- require companies to report on all the topics covered in this document and in related sustainability legislation, in order to ensure regulatory coherence and certainty.

#### **Digital Product Passport**

- ensure that data included in the passport includes data on environmental and social aspects as well, such as information on working conditions and on the workforce, purchasing practices, relevant information of audit reports, access to complaints mechanisms etc.
- ensure coherence with other upcoming and existing legislation.

#### **Revision of the Textile Labeling Regulation**

- ensure inclusion of social aspects in the labelling, to ensure coherence with the CSRD and CSDDD, and to be as meaningful as possible for consumers seeking social information. For example, enhance the robustness of 'made in' claims. For the different stages of the production process, information should be provided on the incomes and wages along the supply chain, average working hours, overtime (if present), health & safety conditions, committees that are active, real democratic trade unions present at the factory, collective bargaining agreements settled and information on types of employment contracts.
- ensure inclusion of relevant environmental information related to the production of textile products, such as substances of concern used in sourcing and manufacturing, water use, carbon emissions, presence of filters at the industrial plant to capture microplastics, among others.
- Where possible, information should be provided on the label, detailed information could be provided through a QR code or other digital means. Information should be given for all tiers of the production process: from the raw material stage (cotton farms

or other fibres), through the spinning, weaving, finishing and finally cut-make-trim (CMT) stage.

## 2. SAFEGUARD WORKERS, PRODUCERS AND FARMERS THROUGHOUT THE VALUE CHAIN AND IN A CHANGING CONTEXT

Eleven years after the collapse of the Rana Plaza factory in Bangladesh, the EU approved in June 2024 the Corporate Sustainability Due Diligence Directive, a first step towards building global value chains free from human and labour rights abuses and environmental harm. While this compromise law contains [key limitations](#), it still represents a groundbreaking change for how large companies will now be expected to conduct business. Complemented by the Forced Labour Regulation and the Corporate Sustainability Reporting Directive, this EU law has set the conditions for the textile sector to become more accountable and more transparent.

Despite such progress, some corporate conducts and operations remain unregulated, leaving companies non accountable for their negative impact. Furthermore, from the COVID-19 pandemic to intense climate change events, recent years have shown how fragile the garment supply chain was to such external events. [Research](#) has shown for instance that extreme weather events could lead to the loss of nearly 1 million jobs in the fashion sector by 2030. However, data shows that most fashion brands are not taking sufficient action to protect workers in their supply chain - either from job loss or any other climate hazards.

Additionally, despite the Commission recognising the prevalence of Unfair Trading Practices (UTPs) in the clothing sector as early as [2013](#), the Textile Strategy contained no action on the harmful purchasing practices imposed by buyers on their suppliers, which underpin the industry's overproduction and exploitation of workers, and severely inhibit the ability of suppliers to respect and fulfil the rights of workers and protect the environment. There is a need for fair and supportive purchasing practices that are aligned with sustainability goals that address power imbalances. Fair costings from brands and stable, long-term commitments are all needed if suppliers are to invest in renewable energy and enable living wages for garment workers. Suppliers, most of whom are Small and Medium Enterprises (SMEs) need responsive support when impacted by climate hazards, such as compensation, and an end to 'cut and run' policies. Absorbing price surges or losses related to decarbonisation including transitional supports so that suppliers do not suffer financial losses while making environmental upgrades is key to suppliers making changes i.e. brands financially supporting farmers in bearing the costs of making the transition to organic cotton.

**We call on incoming MEPs and European policymakers to complement the gaps in the CSDD Directive with strong legislative action to ban the most damaging unfair trading practices (UTP) and ensure a Just Transition with no worker or region left behind.**

### General Demands:

- create incentives for fairer brand purchasing practices and long-term sourcing commitments, which are the bedrock of a just transition in the fashion industry.



- embed Just Transition principles across EU policy and legislative reforms to ensure that workers' rights are protected and decent jobs created in the EU and abroad whether it's at the production phase or the post-consumer sorting, recycling and disposal phase.
- set a long-term strategy for sustainable resource use which includes material footprint reduction targets for the textile sector which has safeguarding employment and ensuring a Just Transition for all regions and workers at its core.
- ensure that all jobs in the textile industry are good jobs, with living wages and living incomes for those self-employed, and health and safety ensured along the production and supply chain;
- ensure sustainable textile production worldwide and in Europe through specific funding, sound metrics and legal incentives to transform into a truly sustainable and resilient sector. This transition must be managed in coordination with social partners, to ensure that no worker or region is left behind and ensure EU production is the gold standard for fair and sustainable textiles.

## Legislation-specific demands

### **Textile-specific UTP directive**

- Legislate to prohibit, under all circumstances, the most damaging UTPs, such as late payments, pricing that does not allow for payment of living wages, short notice cancellations, refusal to provide written order confirmations, commercial retaliation, and environmental externalities.
- Ensure this legislation applies throughout the entire value chain and covers all workers, that all European companies should be included in the scope, including SMEs in the textiles ecosystem, and that it applies if one commercial partner is based in the EU.

### **Corporate Sustainability Due Diligence**

- Ensure an ambitious implementation of corporate accountability principles by monitoring the adoption of appropriate secondary legislation and official guidances ;
- Ensure that the European Commission develops in a timely and consultative way, and in a timely manner with publication before the deadline, the different guidances it has responsibility for and for the EU Parliament to engage whenever relevant. Specific focus should be given to:
  - the guidance on general due diligence, which covers purchasing practices (due by 26 January 2027), to ensure that this provides security and stability for suppliers and producers in the textile industry, including for cotton farmers. The Commission must ensure that there is an adequate and clear definition of the right to a living income and living wage, which are included in the material scope of the CSDDD, to ensure their coherent implementation;
  - the guidance on risk factors (due by 26 January 2027);
  - the guidance on stakeholder engagement (due by 26 January 2027);
  - and the sector-specific guidance on textiles (no due date).
- Put in place adequate accompanying measures, to help smallholder cotton farmers and producers in their implementation of HREDD systems.

### **Forced Labour Regulation**

- Ensure that the European Commission develops in a timely and consultative way the different guidelines it has responsibility for and for the EU Parliament to engage whenever relevant. Specific focus should be given on guidances related to due diligence, accompanying measures, remediation and state-imposed forced labour, as well as the set-up of the database of forced labour risk areas or products.

### 3. USE TRADE MECHANISMS TO PUSH FOR SUSTAINABILITY

**We call on incoming MEPs and European policymakers to ensure that our trade agreements and preference programmes, such as the Generalised Scheme of Preferences, are used as levers to promote sustainable development, human rights, and fair and ethical trade around the world, and to improve the responsibility of value chains. Furthermore, EU trade criteria should be used to increase global standards and in turn ensure a more level global playing field for textile products.**

#### Legislation-specific demands:

##### **Generalised Scheme of Preferences (GSP):**

- Continue the EU Generalised Scheme of Preferences (GSP) reform process, building on the parliamentary work of the previous legislature to ensure that the GSP system fosters respect for human and labour rights, sustainable development and international trade.
- Leverage the EU GSP scheme as a diplomatic tool to push beneficiary countries into upholding their international and bilateral commitments on respect to human rights, labour rights and the environment, in particular towards GSP+ and “enhanced engagement” EBA countries.

##### **Trade Policy**

- The Trade Commissioner-designate has been mandated to put together a new trade strategy. Include in this new strategy a section on the promotion of fair and ethical, covering among other: evaluating the success of trade agreements and partnership agreements against the benchmark of their capacity to promote living incomes and living wages; promoting the uptake of sustainability schemes in partner countries, including fair and ethical schemes and organic ones; development of awareness-raising activities;
- Utilise GSP and trade agreements to introduce tariff conditionality and pragmatically benefit sustainable products, in order to also make sustainability the default choice in the market, based on mutual agreement by the negotiating parties of the agreement.

How Are My Clothes Sold?

# 1. END GREEN AND SOCIAL WASHING

Citizens' interest in adopting sustainable lifestyles and reducing environmental impact when shopping has led to a proliferation of greenwashing. A 2020 study analysing green online claims conducted by the European Commission found that in over half of the claims surveyed, insufficient information was provided by the trader to enable an accurate assessment of the claim. With unbridled levels of growth and production, the industry's pervasive marketing tactics are misleading citizens that if they consume their products, they will be sustainable or contribute to making a gesture for the planet.

**We call on incoming MEPs and European policymakers to work towards ensuring that any claims made by brands must be substantiated by in-depth due diligence on both human rights and environmental impacts.**

- Given the prominent role social auditors and certification companies will have in enabling companies' due diligence and responsible practices, it is urgent that widespread malpractice in the sector is addressed by recognising their liability and introducing strong accountability mechanisms.
- limit advertisements and discount sales and ban free returns.
- close legal loopholes and enhance market surveillance in Member States to ensure online platforms which generate obscene profits with little environmental or social accountability cannot bypass applicable laws and fiscal obligations, such as new EU Ecodesign and Due Diligence rules.

## Legislation-specific demands

### **Substantiating Green Claims directive**

- ensure that only reliable, comparable and verifiable claims are made, while the underlying methods should be holistic and cover all relevant environmental and social impacts of textiles. The current Product Environmental Footprint method is [flawed](#) as it does not fully capture all impacts.
- involve civil society in the development of requirements underpinning green claims and labels through a robust governance process.
- ensure the efficient verification of all claims before they enter the market. Today, half of environmental claims on the market are either misleading or misuse methods of substantiation. Market authorities cannot enforce current legislation sufficiently due to the sheer number of claims. Including verification ex-ante by default would eliminate greenwashing from the start.
- ensure that all environmental claims relying on 'offsetting' of environmental impacts, including at traders' level, do not mislead the consumer. Offsetting should not substitute reduction of emissions. The EU's Empowering Consumers for the Green Transition Directive, national regulators, and Courts have all recognised that 'offsetting' is a highly flawed and misleading concept that does not align with scientific evidence. Leading companies increasingly claim solely to finance environmental projects by purchasing credits, with no notion of compensation.