

Impact of the EU strategy for sustainable and circular textiles on Second Hand Clothes and reuse industry



The EU Strategy on Sustainable and Circular Textiles aims to reduce the environmental impact of the textiles industry, promote clothing reuse, and while limiting the overconsumption of mass-produced clothing.

Reuse of clothing is the most effective approach to strengthening environmental objectives and circularity in the textiles sector, both in Europe and globally.



Key facts about the European textile & Second-Hand Clothing (SHC) Industry



Fast fashion boom

Textile production has boomed as a result of '**fast fashion**': low costs drive consumer demand for new clothes at the expense of quality, durability and circularity.



11kg per person

The sector also produces significant waste, which often ends up in landfill. On average, every European discards around **11 kg of textiles** annually, totalling **5.8 million tonnes**.



The SHC sector has developed a sophisticated **business model** that buys, collects, sorts and processes used textiles for reuse, recycling and disposal.



10% carbon budget

10% of the global carbon budget is used for clothing and textiles, 80% of which is emitted in the production phase.



2m collected

Around **2 million tonnes** of discarded textiles are collected each year. **Approximately three-quarters are fit for reuse, a fifth can be recycled, and only 5% needs to be incinerated.**



Exports to Asia Africa

Reusable SHC is also exported to **viable markets outside Europe**, often in Asia and Africa, where they offer consumers access to high-quality clothing at discounted prices.

Impact of the EU strategy for sustainable and circular textiles on Second Hand Clothes and reuse industry

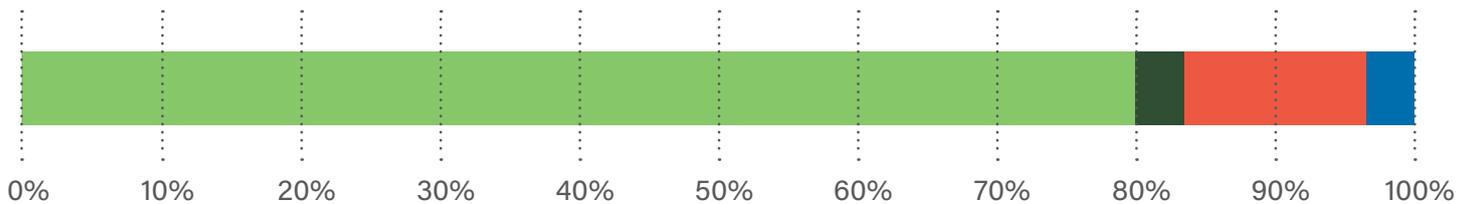


Key facts about the European textile & Second-Hand Clothing (SHC) Industry

Distribution of climate impact of clothing items

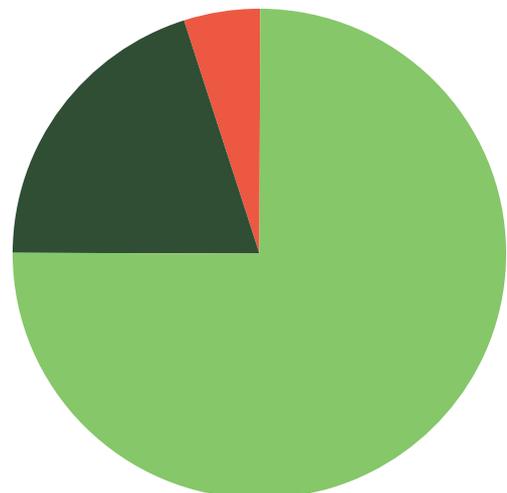
- Production
- Distribution & Retail
- Use (washing, drying, ironing)
- End of life (collection, recycling, incineration & disposal)

2 million tonnes of discarded textiles are collected each year



Share of collected items for reuse, recycling & disposal.

- Production
- Distribution & Retail
- Use (washing, drying, ironing)



Impact of the EU strategy for sustainable and circular textiles on Second Hand Clothes and reuse industry



What is the environmental impact of the SHC sector?

A global market makes it possible to reuse up to three times more clothes



recycling still important part to play

The SHC sector supports **circularity and sustainability** in the textiles industry by reducing the need to produce new clothes and recycling fibres, which are both emissions-intensive. Clothing reuse reduces greenhouse gas (GHG) emissions in the textile value chain by 16 percent.

Recycling still has an important role to play in supporting the circularity and sustainability of the textiles sector, particularly when combined with the SHC business model which can help divert appropriate feedstock for reuse to recycling facilities.



reuse fewer emission

Reuse also causes fewer emissions than recycling.

Whilst traditional recycling processes require minimal processing (e.g. to produce rags), newer fibre-to-fibre (F2F) processes are energy and resource-intensive.



The transportation of SHC to suitable markets causes fewer emissions than new textile production. A global market makes it possible to **reuse up to three times more clothes** than if the reuse market was confined to the EU.



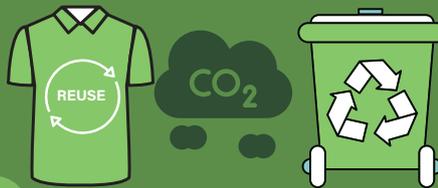
The SHC sector also comprises of a significant number of **social enterprises and projects** which support marginalised groups on low incomes.

Impact of the EU strategy for sustainable and circular textiles on Second Hand Clothes and reuse industry



What is the potential for the business model?

Reuse causes fewer emissions than recycling



The SHC industry can promote growth of up to **120,000 new green jobs** if all discarded clothing in Europe was collected and sorted. Sorting centres require careful manual sorting of clothing items by skilled operatives with detailed knowledge of local and international markets.

Reuse accounts for 25-30% of clothing items collected in Europe, and just 3.5% of the global fashion industry. Improving locally responsive distribution systems can ensure further growth

There is growing awareness of the damaging social and environmental impacts of 'fast fashion,' and demand for sustainable alternatives to mass-produced new clothes. **14% of EU citizens purchased SHC in 2020. The global Compound Annual Growth Rate (CAGR) for SHC in the next decade is expected to increase to 14.8% from 7.1% (2017 and 2021).**



The global SHC sector also has the potential to create well-paid jobs and economic opportunities in **African and Asian countries**, especially for women.



25% -30%
reuse collected in Europe



3.5%
fashion industry reusable



The EU's SHC sector also plays a vital role in ensuring that quality clothing is available to **low-income households** and consumers in the world's poorest countries.



Impact of the EU strategy for sustainable and circular textiles on Second Hand Clothes and reuse industry



How might policy and regulatory changes affect the SHC industry?



More collection rates

The waste Framework Directive will make it mandatory for EU states to **collect textile waste from 2025**. It is widely anticipated that this will significantly increase collection rates.



Risk with changes involved

However, there is a risk that these changes will have **unintended consequences** and undermine the sustainability and circularity of the EU's textiles industry.

1

First, all unsorted SHC will be classified as **'green waste'**, even though it contains a significant proportion (~75%) of reusable SHC.



2

Secondly, the requirement to **label new clothes** with the content of recycled fibres could risk creating additional demand for fibres. This could divert reusable SHC to be processed into recycled fibres to produce 'green and sustainable clothing', even though reuse is less emissions-intensive than fibre-to-fibre recycling.



3

Third, the proposed changes will make it more **difficult and bureaucratic to export unsorted SHC** outside Europe. Given the insufficient sorting capacity currently within Europe, this could harm reuse and undermine the circularity and sustainability of the sector.



Impact of the EU strategy for sustainable and circular textiles on Second Hand Clothes and reuse industry



What changes to proposed legislation would maximise circularity and sustainability?



The **reuse of textiles should always be prioritised** over the recycling or production of new fibres, as it does the most to reduce waste and is less emissions-intensive.



Textile waste requires its own **distinct framework of regulation** and certification. Clear criteria should distinguish between reusable SHC and genuine waste for recycling or disposal, including ambitious targets for each.



To prevent textile waste being diverted to landfill in non-OECD countries, EU-led auditing, inspection and certification of sorting facilities will ensure that any textile waste is responsibly disposed of. It will also facilitate the export of unsorted SHC to viable markets.



The EU's **fashion and eco-design policy** should encourage the sustainable design of textile products that are **durable and repairable**. Consumers need to be encouraged to embrace quality over 'fast-fashion', for example by raising awareness about reuse and repair.



Improved coordination across the value chain will maximise reuse and ensure that textiles not suitable for reuse are recycled or disposed of in an environmentally sustainable way.



To ensure sufficient capacity and maximise the sorting and reuse of SHC, EU co-financing is needed in advanced reuse-oriented business models both within and outside Europe.