

# Priorities for the Waste Framework Directive (WFD) Revision proposal 2023/0234(COD)

#### **KEY DEMANDS**

#### **FOOD WASTE**

- More ambitious and just food waste reduction targets through
  - o increasing the ambition to 50% reduction by 2030 and
  - o expanding the scope of the target to the entire supply chain, from farm to fork.

#### **TEXTILE WASTE**

#### Collection and sorting:

- Separately collected textiles should be considered waste until proven otherwise.
- Include a minimum number of regular inspections before export of textiles and evidence that costs for waste management in receiving counties are covered.
- The link between the process to set EOW criteria for textiles and the revision of the WFD needs to be clarified.
- No loopholes to bypass sorting before shipment through special exemptions.

#### Extended Producer Responsibility:

- Speed up the rollout of EPR to ensure taxpayers don't pick up the bill for separate collection.
- Protect social enterprises and charities in the governance of Producer Responsibility Organisations.
- No de-minimis threshold excluding micro-enterprises.
- Expand the scope to include post-industrial and pre-consumer waste as well as bulky textile products.
- Make online marketplaces liable in the case of non-compliance with EPR schemes when there is no other identified actor.
- The focus of eco-modulation criteria and ecodesign criteria for textiles should be aligned with the aim of reducing the overall volume of products produced and consumed.
- The scope of activities financed by EPR revenues needs to be expanded to, e.g., supporting
  receiving countries for waste management activities, financing compositional analysis of
  collected waste textiles, a reuse solidarity fund, and treatment of non-separately collected
  textile waste.

# Textile targets:

• Separate waste management performance targets covering collection, reuse, recycling, and fibre-to-fibre recycling, and textile waste reduction targets at the national level.



### **SCOPE OF THE REVISION**

The EEB welcomes this <u>targeted revision of the Waste Framework Directive (WFD)</u> but highlights that the narrow scope for the revision might represent a missed opportunity, in particular when considering the importance of commercial and industrial waste and construction and demolition waste. Commercial and industrial waste makes up 26% of total waste generation compared to 10% for municipal solid waste (MSW). Not including those waste streams in the scope of the revision is a significant missed opportunity.

Point 6 in Article 11 of the WFD (2018) states that "by 31 December 2024, the Commission shall consider the setting of preparing for re-use and recycling targets for construction and demolition waste and its material-specific fractions, textile waste, commercial waste, non-hazardous industrial waste and other waste streams, as well as preparing for re-use targets for municipal waste and recycling targets for municipal bio-waste". But there is no mention of these targets in this revision proposal and with the current legislature ending in May 2024, it seems unlikely that by the end of 2024 such targets will be under consideration.

A <u>recent report</u> by the European Court of Auditors (ECA) concluded that the EU is not approaching its Circular Economy goals and recommends that much more attention should be given to resource use and waste prevention. In view of this ECA report, it is therefore necessary that this revision of the WFD puts the emphasis on waste prevention measures within the targeted scope, and at the same time enlarges the scope to other streams, notably commercial and industrial waste.

While we understand that the EU Commission team wanted to already set the scene for discussing textiles and food waste and preferred not to wait for the investigations to be performed by the end of 2024, we wonder whether there would be political willingness to reopen a legislative process on the WFD by 2025. It might have been less burdensome to consider a unique revision to address all waste streams targeted in Article 11.

The EEB calls for the narrow scope of this targeted revision of the WFD to be broadened to minimise residual waste, construction and demolition waste, commercial waste, and industrial waste – in line with the commitments made in Article 11 of the 2018 WFD revision. Notably, the following should be considered:

- **Binding municipal residual waste reduction targets** are necessary to incentivise better sorting and valorisation of reusable and recyclable materials as well as to reduce the total amount of residual waste from households. Such targets need to be defined as a cap on the amount of municipal residual waste generated in a specific year (kg/capita/year) to guarantee fairness for Member States with low waste generation and less advanced waste management capacities. Similar targets should be established to cover commercial and industrial waste and construction and demolition waste.
- Sorting of mixed residual waste before landfill or incineration needs to be
  mandated to extract as many valuable materials as possible that are otherwise lost. This
  practice must be understood as complimentary to diligent separate collection, which
  remains the priority.



• Frequent compositional surveys of mixed municipal waste should be mandated to continuously optimise downstream measures such as the collection and recycling of textile and food waste through identifying and targeting the amounts of textile and food waste remaining in the mixed waste fraction. This practice will also help to identify and address the most difficult streams and emerging new streams to be tackled.



#### **TARGETED REVISION: FOOD WASTE**

The proposal puts forward new binding food waste reduction targets, which Member States must achieve by 2030. With food waste in the EU at record levels and <u>reports of the region</u> <u>discarding more food than it imports</u>, setting binding targets for Member States to reduce food waste is a step in the right direction.

However, the proposal is not coherent with legislative developments and falls short of meeting climate goals, international commitments, and citizens' demands. Therefore, **the EEB advocates for more ambitious and just targets through:** 

- 1. increasing the ambition to 50% reduction by 2030 and
- 2. expanding the scope of the target to the entire supply chain, from farm to fork.

# 1. More ambitious targets are needed

The EEB warns that the proposed reduction targets of 10% in processing and manufacturing, and 30% at retail and consumption are too low to cut absolute food waste amounts down to acceptable levels. In 2015, the EU signed up to Sustainable Development Goal 12.3 which aims to halve food waste by 2030. The current proposal clearly does not meet this international obligation and sets the EU up to fail to deliver on our global responsibility. The latest <u>Global Sustainable Development Report 2023</u> once more highlights that particularly with regard to SDG 12.3 urgent action is needed now to achieve global targets by 2030.

The WFD revision must be coherent with previous commitments and legislative developments across other relevant files. Particularly, the 2018 revised WFD states that "In order to contribute and ensure to be on track towards the attainment of the UN Sustainable Development Goal, Member States should aim to achieve an indicative Union-wide food waste reduction target of 30% by 2025 and 50% by 2030." Furthermore, the Farm to Fork Strategy, in which the European Commission commits to "halving per capita food waste at retail and consumer levels by 2030 (SDG Target 12.3)" and to setting a "baseline and propose legally binding targets to reduce food waste across the EU." The Farm to Fork Strategy also states that the Commission will "investigate food losses at the production stage, and explore ways of preventing them".

In 2012 the Parliament called for food waste to be halved from farm to fork by requesting the Commission "to take practical measures towards halving food waste by 2025" including "specific food waste prevention targets for Member States". In 2017, the European Parliament then called on Member States to "take the measures required to achieve a Union food waste reduction target of [...] 50% by 2030", covering "the whole supply chain, including in primary production, transportation, and storage". The Parliament should not fall back on its previous ambition.

Citizens also demand more ambitious targets: over 50 civil society organisations from 20 EU countries have signed <u>a statement</u> calling for the EU to introduce legally binding targets to halve EU food loss and waste across the whole supply chain from farm to fork by 2030.

Against this background, the Commission should act in the interest of citizens, keep up with international commitments and promises, and at the same time reap the economic and environmental benefits of reducing food waste: according to the <u>FUSIONS project</u> commissioned



by the European Commission, at least 6% of the EU's total greenhouse gas emissions are caused by food waste. At the same time, food waste results in about 143 billion Euros in additional costs annually. Halving food waste from farm to fork could therefore save roughly 71 billion euros for businesses and consumers, helping alleviate food inflation, and significantly contribute to achieving climate targets. A less wasteful approach to the production and consumption of food would also save an estimated 4.7 million hectares of agricultural land that could be used to produce more food domestically to improve food security and restore nature for carbon sequestration and improved biodiversity.

While raising targets will challenge all societal actors, multiple case studies show that ambitious targets are reachable:

- At its growing packing and processing sites in Spain and the UK, <u>G's Fresh achieved</u> a 43% reduction in food waste between 2017/18 and 2019/20, equal to over 21% reduction per year and over 20,000 tonnes of food waste reduced.
- The Kellogg Company's global manufacturing operations <u>reduced its food waste</u> tonnage by 17% relative to total food handled between 2016 and 2019, equal to an annual reduction of 5.6%.
- <u>IKEA</u> has cut production food waste in their restaurants, bistros, and Swedish Food Markets by 46% since 2017, equal to about 9% reduction per year.
- The French multinational retail and wholesaling corporation <u>Carrefour</u> achieved food waste reduction of 28.7% between 2016 and 2020, equal to about 7% reduction per year.
- <u>Denmark's</u> concerted action by the government and businesses to reduce food waste across the whole supply chain saw levels of food waste in retail/wholesale and food service fall by 13% and 11% per year respectively between 2014 and 2018.

However, many businesses are failing to voluntarily reduce food waste at the same pace as the industry leaders above – indicating market failures, in part caused by the fact that food waste is often caused by one business but then the costs are born by other businesses or consumers, creating externalities. Retailer policies often cause food waste both in their suppliers and in their customers – for instance, retailers rejecting food from their suppliers on cosmetic grounds, or incentivising over-buying in their customers. Therefore, it is necessary for Member States to intervene to level the playing field and bring much of the food sector up to the same pace of action as industry leaders – and mediate cross-supply chain issues. Setting ambitious legally binding food waste targets is the first and most important step in this journey.

The EEB calls for the EU to establish and attain comprehensive food waste reduction targets of 50% by 2030 along the entire supply chain.

# 2. The scope of measurement and targets shall be extended to include the whole supply chain, from farm to fork

The Commission's decision to exclude primary production food waste from the targets means a huge chunk of the food waste picture gets overlooked. According to Eurostat baseline data for 2020, approximately 6.2 million tonnes of food is wasted in the primary production sector. Given



that sectors with lower food waste such as retail (4.1 million tonnes) and restaurants and food services (5.3 million tonnes) are included, there is a strong case that primary production food waste for which there is 2020 data should be included in waste reduction targets.

Furthermore, a significant volume of primary production food waste is likely excluded from Eurostat measurements. The <u>EU delegated decision</u> on food waste measurement currently excludes "plants prior to harvesting" under Article 2 of <u>Regulation (EC) 178/2002</u> and "natural non-hazardous agricultural or forestry material used in farming [...] which does not harm the environment" under Article 2(1)(f) of <u>Directive 2008/98/EC</u>. In practice, this means that the vast majority of food waste at primary production is excluded from the scope of food waste measurement – all food left unharvested or harvested but subsequently returned to be plowed back into the field.

However, a strong case can be made that mature food left unharvested is wasted during the harvest, not "prior to harvesting", and is therefore legally within the scope of measurement. Food waste plowed back into the soil after harvest does harm the environment due to the environmental impacts resulting from growing the food that is then wasted. The Commission should therefore include these types of food waste within the scope of the WFD.

Based on the most comprehensive <u>meta-analysis</u> of European primary production food waste data, if food waste from primary production was fully considered, an estimated 14.6% of total food production equal to <u>90 million tonnes</u> of food waste occurs at primary production. If these estimates are accurate, this could account for up to 60% of total EU food loss and waste. Excluding the majority of this from measurement is therefore a very significant omission to EU food waste measurement and locks most of the wasted food out of reduction targets.

The procedure chosen by the Commission also contradicts the recommendations on interpreting SDG 12.3 by the "Champions 12.3", a coalition of more than three dozen leaders from around the world dedicated to ambition, mobilising action, and accelerating progress toward achieving SDG Target 12.3. According to their recommendations, it is best practice for food waste measurement to include "from the point that crops and livestock are ready for harvest or slaughter through to the point that they are ready to be ingested by people". In fact, Champions 12.3 argues that also inedible parts of food are included in SDG 12.3. In this regard, the <a href="Champions">Champions</a>' publication on the interpretation of SDG 12.3 reads as follows:

"What material types count? One should interpret that "food loss and waste" applies to both "food" that is intended for human consumption and its associated "inedible parts" which leave the human food supply chain because Target 12.3 comes under SDG 12 ("sustainable consumption and production") and not SDG 2 ("ending hunger"). It is thus about food security and resource-use efficiency, and not just about food security alone. This recommendation is consistent with the draft scope proposed for country-level data being suggested by FAO and the European Commission."

The EEB believes that reducing the amount of inedible food waste is feasible by addressing the overproduction of food in general. Waste is prevented if superfluous food is not produced so both inedible and edible parts are saved. These overproduction mechanisms (such as unnecessary aesthetic standards for fruits and vegetables set by buyers and retailers) are systemic and should be addressed by legislation.



The EEB would further like to stress the fact that much food wasted on European farms is caused by unequal power relations with supermarkets and other powerful supply chain actors, whose policies can drive food waste on farms. For instance, policies include rejecting produce on cosmetic grounds, unfair trading practices like last-minute order cancellations, and the use of contract types that incentivise overproduction. Excluding primary production food waste from targets will create a perverse incentive for food waste to "disappear" from statistics by being pushed onto farmers, exacerbating existing unfair trading practices.

To answer the calls of the <u>Parliament</u> and <u>civil society</u> as well as to align the proposed policy with <u>Champions 12.3 recommendations</u>, the <u>Commission's own strategies</u>, and international commitments, the <u>EEB</u> demands to expand the scope of the target to the entire supply chain, from farm to fork, including the significant amount of food waste occurring at the primary production stage.

# 3. Calculating just targets

We wish to flag the risk of creating unfair burdens on certain Member States who have already made efforts to reduce their food waste, or who waste less than others. In order to increase the fairness of the burden across countries, it should be considered to calculate the reduction target for households, distribution, and restaurants/food services per capita across the EU as a whole and not at the national level. This approach would fairly account for the achievements done so far by some countries. Considering 92kg of food waste in households, distribution, and restaurants/food services per capita in 2020, this translates into a maximum amount of 46kg/per capita across these sectors collectively by 2030.

While the overall EU target must be increased to 50% by 2030 and cover the entire supply chain from farm to fork, it should be considered to set the prevention target proposed in the Commission's draft under a max kg/capita/year across the EU, as this would create a fairer unique baseline for all EU citizens.

# 4. Coherence with other legislation

The EEB urges to strengthen packaging waste reduction targets as part of the ongoing revision of the Packaging and Packaging Waste Regulation (PPWR). The setting of food waste reduction targets as part of the WFD revision must not undermine the ambition to tackle unnecessary and avoidable single-use packaging by recognising that the growth in the application of single-use packaging has increased alongside the growth in food waste, as outlined in this report and this letter to Agriculture ministers. Increasing the level of single use packaging is not a genuine solution to food waste. The main drivers of food waste in rich countries are overproduction and the undervaluing of food, for which shelf-life extending packaging will have limited impact. In addition, many types of packaging and food marketing increase food waste, e.g., multi-packs, which should be restricted.



#### For more information:

- Read EEB and Feedback EU's policy briefing calling for ambitious food waste reduction targets: <a href="https://eeb.org/library/policy-briefing-why-we-need-ambitious-legally-binding-eu-food-waste-targets/">https://eeb.org/library/policy-briefing-why-we-need-ambitious-legally-binding-eu-food-waste-targets/</a>
- Civil society statement on legally binding reduction targets: <a href="https://feedbackglobal.org/wp-content/uploads/2023/02/Statement-on-EU-legally-binding-targets-to-reduce-food-waste-Feb-2023.pdf">https://feedbackglobal.org/wp-content/uploads/2023/02/Statement-on-EU-legally-binding-targets-to-reduce-food-waste-Feb-2023.pdf</a>
- Mapping of EU Member States that support legally binding food waste reduction targets: <a href="https://feedbackeurope.org/results-eu-foodwastesurvey/">https://feedbackeurope.org/results-eu-foodwastesurvey/</a>



### **TARGETED REVISION: TEXTILES**

The WFD proposal introduces a mandate for Member States to set up national Extended Producer Responsibility (EPR) schemes for textiles. With the EU generating skyrocketing levels of textile waste – a total of 12.6 million tonnes a year, ambitious EPR schemes are vital to bring down overproduction and increase accountability for the impact of textile exports.

To improve the Commission's proposal, the EEB advocates for:

- 1. Clear rules and definitions for the collection and sorting of used textiles
- 2. Extended Producer Responsibility (EPR) schemes to fund waste management and ensure volume reduction
- 3. Binding targets for the reduction and management of textile waste.
- 1. Clear rules and definitions for the collection and sorting of used textiles
  - a. Consider separately collected textiles waste until proven otherwise

Separately collected textiles should be considered waste until proven otherwise and we welcome the Commission proposal to consider all collected textiles as waste upon collection (Article 22d, paragraph 3) – whether by second-hand retailers, social enterprises, charities or through separate collection points set up as part of EPR schemes. Classifying collected textiles as used textiles at the point of collection would mean an increased risk of undermining the sorting process and subjecting them to less stringent requirements than if they were classified as waste. Sub-standard management could create legal conditions that make it easier for items to enter the global used clothing trade via take-back schemes, for example.

An <u>investigation</u> from Changing Markets showed that take-back schemes often result in items which consumers believe are destined for reuse in fact ending up "shredded and downcycled, or shipped tens of thousands of kilometres across the world". **Commercial textile collectors must be considered as waste collectors so that reporting and transparency requirements can be applied to them.** But exemptions from being classified as a waste collector should be in place for entities that can prove they reuse the clothes themselves (e.g., charity shops which can demonstrate a considerable rate of clothing reuse).

#### b. Sorting

It is <u>well documented</u> that large amounts of lower-quality discarded textile items collected and sorted in the EU which are considered second-hand goods after sorting (i.e. intended for reuse) are shipped for reuse to third countries such as <u>Ghana</u>, <u>Kenya</u>, and <u>Chile</u>, and that a large amount of these exported items ends up as waste in the environment, causing both health and environmental impacts.

While sorting processes should determine which textiles are in theory reusable, at the same time, it must be noted that sorting collected textiles to identify items intended for reuse is only one prerequisite to granting eventual end-of-waste (EOW) status and is not a



determinant of EOW status in of itself, i.e. sorting cannot determine whether the item will be reused in practice because sorting cannot reflect the fact that whether a textile item will be reused or not is contextual.

So many items end up as waste in third countries because not all exported second-hand clothes are reused in practice in recipient countries due to the high amount of clothing that arrives and its increasingly low quality. The Or Foundation notes that "many items dropped off in collection points are wearable, but they are discarded by the original owner because they are no longer desirable" and that the "question is not if an item *can* be worn. The question is if an item *will* be worn". The low quality of exported clothing means that only a small amount of a bought bale of exported clothing is profitable, trapping retailers into cycles of debt. We recommend amending *Article 22d* and *Recital 32* in the WFD revision proposal to better reflect this reality in the legislation. In our view, it is incorrect for the Commission to imply that "textile waste is no longer waste after undergoing a sorting operation to determine fractions intended for re-use" (*Recital 32*). While we agree with the Commission that "separately collected used textiles, textile-related and footwear products must undergo a sorting operation prior to shipment" (*Article 22d, Paragraph 9*) it is important to underline that **sorting cannot improve the overall quality of clothing or reduce the amount of clothing on the market.** 

Article 22d, paragraph 8 of the WFD proposal should be amended so that Member States are obligated to carry out a minimum number of regular inspections before shipment, and ensure that shipments of used textiles are accompanied with evidence of payment to registered entities within the destination country to cover the costs of waste management (see section 2 below).

# c. End-of-waste (EOW) criteria – defining when a used textile item is no longer waste

This contextual nature of textiles' reusability poses a huge challenge when it comes to setting criteria for determining the EOW status for textiles (i.e. the point when items collected as waste are no longer classified as waste and are now used items).

The Commission's proposal to revise the WFD includes a reference in *Article 22d Paragraph 5 (d)* which states that the output of sorting and subsequent recovery operations destined for re-use must meet the criteria for ceasing to be considered as waste (EOW). Yet these criteria are still under development as part of an ongoing Joint Research Centre project and are only set to be finalised in early 2026. This would mean large gaps between the finalisation of the EOW criteria, the adoption of the WFD (potentially in mid-2024), and the start of the separate collection obligation in 2025. **Policymakers should clarify the link between the process to set EOW criteria for textiles and the revision of the WFD as Member States will not be able to meet EOW requirements if the criteria are not finalised.** 

The scope of the EOW criteria project is also much wider than the WFD which only covers household textiles and excludes commercial and industrial textiles. Where the textile item is ultimately used (whether in a private household, a public institution, or in a commercial setting) should not have any bearing on the responsibility of the producer who put that textile on the market in the first place.



# d. No loopholes to bypass sorting before shipment

We also recommend not exempting donations for victims of natural disasters or for humanitarian aid from the need to provide evidence of a prior sorting operation as this could constitute a loophole for textile waste exports. While humanitarian aid and natural disaster response must not be hindered by sorting, it should be feasible to provide aid including a prior sorting stage.

Since 2022, the import of humanitarian aid into Ukraine became easier which has resulted in an influx of used clothing, often of low quality. Clothing categorised as 'humanitarian aid' does not need to be cleared through customs and is not subjected to taxes. Ukraine lacks the necessary recycling infrastructure to handle the aftermath of these imports. Even before Russia's invasion, the country was home to 6,100 landfills and around 33,000 illegal dump sites. Ukraine lacks a functioning waste management system and there is no plant that processes textile waste.

# 2. Extended Producer Responsibility (EPR) schemes to fund waste management *and* ensure volume reduction

The flagship measure for textiles proposed in this revision is the introduction of a mandate for Member States to set up national Extended Producer Responsibility (EPR) schemes for textiles, textile-related and footwear products, and for the scope, objective, and key organisational and operational features to be harmonised.

EPR will be necessary to manage the increase in separately collected textiles after this becomes mandatory. But to address the global textile waste crisis meaningfully, EPR must go beyond waste management, rather it must lead to significant reductions in the number of products put on the market in the first place and to the phase-out of environmentally harmful products.

The EPR schemes set under the WFD and related policies (in particular, Ecodesign) must be set with the aim of reducing production volumes, maximising local re-use, and reducing the amount of used textiles being exported. At the same time, the policy must ensure financial support reaches receiving countries to pay for the unrecognised work being done to manage the EU's textile waste.

# a. Speed up the rollout of EPR to ensure taxpayers don't pick up the bill for separate collection

We call for the transition period – the amount of time from the entry into force of the WFD revision to the date at which Member States must ensure EPR schemes are in place – to be no longer than 18 months so that there is no funding gap between the entry into force of the obligation to separately collect textiles on 1 January 2025 and the introduction of EPR schemes. A 30-month transition period would result in a funding gap of two years, putting a financial burden on municipalities (i.e. the taxpayer) to finance the management of textile waste and the setting up of separate collection.

It does not make sense for the EU to delay the entry into force of harmonised rules for EPR schemes with Member States already going ahead to develop their own EPR schemes in



anticipation of the separate collection obligation coming into force in 2025. In addition to the French EPR scheme for textiles which has been in place since 2008 and was updated in 2022, several Member States (for example, the Netherlands, Sweden, and Portugal) have moved forward with the development of EPR for textiles. A multi-stakeholder Working Group has put together recommendations for the setting up of an EPR scheme for textiles in Norway which has been presented to the Ministry of Climate and Environment.

# b. Protect social enterprises and charities in the governance of Producer Responsibility Organisations

Social enterprises and charities play an important role when it comes to facilitating the circular economy in textiles at the local level. They enable separate collection and local reuse much more than other actors. In 2022, 60% of the separately collected textiles by social enterprises and charities in Latvia were reused locally, whereas only 10% of the separately collected textiles by waste management companies in Latvia were reused locally (figures from forthcoming Zaļā brīvība study on the collection and use of post-consumption textiles in Latvia). This is because waste management companies cooperate with wholesalers that export approximately 80% of the materials they work with (either imported or separately collected in Latvia). Encouragingly, the proposal states that Member States must ensure that producer responsibility organisations are not allowed to refuse the participation of social enterprises and other re-use operators in the separate collection system (*Paragraph 10 and 11 in Article 22c*).

Yet, at the same time, in the Commission's proposal, Member States are encouraged to authorise multiple producer responsibility organisations (PROs) for competition and consumer benefits (*Recital 18*) – despite the well documented flaws with this current governance set-up of EPR schemes, as outlined by <u>Utrecht University</u>, leading to the exclusion of stakeholders, corporate capture, and insufficient environmental outcomes. The EEB calls for clear criteria to be established when it comes to the governance of producer responsibility organisations (PROs) to ensure social enterprises and civil society are involved and that producers do not hold all the power to decide how fees are spent.

To separate strategic responsibility from operational responsibility, we recommend amending *Article 8a* in the current WFD to include a provision that Member States shall ensure that a separate, independent body is set up which includes producers, social enterprises, municipalities, waste managers, and NGOs and which is responsible for the development of strategic development goals for the producers, including expenditure on circular economy goals. Alternatively – or, in addition – the board of PROs should also contain the same variety of stakeholders.

It is important to ensure that PROs do not dominate when it comes to accessing the share of so-called 'premium' textile goods – i.e. the best quality products. Social enterprises and charities need to be financially recognised for the role they play in carrying out the first stage of sorting. PROs should also not be able to use their position to lobby against environmental policies at national and European levels.



#### c. Obligated producers

Producers are defined in the Commission's proposal as any manufacturer, importer or distributor (or other natural or legal person) of household textile products, articles of apparel, clothing accessories and footwear, apparel and clothing accessories (listed in Annex IVc) which are put on the market for the first time in any EU Member State (*Article 22a*).

The proposal excludes producers supplying used products from the definition. The EEB welcomes the proposal's strong protection for the second-hand and reuse sector but calls for the Commission to clarify that this protection only covers the second-hand and reuse sector that works with textiles collected locally (within respective Member States). Importers of second-hand clothes should not be exempt from EPR schemes as they should take responsibility for the second-hand products which they place on the market of a respective Member State for the first time.

In Latvia and Lithuania approximately 30% of overall textile consumption is second-hand products, and imported second-hand textiles are a huge part of this amount. These very profitable second-hand textile importing businesses are very secretive about their operations, including how much they sell locally, and how much is donated to charities, exported, or landfilled. The EEB calls for these companies to be registered in EPR registries, and for them to take financial responsibility for the products they place on the markets of respective Member States.

The Commission also excludes micro-enterprises (with 10 or fewer employees) which make up 88% of the sector from the scope of the proposal. **The EEB calls for EPR schemes for textiles not to have a de-minimis threshold for EPR.** While small producers could be exempt from certain reporting/administrative aspects as <a href="recommended">recommended</a> by Eunomia in their 'Study to support preparation of the Commission's guidance for EPR schemes', there should be no exemptions from compliance and fee payment in order to uphold the polluter pays principle for all producers.

#### d. Products and waste in scope of EPR

We welcome that the scope of the EPR currently proposed includes footwear and leather products but we call for it to be broadened to include more textile products into the scope of EPR to reduce costs of the end-of-life for municipalities (i.e. mattresses, quilts, carpets, and textiles used in medical settings), and for all of these products to be included in the scope of related textile legislation (in particular, the Ecodesign for Sustainable Products Regulation (ESPR) and the Textile Labelling Regulation).

While the Impact Assessment concludes that bulky items should not be covered by the textiles EPR, in our view, the scope of products covered by EPR schemes for textiles set out in Annex IVc should be broadened to include carpets and mattresses that are made available on the market for the first time within the territory of a Member State. Broadening the scope of products covered by this revision would also be consistent with the ongoing work to develop EOW criteria for textiles, as mentioned above in section 1.



- An estimated <u>1.6 million tonnes</u> of carpets are disposed of in the EU annually, mostly
  ending up in landfills or incinerators, with less than 3% being recycled. Carpet
  manufacturers have <u>already urged</u> the European Commission and Member States to
  adopt mandatory rules to push the whole sector to become circular, and <u>existing</u>
  schemes and <u>innovations</u> can serve as examples.
- Currently, no real recycling or reuse schemes exist for the end-of-life of mattresses. Most
  mattresses are still landfilled or incinerated (over 95% in Germany). Some countries
  already have EPR schemes for mattresses, namely Belgium, France and the Netherlands.
  Currently, mattresses are known as the "bulky" waste stream, and it is difficult to obtain
  reliable public statistics on how they are treated. A recent <u>estimation</u> indicated that 49%
  of mattresses are landfilled in the European Union today, 33% are incinerated and 17%
  are recycled.

The Commission proposal states that the EU generates a total of 12.6 million tonnes of textile waste per year (2019 figures). The focus of separate collection and establishing EPR schemes is to deal with post-consumer waste (10.9 Mt post-consumer waste). The scope of the proposal should be extended to ensure EPR schemes for textiles will also apply to post-industrial and pre-consumer waste (1.7 Mt). To allow for greater transparency and oversight, the EEB also calls for any changes to the products in scope to be made in the main Directive and not in a subsequent Delegated Act.

#### e. E-commerce

We recommend modifying the language in *Article 22a Paragraph* 7 of the Commission's proposal to ensure that online platforms and retailers must verify that producers (i.e. retailers) are registered in EPR registries before placing products from those producers onto the market, rather than through self-certification from producers. **Online marketplaces should be liable in the case of non-compliance with EPR schemes when there is no other identified actor** (importer, distributor, producer, or required representative for the product in the EU) – this should be coherent with strong provisions in the ESPR (pending adoption). Compliance in the case of online sales should be assured following the <u>German model</u>, whereby online retailers must verify registration of producers in the registry of producers before permitting them access to their services.

# f. How EPR fees should be calculated - eco-modulation that includes volume criterion

The Commission proposal states that financial contributions paid to PROs should be based on the weight of the products concerned and modulated based on the most relevant Ecodesign parameters (*Article 22c, Paragraph 3a*) to enable the treatment of textiles in line with the waste hierarchy. While we welcome eco-modulated fees, **the EEB does not agree with the Commission's proposal to base EPR contributions on weight. The weight of products does not have a direct correlation with how long consumers will keep them in continuous active use, and weight-based calculations could favour lighter synthetic fibres and incentivise problematic material substitution.** It is also regrettable that while footwear and leather products are within the scope of EPR, the proposal restricts the scope of fee modulation to products in Part 1 of Annex IVc (*Article 22c. 3a*).

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The focus of eco-modulation criteria and ecodesign criteria for textiles should be aligned with the aim of reducing the overall volume of products produced and consumed – in line with the aim of the EU's Textile Strategy, published by the Commission in March 2022 and strengthened by the Parliament in June 2023 – to make fast fashion 'out of fashion'. Without ambitious eco-modulation, EPR will not be able to contribute to this objective. If fees are too low, there will be no incentive for companies to produce less.

The EEB recommends amending the Commission's proposal to include a volume criterion in the calculation of the eco-contribution fee, based on how many items per product category are placed on the market by a company each year (i.e. unit volumes) with the fee increasing as certain thresholds are met meaning there is an incentive for producers to reduce the number of products placed on the market over time. In addition to units put on the market, other examples of volume criterion to consider are: units per product category; number and renewal frequency of stock keeping units (SKUs) put on the market; and the rate and pace of marketed collections.

Volumes of new items put on the market (per product category) could be taken into account in both the calculation of the base rate of the eco-contribution (progressive fees based on volumes) and in the eco-modulation system (for example, above a set threshold, products can no longer be subject to 'bonuses' for good design choices – see below). In the <a href="mailto:new French EPR">new French EPR</a>, if a producer puts over 100,000 items per product category/year on the market, the bonus is divided by 10. For companies placing a small volume (under a certain threshold) on the market, the fee per item should be minimal, protecting microenterprises.

Including a volume criterion in EPR fees would be supported by the Commission's encouraging proposal to ensure that PROs provide information on the amount of products placed on the market (*Article 22c, Paragraph 17a*) – alongside its rates of separate collection (including of unsold products), re-use, preparation for re-use, recycling (including fibre-to-fibre recycling), and on the rates of other recovery, disposal and exports. **The EEB calls for the provision of information on the volume of products placed on the market to be broken down by producer and for the inclusion of information about manufacturing facilities from producers' supply chains.** The information should be made available through the Digital Product Passport in line with new provisions on production date marking set as part of the revision of the Textile Labelling Regulation (see the EEB's <u>submission</u> to the Call for Evidence). Production date marking can facilitate compositional analysis of textile waste – the results of which can be used to inform the setting of eco-modulation criteria so that the products which consistently end up as waste after a short use phase can be identified and fees can be set accordingly.

In addition to a volume criterion, criteria for eco-modulation should be set to trigger changes to product design and to business practices. If a producer puts more than a certain amount of products on the market, they should no longer be able to benefit from eco-modulation bonuses (e.g. in France this could be set at 500,000 units – the average number of items companies put on the market annually).



The EEB supports the development of eco-modulation criteria which would mean lower fees for producers who meet criteria relating to:

- Transparency on volume per fibre and raw materials used.
- **Full supply chain traceability from farm to shop** through disclosure of information in a questionnaire about the location of manufacturing facilities in the supply chain (at least down to tiers 2 and 3 where most chemicals are used, and wastewater is generated and released) and other information relating to working conditions, contracts, and the types of products the facility manufactures.
- Evidence that items meet criteria set by the EU Ecolabel.
- Better performance than the minimum legal Ecodesign requirements which will be set through the ESPR Delegated Act (e.g. on durability, the use of recycled content from low impact mechanical fibre-to-fibre recycling processes, and reducing chemicals of concern).
- Avoiding synthetics and material blends. Eco-modulating fees to disincentivise
  synthetics would also help pave the way for a virgin plastic tax which could help shift
  the market away from over-reliance on fossil-fuel-derived synthetics, account for the
  negative impacts (microplastic release, fossil fuel extraction and non-biodegradability
  at the end of life) and level the playing field with other fibres, which are more
  expensive than synthetics.
- More rigorous product testing and tracking of chemical information in products to remove harmful chemicals from products and manufacturing processes.
- Regularly updated (Restricted Substances Lists) and Manufacturing Restricted
  Substance Lists (MRSL) can be used to modulate fees so that there are incentives for
  phasing out harmful chemicals: namely, substances of very high concern (SVHCs);
  carcinogens, mutagens and reprotoxic substances (CMRs); allergens and sensitisers;
  endocrine disrupting chemicals (EDCs); per- and polyfluoroalkyl substances (PFAS) –
  including fluorotelomer acrylates (FTAs) and fluorotelomer alcohols (FTOHs); heavy
  metals; neurotoxins; flame retardants (halogenated compounds); alkylphenols; and
  phthalates.
- **Minimising the use of disruptors** elements present on a textile product (eg. fastener, button, zipper, fabric patch etc.) can both support the removal of harmful chemicals from products and facilitate end-of-life management.
- Use of reclaimed fabrics

#### g. Cost coverage - expanding the scope of activities financed by EPR revenue

The EEB calls for the revision of the WFD to remove the concept of 'necessary costs' from Article 8a. We also propose adding a new paragraph to Article 8a to include a provision that Member States shall ensure each producer provides a guarantee when placing a product on the market



that shows the management of all textile waste will be financed. Financial guarantees should be provided ahead of each operational year, taking the WEEE Directive Article 12 as a precedent.

# The EEB calls for the following additional elements (beyond collection and sorting) to be included in the cost coverage of EPR schemes for textiles:

- Textile waste management (sorting, preparing for reuse, repairing, remanufacture, and recycling) is labour-intensive work requiring a high level of skills and should be adequately funded in the EU as well as in countries which receive high amounts of textile exports from the EU. EPR fees must therefore ensure global accountability by supporting communities in receiving countries in the Global South who manage the end of life of textile exports by financing the tools and infrastructure necessary to:
  - 1) Pay to remedy the negative environmental, social, and economic costs incurred by receiving countries as a result of textile exports;
  - 2) Pay for the unrecognised textile management work carried out in receiving countries;
  - 3) Better track the fate and routes of exported textiles.

Article 22d, paragraph 8 of the Commission proposal should be amended so that Member States are obligated to ensure that shipments of used textiles are accompanied with evidence that registered entities within the destination country for the shipment receive financial support under an authorised EPR scheme of the Member State for sorting, preparation for re-use, recycling and other recovery operations and disposal.

- We recommend amending Article 22a so that at least 10% of the EPR fees would be allocated to a **reuse solidarity fund** to support reuse, repair, and upcycling operations in the EU (while ensuring that other sources of funding to the reuse sector are not cut in view of this new solidarity fund).
- It is vital to ensure that **compositional analyses of collected textiles** are included in the costs covered by EPR fees. Analysing collected textiles is necessary to improve the data needed to set rates of EPR fees. Rather we propose to keep this provision and to strengthen it, increasing it to an annual obligation. This will help to target interventions on textile items most likely to end up in residual waste. Slovenia already <u>mandated</u> annual compositional analysis in 2018.
- The **collection**, **transport** and **treatment** costs for non-separately collected waste must be included in the costs covered by EPR, as well as including the costs for the appropriate control of the system, including auditing and measures against free riders.
- EPR should fund the development of fibre-to-fibre textile recycling infrastructure.
   Projects such as <u>Sorting for Circularity</u> provide key recommendations based on indepth analysis of the EU's post-consumer textile landscape. EPR schemes should prioritise supporting research into lowering the environmental impact and increasing the yield of fibre-to-fibre recycling processes.



# 3. Binding targets for the reduction and management of textile waste.

# a. Waste management performance targets

The focus on mandatory harmonised EPR schemes for textiles in the Commission's proposal (the second of three regulatory options explored in an Impact Assessment) is welcome, but it is regrettable that the Commission did not choose to go further with binding waste management performance targets (Option 3) – as <u>called for</u> by MEPs in their position on the Textile Strategy.

While the proposal leaves the door open to the possibility of setting a textiles waste collection target that could be considered to complement the EPR schemes, it rules out other waste management performance targets due to the "lack of complete and robust data on textile waste generation" and a "fragmented understanding of whether collected textiles are waste". While continuing to collect robust data is of course essential, existing data has already established that too much textile waste is generated in the EU. Not considering waste management performance targets contradicts the EU's existing commitments to the waste hierarchy and could slow down the adoption of sufficiency measures at the production stage, more reuse practices and the development of fibre-to-fibre recycling technologies. To meet the obligations set out in the rest of the proposal, targets are necessary to measure progress on these objectives.

The EEB calls for the revision of the WFD to include separate waste management performance targets covering collection, reuse, recycling and fibre-to-fibre recycling. It is vital that reuse and recycling do not harm human health and the environment, and toxic chemicals should not be recirculated into new products. To this end, provisions on chemical information disclosure and traceability must be in place as these are key enablers for the promotion of waste management performance targets.

We call for the WFD revision to include the following waste management performance targets for Member States in Article 22a:

- An EU-wide separate collection target of 60% by 2030.
- An EU-wide reuse target of 30% by 2030 with a sub-target of 15% for local reuse (reuse within less than 1500km from the collection point).
- An EU-wide EU-based recycling target of 30% by 2030 with progressive sub-targets set by type of recycling method, according to environmental impact of method and yield – setting these targets will require a solid definition of fibre-to-fibre recycling.

We recommend calculating the separate collection rate as the percentage obtained by dividing the weight of used and waste textile products collected by the weight of textile products placed on the market. All waste should count in the calculation, and compositional analyses will be able to inform the setting of targets by estimating the amount of textiles discarded in mixed waste. The EU Batteries Regulation provides a precedent as it mandates the calculation of the first collection rate by using the amount of collected batteries in 2023, divided by the mean of the sales of the three previous years.



# b. Textile waste reduction target

It is a significant missed opportunity that the Commission' proposal does not seek to set a target to tackle the root cause of the increasing amount of textile waste: the increasing volume of textile products put on the market which are discarded after a short use phase.

We urge policymakers to set a more progressive quantitative target to reduce textile waste generation based on maximum kg/capita per year in multiple tiers from 2025 onwards (in line with the entry into force of mandatory separate collection of textiles in 2025). A 2040 EU-wide target to reduce waste generation to 2025 levels is not ambitious enough.

The EEB calls for targets to ensure Member States achieve the following textile waste reduction targets at the national level:

- By 31 December 2030, reduce the generation of textile waste by 10% in comparison to the amount of textiles placed on the market in 2020.
- by 31 December 2040, reduce the generation of textile waste by 33% in comparison to the amount of textiles placed on the market in 2020 (set using available inputbased indicators, as outlined in this recent <u>paper</u> from Zero Waste Europe).



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