



# Driving fast fashion out of fashion: how the EU plans to reform the textile sector by 2030

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On 30 March 2022, the European Commission adopted the long-awaited EU Strategy for Sustainable and Circular Textiles (Strategy), a document that outlines the EU's vision for the future of the fashion industry and the major reforms that will affect the sector in the coming years. The EU's overarching goal is to make textile products on the EU market "long-lived and recyclable, made as much as possible of recycled fibers, free of hazardous substances and produced in respect of social rights and the environment" by 2030.

Here, we've compiled the key elements of the Strategy and address their potential impact on the fashion industry in the near future.

## Smarter product design and new circular business models

Against the background of consumers' continuously increasing demand for textiles around the world, the production of which almost doubled between 2000 and 2015, the Commission noticed the need to introduce new rules to extend the life of textile products and foster new circular business models.

The first step towards circularity in the textile sector was identified in the design stage of the products that are responsible for the biggest environmental impacts. Under the Ecodesign for Sustainable Products Regulation (the Ecodesign Regulation), proposed together with the Textile Strategy, the EU plans to introduce new binding ecodesign requirements for textiles to increase their durability, reusability, repairability, fiber-to-fiber recyclability and mandatory recycled fiber content. Furthermore, hazardous chemicals in textile products will be subject to new rules requiring producers to minimize or even substitute them in clothes and footwear.

In addition, the EU plans to boost new circular business models, such as reuse, renting, repair, product-as-a-service, take-back services and second-hand retail.

When? The work to develop new EU-wide ecodesign requirements will start in 2022. At the moment, the focus seems to be on personal and household textiles, but the Commission plans to launch a public consultation by the end of the year that could identify further priorities.

## Microplastics and synthetic fibers

Part of the effort to improve the design of textiles is the reduction of microplastic pollution. According to the EU, textiles made of synthetic fibers (such as polyester) are the main source of unintentional release of microplastics in the environment. To tackle this issue, the Commission plans to adopt an initiative to address the unintentional release of microplastics from textile products. The initiatives are likely to include obligations such as pre-washing of textiles made of

synthetic fibers at industrial manufacturing plants, labeling and promotion of innovative materials.

There may be challenges for brands that have focused on the production of textiles from recycled plastic polymers in an attempt to boost upcycling and reuse of materials. In particular, the EU has focused on textiles made of polyethylene terephthalate (PET) bottles, highlighting that such materials are not considered in line with the circular model for PET bottles in the EU and that related claims about the sustainability of such products can be misleading. As a result, the fashion industry can expect a change in the framework related to labeling and environmental claims for clothing and footwear made of these polymers.

When? The initiative addressing the unintentional release of microplastics from textile products is to be adopted in 2022, with binding requirements to be applicable to companies indicatively in 2024 or 2025.

## Digital Product Passport

The lack of reliable information about products on the EU market is seen as one of the major barriers to the availability of more sustainable options for consumers. The Commission plans to respond to this issue by introducing the Digital Product Passport, a tool that electronically registers, processes and shares information about the product across the whole supply chain – from manufacturers to consumers, other businesses and competent authorities. The general information that all the companies in scope will need to report in the Digital Product Passport is set in the Ecodesign Regulation. For textiles, it is expected that such reporting will include mandatory information on circularity, fiber composition, substances of concern and repairability.

When? The Digital Product Passport for textiles is expected to be presented in 2024. Although the debate around the product passport may take some time, companies should start preparing their operations for the upcoming change now and engage with policy makers that seem open to collaborating with the industry to develop the most efficient mechanisms. In addition to the Digital Product Passport, the EU will also review the Textile Labelling Regulation by establishing new mandatory disclosure information on sustainability, circularity and country of manufacturing. Discussions around a digital label are also under way.

## Green claims

In addition to the information that companies will be required to provide in the Digital Product Passport, the fashion industry will also be subject to stricter rules related to sustainability claims about their products. Firstly, general environmental claims (such as “green,” “eco-friendly” or “good for the environment”) will be allowed only for textiles with a certified environmental performance (based on the EU Ecolabel, type I ecolabels). Specific conditions will also be established for making green claims related to the future (eg, “climate neutral by 2030”). Additional voluntary sustainability labels will be subject to a third-party or public authorities verification. Furthermore, consumers might be empowered to receive information at the point of sale about a commercial guarantee of durability and details about repairing products. The EU is also exploring the idea of introducing a repairability score, illustrating how easy it is to repair the product.

When? New rules related to all types of environmental claims, including textiles, will be proposed in 2022 through various initiatives, such as “Empowering Consumer for the Green Transition,” the “Green Claims Initiative” and a revision of the EU Ecolabel criteria for textiles and footwear in 2024.

## Ban on the destruction of unsold textiles

In an attempt to reverse overproduction and waste of unsold or returned textiles, which – according to the text of the Strategy – have increased due to the rapid growth of online sales, the Commission proposes to ban the destruction of unsold consumer products, including textiles and footwear. The Commission will also introduce a general transparency obligation for all economic operators who discard unsold consumer goods. Under the latter, companies will have to disclose information on the number of unsold products discarded per year and why they were discarded and subsequent waste treatment operations. In terms of preventive measures, the EU also plans to work with the industry to explore how emerging technologies, such as digital precision technologies, could reduce the high percentage of returns of clothes bought online or even foster on-demand custom manufacturing.

When? The transparency obligation is established in the proposed Ecodesign Regulation and is expected to be approved by the co-legislator in 2023. The introduction of bans on the destruction of unsold products for specific product groups, such as textiles, is subject to endorsement from both the European Parliament and the Council of the European Union and, if approved, may follow via delegated acts adopted by the Commission as of 2024.

## Textile waste and extended producer responsibility

To complete the circularity puzzle that fashion producers and retailers are required to implement from the design phase of the products to their end of life, the EU also plans to introduce harmonized EU extended producer responsibility (EPR) rules for textiles. This means that textile manufacturers would be obliged to take financial and operational responsibility for the separate collection, recovery and subsequent management of collected waste, incentivizing more sustainable design (with less blended materials), reuse and recycling.

When? European legislation already requires EU member states to introduce separate collection of textile waste by 1 January 2025. France is currently the only EU member state to have an EPR scheme in place for textiles, while several other states (such as the Netherlands and Sweden) are in the process of developing EPR requirements. To avoid national fragmentation and favor harmonized criteria, new requirements for textiles with eco-modulation of fees will be proposed at the EU level in 2023.

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