

ANNUAL REPORT 2017

24 rue Montoyer - Box 10
B-1000 Brussels
Tel.: +32-2-285.48.92
e-mail: info@euratex.eu
www.euratex.eu
Follow us on
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F A L K E

EU TEXTILE & FASHION INDUSTRY: FACTS & FIGURES

EU CONSUMPTION
€ 511 Bn

With household consumption of €511 billion, the EU-28 is the world's largest market for textile and clothing products.

TURNOVER
€ 181 Bn

In 2017, the EU Textile and Clothing industry achieved turnover of €181 billion.

WORKFORCE
1.7 million

In the EU, EURATEX members directly or indirectly represent an industry that employs 1.7 million workers.

N°2

Aer China, the EU is the world's second biggest exporter of textiles and clothing with 22% and 25% of world sales respectively.

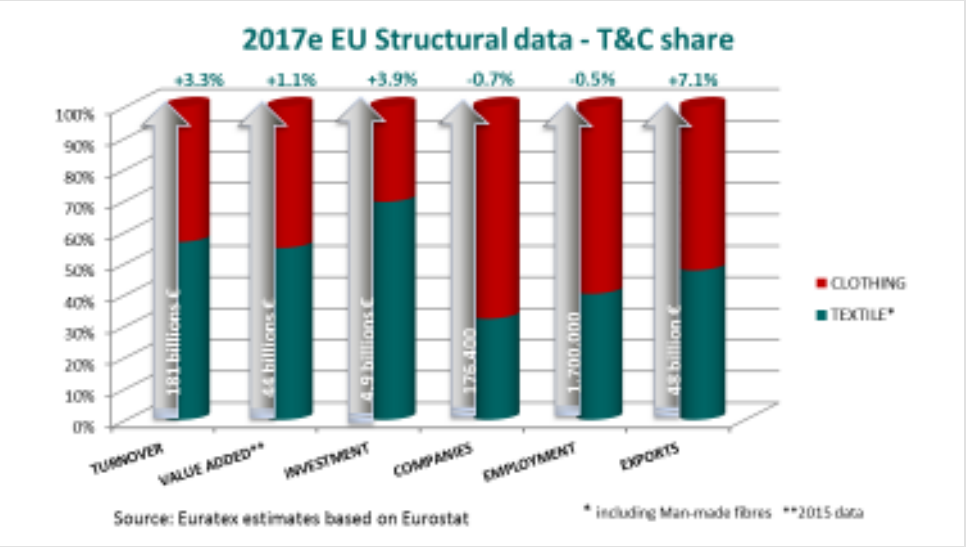
EU EXPORTS
€ 48 Bn

The Textile and Clothing industry exports to outside EU amount to € 48 billion, representing 26% of industry turnover.

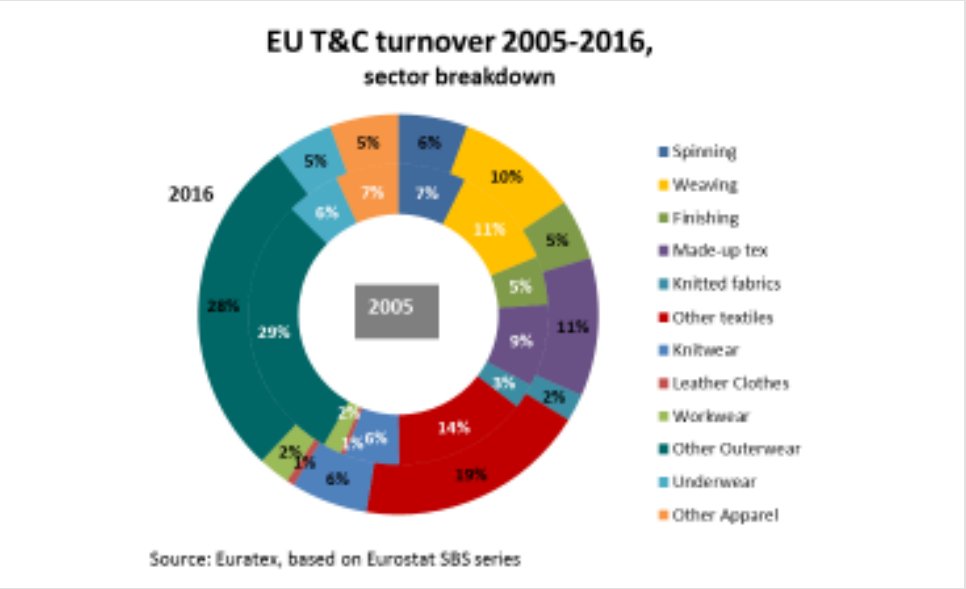
SME's
99%

The EU Textile and Clothing industry counts 176,400 companies, 99% of which are small and medium-sized niche players focusing on quality, innovation, creativity and outstanding customer service

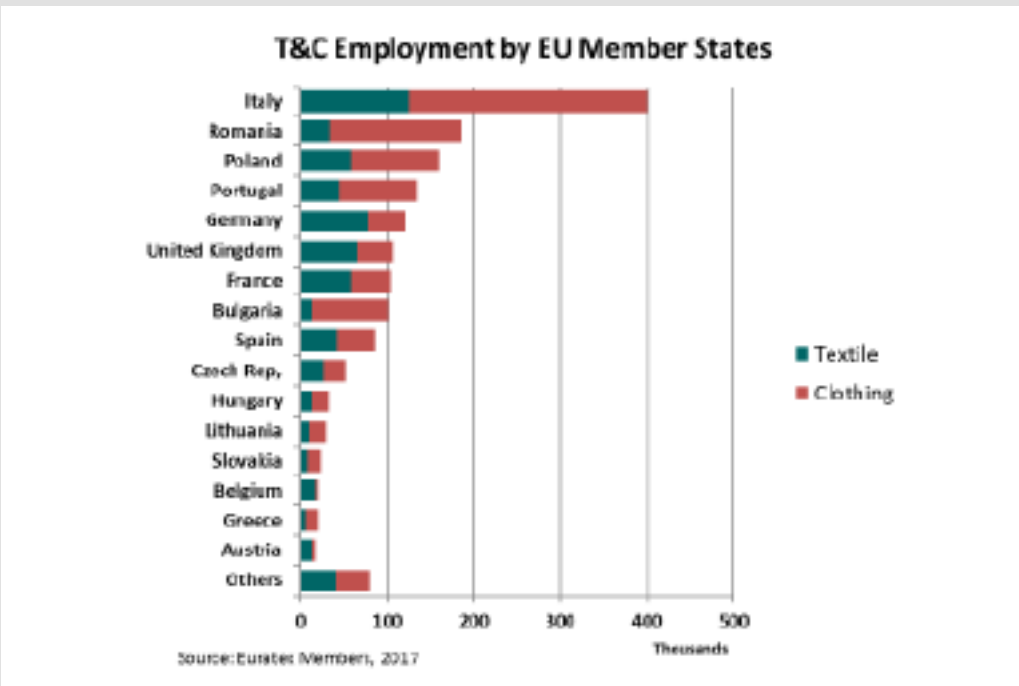




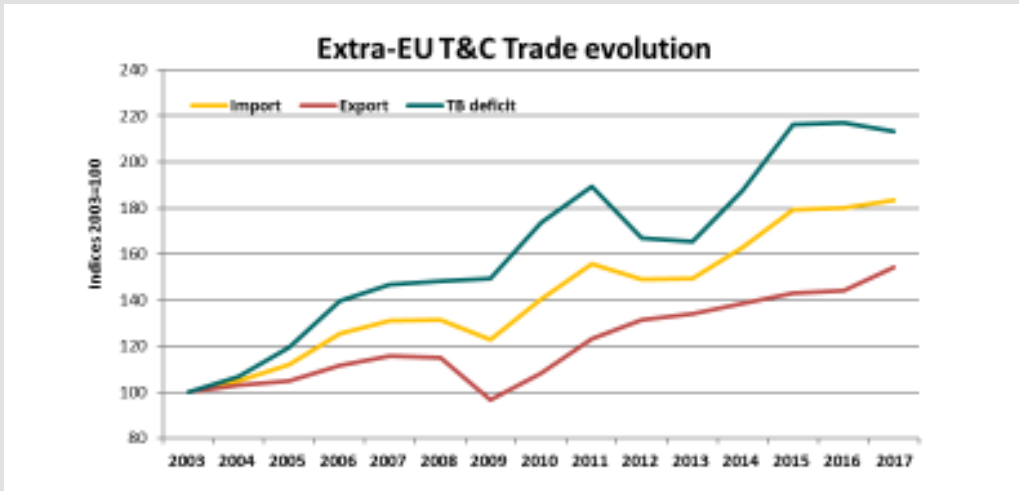
In 2017, the **overall size of the Textile & Clothing industry** in the EU-28 represents a turnover of 181 billion € and investments of almost 5 billion €. The EU textile industry performed better than the clothing sector, thanks to its quality, productivity, flexibility and innovation. Despite a slowdown of the clothing activity, the 176,400 T&C companies still employ over 1.7 million workers. EU external trade was more dynamic than the previous year with 48 billion € of T&C products exported and 112 billion € imported from Third markets.



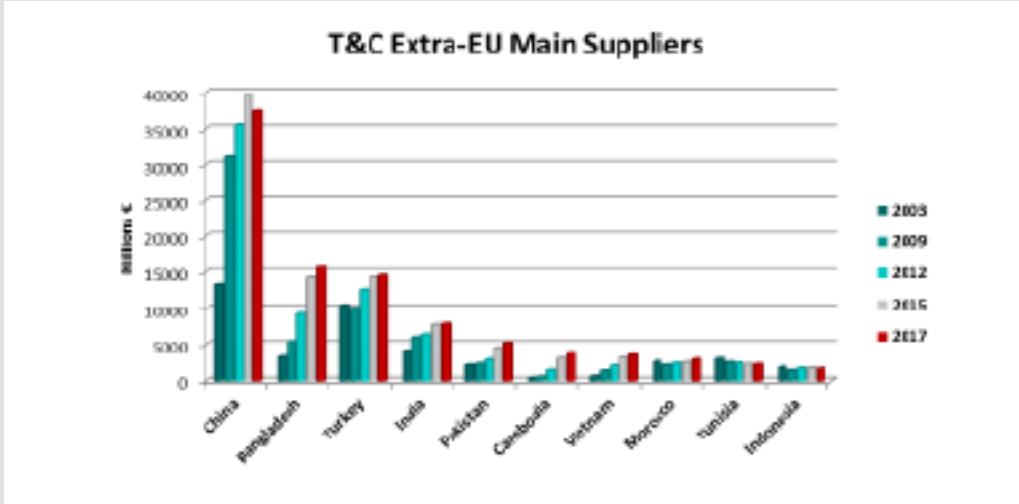
Among T&C subsectors, the manufacturing of outerwear is the main contributor to the total **turnover**. The manufacturing of made-up textiles, together with other textiles (including technical textiles & carpets) are also important activities with the highest turnover shares among textiles subsectors. Furthermore, these are the only two activities which strongly increased their turnover share in the total T&C industry between 2005 and 2016.



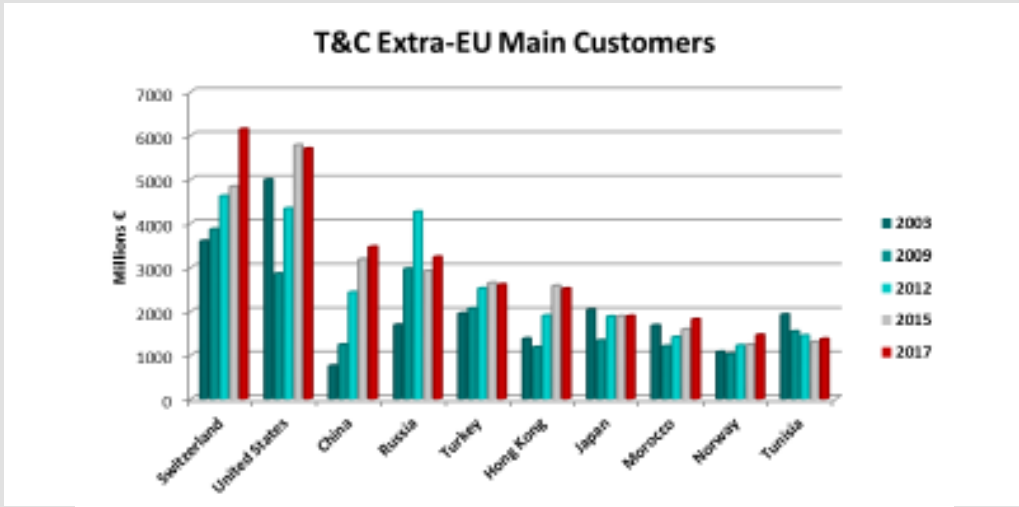
The Textile & Clothing industry is among the largest industrial branch in the EU. The industry accounts for some 5% of **employment** and 9% of **companies** in the total EU manufacturing sector, as well as over 4% of total merchandises' exports. A large number of companies are concentrated in Italy and more than half of the EU employment is concentrated in four countries. Beside Italy, the largest employer, the other high employing countries are Romania, Poland and Portugal.



The solid dynamics in the textile industry in 2017 are partly attributable to the external sector, as Extra-EU exports expanded at a robust pace since the beginning of the year. A growth was also recorded in EU imports. As a result, EU Imports reached € 112 bill. in 2017 and exports almost € 48 bill. This evolution impacted the overall trade balance of the EU which deficit slipped back.



During 2017, T&C **extra-EU imports** went up by +1.6% compared to 2016, as growth decelerated during the last quarter of the year. Imports from the EU top 10 suppliers were all up apart from China- EU 1st supplier- and the US.



EU exports were relatively dynamic (+7.1% as compared with 2016) thanks to double digit growths on the Swiss, Norwegian, Russian and Ukrainian markets. These robust dynamics were also attributable to respectable exports performances on other EU main markets as China, Morocco, Turkey and Tunisia.



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PRESIDENT'S FOREWORD

GROWTH IN THE TEXTILE AND CLOTHING SECTOR, MOVING TOWARDS A SUSTAINABLE INDUSTRY

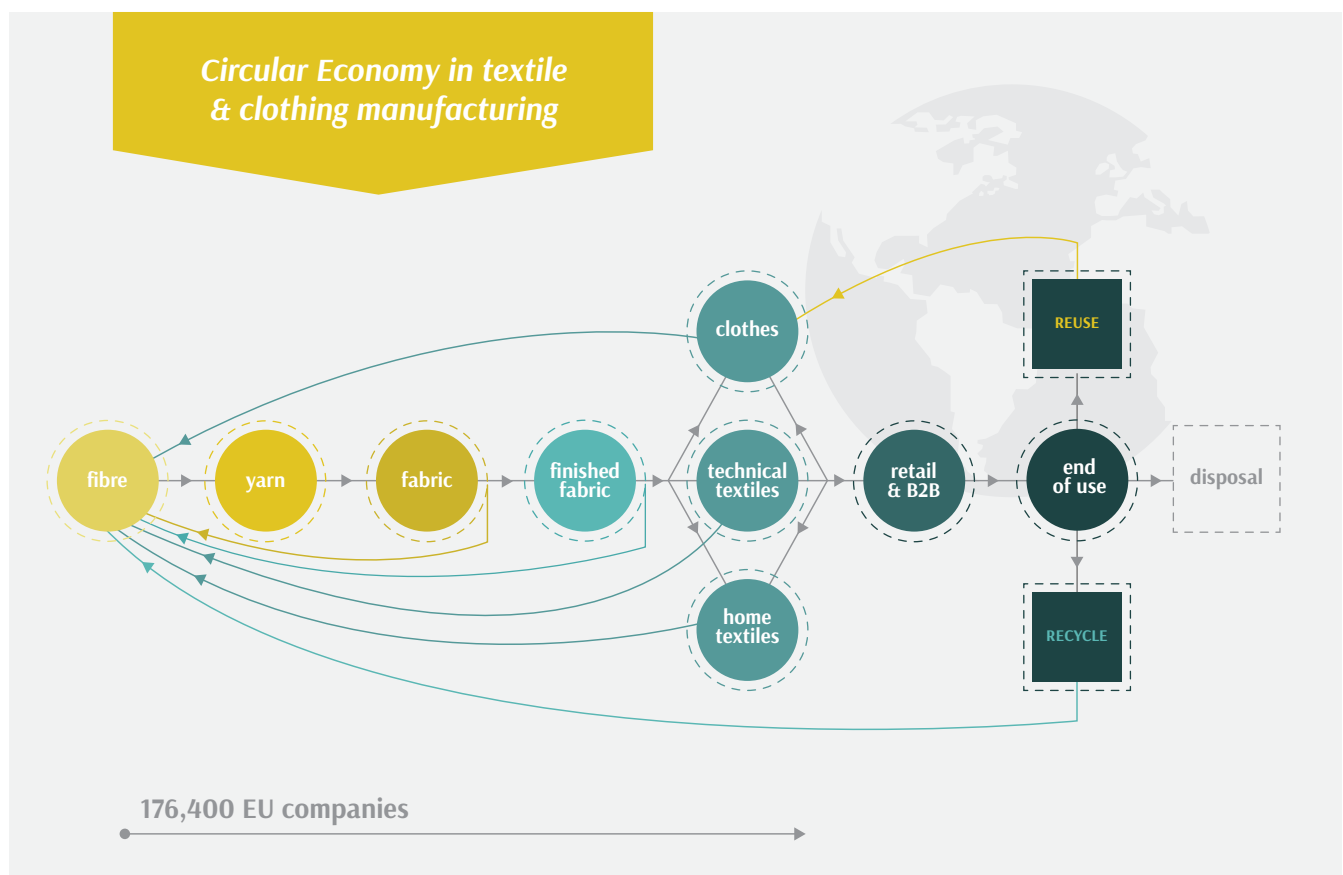
“Free and fair trade between key global trading partners”.

With this call I opened our General Assembly in June 2017, which showcased the EURATEX efforts towards an EU industrial policy supporting production and export of our sustainable products.

Sustainability is a value for our society, driving choices in consumers, businesses and policy-makers, and has become the *new quality* for many of our companies. In addition to ensuring high quality standards, the textile and clothing entrepreneurs opt for more sustainable

goods and production processes as a key factor for their competitiveness.

To encourage sustainability and, more specifically, to prosper in a Circular Economy, EURATEX and its Members have worked closely on a new industry manifesto. The document highlights opportunities and challenges of the textile and clothing sector in its move from a linear to a circular model: the way industries produce items, people use products, and society manages the limited resources available. The manifesto also emphasizes how the European textile and apparel industry must work





together with its business partners, diverse industries and policy-makers, to allow the transition to happen.

The year 2017 showed, for the first time in over a decade, positive figures in all major economic indicators: rise in companies, investments, jobs created in Europe, and more wealth generated by our sector. These numbers encourage us all to achieve even more, and illustrate the role of the textile and apparel industry as a strategic asset for Europe, as well as the benefits of investing in a sustainable industry.

Today, the EU policies fostering growth and jobs are pointing in the right direction, but once again we must stress that more must be done to improve access to finance, especially for smaller companies and more riskier investments into innovation; to better reward companies investing in resource-efficiency, circularity and safety; to ensure that innovative, sustainable and safe products from European factories meet level playing field when competing in the EU internal market.

KLAUS HUNEKE,
President of EURATEX



TRADE AND INDUSTRY

As part of its “Trade for all” Communication, the European Commission announced a European trade policy that would be inclusive, enforcing trade rules while upholding high standards, and supporting values. Since then, numerous actions have been undertaken by the European Commission to create new economic opportunities with the aim of harnessing globalization. EURATEX has been active throughout 2017 to shape the initiatives that will best benefit the European Textile & Clothing (T&C) industry.

Negotiations for new Free Trade Agreements are in full swing and the T&C sector is making the most out of it. In 2017, the negotiations with Mercosur have been a key priority for EURATEX, together with the modernisation of trade defence instruments for a better protection of EU market forces. EURATEX has also been very active in anticipating BREXIT and tackling rising trade barriers that hamper our companies’ exports.

EURATEX continuously works in close contact with the EU Institutions, the EU Commission’s services and Members of the European Parliament, as well as with its network of stakeholders, business organisations and allied industry associations on a wide range of trade-related matters.

Key trade topics for the T&C industry

EU-Japan EPA

Further to a fruitful cooperation with JTF (Japanese Textile Federation), the European and Japanese T&C sectors have pushed forward a joint position requesting for modern and fitting rules of origin to be laid in the EPA. EURATEX also worked with the EU Commission to finalize the EPA and ensure adequate provisions are enshrined in this crucial deal. EURATEX believes that once ratified and enforced, the agreement will open significant market opportunities for European textile and



fashion products. Import duties will be eliminated from the first day, and access to large procurement markets of Japan will be guaranteed in 48 large cities.

The EU-Japan EPA negotiations were formally finalized on 8 December 2017.

EU-Mercosur FTA

With their 260 million consumers and a €2.2 trillion annual GDP, Argentina, Brazil, Paraguay, and Uruguay represent huge market opportunities. However, Mercosur





is a closed market with high tariffs and non-tariff barriers that EURATEX believes is worth opening up and enhancing trade with. Therefore, EURATEX worked in close cooperation with the Brazilian industry association (ABIT) to find a common ground of interest and achieve an unprecedented agreement. Together, EURATEX, ABIT and FITA released a Joint Statement which includes a recommendation for rules that are adapted to the needs of industries on both sides. The recommendation is expected to be endorsed by the negotiators on both sides.

EURATEX calls for a swift finalisation of the trade talks with Mercosur that is a major market for the European T&C companies.

Modernisation of Trade Defence Instruments

In December 2017, a political agreement was reached between the Commission, the Council and the European Parliament on the modernisation of Trade Defence instruments. The new rules will shorten the current nine-month investigation period for the imposition of provisional measures and make the system more transparent. Companies will benefit from an early warning system that will help them adapt to the new situation in case duties are imposed. Also, in some cases, the EU will adapt its 'lesser duty rule' and may impose higher duties. This will apply to cases targeting imports of unfairly subsidised or dumped products from countries where raw materials and energy prices are distorted. EURATEX participated in the talks and welcomes the move to more adapted rules.

Trade & Sustainability

Beyond the negotiations of FTAs and the application of preferential regimes, the European Union needs to ensure that commitments in bilateral trade and investment agreements in such areas as trade, labor, standards, climate and environment protection are respected. Sustainability is therefore a key objective of EU trade policy, and the Commission is committed to including Trade & Sustainable Chapters in FTA negotiations.

In July 2017, the European Commission released a non-paper consulting civil society and stakeholders on the approach to be adopted for better enforcement of such provisions. In response, EURATEX welcomed the consultation by recalling that the best way to promote fair trade is to align with the multilateral standards, i.e. the ILO standards and OECD guidelines. EURATEX also supported the approach towards a more assertive cooperation with partner countries.

EURATEX finally stressed that the EU trade policy's priority should lie in the achievement of a level-playing field, more specifically in regard to the enforcement of REACH.

BREXIT – EURATEX Position Paper - June 2017

The U.K. lies in third place when ranking the EU 27s most important trade partners in textile and clothing goods. On average, the U.K. imported almost 10 billion € worth of products from the EU 27, while its exports amounted to 6.2 billion € in the same period (2014 - 2016). The textile and clothing industries of the EU 27 and other European neighbouring countries on the one hand, and the U.K. on the other, are closely interlinked in terms of supply chains, foreign direct investments and exchange of workers.

It is thus in the common interest of the U.K. and the EU 27 industries to plead in favour of a smart and smooth BREXIT, enabling the current highly integrated supply chains to keep on working smoothly from fibres to end products.



KEY MESSAGES

- ▶ An uncontrolled separation of the U.K. from the EU ("Hard BREXIT") would have a very serious impact on the industries of both sides, i.e. given comparably high import tariffs that would apply in the textile and clothing sector.
- ▶ The avoidance of legal uncertainty is of high priority for economic operators, requiring an early arrangement on the legal relationship between both contracting parties in the medium term.
- ▶ A transitional arrangement should cover suspension of customs duties and all legal and regulatory areas with relevance for the textile and clothing industry.
- ▶ Any transitional arrangement should directly lead to a comprehensive trade and investment agreement in the long run.
- ▶ A future comprehensive EU27-U.K. trade and investment agreement should consider the already existing close economic relationship between the European textile and clothing industries.

For an Ambitious EU Industrial Strategy: Going Further

The European textile and clothing (T&C) manufacturing industry has tremendous capacity for research and innovation, boasts a skilled workforce and has reinvented itself through investment in people, creativity, advanced manufacturing technologies, market diversification and internationalization.

For this reason, the swift and determined support of the European institutions and the Member States is now required to create even more jobs and growth in Europe. To reach this scope, EURATEX, together with more than 130 industrial associations, adopted for the first time a Joint Declaration *For An Ambitious Industrial Strategy*:



Going Further, calling on the European Commission to adopt a long-term Action Plan to tackle the challenges of the EU industry.

As a complement to this joint declaration, EURATEX was also involved in the draft of a paper on “Setting indicators: for an ambitious EU Industrial Strategy”. The document aims at proposing a short list of indicators that can be used to both assess the health of the European industry, and monitor the progress made by the EU on the implementation of the so-expected industrial strategy.

This EU led-industry initiative, a coalition entitled **Industry4Europe**, came at the right time. In his annual State of the Union in September 2017, European Commission President Jean-Claude Juncker pointed out: “I want to make our industry stronger and more competitive” and “help our industries stay or become the world leader in innovation, digitization and decarbonization”.

More than ever, the T&C sector is ready to step up the cooperation with the European institutions to discuss and implement a long-term European industry strategy that will help safeguard the world leader position of European manufacturers and jobs in Europe.



In this sense, a remarkable campaign has been developed by the **Industry4Europe** coalition to engage with the EU institutions officials and present its papers. Among others, EURATEX participated in meetings and hearings with European Commission President Juncker’s team, DG Grow, European Parliament and European Economic and Social Committee.

The PPE Regulation and its transitional period

The Personal Protective Equipment (PPE) Regulation (2016/425) applies as of 21 April 2018. Concerns were raised regarding the implementation of the Article 47 “transitional provisions”, specifically with respect to the validity of EC-type examination certificates and the reapplication of EU-type examination certificates that are necessary to comply with the Regulation.

EURATEX worked for a smooth and less expensive implementation. Among several other actions, EURATEX issued a position paper calling on the European Commission to eliminate legal uncertainties related to the transitional provisions and advocate for a smooth transitional period. The position paper reached a very good outcome as the European Commission confirmed by a guidance document that: **“PPE may be placed on the**



market after the full applicability of the PPE Regulation (21 April 2019) on the basis of an EC type-examination certificate and/or an approval decision in accordance with the PPE Directive, until 21 April 2023.



Harmonized procedures for PPE manufacturers throughout the European market

EURATEX keeps pushing the harmonization of procedures among the accredited test laboratories (Notified Bodies or NB) concerning the validity of test reports which are necessary for companies to get the CE mark.

These harmonized procedures still lack full implementation and EURATEX is therefore actively engaging with its counterparts to avoid unnecessary tests or examinations.

Webinar on IP Protection in Textile industry in China and South-East Asia

EURATEX organized, along with the China IPR SME Helpdesk, a webinar on IP Protection in Textile industry in China and South-East Asia.

Through this initiative, EURATEX and its members wishing to do business in/with China and South-East Asia acquired an overview of IP protection tools, focusing particularly on the types of IP related to the textile industry: why and how SMEs should protect these types of IP in China and South-East Asia, and what actions European SMEs can take in case of IP infringements.

INNOVATION AND SKILLS

EU research & innovation policies: towards HORIZON EUROPE

With the HORIZON 2020 programme more than half-way over, the European Commission published the results of the mid-term review and started preparations for the next Research and Innovation Framework Programme for the post-2020 period. EURATEX undertook its own review of the results of HORIZON 2020 and its smaller sister programme COSME, dedicated to SME support. Until mid-2017 textile-related research and innovation projects worth over € 100 million have been funded. While this is a significant figure and compares well to previous programmes, the extremely fierce competition and related low success rates of funding applications have discouraged many companies and research organisations from participating. The administrative simplifications introduced in HORIZON 2020 are clearly welcome, but the application and reporting requirements, the complexity of the often-large consortia and the long time frames from call publication until project start are still challenging, especially for SME's. Additionally, the fact that project applications are mostly evaluated by scientists, rather than industry experts, often leads to questionable outcomes in project selections from an industry point of view. The first indications for the post-2020 programme raise concerns about a further shift of

resources from industrial research and innovation to basic scientific research. The SME support instruments, now combined under the umbrella of the European Innovation Council, favour support of start-up and fast scale-up companies, which exist to a lesser extent in the textile and clothing sector. The COSME programme, on the other hand, offers support much closer to market activities of SME's in the textile and creative industries. Unfortunately, its budget is much more limited, a problem which should be addressed in the post-2020 period with a reinforced Industrial Policy at EU level.

The European Textile Technology Platform: the network that brings EU textile researchers and industry innovators together

The Textile ETP had another very active year in networking companies and researchers from across Europe to realise opportunities provided by EU programmes. The main highlights of the year were the Annual Conference in March and the Personal Protective Equipment Conference in November. Both events featured excellent programmes and were very well attended. The six Textile Flagship expert groups



organised a joint strategy workshop and several individual meetings throughout the year. Textile-relevant call topics of HORIZON 2020 were analysed, and as every year project ideas were collected, and a brokerage event was organised under the TEPPIES programme, designed to help companies and research organisations to develop strong EU project proposals. Towards the end of the year, the ETP Governing Board decided to launch a strategy review to better understand which ETP activities provide the most added value to members. In the course of 2018 a new strategy will be developed for the coming years, aligning the ETP's objectives, activities and resources for the best possible impact on the changing EU research policy landscape.

The RegioTex initiative: regional innovation ecosystems

Most textile innovation in Europe has a strong regional dimension, revolving around a technology centre, university and a regional value chain or cluster of companies. As more of Europe's regional and structural funds are dedicated to support innovation, during 2017 EURATEX together with the Textile ETP has again worked hard with the group of 15 textile regions which make up the RegioTex initiative. The key event of the year was the organisation of the 1st RegioTex High Level Group meeting in June at EURATEX in Brussels, attended by several regional ministers and directors of development agencies. The regions decided to



concentrate collaboration efforts in four thematic areas (1) sustainability, (2) digitalisation, (3) sector diversification and (4) design and creativity-based innovation. More detailed work programmes and possibly first pilot projects across those four areas will be developed in 2018. The strong link to the EC's Smart Specialisation Platform on Industrial Modernisation should ensure that textile innovation needs are taken more strongly into account when the regions prepare their Smart Specialisation Strategies for the post-2020 structural funds period.

EURATEX's key projects in the research and innovation domain, mostly co-funded by the HORIZON 2020 and COSME programme, include:

RESYNTEX, a large-scale project to develop new biochemical recycling



technologies for post-consumer textile waste and the establishment of symbiotic business models between the textile, clothing and chemical industry to re-use recovered materials from textile waste as building blocks for new chemical products. www.resyntex.eu

ECWRTI, a project to further develop the electrocoagulation technology for textile waste water treatment and the industrial pilot testing at two sites in Belgium and Italy. <http://ecwrti.eu>



VISAGE, an early market uptake project to adopt innovative virtual 3D design software for yarns and fabrics. The project was completed at the beginning of 2018 and after very encouraging user feedback the VISAGE software is being readied for commercial launch. www.visage-project.eu



e-BIZ 4.0, progress on the goal to connect at least 100 fashion companies across Europe with the eBIZ standard for digital



data exchange in the textile and fashion supply chain. Thanks to a co-funding from the EU, this action will deliver IT solutions combining the benefits of the eBIZ digital language with RFID or NFC technologies. Several SMEs in, at least Italy, France and Spain will benefit from technical support free of charges to exchange digital data in their value chain, improve the time to market as well as warehouse management, and test traceability of products. <http://ebiz-tcf.eu/>

CreativeWear, an Interreg project to create local pilots to foster interaction and create lasting collaboration between small textile, fashion companies and creatives with different professional and artistic backgrounds. Best practices from the 5 project pilots in Italy, Spain, Greece and Slovenia should be transferred to other local textile and fashion clusters around Europe.

<https://creativewear.interreg-med.eu>



DeNTreat, a new LIFE+ project which started in mid-2017, aims at investigating a specialized waste water treatment Anammox, based on anaerobic ammonium oxidation bacteria, to address nitrogen release from certain types of digital textile printing. Digital textile printing, nowadays widely used in the textile industry, requires pre-treatment with urea of the entire fabric as opposed to traditional printing. This increases the amount of urea used which ends up being washed off in the company's waste water. DeNTreat with its process will aim to sustainably and cost-effectively abate nitrogen content in the impacted waste waters. <http://www.life-dentreat.eu/>



Education & Skills: Equipping the existing workforce and the next generation with the competences for the future

The development of the necessary competences and skills for their existing workforce and attracting correctly qualified young talent for the next generation have become the priorities for many textile and clothing companies. From top management all the way to the manufacturing shop floor – the industry is faced with a top-heavy age pyramid in the companies and a retirement wave of key competence holders in the coming years. At the same time, it is increasingly difficult to attract the young generation to jobs which involve physical materials, real machines and complex operations in industrial facilities, a challenge many other manufacturing sectors also face. The industry and its representative organisations at national and European level try to tackle this challenge by working with policy makers, higher education, vocational education, training providers and social partners to modernise professional profiles, education, training curricula and delivery. Efforts also focus on raising the attractiveness of careers in the textile and clothing industry for job starters and to facilitate their entry into the workforce through apprenticeships and other early career measures.



EURATEX's key projects in this domain, mostly co-funded by the EU ERASMUS+ programme, include:

ExtroSkills, completed in early 2018, delivered online training courses and materials for professionals involved in exports and international fashion marketing. The training materials are freely available at <http://elearning.extroskills.eu>



TEXAPP works on a better organisation of apprenticeships especially in small and micro-enterprises of the Textile and Fashion sector. It develops training materials and tools to assisting companies in setting up, planning, delivering and ensuring the quality of their apprenticeships, including apprentice assessment. www.texapp.eu



DigitalTCLF brings together the European textile and clothing, footwear and leather associations, and the sectoral trade union organisation, to assess how the increasing need for digital skills and competences affects professional profiles and the related vocational education and training programmes in Europe. <http://digitaltclf.eu>



ART-CHERIE works to valorise European cultural heritage in the field of textile and fashion design, to inspire and enable young fashion designers and help them enhance the value and international appeal of their creations by using modern tools linked to historical designs and art collections. www.artcherie.eu



At the end of 2017, EURATEX together with its counterpart organisations in the European footwear and leather sectors, was awarded the flagship project **Smart Skills 4 TCLF Industries 2030** under the EC's **Blueprint actions for Sectoral Collaboration on Skills**. This project, started at the beginning of 2018 for a four-year period, brings together 21 partners from nine EU countries. Its objective is to update the current sectoral training and curricula offer to better match industry needs, improve the attractiveness of careers in the targeted sectors, and work on a comprehensive EU-wide sectoral skills strategy. www.s4tclfbblueprint.eu





SUSTAINABLE BUSINESSES

2017 marked a very rewarding second year of activity for the EURATEX policy area of Sustainable Businesses, working on six projects, more than forty sustainability items with its Members, and results delivered in: a large chemical restriction under REACH and to support chemicals replacement, setting the European textile apparel industry manifesto for the transition towards

the Circular Economy, and rolling out an SMEs tool for due diligence.

With a significant presence in thirty-five main events, EURATEX strengthened collaborations with the fashion world, with textile-relevant industry sectors and especially with authorities in the European



Commission, the European Parliament, the Estonian EU presidency, the chemical agency ECHA, the JRC in Sevilla and the OECD. The results fully aligned with the industry interests at national level, as discussed in two stock-taking meetings held in Brussels and, thanks to collaboration with the Consejo Intertextil Español, in Barcelona.



Chemicals Policy

CMR Art 68(2) restriction in textiles and clothing

Since the beginning of the restriction process more than two years ago, EURATEX has worked closely with the European Commission and other business associations to ensure that such a complex and important measure can effectively protect European consumers, be efficiently enforced, and also be feasible for the industry. Intense exchange of information between EURATEX, the concerned European Commission's Directorate-Generals and other associations has facilitated the understanding of sector-specific technical requirements, building upon the European experts' knowledge of actual industrial manufacturing processes. Particularly rewarding was the technical workshop organised by the European Commission in February 2017, which gathered experts from the industry, NGOs and Member States, and showed that alignment can be reached through an open discussion.

Replacement of harmful chemicals

In the summer of 2017, the European Chemicals Agency (ECHA) announced its Strategy to support replacement of harmful chemicals, highlighting actions on networking in the supply chain, capacity building, need for funding and technical support. EURATEX expressed its full support of the Strategy before ECHA and Member States and reiterated the need for collaboration at the dedicated workshop held later in the year in Helsinki.

EURATEX spoke on behalf of the textile and apparel companies across Europe which are pursuing, or struggling with, finding suitable substitution of chemicals. Wise substitution with alternatives that are safe, technically feasible and efficient requires time and synergies between textile chemical expertise.

Based on this guidance, EURATEX engaged in the research projects MIDWOR (oil repellent Perfluorinated

chemicals) and FLAREX (flame retardant) for their essential role in testing alleged alternatives in given applications, as well as to shed light on technical needs. EURATEX supported work as advisor and co-organising workshops to researchers with “real-company-life” expertise and challenges.

Circular Economy

Prospering in the Circular Economy

Answering the authorities’ question “*what regulation is needed to incentive the Circular Economy*”¹, EURATEX focused its 2017 General Assembly fully on the transition towards the new economic model and unveiled the European textile and apparel industry manifesto “Prospering in the circular economy”.

Agreed with all EURATEX Members, this policy brief describes industry needs and barriers to shift from a linear business model, source-process-dispose, to circularity in which waste is minimised and materials are re-used and recycled. In collaboration with Business Europe, EURATEX also launched a series of hands-on publication² of successful business cases in which companies applied circularity, both to show examples of the European industry capacity and to inspire policy making.

Scaling up from examples and letting companies fully prosper in circular economy, the challenges (regulatory or financial) identified in the policy brief and shown in the business cases shall be recognized by the EU policy makers, who have the ability to steer the regulatory process that would benefit the industry as a whole and allow consumers access to affordable and safe circular products.



Microplastics

Inspired by UN reports, European States investigations, news articles and studies, the issue of tiny plastic materials dispersed in the environment (microplastics) has become a focus of EU policy makers. The unintentionally released microplastics from sources such as the washing of synthetic clothes has raised attention due to concerns for the environment, proliferation of very different studies, and lot of knowledge gaps.

The European Commission has been discussing policy options with stakeholders and particularly welcomed³ a voluntary cross-industry agreement reached in December between five European industry associations, EURATEX, FESI, CIRFS, EOG and A.I.S.E., who have committed to join efforts to tackle the existing knowledge gaps and propose further actions, starting from a reliable and harmonised test method to identify and quantify the type of fibres released during washing of synthetic

¹ European Commission Vice President J. Katainen, Circular Economy conference February 2017

² www.circularyeu.eu

³ Plastic Strategy staff working document “ [add title] ”, 16 January 2018



textiles. Looking ahead of the first technical meeting that would gather worldwide experts already involved in test method development, the five industries agree on a need for a solution based on sound science and which can be proposed to the industry, consumers and authorities.



Sustainable Supply Chains and Social Dialogue

Steps for Corporate Social Responsibility

In early 2017 EURATEX joined worldwide stakeholders in the official unveiling of the OECD due diligence guidance on responsible garment value chains. A reference framework for globally agreed understanding of due diligence in the garment industry, the guidance was actively supported by EURATEX in the development stage and will be further promoted from roll-out to implementation.

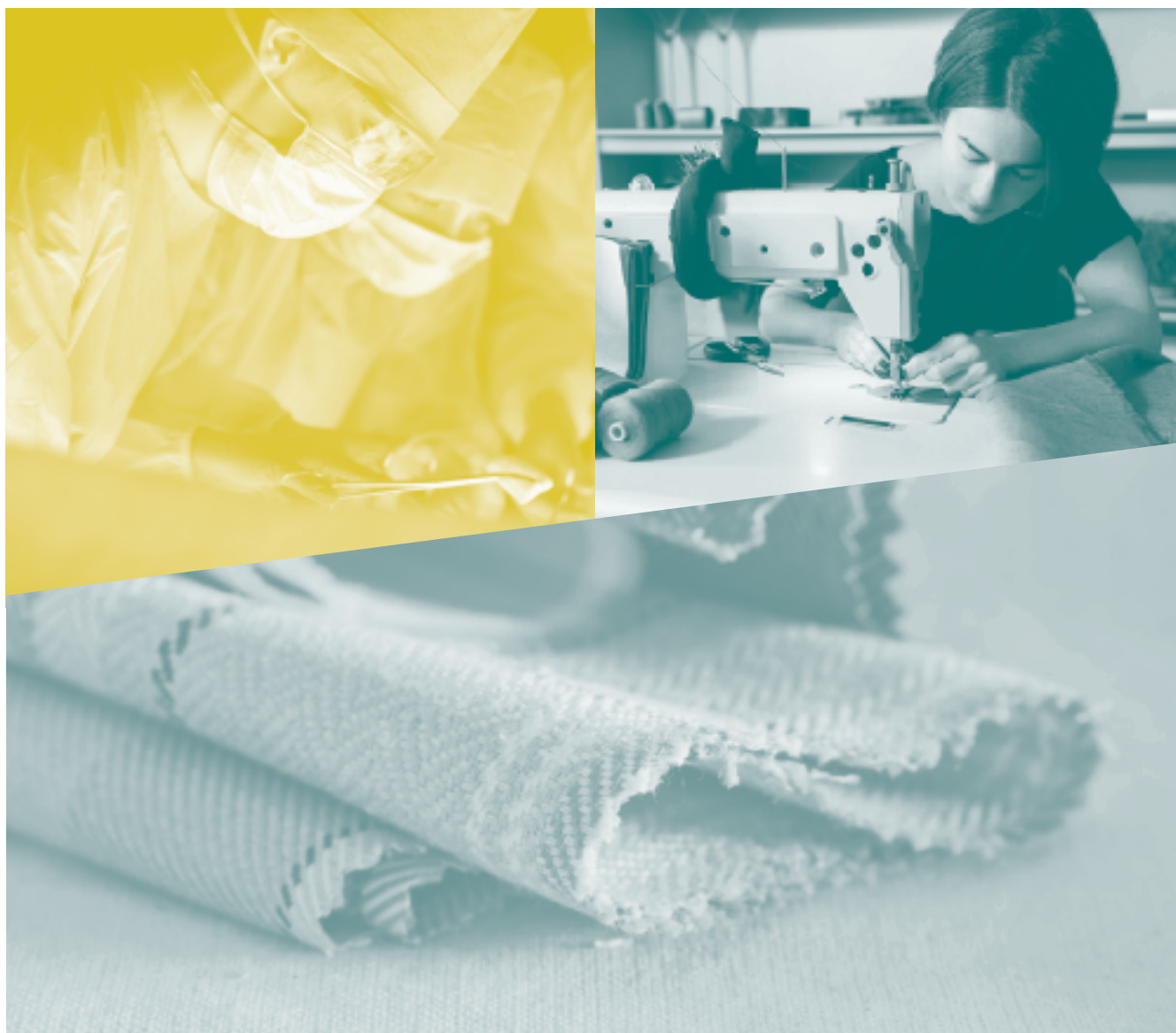
In February, EURATEX with its partners, notably IndustriAll Europe, officially rolled out the Risk Assessment tool⁴ which helps textile and apparel companies, especially SMEs, to autonomously assess a complex matter such as Corporate Social Responsibility (CSR).

⁴ <http://responsiblesupplychain.eu/textile/>

Due diligence policy making

On the anniversary of the 2013 Rana Plaza disaster in Bangladesh, in April 2017 the European Parliament adopted its own initiative report outlining policy options and calling for legally binding measures to enforce responsible business practices for all companies in the garment value chain. EURATEX, strongly in agreement with this objective especially with regards to human rights protection, called the policy makers to exploit existing

voluntary measures to achieve this goal. Considering the SMEs-based European industry, EURATEX advocated to build upon the best performing voluntary measures, rather than designing new mandatory legislative systems, and by aligning with the international standards of OECD and ILO. Possible ways forward were discussed thoroughly with the Members and Rapporteurs in the European Parliament, the European Commission, and in coordination with the EURATEX Members.



KEEP UP TO DATE WITH THE LATEST FACTS AND FIGURES OF THE TEXTILE AND CLOTHING SECTOR. SUBSCRIBE TO EURATEX BULLETINS!



- **Bulletin No. 01/2017** analyses the 2016 EU external trade for the textile and clothing sector as well as the main EU suppliers and customers, evaluates the weight of regions and sectors in total EU trade and includes detailed tables and graphs for the 33 main EU trade partners.
- **Bulletin No. 02/2017** provides an in-depth analysis of the EU Textile & Clothing external trade in 2015-2016. It includes trade evolution by sector (i.e. fibres, yarns, fabrics, carpets, technical textiles, home textiles, workwear, men & womenswear), by products, and by EU main trade partners.
- **Bulletin No. 03/2017** provides detailed country reports of the Economic situation in the Textile and Clothing Industry in 2016 and outlook for 2017. These reports are written by Associations present in each EU-28 Member states, Africa, Argentina, Belarus, Brazil, Colombia, Egypt, India, Indonesia, Iran, Japan, Korea, Pakistan, Norway, Serbia, Switzerland, South Africa, Sri Lanka, Taiwan, Tunisia, Turkey and USA.
- **Bulletin No. 04/2017** gives an insight into the 2016 evolution of the Textile & Clothing sector and short terms prospects, as well as the General European Economic Forecast Autumn 2017. It includes EU consolidated changes, trade estimates and basic structural data (production index, production prices, turnover, investments, household consumption, retail trade and consumer prices).

Bulletins No. 01/2018 and 02/2018 will be available soon!

For more information and to subscribe, please contact Roberta Adinolfi (roberta.adinolfi@euratex.eu)

EURATEX IN THE MEDIA & OUR EVENTS

In 2017, EURATEX produced the following press releases and position papers:

PRESS RELEASES

- ▶ New EURATEX President Klaus Huneke presents his ambitious programme, January 2017
- ▶ eBIZ 4.0 kicks off, the new step to digitalise the European fashion supply chain, January 2017
- ▶ Concrete steps for global sustainable garment value chains, April 2017
- ▶ Joint Statement on the EU and Japan political agreement on the Economic Partnership Agreement (EPA), July 2017
- ▶ Joint Statement of ABIT and EURATEX on the EU-MERCOSUR FTA, December 2017

POSITION PAPERS

- ▶ EURATEX Position Paper on the Commission's proposal to change anti-dumping & anti-subsidy legislation, January 2017
- ▶ Joint Declaration for an ambitious EU industrial strategy, February 2017
- ▶ EURATEX Position Paper on Guidance on the application of the textile names regulation, April 2017
- ▶ An Ambitious FP9 Strengthening Europe's Industrial Leadership – Joint Declaration by Industry and RTOs, June 2017
- ▶ Policy brief - Prospering in the circular Economy, June 2017
- ▶ For a smart and smooth BREXIT: EURATEX Contribution, June 2017
- ▶ The transitional provisions laid down in Article 47 of PPE Regulation (EU) 2016/425, October 2017
- ▶ Consideration on MICROPLASTICS, October 2017
- ▶ For an Ambitious EU Industrial Strategy – Going Further, October 2017

EVENTS

EURATEX organized two key events in 2017:

General Assembly 2017 in Brussels

On Thursday 8 June 2017, about 100 delegates attended the EURATEX General Assembly conference on **Circular Economy in textile & apparel manufacturing**. Four committed companies and Mr Grzegorz Radziejewski from the cabinet of the Commission Vice President Katainen discussed the opportunities, but also the challenges, for the sector.

Mr Klaus Huneke, president of EURATEX, opened the conference highlighting how Circular Economy “is one of the biggest change in our industrial society and, just like the digital revolution, it has the biggest potential to positively impact our society. (...) Moving from a linear to a circular model, may change the way in which people use things, industries produce, the society uses its limited resources and dispose of waste, if any of it is left.”

The event continued with the keynote speaker, Mr Radziejewski, who stressed that investment in innovation – not just technological, but also regarding new business models and processes – and collaboration are fundamental to prosper and gain competitiveness through circular economy in the European Union.



Convention 2017 in Porto

EURATEX held its 6th Convention on 3 October 2017 in Porto. The event was organized in collaboration with the Portuguese association of Textile and Clothing (ATP - Associação Têxtil e Vestuário de Portugal) and focused on the theme “Be Competitive in The New Global Order”. The main topics discussed included the **(non) competitiveness of the European Union: facts, causes and solutions** and **Industrial competitiveness in the innovation and technology paradigm**.



► 7th EURATEX CONVENTION

THEME The regional cooperation for industrial modernisation in the Textile and Clothing sector

DATE 24 October 2018 – **LOCATION** Valencia, Spain



MAP OF MEMBERS

FULL MEMBERS

Austria

- Fachverband der Textil-, Bekleidungs-, Schuh- und Lederindustrie – TBSL

Belgium

- CREAMODA - Belgian fashion
- Fédération Belge de l'Industrie Textile, du Bois et de l'Ameublement - FEDUSTRIA
- European Man-made Fibres Association - CIRFS
- European Federation of the Cotton and Allied Textiles Industries - EUROCOTON
- International Association Serving the Nonwovens & Related Industries - EDANA

Bulgaria

- Bulgarian Association of Apparel and Textile Producers and Exporters - BAATPE

Croatia

- Croatian Chamber of Economy - CCE

Denmark

- Dansk Fashion & Textile

Finland

- Finnish Textile & Fashion

France

- Union des Industries Textiles - UIT
- Union Française des Industries Mode & Habillement - UFIMH
- International Association of Users of Artificial and Synthetic Filament Yarns and of Natural Silk - AIUFFASS
- European Liaison Committee of Twine, Rope and Netting Industries - EUROCORD

Germany

- Gesamtverband der deutschen Textil- und Modeindustrie - t+m

Greece

- Hellenic Fashion Industry Association - SEPEE

Hungary

- Association of Hungarian Light Industry – AHLI

Italy

- Federazione Tessile Moda - SMI - Sistema Moda Italia

Lithuania

- Lithuanian Apparel and Textile Industry Association - LATIA

Poland

- Federation of Apparel and Textiles Industry Employers

Portugal

- Associação Têxtil e Vestuário de Portugal - ATP

Slovenia

- Gospodarska Zbornica Slovenije - GZS

Spain

- Consejo Intertextil Español - CIE

Switzerland

- Swiss Textiles, Textilverband Schweiz

Turkey

- TGSD/IHKIB - Turkish Clothing Manufacturers' Association
- TTSIS - Turkish Textile Employers' Association
- ITKIB - Turkish Textile and Apparel Exporters' Association

United Kingdom

- Textile Forum

ASSOCIATED/CORRESPONDING MEMBERS

Belarus

- Belarusian State Concern for Manufacturing and Marketing of Light Industry Goods "Bellegprom"

Belgium

- European Carpet and Rug Association - ECRA
- European Textile Services Association - ETSA
- Fur Europe

Egypt

- Ready Made Garments Export Council - RMGEC

Germany

- Messe Frankfurt GmbH

Serbia

- Serbian Chamber of Commerce



GINETEX, THE INTERNATIONAL ASSOCIATION FOR TEXTILE CARE LABELLING



Highly concerned by the way consumers could reduce climate impact when doing their laundry, GINETEX is promoting its clevercare.info logo through its licensee network represented by main textile and apparel brands all over the world. Over forty major companies already responded positively to this initiative, and more are coming forward. It is all about teaching consumers how to take care about their textiles, extend their lifespan and pay more attention to the future of their planet.

*84 % of Europeans feel concerned
by energy and water savings**

**clevercare.info, extending the life of textiles
and reduce climate impact**

GINETEX developed an internationally applicable logo for sustainable care, called clevercare.info®, to advise consumers that they can influence the environmental impacts of garment care by carefully following the care symbols that can be found on a textile label. The biggest opportunity for consumers to reduce the carbon footprint of clothing is to change the way they care for their clothing and textile in general. Laundry alone accounts for around 25% of the carbon footprint of clothing. Fully aware of this market trend, GINETEX licensees are starting to implement this logo on their care labels and developing consumer communication worldwide by uploading specific information on website, creating videos and special campaigns.

The clevercare logo must be used with the GINETEX five symbols sequence.



An international end consumer website

The clevercare.info logo is an end consumer information platform empowered by GINETEX that offers tips and advice on the best low-impact care practices on textile eco-caring. It is available in 19 languages. As many of our GINETEX licensees worldwide are selling or exporting on the Asian continent, GINETEX has recently decided to publish the content in four new additional languages to respond to the new need of its licensees: Japanese, Chinese, Thai and Korean. Sustainable aspects are developing quite quickly in Asian countries, which is motivating GINETEX to address Asian consumers about how to better care about their clothes and environmental

*It is all about extending life of textiles and garments!
Many of our licensees already adopted
this philosophy!*

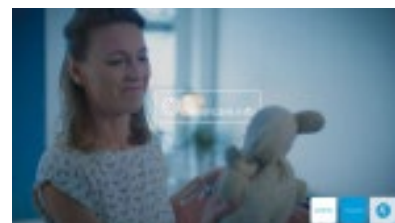
issues.

A worldwide communication campaign

GINETEX is currently investing in a worldwide communication campaign to promote its clevercare.info logo. This will benefit its licensee companies worldwide, their consumers, its partners and... our planet! To promote this philosophy through its international global partners network, two GINETEX communication tools are available on

www.ginetex.net

A 1,45" video spot
available on
Youtube





A dynamic and amusing comic illustrating different way to change consumer habits in day-to-day life. It is available on our GINETEX website, but if you would like a hard copy, please contact **ginetex@ginetex.net**.

All GINETEX licensees can use the clevercare.info logo for free. Please contact Pascale Florant, GINETEX Secretary General at **ginetex@ginetex.net** for more information.

Many companies are adopting clevercare.info

Today, an increasing number of textile and apparel companies agree that consumers are ready to hear from them on how to care for their textiles to keep them longer and in better shape, while also taking care of our planet. Consumers are now willing to change their day-to-day habits. GINETEX counts more than forty companies within its

Textile and apparel companies strongly believe that textile eco-caring is a priority for our industry today.

licensee network worldwide that adopted clevercare.info on their labels. Over the next year, other companies should also join this worldwide initiative.

As a reminder, GINETEX licensees can use the clevercare.info logo for free. For more information, please contact GINETEX headquarters - **ginetex@ginetex.net**.

GINETEX launched its new worldwide website!

Aiming towards a new look and a dynamic representation of its activities, in January 2018 GINETEX launched a new international website representing the worldwide reference platform of textile care labelling. The website provides information on membership, care labelling symbols, legal & regulatory updates, sustainable textile care, partnerships, and access to market research results, GINETEX newsletter, video, etc.

clevercare.info ambassadors



This new website will become the worldwide reference platform of textile care labelling, delivering information to all companies, private and public institutions and organisations involved in the textile care subjects.

GINETEX National Member list can be found on **www.ginetex.net/members**.



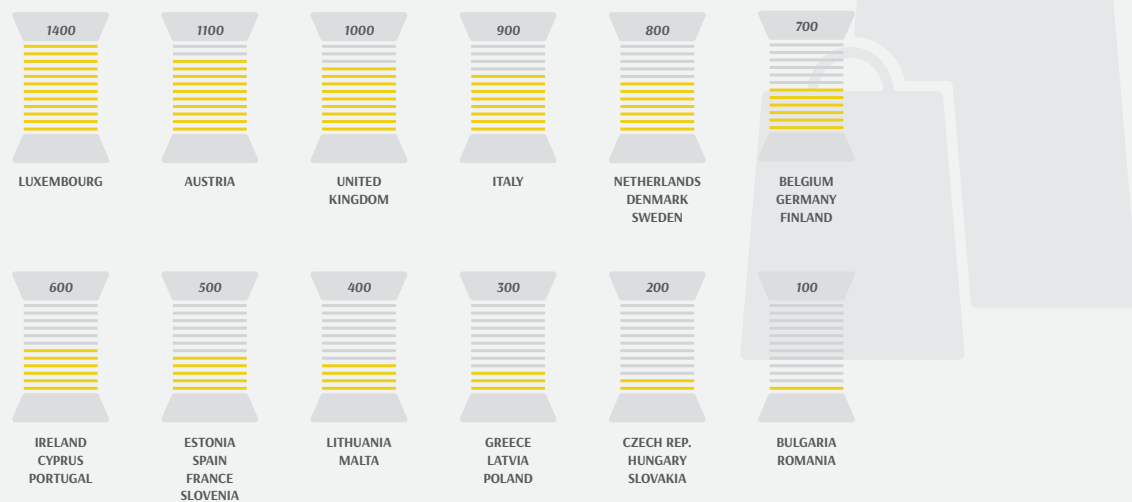
The care symbols on a garment provide information on the most severe treatment allowable, one that does not cause irreversible damage to the article during the care process. The care symbols should refer to the main article and this includes colour fastness, finishing and accessories (such as buttons and zips). Milder treatments and lower temperatures than indicated on the label are always allowed, if there is no text saying to follow the given temperatures.

Deposit and registered trademarks, property of GINETEX - The combination of the five basic care symbols and the clevercare logo are covered by international trademarks which are registered with the WIPO. Any use or reproduction of the symbols and the logo requires the authorization of GINETEX or one of its national member organisations. The trademark helps to ensure a worldwide coordination and recognition of the ISO 3758:2012 care labelling system.

INFOGRAPHICS

THE EU IS THE WORLD'S BIGGEST MARKET FOR TEXTILES & FASHION DUE TO A HIGH RATE OF CONSUMPTION PER CAPITA

How much do Europeans spend for their clothes per year?



RANKING BY MEMBER STATES (€/INHABITANT)
SOURCE: EUROSTAT

INFOGRAPHICS

TOP 10 EU PRODUCERS OF FASHION AND TEXTILE GOODS



INFOGRAPHICS

SMALL COMPANIES - BIG IDEAS

Small and medium enterprises are at the core of the industry, representing 99% of the 176,400 companies. These companies directly employ 1.7 million workers.

Women represent more than 70% of all employees in the sector.



SOURCE: EUROSTAT