

ANNUAL REPORT

2015

24 rue Montoyer - Box 10
B-1000 Brussels
Tel.: ++32.2.285.48.81
Fax: ++32.2.230.60.54
e-mail: info@euratex.eu
www.euratex.eu
Follow us on
Twitter: [@euratex_eu](https://twitter.com/euratex_eu)
LinkedIn: EURATEX

EU TEXTILE & FASHION INDUSTRY: FACTS & FIGURES

500 Bn €

With a household **consumption** of nearly 500 Billion €, the EU-28 is the largest world market for textile and clothing products.

169 Bn €

In 2015, the EU Textile and Clothing industry reached a **turnover** of 169 billion €.

1.7 million

EURATEX members directly or indirectly represent, in the EU, some 174.000 **companies** of an industry employing 1.7 million **workers**.

N°2

The EU is the **second world exporter** (after China) in textiles as well as in clothing with respectively 24% and 26% of world sales.

75%

World clothing consumption represents 75% of total T&C consumption (estimates).

73%

The average size of companies is relatively low which explains why they principally trade within the internal market, with **intra-EU exports** representing 73% of EU trade to the world.

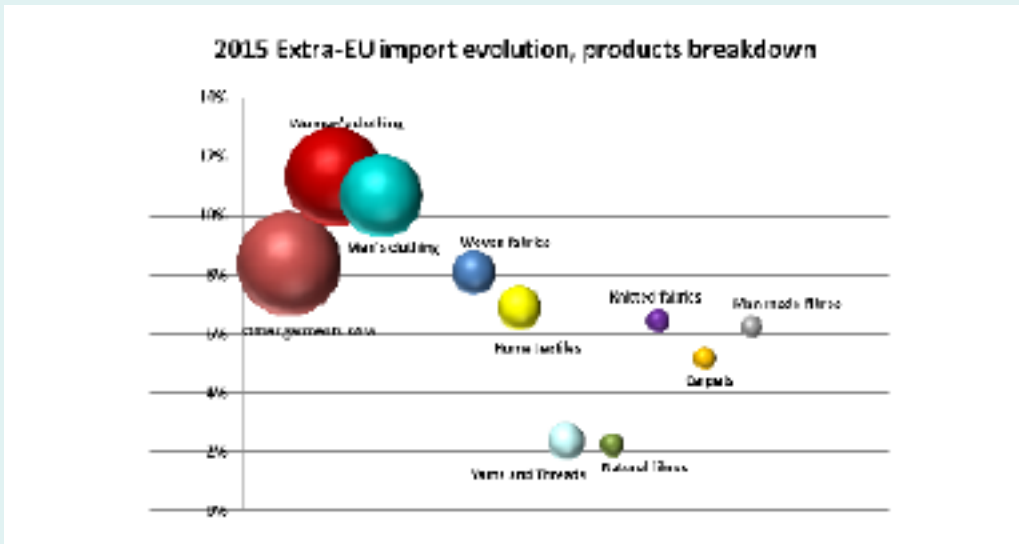
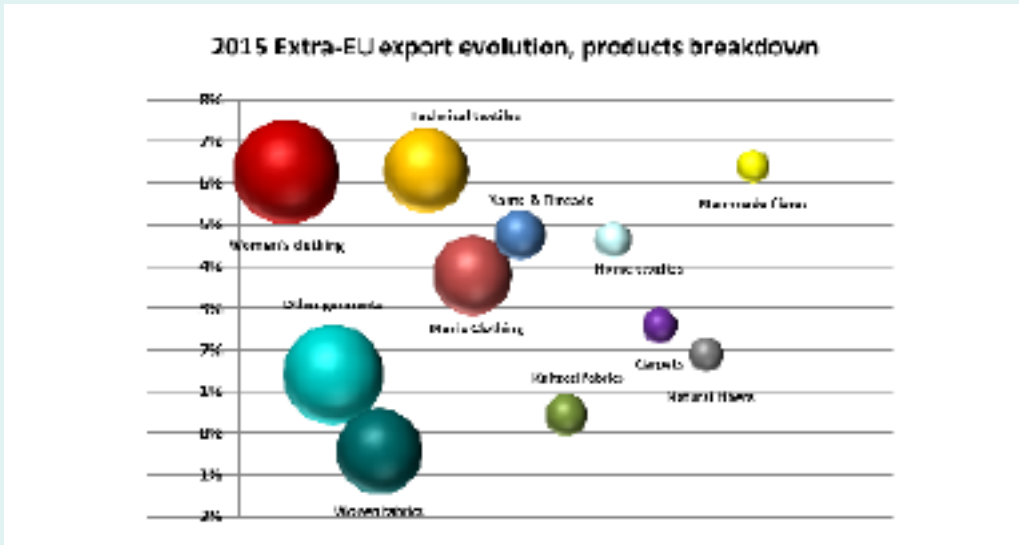
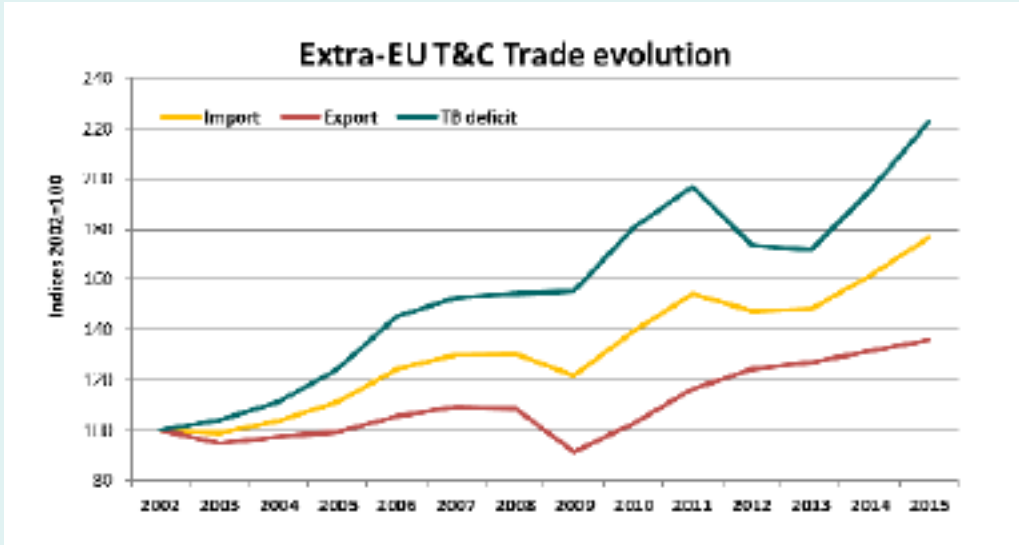
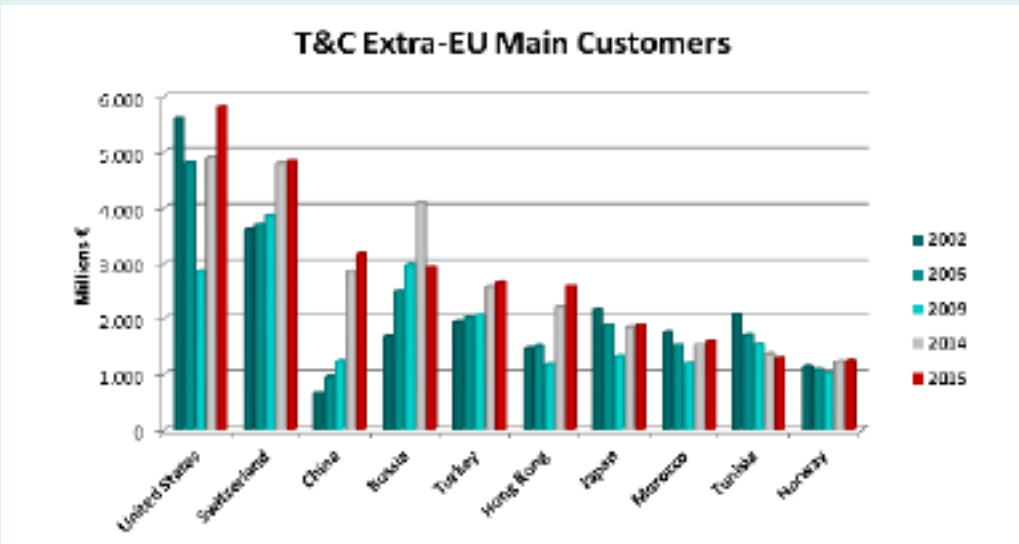
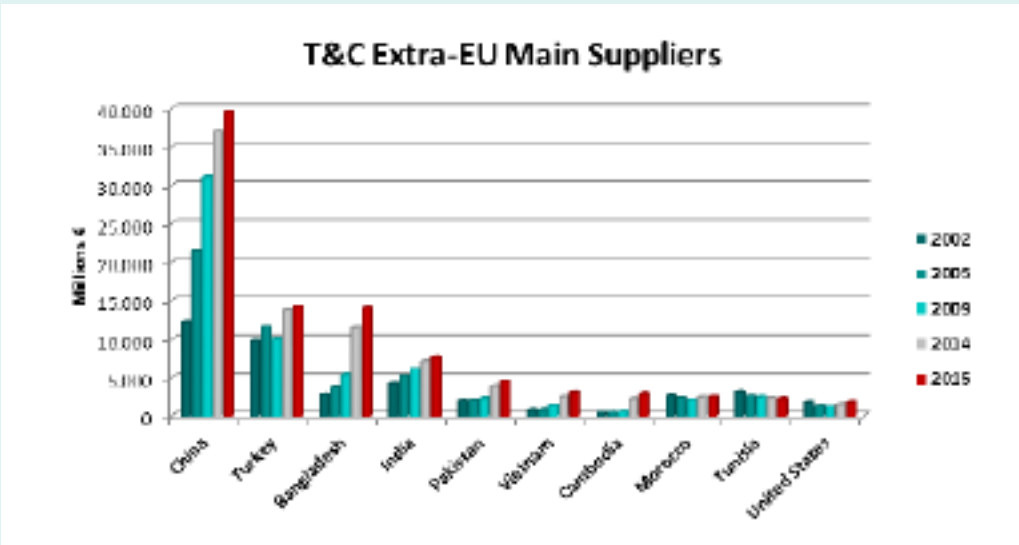
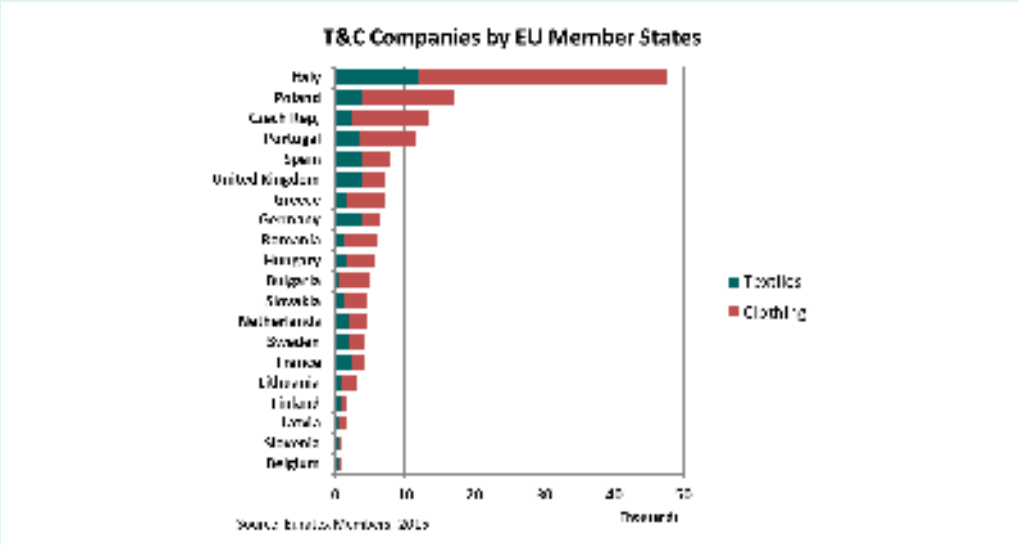
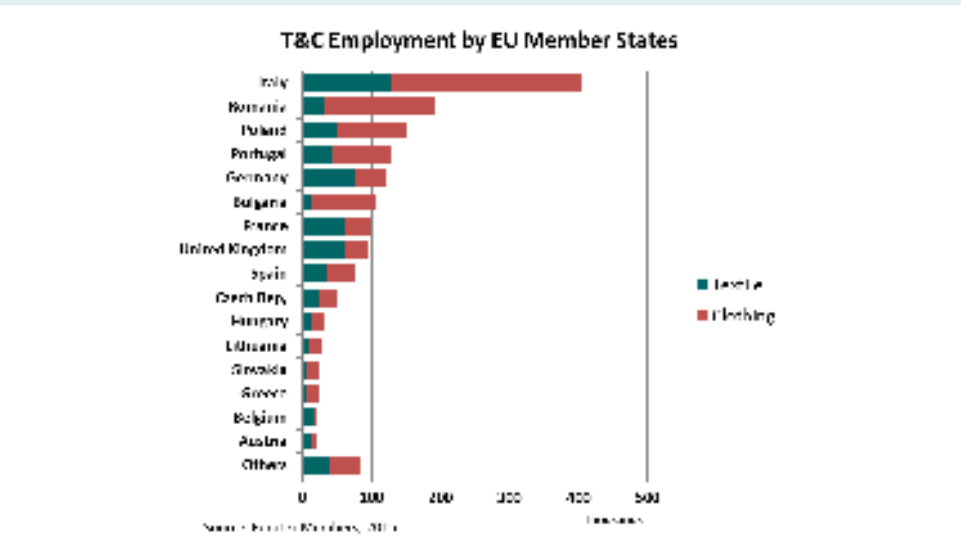
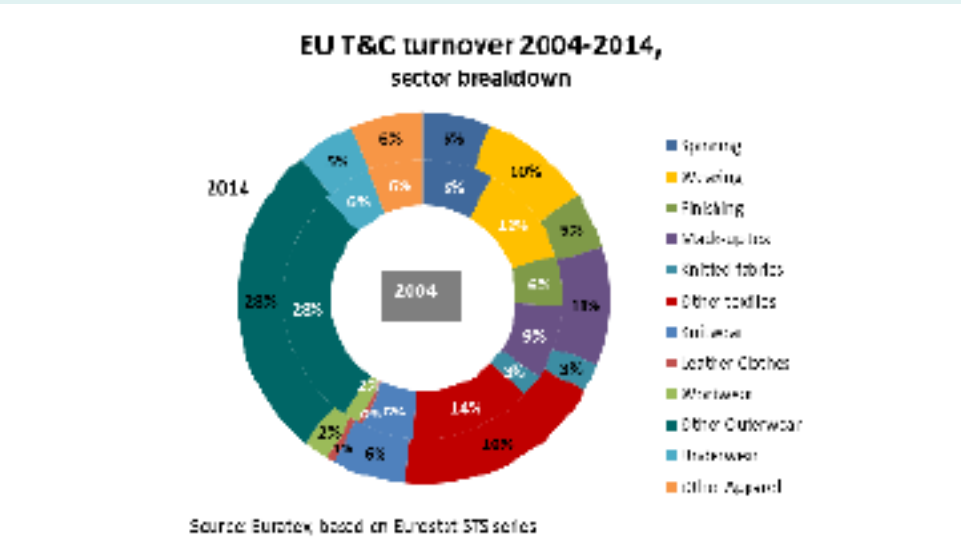
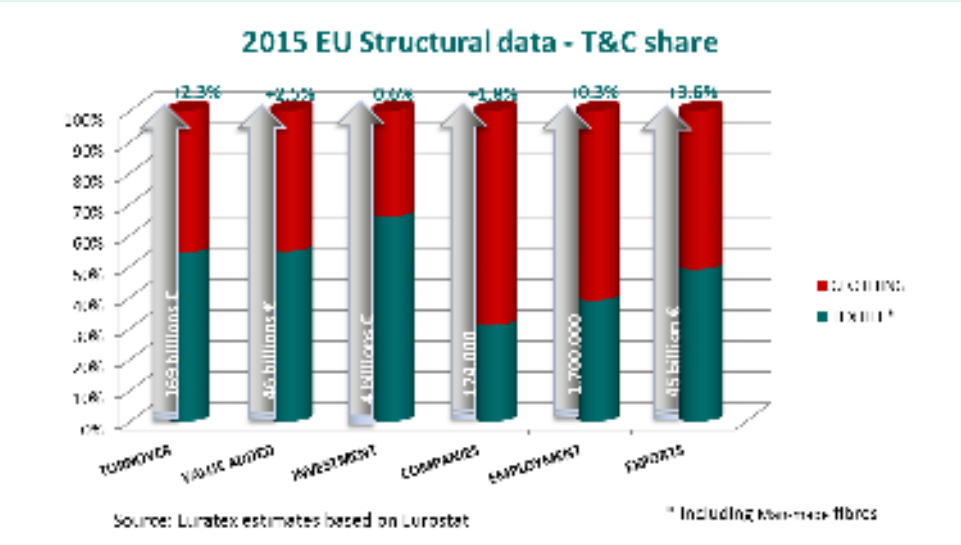


TABLE OF CONTENTS

EU textile & fashion industry: facts & figures

Message from the President	4
----------------------------	---

More trade for more growth

▶ Genuine industrial policy and completion of a domestic market are key	6
▶ Trade negotiations with non-EU countries, how do they benefit our sector?	7
▶ Taking measures for fair market access	8
▶ Actions to ensure protection of IPR	9

Increasing exports: useful tools for companies	10
--	----

Research & innovation for a competitive industry

▶ EU research & innovation policies: priorities for our sector	12
▶ Bringing industry and research together – the European Textile Technology Platform	13
▶ Education & training initiatives for a knowledge-based industry	14

Success stories: from EU research to the market	15
---	----

Working towards sustainable businesses

▶ Our milestones in the EU environmental policies	16
▶ Resource-efficient production for a competitive industry	17
▶ Sustainability & its international dimension	18
▶ Our role in the European Social Dialogue	19

Assisting companies in becoming more sustainable	20
--	----

Euratex's 20th anniversary: from 1996 to 2016

Euratex in the media & our events	24
-----------------------------------	----

Map of members	25
----------------	----

Supported by GINETEX	26
----------------------	----

Infographics	28
--------------	----

MESSAGE FROM THE PRESIDENT



Serge Piolat,
Euratex President

Euratex organises its work in three priority areas – trade and industrial policy, innovative industry and responsible businesses

Textile and clothing remains one of the largest manufacturing industries in Europe. In 2015, a number of positive trends emerged in our sector. For the first time in many years, employment in the European textile and clothing industry rose as a whole and our companies hired new employees. Despite vigorous global competition, our companies managed to increase their turnover thanks to improved confidence from consumers in the EU.

In order to meet the needs of the companies we represent, Euratex organises its work in **three priority areas** – trade and industrial policy, innovative industry and responsible businesses.

In the last six years, exports were the driving force behind our companies' growth. In 2015, exports outside the EU reached 27% of the European textile and fashion industry turnover. For this reason, an ambitious **trade policy** benefiting our companies is on the top of our agenda. Our companies are expecting a level playing field when doing business with priority markets like the US or Japan. The Free Trade Agreements negotiated with these countries should create a favourable climate for trade based on reciprocity, symmetry and market-oriented solutions. Via the same approach, Euratex is making every effort to

facilitate access to textile and clothing products to third markets by eliminating regulatory barriers and protectionist instruments. Furthermore, to ease the internationalisation of our companies, Euratex is actively working on simplifying customs rules and procedures.

Considering the importance of **innovation** for our sector, we work hard to ensure fair access for textile and clothing companies to the European programmes designed to facilitate research and innovation. In order to better exploit EU regional funding opportunities and connect local innovation clusters, we are supporting the creation of synergies between textile regions in

Europe. Through this we intend to encourage textile regions to invest their EU structural funds in textile-based innovation. This is possible thanks to the European Textile Technology Platform that unites the industry, universities and technical centres active in research and



innovation.

Euratex is working across all dimensions of the **sustainable business** area to boost responsible and competitive manufacturing in Europe. To be more environment- and consumer-friendly, Euratex promotes a comprehensive and coherent approach to chemical restrictions and closer cooperation between all stakeholders in the production chain. We believe that the EU markets should be more closely monitored to ensure that our responsible products are in fair competition with low-cost imports and that consumers are protected effectively. Euratex welcomes the European institutions' incentives to support sustainable production and a circular economy.

In 2015, our **Convention** organised in Milan in conjunction with the ITMA fair, was dedicated to sustainable innovation in the textile and clothing industry. In November 2016, we will hold our Convention in Lyon to discuss how creativity can be an asset for growth, exports and the competitiveness of our sector.

Textile and fashion companies are working hand-in-hand with the other industries, service providers and consumers, recognising the importance of cross-sectorial partnerships, Euratex invites the other sectors to take part in **'Industrial Dialogues'** on the 9th of June in Brussels. Free exchanges of opinions between entrepreneurs from different industries will help find new areas of potential cooperation to create clever and profitable partnerships.

MORE TRADE FOR MORE GROWTH

Trade remains at the heart of the textile and clothing agenda. Negotiations are ongoing with key markets to achieve important trade deals and Euratex is very much involved in every initiative that can improve textile and clothing companies' trade outside Europe.

Genuine industrial policy is key for the EU

To be successful on international markets, Euratex considers the need for greater **coherence between the trade and industrial policies** promoted by the European Commission to be crucial. This encompasses, for example, the domestic market, environment- and climate-related issues, skills and education, innovation etc. and should deliver tangible results to the SMEs that are the backbone of our industry.

Support to EU manufacturing is Euratex's priority and in order to achieve efficient results, we believe it is essential that policy-makers have a profound knowledge of our sector. In 2015, Euratex organised a visit to the textile companies of the Rhône-Alpes region in France involving a dozen of the Commission's officials from DG Trade, DG Grow and DG Taxud.

The **Forum on Fashion & High-End Industries** led by the Commissioner Bieńkowska in June was another opportunity to raise awareness about the textile and fashion sector. Euratex is proud that a number of its 2014-2015 initiatives were identified among the 'best practice examples' of how multi-stakeholders can support the fashion & high-end industries (e.g. the Worth Project, the eBiz initiative).

In this context Euratex emphasised the future challenges and actions needed to strengthen creativity and innovation within the industry. The focus shall be placed on **preserving the manufacturing base** and fostering investments thanks to European initiatives supporting skills and the modernisation of the value chains (e.g. supporting digitisation of the value chains or fostering a level playing field among all products within the Single Market). The other important matter is **facilitating access to innovation programmes** and instruments for SMEs. Such tools should be better designed to allow companies to access external creative and technical services for innovation, new products and market development. We should keep encouraging **internationalisation of SMEs** by promoting, through Free Trade Agreements (FTAs) reciprocal results in the different sectors and by developing European practical support tools to help SMEs exploit FTA results.

The 11th **Euro-Mediterranean Conference** held in Krakow in the context of the Euro-Mediterranean Dialogue on textiles and clothing provided an opportunity to discuss digital integration in the supply chain, energy-efficiency and the sustainability of textile materials and resources. Such dialogue, launched in 2004, is the only sector-specific dialogue taking place with Mediterranean partner countries frequently cited as an example of successful industrial cooperation.

Trade negotiations with non-EU countries, how do they benefit our sector?

Euratex believes free trade brings benefits to the European textile and clothing companies in Europe. Depending on the countries the EU is negotiating with, Euratex carefully identifies the market opportunities as well as the challenges in order to precisely target its lobbying actions. More specifically, 2015 has been a particularly intensive year for:

Vietnam

The negotiations of a free trade agreement between the EU and Vietnam were completed in 2015. Euratex monitored these negotiations closely to make sure that our interests were taken into account, namely that Vietnamese garment companies have preferential access to the EU provided that they use European fabrics. Several actions, meetings and information sessions were organised with the EU Commission through to the very end of these negotiations to finally reach a balanced solution.

TTIP - Transatlantic Trade and Investment Partnership

The Transatlantic Partnership is at the very top of our agenda since it presents vast opportunities for our industry. Meeting the European and American negotiators, informing Members of the European Parliament, participating in national events... Euratex has actively demonstrated how much our SMEs will gain from TTIP. The work focused on regulatory convergence: how to streamline burdensome and costly procedures without lowering consumer protection standards. Access to public procurement is another important matter, as well as the rules of origin – internal discussions were held to make sure that the rules will be adapted to the actual structure of the European industry.



- Euratex TTIP page at:
www.euratex.eu/pages/ttip/

Taking measures for fair market access

Alongside the bilateral negotiations, Euratex strives for easier access to third markets.

In 2015, we were involved in the discussions on the **Market Economy Status** to be granted to China in 2016. Following internal debates on this highly political issue, Euratex identified the three key areas paramount for the EU to take action in order to improve European textile and clothing companies' trade with China.

- ▶ **Efficient TDIs should be in place:** the EU textile and fashion industry needs easy-to-use tools adapted to its specificities.
- ▶ **Market Access requirements should be met:** transparency, predictability and reciprocity are key for our trade with China (examples of double testing due to Chinese Standard GB18 401 and ban of nonylphenols (NP, NPEs) in REACH – substances found in Chinese loomstate fabrics).



- ▶ **Counterfeiting should be tackled and IPR should be enforced:** setting-up the EU-China textile and clothing anti-counterfeiting workshop would be useful.

Discussions about our partnership with Turkey have also been intense in 2015, as well as our efforts to move forward with the **Pan-Euro-Med Convention**. Euratex is proactively supporting the efforts led by the European Commission and its Euromed partners to achieve an integrated zone that could bring positive results for all. After almost a decade of negotiations, unfortunately no real outcome has been achieved yet.

Finally, the “Market Access Strategy” put in place by the European Commission is a useful tool for tackling non-tariff barriers that the European companies encounter at borders. Euratex regularly monitors and reports any kind of problems and provides the Commission with solutions for streamlining customs procedures and easing access to export markets (in Korea, Brazil, USA, Egypt etc.)

Actions to ensure protection of Intellectual Property Rights (IPR)

In order to better protect companies, the European Commission is engaged in continuous IPR enforcement efforts in all countries where European companies are facing difficulties with the protection of their rights. To that effect, and within the framework of existing trade and/or cooperation agreements, the Commission periodically [a] surveys industries on the practical IPR problem faced when accessing third markets (e.g. China, South Korea etc.) and [b] organises IP Dialogues with enforcement authorities in the respective countries (customs, justice, culture, IP offices, etc.) to bring about solutions to the specific problems faced by small and medium-sized companies in protecting their IPR.



Main findings on the economic cost of IPR infringement in the clothing, footwear and accessories sector²

9.7% loss in sector sales due to counterfeiting	363,000 direct job losses
€ 26.3 billion loss in annual sector revenue (direct)	518,281 direct and indirect job losses
€ 17 billion lost sales in related sectors	€ 8.1 billion in lost government revenue (social contributions and taxes)

► Counterfeiting

Small and medium-sized enterprises (SMEs) and big brands in the EU textile and clothing industry are plagued by counterfeiting and piracy. For this reason, Euratex backed the publication by the Office for Harmonisation in the Internal Market¹ of **a report** on the cost to the EU of Intellectual Property Rights (IPR) infringements in the clothing, footwear and accessories sector.

Its findings were sadly quite shocking - the full impact of infringements means that more than €43 billion worth of direct and indirect sales in the sector are lost annually throughout the EU-28. That lost revenue translates into more than 518,000 direct and indirect job losses annually, since legitimate manufacturers and retailers then make and sell less than they would have

done without counterfeiting and, consequently, employ fewer workers. This also results in an annual loss of social contributions and taxes of more than €8 billion.

Such staggering data echoes the seizures for the year of counterfeited and pirated clothing articles by customs officials at the EU external borders - the second highest in value terms for some years³. China, Hong Kong, Bangladesh, India and Turkey are the main countries of provenance.

For European and national authorities, this should serve as a wake-up call to step up the fight against the counterfeiting that is damaging this sector's image, threatening the survival of our companies and putting consumer health at risk; and likewise for companies that need to be pressed to protect their creativity and designs.

¹ OHIM - now the European Union Intellectual Property Office (EUIPO)

² https://euipo.europa.eu/ohimportal/en/web/observatory/ip-infringements_clothing-accessories-footwear

³ http://ec.europa.eu/taxation_customs/resources/documents/customs/customs_controls/counterfeit_piracy/statistics/2015_ipr_statistics.pdf

Increasing exports: useful tools for companies

Textile & Clothing Information Centre - trade data in the sector

CITH, the Textile and Clothing Information Centre, provides statistical information on trade in textiles and clothing since 1981. The basic data is collected by Eurostat from the national customs and subsequently processed by the CITH.



It can provide tailor-made reports on customer requests, which can be updated on a regular basis, or adapted to a specific format. Statistical information covers EU goods flows (by products or CN/HS codes), trade balance, export & import average unit prices and major EU exporters & importers.

For more information: www.euratex.eu/pages/cith

EU market access database - all you need to know to export from the EU

The Market Access Database (MADB) gives information to companies exporting from the EU on the import conditions in third country markets: duties and taxes on imports of products into specific countries, procedures and documents required for customs clearance in the partner country, data on trade flows for goods between EU and non-EU countries, main trade barriers and more.



For more information: www.madb.europa.eu

SOLVIT – support for doing business in another EU country

Businesses based in an EU country should be able to sell or buy goods or provide services freely in other EU countries. If you face obstacles because a public authority is not doing what is required under EU law – SOLVIT can help. SOLVIT will contact the authorities to find out-of-court solutions to your problem.



SOLVIT can help if you have difficulties with marketing products abroad, providing services or obtaining VAT returns for products bought in another EU country. SOLVIT is a free online service where you can report a problem in your national language and receive a quick answer.

For more information: www.solvit.eu

European IPR Helpdesk

The European IPR Helpdesk provides companies with free-of-charge, first-line advice and information on Intellectual Property (IP) and Intellectual Property Rights (IPR). A company can receive an educated response to its IPR issue by contacting the team of legal consultants on the website, by phone or by fax.



The helpdesk also offers free-of-charge training events, online webinars and publications on different aspects of IPR management.

For more information: www.iprhelpdesk.eu

China IPR SME Helpdesk www.china-iprhelpdesk.eu

Southeast Asia IPR SME Helpdesk
www.southeastasia-iprhelpdesk.eu

Latin America IPR SME Helpdesk
www.latinamerica-ipr-helpdesk.eu



RESEARCH & INNOVATION FOR A COMPETITIVE INDUSTRY

Research and innovation has always been an important factor for Europe's textile and clothing industry to remain one step ahead of global competition. Knowledge, creativity, more advanced technology and better organisation can overcome challenges such as higher labour and resource costs, lack of local raw materials or stricter legislation.

As the pace of innovation accelerates around the globe, the sector is intensifying its efforts to conquer high-tech niches, increase its flexibility and time to market, and use its production resources in an ever more efficient and waste-free way.

Key trends for the future include flexible, short-run on-demand production, digital manufacturing and supply chain management, customisation and service-based business models, sustainable business operations and the extension of application areas for highly engineered and smartly functionalised textile materials.

EURATEX has for many years advocated a smart support approach for the industry's research and innovation efforts through EU policies and programmes, especially those targeting SMEs and closer to intermarket collaboration projects. Since 2004, the European Technology Platform has played the main role of a facilitator easing access to the EU programmes for European textile and clothing companies and their research partners.

EU research & innovation policies: priorities for our sector

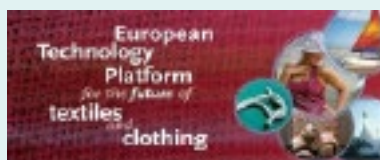
In 2015, the European Union continued to implement its research and innovation policies through the **HORIZON 2020 programme**. The textile and clothing industry, despite not being targeted specifically as a sector, has again managed to find relevant funding opportunities across several key themes of HORIZON 2020. Several textile-related projects, two of which with the direct participation of Euratex (Resyntex and ECWRTI), were launched in 2015. They cover areas such as a circular economy, resource efficiency or digital fashion creation networks. Further projects on smart and technical textiles or fibre-based composites were approved for funding in 2015 and will be launched in 2016. Over HORIZON 2020's first two years, over €70 million in EU-funding was allocated to textile-related research projects.

However, the very low success rates of funding applications remain of great concern, especially in the SME-specific funding instrument, which are so crucial to an SME-dominated industry such

as ours. The successful completion of the **WORTH pilot project** was a positive development in this area, resulting in the support of 34 ‘designer-SME-manufacturer’ partnerships in the design-based consumer goods industries, many of these projects in the textile and fashion sector. A further call for early market replication projects, also targeting the design-based consumer goods industries, was launched by the **COSME programme** in 2015. 4 new projects resulted from this first call and a second call was launched at the end of 2015.

Bringing industry and research together - The European Textile Technology Platform

2015 was another year of important achievements for the Textile



ETP. After celebrating its **10th anniversary** at the annual public conference in March in Brussels, the platform hosted another successful large-scale event in October – the conference on “**Innovation for Textile Sustainability**” which brought together some 150 industry, research and technology experts working on new solutions for a more sustainable operation of Europe’s textile and clothing value chain in terms of its material use, its resource efficiency and its supply chain organisation and business models. A well-attended **EU project brokerage event** immediately followed the conference. In 2015, the Textile ETP also renewed its Governing Board and re-elected Paolo Canonico for a further 2-year mandate as its President.

Many members of the Textile ETP and some representatives of EURATEX’s member federations participated in a **foresight study** organised by



► Techtextil event in May/Frankfurt

the EU’s Joint Research Centre which produced a future vision of our industry in the year 2025, taking into account major technological, socio-economic, legislative and end-market drivers and constraints.

In conjunction with EURATEX, the Textile ETP launched an initiative to bring together Europe’s textile regions to assess how the **EU Smart Specialisation** policies and its related structural funds can better support textile innovation across Europe. A first meeting with 14 regions from 10 EU countries took place in Brussels in December 2015. Six regions have since committed to carrying the initiative forward and a further ten have expressed their interest to remain involved.

The Textile ETP was also well-represented at Techtextil in May in Frankfurt and at ITMA in November in Milan.



Education & training initiatives for a knowledge-based industry

As in other industries, the preservation of know-how is fundamental to fostering the future of a textile and clothing sector that has undergone a lengthy restructuring period. This industry continues to hire talented workers but is facing important skills shortages at all qualification levels - even in the regions and hubs where this sector plays a key economic and social role.

Hence the importance of complementing local efforts with European action to anticipate the new skills needed by the sector resulting from the pace of technological change and its impact on the skills in demand across all professional

profiles. Euratex has promoted the most suitable education and training solutions through its active participation in European flagship activities like **ESCO** - a multilingual classification of European Skills, Competences, Qualifications and Occupations. The work carried out by Euratex and its experts for ESCO between 2013 and 2015 has received a positive assessment from the Commission and an official launch is envisaged by end-2016. This paves the way for better occupations, knowledge, skills and competences for workers in the future.

Additionally, Euratex remained an active promoter of best practice exchange among skills providers and encouraged the industry to actively contribute to the creation of future European networks aimed at improving the provision of apprenticeships in small and medium-sized companies.

Success stories: from EU research to the market

eBIZ - interoperability tool for companies

Launched in 2008, eBIZ is a public-private initiative enabling companies to directly exchange orders and data between their systems using a single digital language. More digitally connected textile and clothing enterprises becomes a reality already today. In five years, more than 400 companies have benefited from the eBIZ reference architecture and many published success cases demonstrating that a company can see results already in short term. eBIZ is offering its Reference Architecture for e-Business free of charge. It is meant to be used by the companies' ICT suppliers or own specialists. The Reference Architecture and its technical details can be downloaded here: <http://ebiz-tcf.eu/>



leading design and fashion business experts from renowned European competence centres such as the French Fashion Institute IFM in Paris or the Centre of Fashion Enterprise at the London College of Fashion.

More at: www.worth-project.eu

Customising clothing, footwear & orthotics with Fashion-able

The Fashion-able project provided innovative European SMEs with technologies for co-design and manufacturing of personalised orthotics, functional clothing and footwear for people with special needs. Personalised wearable goods address special needs of consumers who are not satisfied by mass-produced goods in terms of health-support and performance.

The Fashion-able project specifically developed customised wearable solutions to fit the requirements of people with physical disabilities and special health needs. An online configurator allows making made-to-order customised product – shirts for wheelchair users, footwear for people with deformed feet and orthotic products to suit individual needs. The client, who is a co-designer, is connected to the clothing technician and the textile producer. The feedback from pilot customers was overwhelmingly positive and the SME's involved in the project have started to integrate the Fashion-able solutions into their commercial offerings.

More at: www.fashionable-project.eu



New partnerships with WORTH project

The WORTH project has initiated cross-border partnerships between designers and SME manufacturers in fashion, textiles, jewellery, footwear, eyewear, furniture, leather industries, from different EU member states to create innovative new products. With an express aim of creating innovative design-based products up to prototype stage, the result of WORTH are 34 unique European enterprising partnerships. Partners have been supported to develop the products, define their market positioning, exhibit them at trade fairs or exhibitions and to properly protect and exploit the resulting Intellectual Property. Coaching and strategic advice has been provided to the partnerships by



WORKING TOWARDS SUSTAINABLE BUSINESSES

EU policies on issues of sustainability massively effect how the European textile and clothing industry operates. In EU policy-making, Euratex's role is to campaign for a regulatory framework which boosts sustainability as well as the competitiveness of our companies. Furthermore, Euratex and its members are working to help companies become more sustainable and to encourage them to demonstrate how they are contributing to responsible business conduct.

Our milestones in the EU environmental policies

In 2015, Euratex worked hard to move the EU chemical policies towards a realistic achievement of their objectives whilst also ensuring fair competition between EU-based and imported products. Lobbying efforts urged policy-makers to take into account the needs of EU companies, including compliance with standards and improving consumer protection. Euratex was closely following a number of issues including the circular economy, Energy Union Package, Waste Framework Directive Review and other.

Regarding the risk assessment of **PFOA and PFOA-related substances**, the European textile industry operates in a near-zero discharge environment. Euratex and its members advocated derogations to PFOA restrictions to allow for production in the EU of highly specialised and high value added products.

Regarding the proposal for a **DMF restriction** (N,N-dimethylformamide; dimethyl formamide) under the EU's Chemical Regulation REACH, Euratex endeavoured to improve the Italian authorities' proposal ahead of its final submission

to ECHA in 2016, to be followed by the normal consultation process.

The European Parliament and Council did not raise objections on the EU Regulation of Nonylphenol Branched and Linear, and/or Ethoxylated (**NP-NPE**). The formal adoption by the Commission at the beginning of 2016 matters greatly to the EU industry as it will prohibit the marketing of washable textiles containing amounts of NPE equal to or greater than 0.01% by weight. The restriction includes exemptions for second-hand textile articles and new textile articles produced exclusively from recycled textiles. It also provides for a transition period of 60 months. In 2016, efforts will be needed to ensure that dominant suppliers (e.g. China) follow EU legislation, thereby enabling the European industry to comply with the law.

In 2015, textile and clothing were selected as a first test-case to apply a simplified procedure (**Article 68(2) of REACH**) to restrict as many as 286 substances classified as carcinogenic, mutagenic or toxic for reproduction (CMR), categories 1A and 1B in textile articles and clothing for consumer use. Owing to the complexity of the matter and the large amount of substances involved, Euratex pressed the authorities to allow sufficient time to

respond to the public consultation, whilst seeking to ensure greater support from other concerned industries.

A subject of prime importance for the textile industry is the implementation of the **Industrial Emissions Directive (IED)**, in accordance with Annex I (6.2) which addresses “Pre-treatment (operations such as washing, bleaching, mercerisation) or dyeing of textile fibres or textiles where the treatment capacity exceeds 10 tonnes per day.” Implying that the next revision of the Best Available Technology Reference document (**BREF**) for textiles shall only apply to plants that are covered by clause 6.2. Any extension to plants in the finishing sector would violate current EU legislation.



The **Emission Trading Scheme (ETS)** review plan published in July will lead to higher carbon emissions prices and reduce the exemptions for energy intensive sectors. The new system introduces a revised methodology to identify sectors that are at risk of carbon leakage. There is a risk that with the new methodology, the majority of textile subsectors will be excluded from the carbon leakage list.

Resource-efficient production for a competitive industry

Where does my company consume energy? Where is energy wasted, why, and above all how much does that cost me? Many Textile and Clothing SMEs do not have the capacity to answer these questions; however, this lack of information is not only an unnecessary cost but also a barrier to investments, some of which can even be financially supported.

In 2015, Euratex entered the 2nd year of its **Energy Made-to-Measure (EM2M)** campaign which provides the sector's companies with tools, best practices and training to value options and invest in energy efficiency. One specific feature of EM2M is that it does not create new contents but provides companies with the results of private and public initiatives, notably the **SESEC and SET energy efficiency projects** co-funded by the EU, the Blue Competence Initiative of the German Textile and Machinery Association (VDMA) and the Sustainable Technologies project of the Association of Italian Textile Machinery Manufacturers (ACIMIT).

This makes the campaign an effective, zero-cost loudspeaker which, thanks to support from dozens of European organisations, can bring results directly to the company's doorstep across European countries, in particular Poland, Germany, Belgium, Romania and Italy, where seven events took place last year.

For instance, the **SESEC project** supported more than 45 companies in applying a new self-assessment tool, assessing best practices and eventually supported investments on energy efficiency for about €1.5M. Estimates indicate that energy savings of 1,000,000 KW/year had already been achieved in the SESEC timeframe, whereas planned measures are expected to generate additional savings of 7,000,000 KW/year.

As of 2016 and thanks to the **SET project's** results, Euratex will pursue new synergies with European associations and organisations interested in helping companies reduce their energy bill and increase efficiency.

Sustainability and its international dimension

Sustainability and Corporate Social Responsibility (CSR) - to which we should also add the respect of IPR in supply chains - are increasingly important topics that come to light when approaching the global aspect of the textile and clothing industry. In 2015, Euratex took extensive action in European and International forums to ensure that the voice and concerns of European SMEs surrounding CSR were aired and understood correctly.

At OECD level, Euratex was nominated in the advisory group on the **OECD Guidelines on Due Diligence in the Garment and Footwear Supply Chain** sectors. The objective is to produce a practical guide for companies to elevate respect for responsible business practices and to provide active remediation to such problems when they



are detected in business relations. Euratex's active participation in roundtables and working groups helped the OECD to understand the need for a risk approach commensurate to the capacities of European SMEs.

2015 was the European Year for Development and the Commission launched an informal and multi-stakeholder process whose aim was to prepare the launch of a political initiative: the **EU Flagship on Responsible Management of the Supply Chain in the Garment Sector**. Intense debates and a public consultation produced a huge amount of information that forced the Commission to postpone the launch of the initiative.



The Dutch Presidency (1st half of 2016) made sustainable Global Value Chains an important objective of its term and in December 2015 had already organised an International Conference that also debated issues related to the textile and clothing sector in order to prepare more policy declarations in 2016.

Our role in the European Social Dialogue⁴

For over 16 years, the European Textile and Clothing social dialogue has helped Euratex and its European Trade Union representatives to collaborate and conduct discussions on issues of common interest that impact on textile and clothing companies (trade, education &

training, sustainability, EU industrial strategy etc.), thereby making a direct contribution to the shape of EU legislation, policies and strategies for the whole industry.

This sectoral social dialogue has resulted in an increasing involvement of sectoral social partners in the EU decision-making process, as the Commission regularly consults them prior to other stakeholders on the principle and the content of any social initiative, and EU social partners are closely involved with the impact assessment on social issues. Moreover, through tangible projects, social partners are trying to nurture relations in the industry and to provide useful tools to be used, if so desired, by companies and/or workers such as the Corporate Social Responsibility Risk Assessment Tool.

⁴ The Social Dialogue is IndustriAll Europe and Euratex

Assisting companies in becoming more sustainable

Energy efficiency tools for companies

The Save Energy in Textile SMEs (SET) project is launched to enable European textile SMEs to improve their energy efficiency, hence to achieve measurable economic and resource-efficiency results. With the SET project supported by the European Commission, the company manager or a staff member can find, free of charge, tools to evaluate options and take informed decisions about energy efficiency, including:



- ▶ Information on the legal obligations and financial incentives at national and EU levels
- ▶ SET Scheme - the self-assessment tool specific for textile manufacturing processes
- ▶ the self-assessment tools specific for clothing manufacturing (SESEC project)
- ▶ Cross-cutting measures and best practice examples from the industry

Find tools the tools (available in 12 languages): www.euratex.eu/set

Corporate Social Responsibility RISK ASSESSMENT TOOL

The European social partners of the textile and clothing industry⁵ with the support of the European

Commission have developed an innovative tool intended to enable the identification and management of risks related to CSR along the most important part of the supply chain (tier one), with a special focus on SMEs.



Using this web-based tool, it is possible to quantify and manage the effects of non-compliance with CSR principles and the requirements of the five aspects of responsible and sustainable behaviour of organisations: human rights, labour practices, the environment, fair operating practices and consumer issues.

The tool is currently being tested with on-site visits in 15 companies in different countries and 50 licences are available for online pilot application.

Companies interested in participating in the testing phase should contact: support@responsiblesupplychain.eu.

More information at: www.responsiblesupplychain.eu/textile/

Effective Water Recycling in Textile Industry

Textile mills can reduce their water consumption by up to



90% using the EColoRO concept, which consists of

⁵ IndustriAll Europe and Euratex

electrocoagulation followed by membrane filtration, to treat their wastewater and then recycle it.

In June 2015, started a 3,5-year project aiming to demonstrate the new technology on site and on a full industrial scale, first at a textile mill in Belgium and later at a textile mill in Italy. The consortium is led by the Dutch company EColoRO BV in Leeuwarden and the Institute for Sustainable Process Technology (ISPT) in Amersfoort, the Netherlands.

Find more: www.ecwrti.eu

New Technologies for Recycling of Post-Consumer Textile Waste

The complexity and variability of post-consumer textile waste poses enormous challenges for recycling. Once the re-wearable or re-usable products are



separated from the waste stream, a significant volume of very complex, heterogeneous left-over material remains for which technically efficient and economically sound revalorization options beyond incineration are lacking today. The RESYNTEx project will tackle specifically this challenge by developing and pilot-testing several (bio-)chemical degradation solutions to turn this left-over waste volume into simpler base chemicals that can be fed back into chemical or other industrial value chains.

RESYNTEx is funded by the HORIZON 2020 programme and started in June 2015 with a 3,5 year's duration. The consortium is led by one of Europe's leading textile collection and recycling companies, German-based SOEX Group. EURATEX together with CEFIC, its association counterpart for the EU chemical industry, will work on the development of realistic economic scenarios for the textile waste to chemistry symbiosis as well as solutions to be adopted by the textile and clothing supply chain to facilitate recycling processes at the end of textile product life cycle.

More about the project: www.resyntex.eu





EURATEX'S 20TH ANNIVERSARY: FROM 1996 TO 2016



- President Jacomet (2nd of left) with some Board members and D.G.

In 2016, EURATEX is celebrating the **20th anniversary** of its official creation. However, the organisation's history of working in Brussels for the interests of the European textile and clothing manufacturers goes back as far as the early 60s.

In 1996, EURATEX was created as a result of the merger of three organisations: COMITEXIL (Coordination Committee for the Textile Industries of the E.C), ECLA (European Association of Clothing Industries) and ELTAC (European Largest Textile and Apparel Companies). Members of these associations decided to create a single body for a strong and coordinated voice before the European and international institutions.

In 2010, EURATEX became an international non-profit organisation (aisbl). EURATEX has also been registered in the European Union "Transparency Register" since 2008.

Since 1996, Euratex has had six Presidents from different European countries in which textiles and fashion are key manufacturing industries.

Dominique Jacomet, the second Euratex President, is currently the General Director of Institut Français de la Mode and is still actively involved in Euratex activities. He underlined the importance of trade for our companies: *"The European textile and clothing industry is still a major global player. Our extra-EU exports are the second largest in the world after China and far ahead of the USA and Japan. EURATEX's expertise in global trade policies is key for the European companies"*.



- President De Jaegher (left) with Fa Quix (Fedustria) and Filiep Libeert (President of Euratex)

Jean De JAEGHER, former Euratex President and Board Member for 20 years, stated: *“In the twenty years since the creation of Euratex, our industry has considerably evolved. We now live in a multi-fibre product industry with technical progress incorporated from other industries creating new, previously unheard of materials. Creativity and innovation, in which we have strong capabilities, are more than ever the pillars of success.”*

Michele Tronconi, Euratex President from 2006 – 2008, emphasised the significance of a unified voice for our industry: *“To achieve real effectiveness, a representative federation like EURATEX must speak as a single voice – or at least a majority voice - otherwise its legitimacy could be questioned. Overlapping voices could give rise to excuses to delay decisions or not consider specific interests. Politicians could say: “Go home and make up your minds - reach an agreement.”*

Currently, the Euratex team led by the Director General Francesco Marchi, remains united and inspired, working on behalf of the interests of our industry.



► President Tronconi (standing right) at the Quad meeting in Rome (USA, Japan, China and Europe)



► Staff of Euratex

Euratex in the media & our events

In 2015, Euratex kept up its fast-paced communications in the areas of primary interest for our sector.

The campaign **‘TTIP: far-reaching gains for textile & fashion companies’** was launched to inform our companies how TTIP will be useful to them. It helped send a message to the political leadership about the main issues of our involvement in TTIP. The campaign was supported by the ‘Alliance for TTIP’ which brings together various sectors supporting the agreement.

The **‘Energy Made-to-Measure’** information campaign initiated by Euratex in 2014 experienced its peak last year, reaching companies in over 10 EU countries. The campaign was initiated to empower textile and fashion companies, notably SMEs, to become more energy-efficient.

Last year, we supported a remarkable amount of events that were important for our industry. Among them, the major trade fairs - **Techtextile and Texprocess** held in May 2015 in Frankfurt, and **ITMA** textile technology fair which took place in November 2015 in Milan.

Moreover, the Euratex Convention was organised in conjunction with ITMA with the support of our Italian member federation Sistema Moda Italia and the Italian association for technical textiles TexClubTec. The Convention was dedicated to sustainable innovation in the European textile and fashion sector. Euratex’s **General Assembly**, held in May 2015, became an exceptional opportunity to meet young entrepreneurs from our sector. They shared their views on the challenges and opportunities for creating and running a manufacturing SME in Europe.

It is worth mentioning that Euratex actively supported the organisation of the **First Forum on Fashion & High-End Industries** held by the European Commission in April 2015 in Krakow, Poland.

All these events benefited from extensive coverage in various **trade and international media**. The most prominent publications included:

- ▶ VDMA and ACIMIT joins Euratex to promote energy efficiency, Innovation in Textiles, March 2015
- ▶ Euratex’ Energy Made-to-Measure Campaign, Melliand International, April 2015
- ▶ New Generation of Textile & Fashion Entrepreneurs, May 2015, various media
- ▶ Euratex roundtable on challenges in managing SME in Europe, World News, May 2015
- ▶ Commissioner Bieńkowska Heads the First Forum on Fashion and High-End Industries, Textiles Update, June 2015
- ▶ Euratex Position on Textile & Clothing Rules of Origin in TTIP, Textiles Update, July 2015
- ▶ IPR infringement bleeding European textile industry, Fiber2fashion, July 2015
- ▶ Made in Europe: Driven by businesses or policies? EurActiv, September 2015
- ▶ EURATEX launches new webpage for TTIP updates, Apparel Resources, October 2015
- ▶ More digitally connected companies opt for eBIZ, Fibre2fashion, November 2015
- ▶ 4th EURATEX Convention devoted to sustainable innovation, November 2015, various media
- ▶ Standing its ground – textiles in Europe, TWiN, December 2015

Map of members

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

Belgium: Fédération Belge de l'Industrie Textile, du Bois et de l'Ameublement – FEDUSTRIA
CREAMODA – Belgian fashion

Bulgaria: Bulgarian Association of Apparel and Textile Producers and Exporters – BAATPE

Croatia: Croatian Employers' Association, CEA
Textile and Leather Industry Association
Croatian Chamber of Economy

Denmark: Dansk Fashion & Textile

Egypt: Ready Made Garments Export Council – RMGEC

Estonia: Estonian Clothing and Textile Association – ECTA

Finland: Finnish Textile & Fashion

France: Union des Industries Textiles – UIT
Union Française des Industries de l'Habillement – UFIH

Germany: Gesamtverband der deutschen Textil- und Modeindustrie – GTMI
Messe Frankfurt GmbH

Greece: Hellenic Fashion Industry Association – SEPEE

Hungary: Association of Hungarian Light Industry – AHLI

Italy: Federazione Tessile Moda – SMI – Sistema Moda Italia
Miroglio S.p.A.

Latvia: Latvian Textile and Clothing Association – LATVIA

Lithuania: Lithuanian Apparel and Textile Industry Association – LATIA

Poland: Federation of Apparel and Textiles Industry Employers

Portugal: Associação Têxtil e Vestuário de Portugal – ATP

Serbia: Serbian Chamber of Commerce

Slovenia: Gospodarska Zbornica Slovenije – Chamber of Commerce and Industry of Slovenia, Textiles, Clothing and Leather Processing Association

Spain: Consejo Intertextil Español – CIE

Switzerland: TVS Textilverband Schweiz

Turkey: Turkish Clothing Manufacturers' Association – TCMA

Turkish Textile Employers' Association – TTSSIS
Turkish Textile and Apparel Exporters' Association – ITKIB

United Kingdom: Textile Forum

Europe: International Association of Users of Artificial and Synthetic Filament Yarns and of Natural Silk – AIUFFASS

European Linen and Hemp Confederation – C.E.L.C.

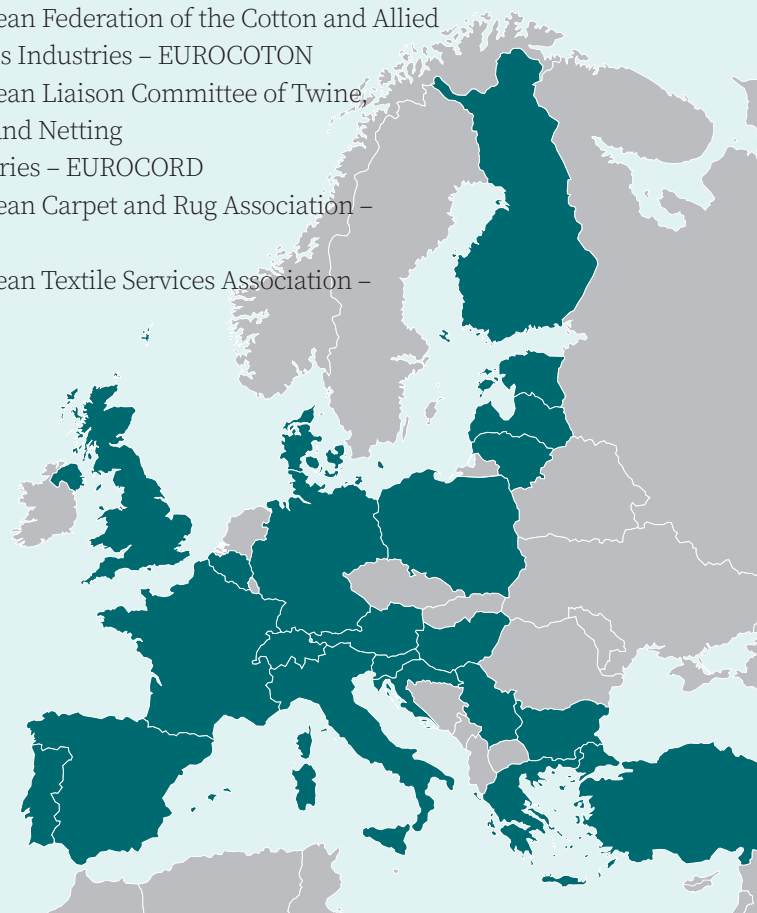
European Man-made Fibres Association – CIRFS
International Association Serving the Nonwovens & Related Industries – EDANA

European Federation of the Cotton and Allied Textiles Industries – EUROCOTON

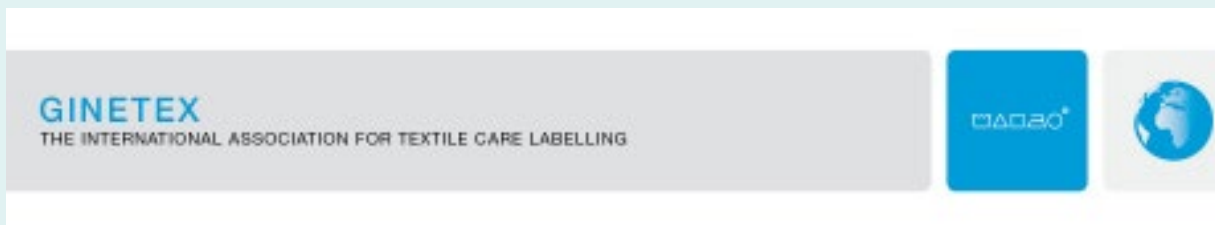
European Liaison Committee of Twine, Rope and Netting Industries – EUROCORD

European Carpet and Rug Association – ECRA

European Textile Services Association – ETSA



Supported by:



GINETEX is the International Association for Textile care labelling and owns and oversees the use of the five care symbols that are used on billions of garments a year. Developed by GINETEX in the 1960's, the care symbols for textile are designed to be understood in all countries, irrespective of language. They give consumers and retailers information on how best to wash, dry or clean their clothes. Following the correct care labelling can help keep your clothes in the best shape possible.

The GINETEX symbols are at the origin of the international standard EN ISO 3758 "Textiles - Care Labelling Code using Symbols", and are combined with the standard. GINETEX has been very active in ensuring that the symbols keep pace with technological changes in washing machines, tumble driers and the dry cleaning industry. Keeping the technical content as current as possible, whilst also maintaining simplicity in the symbols in order to translate to a global audience is a challenge that is met by GINETEX with ease.

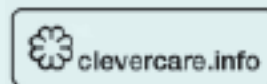
GINETEX counts 22 national organisations as member representing all interest parties concerned with textile care and labelling. Member list can be found under www.ginetex.net/members. Covering today almost all the European countries, North African countries, Brazil and Japan, GINETEX responds to the need of more than 6 500 companies' worldwide. Consumers all over the world know well the GINETEX symbols and even search and rely on it when they purchase textile and apparel products.

The interest and the knowledge of the consumer in terms of care labelling symbols is growing.

GINETEX is convinced on the importance of the standardization and the harmonization of a textile care label standard for the benefit of the textile and clothing industries as well as the benefit of the consumers worldwide.

The combination of the five basic care symbols used is covered by international trademarks which are registered with the WIPO (World Intellectual Property Organisation). GINETEX is the owner of the trademark. Any use or reproduction of the symbols requires the authorization of GINETEX or one of its national member organisations. The trademark helps to ensure a worldwide coordination and recognition of the care labelling system.

The care logo for extending the life of textile 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 and by carefully following the care symbols that can be found on a textile label – www.clevercare.info. The clevercare logo is not a technical symbol but advises consumers to consider a wide range of

actions. 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. Washing clothes less often, washing at a lower temperature, using larger loads and tumble drying less could cut the footprint by 7% (WRAP, 2012). A direct benefit of better garment care is longer lasting clothing; so while changing caring habits is a significant area for carbon savings, extending the active life of clothing offers the greatest savings overall.

clevercare.info®, is a registered trademark and is the property of GINETEX. All GINETEX licensees can use the clevercare logo for free. The specifications and implementation are given in the Technical Booklet of GINETEX. A consumer information platform at www.clevercare.info is offering tips and advices on the best low-impact care practices and is available in 14 foreign languages.

A new GINETEX app on care labelling

The GINETEX App gives information on all the textile care symbols and the clevercare.info logo. The download of the app is free of charge – just



scan the given QR-code or download it via Play Store or App Store. The app language is selected on the basis of the smartphone settings or in English. The app reads the QR-code on labels giving the care information relevant to the textile article. Companies may generate QRcodes and can also promote its own brand via banner advertisement on the app (for more information, ordering and registration, please visit <http://moma-wv.com>).

The consumer not only gets general information about textiles but by scanning the QR code he obtains very specific information about the purchased textile product (care information, raw material composition, and indication of origin). And all this as a service from your company! Such a service is based on your active promotion - by printing your company's own QR code, for example, on billboards, in your advertising, on your point of sale information, on your product packaging, your catalogues and any other advertising media and / or integration on your website.

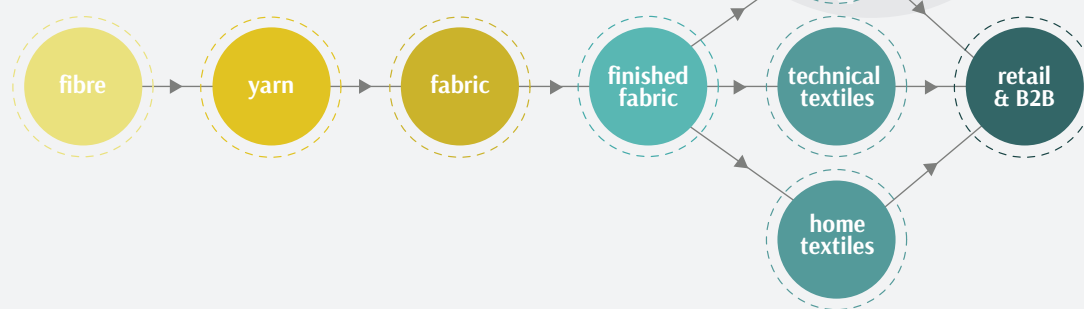
The care symbols on a garment provide information on the most severe treatment allowable, one that does not cause irreversible damage to the article during the care process. The care symbols should refer to the main article and this includes; colour fastness, finishing and accessories (such as buttons 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. However, lowering the wash temperature may affect the cleaning result.

Infographics

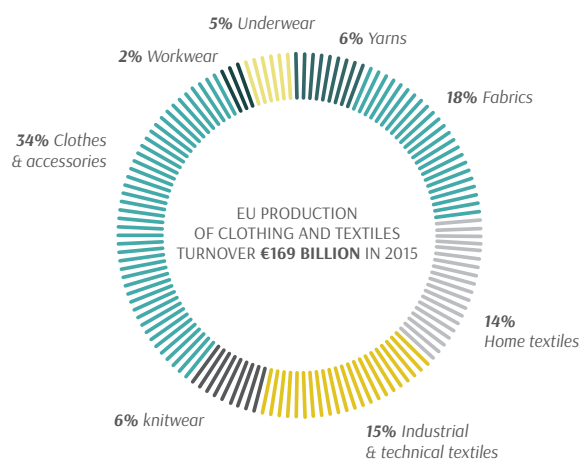
The EU is the 2nd world exporter of textiles and fashion goods

LONG TRADITION & INNOVATIVE SOLUTIONS

The strength of our industry is that each step of the value chain - from fibre through fabric to ready-to-use product, is present in the EU.

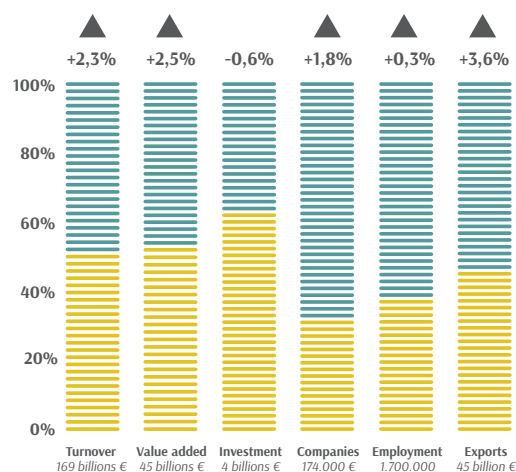


INDUSTRY AT A GLANCE



Upward trends of textile & clothing sector in Europe

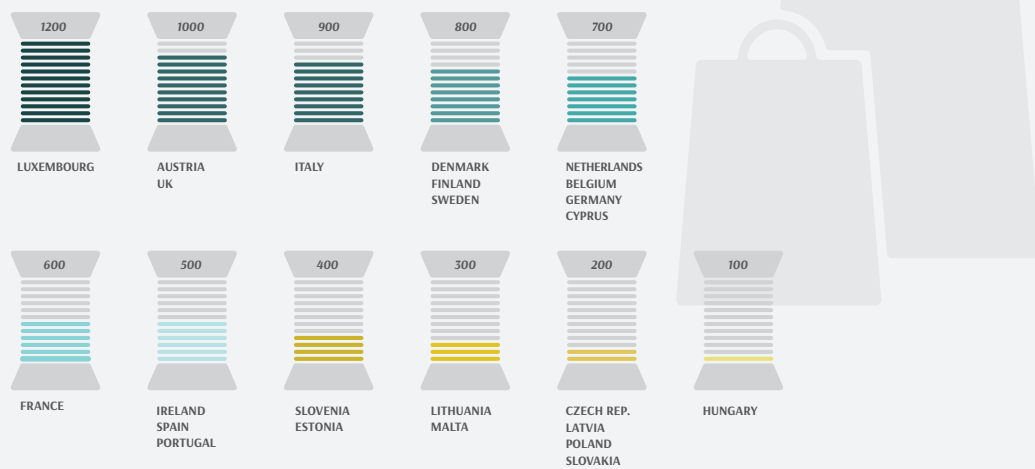
● Clothing ● Textile



SOURCE: EURATEX BASED ON EUROSTAT

EU IS A TOP 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)

TOP 10 EU PRODUCERS OF FASHION AND TEXTILE GOODS



SMALL COMPANIES - BIG IDEAS

Small and medium enterprises are at the core of the industry, representing 99% of the 175,000 companies. These companies directly employ 1.69 million workers

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

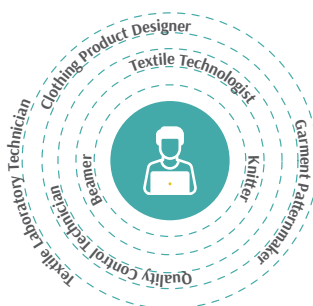


SOURCE: EUROSTAT

Until 2025, nearly 600.000 job openings are anticipated in the textile and fashion sector in the EU



TALENTED SKILLED EMPLOYEES ARE CRUCIAL FOR OUR SECTOR



EUROPEAN SECTOR SKILLS COUNCIL TEXTILE CLOTHING LEATHER FOOTWEAR, REPORT 2014