

A MANIFESTO TO DELIVER A CIRCULAR ECONOMY IN TEXTILES

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Global Fashion Agenda (GFA), International Apparel Federation (IAF), Sustainable Apparel Coalition (SAC)

As part of a global supply chain, the predominantly SME-based European textile and clothing industry employs 1.7 million people in 176,000 companies, generating a turnover of EUR 181 billion.¹ The European Commission recently identified the sector's large potential to become part of the circular economy, calling out textiles (apparel and fabrics) as a priority for future work.² A representative part of the fashion and textile industry is already engaged in and committed to this journey;³ however, the systems and tools to support a scaled circular system are currently inadequate. This manifesto sets out key requirements to address the most significant gaps in the effort to collaborate for true circularity.

This manifesto represents the start of a groundbreaking, international, industry-wide collaboration and indicates that our organisations agree that urgent action is required. As a diverse group representing the global nature of the industry, we have joined forces to achieve lasting change. We are willing and committed to supporting the journey to co-develop a European vision for textiles in a circular economy. In the coming months, we will expand on the issues below.

FRAMING THE ISSUE

- **Circularity should be considered as a means to achieve climate and resource protection** and not an end in itself
- **If any part of the loop is broken, a circular economy cannot function.** A holistic approach to circular economy in textiles must therefore go beyond waste and recycling and include measures to incorporate better design and materials
- **Identifying and addressing the weakest links** in the existing chain and supporting infrastructure is vital, as well as pinpointing the hotspots where investment and support will be needed
- **The loop is global, not regional**, which is why discussions about how to achieve a circular economy need to include all levels of the European Union (EU Member States and EU Institutions) and other regions. Any incoming EU action will have wider ramifications outside of Europe (e.g. due to the impact on imports and exports and compliance with EU law)
- **Closing the loop requires the whole industry to play its part**, and will not be achieved unless SME-based manufacturing is also brought on board, alongside fashion brands and retailers
- **The fashion industry has huge opportunity and responsibility to engage and empower consumers** on the journey towards a more circular industry, by providing and encouraging sustainable consumption behaviours

A NEW APPROACH

- **Transitioning to a circular economy requires a new toolbox** that brings together public and private initiatives to remove barriers, increase awareness, invest in technological innovation, stimulate demand and develop new business models
- **A coordinated approach across all institutions at EU-level** is essential to cover the full complexity of circular fashion and textiles
- **Smart regulation** will identify and alleviate areas that industry cannot address alone, while also allowing for and encouraging future innovation
- **Clearly defined roles and responsibilities** for each actor in the value chain will be key, such as public-private partnerships to address existing gaps

REWRITING THE BOOK

- **Bespoke circular solutions are required** because current policy instruments designed to lead the way towards a circular economy emerged from a linear economy and may not always match industry needs
- **New policies** must consider the diverse needs of industry players, from SMEs to multinationals
- **Policy incentives** for both the fashion and textiles sector and the supporting infrastructure will be required to advance the circular economy
- **Collaboration** by fashion brands, retailers and public procurers with manufacturers can be the catalyst for implementing circularity in the supply chain
- **The economic viability of each actor in the value chain needs to be realistically achievable** for the circular economy to be successful, just as it must resonate with consumers

¹ EURATEX key figures based on 2017 Eurostat.

² **Sustainable Products in a Circular Economy - Towards an EU Product Policy Framework Contributing to the Circular Economy**, Commission Staff Working Document (2019) (European Commission, 04.03.2019).

³ For example, through initiatives such as the Global Fashion Agenda 2020 Circular Fashion System Commitment, the Ellen MacArthur Foundation's Make Fashion Circular, and EURATEX's Prospering in the Circular Economy. Going forward, drawing on research by the Ellen MacArthur Foundation on circular textiles will be important.