

Policy Hub – Circularity for Apparel & Footwear: Comments on the Dutch EPR Scheme for Textiles

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We welcome the proposed Dutch EPR scheme for textiles as a tool to deal with the increasing amount of textiles waste. It will be crucial that the proposed scheme aligns with the upcoming EPR rules for textiles in the EU, expected to come in through the revision of the [Waste Framework Directive \(WFD\)](#). Our key comments on the proposed scheme are as per below:

Need for the establishment of a Producer Responsibility Organisation (PRO)

Establishing a single PRO will be key to ensuring a well-functioning and effective Dutch EPR system and will help to foster building the right infrastructure and the capacity needed for the textiles secondary raw materials market. Besides, it will help the authorities to monitor compliance. However, in the current proposal, it is still not clear when the PRO will be appointed.

It will be important to have a PRO system up and running by 2023 or the latest by 2024. Otherwise, the transition phase would be too short to meet the EPR requirements and targets since the reporting and performance requirements are set as of 1st January 2025 for the year 2024.

Regarding targets for reuse, preparation for reuse and recycling

While setting targets may be useful to stimulate the reuse, preparation for reuse, and recycling, it is of paramount importance that these targets are realistic and based on the sorting and recycling capacity. As the infrastructure for sorting and recycling is being scaled, the targets can be increased as well.

In the current proposal, some of the targets for preparation for reuse and recycling will only be achievable with a PRO-system in place. Hence, it will be extremely important that the producer responsibility organization (PRO) is set in place before the requirements to meet the targets begin. In addition, to avoid market fragmentation, it is essential to ensure that any targets set under EPR schemes are harmonised at the EU level, which the anticipated WFD revision will address.

It is also important to ensure that a reporting system is in place to gather data on the products placed on the market by the producers and the data on the collection and treatment of waste. Particularly, this should include the data regarding each step of the end-of-life management (collection, sorting, textile to textile recycling or downcycling, recovery, and landfill) and relevant actors involved, as well as other data relevant for the performance targets.

Regarding requirements for reused items

We welcome the proposed targets on reuse, however, the proposed requirements for a percentage of items to be reused in the Netherlands seem to be restrictive and present a potential barrier to building the economies of scale within the EU – which is needed to effectively create a meaningful textile recycling and reuse system. Also, this may be a potential violation of the EU Single-market principle. All goods should be able to flow freely to where there is the most demand, including used goods. Efforts to keep used goods within the whole EU (as opposed to flowing to developing countries) are preferable to trying to keep used goods in the Netherlands. It will be also key to ensuring the traceability of items sent for reuse.

Regarding the eco-modulation of fees

We agree with the fact that the PRO should eco-modulate fees as mentioned in the proposal. However, to be effective, the eco-modulation of fees will need to be aligned with the fee structure proposed in the upcoming EU-wide EPR rules. In addition, to make such eco-modulation criteria implementable, the criteria must be consistent with the anticipated product design requirements for the textile product categories under the [EU Ecodesign for Sustainable Products Regulation \(ESPR\)](#) to have a positive environmental impact. This will be key to securing coherence in the transition from national EPR law to the EU's regulated EPR system.

Uncertainty regarding placing good quality products

In the current proposal, it is not clear how the producers would benefit from placing 'good quality products' on the market. On p. 33 concerning art. 4, the proposal mentions that good quality end-of-life textile products are eligible for tax deductions in the Netherlands. However, it is not clear how this would work in practice, especially if collection becomes a joint PRO responsibility. In such a case, it is not clear who would gain the tax advantage.

Also, the proposal does not define what is meant by "good quality products" and there is no mention as to who would determine the high quality of products. Without such definition, it remains unclear how to receive the tax advantage nor is explanation provided as to what happens in cases where the collected textile waste is of such poor quality that it cannot be prepared for reuse. It is also not indicated whether and how such a tax advantage would relate to the eco-modulation of fees. For these reasons, we believe that this provision leaves too many open questions for the textiles producers and risks being not enforceable in practice. Also, any "good quality product" requirements should be aligned with the anticipated product design requirements for the textile product categories under ESPR.

Uncertainty regarding the application of recycled textile fibres

On page 34 (concerning art. 6), the proposal mentions that textile producers may be obliged to use recycled textile fibers in new textile products. We suggest that more information must be provided on this aspect as it is not clear what are the Dutch government's plans for setting recycled content targets. Does this mean that the government will decide on a minimum level of recycled content in new products? In any case, the percentage for recycled content set at the national level must be aligned with the recycled content requirements for textiles to be set as part of the delegated acts in the Ecodesign for Sustainable Products Regulation (see above) at EU level.

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ABOUT

The Policy Hub – Circularity for Apparel & Footwear unites the apparel and footwear industry to speak in one voice and propose policies that accelerate circular practices. Launched in 2019, the Policy Hub has four partner organisations: Sustainable Apparel Coalition (SAC), Global Fashion Agenda (GFA), Federation of the European Sporting Goods Industry (FESI), and Textile Exchange. In total, these organisations represent more than 700 apparel & footwear stakeholders including brands, retailers, manufacturers, and NGOs.

