

FEAD & EuRIC urge immediate support for the European post-consumer textile sector during EPR transition

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FEAD & EuRIC welcome the introduction of an EU-wide mandatory Extended Producer Responsibility (EPR) scheme for textiles, a critical step agreed upon by EU co-legislators on 19 February, as part of the targeted revision of the Waste Framework Directive (WFD). The introduction of EPR schemes across the EU is essential to safeguard competition in the single market and to incentivise much-needed investments in collection, sorting and recycling infrastructure for post-consumer textiles. However, while the incentives that the EPR schemes will provide is the right long-term solution to ensure textiles circularity, they **do not address the post-consumer textile sector's immediate crisis.**

With Member States given 30 months after the rules' entry into force to establish the EPR schemes, the post-consumer textile collection, sorting and recycling industries currently face a pressing crisis that requires urgent action.

As of 1 January 2025, Member States are obliged to separately collect textiles which will further increase the volumes of collected textiles, while quality of the collected used textiles will keep declining, particularly due to the rise of ultra-fast fashion. However, managing capacity has not expanded, nor have the outlets for the processed used textiles. On top of these, the handling of non-reusable textiles (both for recycling and energy recovery) remains costly for sorting and reuse operators, on top of the lack of market uptake for the recycled textile fibres. Without urgent support, valuable reusable and recyclable materials will be lost, and a whole industrial ecosystem that is key to the circular transition will collapse before EPR takes effect.

This conjuncture is challenging the financial sustainability of our industry and is potentially jeopardizing the resource autonomy of the EU. The existing operators wish to maintain and extend their important work, but they need support.

FEAD & EuRIC therefore propose ten key measures to support the post-consumer textile sector until EPR schemes are effectively implemented and operational:

Provide urgent financial support, tax incentives, and infrastructure development

1. Provide temporary financial support

We urgently call for a temporary funding mechanism to sustain textiles collection, sorting, preparing for reuse, and recycling operations until EPR schemes are fully implemented. This would ensure a level playing field across the EU, in view of the currently disharmonised legal frameworks, and help efficiently implement EU legislation and meet waste management and Circular Economy targets. This could be achieved through an EU emergency package (using existing tools such as the *Recovery and Resilience Fund*) that would be repaid by the Producer Responsibility Organizations (PROs) once operational. EPR schemes typically have a high level of reserves when they are introduced, which could be used to repay

this temporary funding mechanism. Existing EU funding opportunities for the textile sector¹ unfortunately fail to address the immediate financial pressures threatening the sector's survival.

2. Lower VAT for reuse, repair and recycling

On the one hand, reduced VAT rate on second-hand products and repair services would boost market demand for used textiles, stimulating the whole value chain. The upcoming Circular Economy Act and the Green VAT initiative (both expected by the end of 2026)² should also ensure that recycling services in the EU benefit from lower VAT rates to enhance competitiveness against virgin material production. On the other hand, a levy on virgin textiles should be introduced as a transitional measure until mandatory recycled content requirements come into effect. Such a levy should differentiate between biogenic and synthetic textiles, as they should not be subject to the same constraints.

3. Promote processing capacity in the EU and third countries

Separate collection of textiles requires appropriate outlets. Current EU sorting capacity is insufficient for sustainably managing collected textile streams. Significant investment will be needed to expand sorting capacity and kick off effective EPR schemes. EPR contributions from already existing EPR schemes and international public-private partnerships should be used to fund auditing systems (to ensure qualitative sorting across Europe and fight against illegal operators) and sorting infrastructure inside and outside the EU. This would help to address two major issues: lack of processing infrastructure in the EU and waste management issues in the Global South.

4. Remove barriers to R&D in textiles sorting and recycling technologies

Suppliers of recycling technologies are currently not able to handle waste on their sites without a waste permit. This creates a barrier to developing and optimising technologies in the EU since new technologies cannot be appropriately tested on post-consumer textile waste before being supplied to textile recyclers. R&D should be enhanced by introducing a waste permit derogation or dispensation system for small amount of waste (e.g. <100 Tonnes per annum) to be treated for research and innovation purposes – similar in principle to what is enshrined in the Industrial Emissions [Directive](#) (Article 42.2.b). Significant R&D investment in advanced recycling technologies is crucial to enhance the overall recycling capacity within the EU.

Optimize textiles collection and reduce costs

5. Optimize textiles separate collection through awareness-raising

Municipalities and citizens must be informed of proper disposal of used textiles for separate collection to reduce contamination risks (such as weather influences)³. Clear instructions on what should be kept out of the separate textile collection, have the potential to directly cut costs and to improve system performance. Given the financial challenges currently faced by post-consumer textile handlers, a sharp rise in collection volumes, could put additional strain on the system. To ensure the long-term success of textile collection, it is essential to first establish EPR schemes that provide the necessary financial and operational support, before achieving overly ambitious collection targets.

¹ Such as *Horizon Europe*, *LIFE programme*, *InvestEU*, and the *Single Market Programme*

² European Commission (2025), Communication "The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonisation"

³ [EuRIC Textiles](#) (2021), Handling & Sorting Specifications – For re-use and recycling of used textiles.

At the same time, it has to be ensured that illegally placed collection containers are strictly and immediately removed as they undermine the business of responsible collectors and recyclers.

6. Fair waste management costs

Collectors and sorting centres should be charged with incineration and landfilling tariffs similar to those applying to public entities. Separate collection is, after all, a public service. This would decrease the financial burden related to the management of non-reusable and non-recyclable materials. Furthermore, if the market value of collected textile waste consistently falls below collection costs, we call on public authorities to ensure that the existing textile collection value chain is adequately supported.

7. Suspend (temporarily) municipal fees on textile collection

Contracts and agreements between municipalities and collectors often include paying fees to municipalities related to container placement and/or clothes collection. We recommend the provisional suspension of these fees to support sorting operators and maintain service viability – depending on the specific circumstances and local regulations.

Strengthen fair trade of used textiles and sustainable imports of new textiles

8. Facilitate cross-border transfers of textile waste within the EU

In the spirit of a circular single market, any barriers to the transfer of unsorted collected textiles between EU Member States should be removed to optimize sorting and recycling capacity. Local sorting requirements should not be imposed or preferred, as not all EU Member States have sufficient sorting or recycling capacity installed. Unrestricted transfer from collection points to sorting and recycling facilities ensures that the combined sorting capacity of all Member States can be used at optimal cost.

Regarding the trade of recycled raw materials, we call for transition arrangements, before End-of-Waste criteria for textile recycling are defined (by the end of 2026), to ensure that those raw materials continue to be exported without any hinderance, until the new Waste Shipment rules start to apply as of May 2027.

9. Protect European textile reuse from unfair competition

The influx of second-hand clothes from China, often entering markets with minimal customs duties and tariffs, has significantly reduced outlets for European sorted used textiles. These low-cost imports outcompete European secondhand textiles in traditional export markets (e.g. Africa), thus decreasing the demand for European-sorted textiles, threatening businesses and jobs in the European post-consumer textile sector. We urge the EU 1) to negotiate reduced tariffs for European Second-Hand Textiles in trade agreements with African countries, and 2) to integrate second-hand textiles into the broader economic cooperation under the EU-Africa Global Gateway [initiative](#).

10. Address Ultra-Fast Fashion Imports: Removing the €150 Duty Exemption

E-commerce and ultra-fast fashion goods directly imported by consumers in the EU have dramatically increased in the recent years benefiting from the current duty exemption for low value parcels (up to EUR 150). We call for a swift adoption of the Commission's proposal to remove this EUR 150 duty exemption for imports as part of its Customs Reform proposed back in May 2023 and reiterated in the Commission's "EU toolbox for safe and sustainable e-commerce" released on 5 February. Removing



this Duty Exemption would be a first concrete step towards tackling ultra-fast fashion whose products are posing immense challenges to the reuse and recycling sector (poor quality and containing harmful chemicals).



EuRIC represents the recycling industry at a European level. Gathering the vast majority of national recycling federations from EU/EEA Member States, the Confederation represents about 5,500+ recycling companies – from market leaders to SMEs – generating an aggregated annual turnover of about 95 billion € by treating various waste streams such as household or industrial & commercial waste including ferrous and non-ferrous metals, end-of-life vehicles (ELVs), electronic waste (WEEE), packaging (paper and plastics), end-of-life tyres or textiles.



FEAD is the **European Waste Management Association**, representing the private waste and resource management industry across Europe, including 20 national waste management federations and 3,000 waste management companies. Private waste management companies operate in 60% of municipal waste markets in Europe and in 75% of industrial and commercial waste. This means more than 320,000 local jobs, fuelling €5 billion of investments into the economy every year.