Background paper for the Clean Clothes Campaign network

The intersections of environmental and social impacts of the garment sector

The business model at the heart of fast fashion drives destruction of our planet's social and environmental resources. Overconsumption of fast fashion is unsustainable for workers and the planet – both will suffer irreversibly if we do not change how we consume clothing globally.

As the Clean Clothes Campaign network embarks on the work relating to Global Strategic Framework #2 DOC5 A Just Transition to a New Business Model, this background paper – "The intersections of environmental and social impacts of the garment sector"- on the state of affairs in the garment industry aims to provide the network with a summary of relevant up to date information about the issues, intersections and responses from industry actors, stakeholders and civil society. The paper presents and contextualises known environmental impacts and impacts on climate changes and the intersections with labour rights, human rights and social issues in the sector

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Introduction

Clothing consumption and production is out of control

Demand for clothing continues to increase, particularly in growing consumer economies across the globe[1]. By 2030 global apparel consumption is projected to rise by 63%, from today's 62 million tons to 102 million tons - equivalent to more than 500 billion additional T-shirts.[2] By 2050 this figure is likely to be almost three times today's amount.[3]

Coherent with this development, utilisation rates of clothing have dropped significantly. The average number of times a garment is worn has decreased: a survey of 20 countries showed that consumers now wear less than 50% of items in their wardrobe.[4] The average American bought 68 new pieces of clothing in 2019. In 1980 this figure was 12. Half of these items are now worn 3 times or less.[5]

Needless to say, all this has a dramatic impact on the environment. Estimates regarding the textile industry's share of the global CO2 emissions vary between 3% and 10%.[6] Research indicates that the textile industry causes significant industrial water pollution[7]: 35% of micro plastics found in waterways originate from washing textiles[8] and cotton uses more pesticides and insecticides than any other single major crop. Generally, up to three kilograms of chemicals are needed to produce one kilogram of cotton garments.[9]

Garment industry, clothing consumption and climate change

According to some estimates, the fashion industry's global greenhouse gas emissions add up to more than the total emissions of all international flights and maritime shipping combined[10]. Projections made about the development of the industry impact suggests that if the industry continues on its current path, by 2050, it could use more than 26% of the carbon budget associated with the 2°C pathway. That is over a quarter of the world's carbon budget taken up by the fashion industry alone.[11]

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[1] Fibre2Fashion
[2] *A New Textiles Economy: Redesigning Fashion's Future*. (2017). Ellen MacArthur Foundation. p. 19.
[3] *A New Textiles Economy: Redesigning Fashion's Future*. (2017). Ellen MacArthur Foundation, p. 21.
[4] Fashion united
[5] Thomas, D. (2019). *The High Price of Fast Fashion*. Wall Street Journal.
[6] On recent research, refer to Climate feedback or Quantis: Measuring Fashion. On finding reliable data on the textile industry: Alden Wickler: Fashion has a misinformation problem. That's bad for the environment. (Vox).
[7] Textile Dyes: Dyeing Process and Environmental Impact (Farah Maria Drumond Chequer, Gisele Augusto Rodrigues de Oliveira, Elisa Raquel Anastácio Ferraz, Juliano Carvalho Cardoso, Maria Valnice Boldrin Zanoni and Danielle Palma de Oliveira) (2012).
[8] Primary microplastics in the oceans, IUCN (Boucher, Julien and Friot, Damien.)
[9] *A New Textiles Economy:* Redesigning Fashion's Future (2017), Ellen MacArthur Foundation.
[10] The World Bank
[11] *A New Textiles Economy: Redesigning Fashion's Future*. Ellen MacArthur Foundation (2017) p. 20.

The greenhouse gas emissions emitted by the industry are generated at all stages in the supply and value chain, through raw material production, processing and assembly, logistics, and in customer product care and end-of-life disposal.

Ever increasing mass production of garments is causing significant CO2 emissions exacerbating climate change, which impacts people in at-risk countries in the Global South, countries which often also produce garments to consumer economies in the Global North. The impacts of climate change can already be observed with drought and crop failure in India, flooding in Indonesia, climate change induced natural disasters in Bangladesh and more. Climate disasters force people to migrate, making them vulnerable to exploitation in sectors such as the garment industry. In addition to this climate change induced disasters also occur in districts with many factories.

Climate change is already impacting communities in 'climate-vulnerable' countries, including communities of garment workers.

Internal migration is one of the effects of climate change that is already making workers more vulnerable to exploitation by the garment industry.[12] In Bangladesh, two-thirds of land lies less than 5 metres above sea level. Flooding and rising levels of salinity in water tables in coastal regions are causing the land in these areas to be unsuitable for agriculture, and, as a result, farmers are increasingly abandoning farms and moving to the cities[13] where they join urban slum populations and seek work for example in the garment industry.[14]

Migrant workers are vulnerable to exploitation as they lack the social support networks and immediate family structures which often provide support for child care and generally help to mitigate or distribute risk. As can already be observed in Dhaka and Chittagong's urban slums, poor housing, lack of school and health facilities, and limited access to clean water and hygiene, are just some of the consequences of rapidly growing populations around factories, linked to internal migration.[15] Social infrastructure is not adequately developed to accommodate the increasing population thus presenting further risks for health and safety for people working in the factories.

In 2019 and 2020, production hubs in Indonesia experienced severe floods washing away urban slum areas where factory workers live.[16] In Karnataka state in India - a major garment producing hub - 80% of districts were hit by drought and crop failure in 2019. A government think tank reported that 40% of India's population will have no access to drinking water by 2030.[17] Changing weather patterns also affect cotton farmers in India as well as across the world.[18]

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[12] Plowman, Anna (2016) Bangladesh's Disaster Capitalism
[13] Ifpri.org. (2018). *Sea Level Rise to Force 200,000 To Migrate from Bangladesh Coastal Areas*.
[14] Marshall and Rahmann (2013).
[15] The Ready-Made Garment Sector and Children in Bangladesh. (2015). [PDF] UNICEF, pp.10-11.
[16] Bloomberg: Indonesia flood kills 30. Jakarta itself, which houses many garment factories (see open apparel registry), is sinking due to climate change year after year, with 40% of it now below sea level.
[17] The Guardian: Indian villages lie empty as drought…
[18] Fair trade and cotton (2020).

Threats to the environment and health from farm to factory - pollution and water use

There are negative impacts on the environment caused by production of textiles are often also harmful for people. When we speak about textile materials we generally speak of natural and synthetic (man-made) fibres. The two most used fibres for garments are polyester, which is synthetic, and cotton which is a natural fibre, both of which have their specific negative impact on the natural environment. But also forms of textiles and leather are implicated in pollution and causing harm to ecosystems and the health of workers.

Polyester is made from crude oil

Polyester remains the most common fibre on the market with 52% of the global market share.[19] Polyester is a synthetic fibre dependent on fossil fuel extraction as it is made from crude oil. The manufacturing process of the fibre is energy intensive and causes water pollution - microplastics are released into waste water and grey water both across manufacturing as well as from laundry during the life cycle of polyester garments.[20] Clothes made from polyester or similar types of textiles release half a million tonnes of micro fibres into the ocean every year, equivalent to more than 50 billion plastic bottles.[21] This waste is adding to already serious plastic pollution issues[22] that are harming animals and polluting water sources.

Cotton and pesticides

Cotton is a remarkably unsustainable product for both workers and the environment, yet it is the second most used fibre in textiles. It accounts for 23% of the global fibre market, and for 90% of all natural fibres used in the textile industry.[23]

Cotton farming harms land and soil due to the immense water use as well as use of pesticides and insecticides. To produce the cotton needed for just one shirt, you need up to 2,700 litres of water.[24] Fertilisers and pesticides that are damaging the planet are also poisoning families of workers.[25, 26]

The production of cotton threatens food security in places often already affected by shortage of clean water and food. Water resources used in cotton production could have been used for food production

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[19] Textile Exchange (2020). Preferred Fiber and Materials Market Report 2020, p.5.
[20] Avoiding Blind Spots: Promoting circular & Fair business models.
[21] Ellen MacArthur foundation.org. (2017). *Report creates vision for change*.
[22] IUCN
[23] *It's time for a fashion revolution - white paper*. (2015). Fashion Revolution, p.12.
[24] World Wildlife Fund. (2013). *The Impact of a Cotton T-Shirt*.
[25] Pesticide Action Network UK. (2020). *Cotton - Pesticide Action Network UK*.
[26] On sustainability of cotton, also see Other references about cotton:
Cotton and the environment. Organic Trade Association. and Cotton production at Aral Sea, Uzbekistan and Turkmenistan: The Aral Sea dries up due to irrigation for increased cotton production to feed the textile industry,. Environmental Justice Atlas.

in countries that experience hunger and poverty. Cotton cultivation also drives the deforestation. It is estimated that by 2030, the fashion industry could be using over 115 million hectares that otherwise could be used to grow crops for feeding the increasing population.[27]

Excessive use of fertilizers, pesticides and other chemicals is still common in cotton farming, particularly in smallholder farming, despite advances in farming technologies. Cotton covers just 2.4% of the world's cultivated land but uses 5.7% of the world's pesticides (and 16% of insecticides)[28], more than any other single major crop[29].

These chemicals filter into the groundwater, polluting large areas of land and threatening the health of farmers, as well as local communities. Thousands of cotton farmers and their families suffer from pesticide poisoning every year.[30]

The use of pesticides also has a huge social impact on farmers. Research shows smallholder cotton farmers often earn under $2 a day, yet are made to spend up to 60% of their annual income on pesticides.[31] Reports show that suicides of farmers have been linked to this economic hardship.[32]

Organic cotton can have a lower environmental impact than conventional cotton, because no synthetic pesticides and fertilizers are used. However, the share of organic cotton in the global fibre market remains under a 10th, even if it is growing steadily with increased demand.[33]

Chemicals used in the production of textiles, shoes and accessories are harming workers and the environment

A quarter of all chemicals produced in the world are used in textiles.[34] Chemicals used in leather, viscose and other textile production are harming the health of workers and the residents in the communities around the factories, as it pollutes water sources and destroys ecosystems.

Leather tanning and health impact in Bangladesh

According the World Health Organisation (WHO), 90% of people who live and work in the urban slums in Hazaribagh and Kamrangirchar die before they reach the age of 50.[35] The two districts are major hubs for leather tanning, for which large amounts of hazardous chemicals, such as chromium and

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[27] Global Fashion Agenda and Boston Consulting Group (2017) Pulse of the fashion industry, p.15.
[28] Pesticide Action Network, (2018). Is cotton conquering its chemical addiction: a review of pesticide use in global cotton production – New edition 26th June 2018.
[29] Pesticide Action Network: A review of pesticide use in global cotton production – New edition 26th June 2018.
[30] For more on existing studies and underreporting of chemical exposure data: Pesticide Action Network, (2018). Is cotton conquering its chemical addiction. p. 50
[31] Cotton - Pesticide Action Network UK. (2020)
[32] Fairtrade foundation (2015).
[33] Textile exchange: Organic cotton
[34] Changing Markets. (2020). *Dirty fashion*.
[35] Boseley, S. (2017). *Child labourers exposed to toxic chemicals dying before 50, WHO says*. The Guardian.

production mostly takes place with little safety measures taken on health protection or waste water management. Although not exclusively linked to leather, this statistic, reported by the WHO, undoubtedly owes a large debt to the industry situated in these small, densely populated districts.

Hazardous chemicals from leather tanneries are discharged into the air, streets and river, and workers report discoloured, itchy, peeling, acid-burned, and rash-covered skin; fingers corroded to stumps; aches, dizziness, and nausea; and disfigured or amputated limbs. Evidence also suggests elevated cancer rates among workers dealing with chemicals used for leather tanning.[36] Child labour in this industry is still common according to the Human Rights Watch report '*Toxic Tanneries'*, with children as young as 8 found to be employed in production.[37] The issue was also highlighted in the Change Your Shoes project.[38]

Production of viscose pollutes local water sources

The *Dirty Fashion* report on viscose manufacturing, found that factories in China and India dump untreated wastewater, contaminating local lakes and waterways. In Jiangxi, China, the viscose industry has been a factor in the pollution of Poyang Lake, turning the water black, killing fish and shrimps, and stunting crop growth. Growing incidences of cancer were reported, and villagers stopped drinking the well water in fear of the effect it could have on their families and children.

In Madhya Pradesh, India, viscose factories were found to be polluting the Chambal River, where downstream villages reported dark black water with streaks of red and an intense smell of rotting, indicating the presence of carbon disulphide. Families using the river suffer cancer and birth deformities, as their groundwater and soil have been contaminated by industrial pollution.[39]

In Indonesia, textile factories are dumping textile waste and water from bleaching and dyeing of fabrics into the Citarum river, which is a major water source for Jakarta. This has led to mass pollution of the river basin, with fish stocks dying out or born deformed, and farmers with rice paddies flooded by the river experience abrasions on their feet.[40]

Textile waste

Textile waste includes both the waste cut-off fabrics generated in production, the new unsold garments and those garments disposed of by the consumer when they no longer want it. The vast amounts of waste either end up in the oceans or in landfills or they are incinerated. Every second, the equivalent of one garbage truck of textiles is landfilled or burned.[41]

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[36] *Toxic Tanneries: The Health Repercussions of Bangladesh's Hazaribagh Leather*. Human Rights Watch (2012).
[37] ibid.
[38] Watch your step! (2017).
[39] Dirty Fashion: How pollution in the global textiles supply chain is making viscose toxic. (2017). Changing Markets Foundation.
[40] Freischlad, N. (2019). *Can Indonesia's military clean up 'the dirtiest river in the world'?*. South China Morning Post.
[41] Ellen MacArthur foundation.org. (2017). *Report creates vision for change*..

Much of our clothing waste ends up in the oceans, either as whole garments that break down over time, or through particles – micro plastics from polyester and similar fabrics – being released in washing, causing damage to ecosystems, where it is eaten by animals.[42]

The booming second-hand industry raises new challenges

The mass influx of second-hand clothes dumped in African countries has caused a waste problem and is damaging local textile production and job creation[43].

The second-hand and clothing reuse industry is a proactive response to recent fashion trends and mainstream criticism to overproduction, however, there are some concerns about its negative impact. Unsold second-hand clothes are likely to be shipped to and dumped in local markets in the Global South. In Uganda, for example, approx. 81% of all clothes sold today are cast-offs from the west. It has been widely reported that this influx of second-hand clothing to countries in the Global South is destroying local textile and tailoring economies.[44]

Responses from the industry and civil society to mitigate or resolve environmental issues and climate impact of the garment industry

CSR tactics to manage brand image

72% of consumers think clothing brands should be responsible for what happens during the manufacturing process. Over half (56%) would be put off from buying from brands associated with pollution.[45] In theory, this should lead to consumers being able to make a difference with their shopping habits. In practice however, brands bombard consumers with multiple labels and CSR stories about specific areas of work, deliberately used to divert attention away from critical scrutiny and often addressing only some areas of environmental and social concern while ignoring others. The use of CSR marketing therefore makes it near impossible for consumers to know how to make a responsible choice. The proliferation of these tactics, combined with poor transparency means brands can increasingly greenwash their real impact on the environment, without addressing the true structural issues in supply chains.

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[42] IUCN
[43] CUTS: The impact of second hand clothes and shoes in East Africa.
[44] BBC News. (2016). *Will East Africa ban used clothes?*.
[45] *Dirty Fashion Disrupted: Leaders and laggards revealed*. (2019). Changing Markets Foundation, p.16.

Circular economy and future of fashion

As a response to the waste issue in the global economy generally, the concept of circular economy has been taken up by progressive actors in the fashion industry. Circular economy makes great promises to solve some of the most pressing issues related to overuse of national resources and problems related to waste. It suggests an alternative model for production and consumption enabling the decoupling between environmental degradation and growth by reshaping the business model and creating opportunities for sustainable development within planetary boundaries.

A sectoral plan for textiles in the Circular Economy Action Plan has been identified as a priority in the European Green Deal, which also sets out the Commission's zero pollution ambition for a toxic-free environment. While circular economy is expected to offer solutions to the environmental damage caused by the industry, it does not automatically address social and human rights implications. Jobs that are created as a result of innovations in circular economy can be precarious and forced labour and labour rights violations in recycling facilities may occur. There have been reports about child and forced labour in textile sorting in Europe and India.[46, 47]

Voluntary corporate measures are failing to deliver change

The fashion industry has marked its own homework for too long. Auditing, used systematically across the industry by companies to check if factories meet social and environmental standards, has been shown to fail time and time again. The system not only fails to give true information about what is happening on the ground, but actively makes factories more dangerous by providing a false sense of security through checks that fail to represent a true picture of environmental or social concerns.

Key examples include the Ali Enterprises Factory that burnt down in September 2012 killing 250 people, just three weeks after being awarded SA8000 certification by audit company RINA, and the Rana Plaza building that collapsed in April 2013 after passing audits from TUV Rheinland.[48] Reports[49] [50] show that similar failures of self-certification occur in environmental auditing.

[46] News article: East European "textile slaves" found by…
[47] Textile Recycling Unravelled. Arisa and Sympany. (2020)
[48] *Fig Leaf for Fashion: How social auditing protects brands and fails workers*. (2019). Clean Clothes Campaign.
[49] *Fig Leaf for Fashion: How social auditing protects brands and fails workers*. (2019). Clean Clothes Campaign.
[50] Changing markets reports

Steps forward for the network

Negative environmental impact equals negative human rights impact

The environmental impact of the garment industry is also a human rights issue. The implication of the fashion industry in the global ecological and social crisis, did not occur by accident, but through decades of economic domination and exploitation. Multinational corporations (MNCs) based in Western countries have exploited the human and natural resources of poorer nations to produce cheap goods, control markets and make immense profit, further solidifying their global power.

Poorer communities , especially in the Global South where the majority of clothing production takes place, are the first to face the effects of the climate crisis - poor air quality, hunger, public health crises, drought, floods and displacement.[51] A systematic undermining of power (of women, of people of colour, of people of low income) and lack of voice given to worker communities in the Global South, has deliberately silenced people who would speak out about the destruction of the earth's natural resources and ecology.[52]

There is no justice for the planet without justice for people - and vice versa. Significant efforts must be made to ensure workers and their representatives are allowed to take power and a central role in co-creating the transformative change necessary to fix fashion. Brands have the resources and the responsibility to pay a living wage and remediate the environmental destruction they may have caused directly or indirectly.

In 2019, the textile industry generated $1.9 trillion.[53] The 20 largest businesses in the sector account for approximately 97% of the industry's global retail profits.[54] Thereby wealth and profits remain in the hands of this small group of corporations[55]. This stands in sharp contrast to the poverty wages earned by garment workers and the environmental destruction of production countries in order to generate massive profits. Against this backdrop it is obvious that it is not enough to redesign production while maintaining economic inequality and suppression of workers' rights.

[51] For more on this, see Anna Plowman: Bangladesh's Disaster Capitalism. (2016)
[52] For more on this, see Wretched of the Earth's letter to Extinction Rebellion.
[53] Global Fashion Agenda (2019). Pulse of the fashion industry.
[54] Hanbury, M. (2018). 20 companies dominate the world's fashion industry. Here's who makes the list. Retrieved from: Business insider website
[55] There is no statistics on the number of fashion brands globally, but State of Fashion by McKinley studies a total of 326 global companies.

Lack of transparency hurts the environment and workers' rights

Poor regulation of the globalised market has stifled the development of protections for workers and the environment. The relentless drive for cheaper production encourages countries with weak governance to compete for global business by degrading both labour rights and environmental standards.[56] For the environment, cost cutting leads to practices like illegal dumping of waste in rivers. For workers, this surfaces as employers increasingly use short term contracts to avoid paying seniority benefits and pushing forced overtime.

The cost of environmental and social responsibility is held in production countries, but rarely paid for through retail or purchase value. This means there is often insufficient means at lower levels of supply networks to meet costs such as paying living wages, upgrading energy efficiency in factories, sustainable disposal of waste, etc.[57]

The complexity of garment production and the lack of data about where clothes are made means environmental and social damage is often hidden. Consumers, workers, governments and even companies often don't know who makes our clothes. This allows for abuses of workers' rights and natural resources to go unchecked.

[56] See minimum wage suppression in Bangladesh as an example here and here.
[57] *Fixing Fashion: clothing consumption and sustainability*. (2019). London: House of Commons Environmental Audit Committee, p.13-14.

Recommendations

People and the planet go hand in hand. There is no ethical garment industry without sustainability for the planet. At the same time, solving the climate crisis cannot be done without addressing the systematic denial of human rights for the people who live in communities experiencing first-hand the consequences of climate change. They must be allowed to take power and be given the opportunity to negotiate transformative change, co-creating an industry that protects our planet's social and environmental resources.

Overconsumption is unsustainable for workers and the planet – both will suffer irreversibly if we don't change fast fashion and the model behind how we consume clothing globally.

To avoid loss of employment in the countries currently producing the majority of the textiles, social dialogue and forward-looking governance of the industries is required - at the global and national level.[58]

The following are some concrete steps that companies, governments, and the European Union can take to respond to some of the critical issues raised in this report:

Chapter	**Recommendations**
Climate	Companies must: ● Set publicly communicated, science-based targets for reducing the total emissions of whole supply chains and report on their performance. Where possible and if reliable data exist, calculations should be based on real data instead of static databases. ● Collaborate with other industry actors to reduce the use of fossil energy in factories located in high-risk countries. This can be done for example through national or international industry-wide MSIs.[59] A clear signal must be sent to producing countries that markets are moving towards a low-carbon economy. ● Shift to circular models / different material mix as part of GHG reduction strategies.

[58] ILO Working paper No. 326.

[59] For example, the German Partnership for Sustainable Textiles seeks to establish such collaboration. The initiatives are discussed with CSO members and need to involve CSO members of the PST and/or CSOs in the production country in the implementation. Amfori BEPI is another tool that companies can use tp facilitate the reduction of fossil energy use at production facilities in risk countries. For more, see Finnwatch: Supply chains as black as coal.

	● Brands must respect human rights, and as such pay a living wage. This enables people to fight for their rights, including environmental rights or the adaptation to climate change. Governments and the EU must: ● Governments must ensure that they reach national targets for carbon neutrality. ● Governments must follow consumption-based (direct and lifecycle GHG emissions) of goods and services and define sectoral, science-based reduction targets. ● The EU must continue the timely roll out and implementation of the European Green Deal proposals announced in December 2019, including the adoption of an EU climate law with a 2030 climate target of at least 65% emissions reductions; the decarbonisation of energy intensive industries through the EU Industrial Strategy;a new EU law on deforestation to ensure that products on the EU market are not linked to deforestation, forest degradation or ecosystem destruction; taking into account the sustainable blue economyin the implementation of the European Green Deal; setting a headline target on halving the EU's material footprint by 2030 in the EU's Circular Economy Action Plan; mobilising additional public and private funds for financing the Green Deal; and integrating the European Green Deal in the programming process of the EU external budget and Neighbourhood, Development and Cooperation instrument ● The EU must offer support to third countries to adhere to the same principles as in Europe.
Pollution and water	Companies must: ● Increase transparency in waste water management and chemicals management. ● Substitute hazardous chemicals; ensure establishment of inventories of chemicals; train suppliers of safe use, handling and disposal of chemicals; ensure accuracy of wastewater data, support and contribute to the establishment of publicly accessible Pollutant Release and Transfer Registers. ● Reduce the sourcing and processing of virgin materials and increase the use of more sustainable materials (organic, rainwater-fed cotton or recycled cotton and polyester) and alternative fibres, such as hemp, linen and lyocell. Companies must report on their progress in increasing the use of more sustainable materials in relation to the total raw material use. ● Mitigate and remedy contamination and pollution that are linked to garment production. Governments and the EU must: ● The garment industry is characterized by overconsumption. To achieve the EU Strategy's aim to build sustainable and circular consumption and production

	patterns, the EU should not steer away from developing binding rules and targets for member states and companies on extended producer responsibility, carbon emissions, waste management, or sourcing and processing of raw materials and chemicals. ● The EU Textiles Regulation makes labelling of textile products mandatory but the information is limited to fibre name and composition with washing instructions. The Commission must explore options to enhance the label by additional information on circularity aspects (durability and recycled content), chemicals, GHG emissions, and microplastics release potential.[60]
Waste & circularity	Companies must: ● Set clear targets for reducing the overall amount of waste generated in their value chains. ● Rethink business models and move away from a profit-maximising rationale, towards a mission-driven one. A circular approach may help companies create value by disconnecting profit from production volume, through slowing, narrowing and/or recycling resources as well as reducing waste and consumption of new materials. ● Reduction of production must be accompanied with the respect of workers' rights and assuring socially just transition programmes. ● Enforce social performance up and downstream in value chains by integrating social and environmental metrics and due diligence through a company's sourcing policies and private sector initiatives. ● All producers should fund the end-of-life management of the products that they put on the market. Extended Producer Responsibility schemes (EPR) can be a useful instrument in this regard, provided they reflect the waste hierarchy and are based on a democratic governance also involving civil society actors and social enterprises.[61] Governments and the EU must: ● Ensure that circular business models displace linear ones by developing comprehensive policy frameworks to incentivise circular businesses. ● Ban incinerating or landfilling unsold stock that can be reused or recycled. ● Make fashion retailers take responsibility for the waste they create through the Extended Producer Responsibility scheme for textiles and reward companies that take positive action to reduce waste. The Waste Framework Directive already stipulates separate collection of textiles by January 2025. This requires significant improvement in the collection of textile waste in all Member States. ● The EU must establish an integrated product policy framework for textile products, based on lessons learned under the Ecodesign Directive. Producers will have to

[60] Fair and sustainable textiles: European civil society strategy. (2020).
[61] Fair and sustainable textiles: European civil society strategy, p.15. (2020).

	meet legally-binding minimum requirements for design in order to have access to the EU market. [62] ● The EU must ensure that manufacturing outside of the EU (of products placed on the EU market) is required to meet the same standards as manufacturing within the EU through import restrictions of hazardous chemicals (both SVHC and beyond). Products made from recycled materials should fulfil the same minimum, environmental requirements as products made from virgin materials. Minimum requirements on products and recycled materials should be complemented by minimum requirements on social, human rights and governance.[63]
Transparency & regulation	Companies must: ● Increase transparency in value chains, e.g. by signing on to the Transparency Pledge on disclosing supplier data. ● Require solid reporting on environmental management from suppliers, and increase transparency in waste, wastewater and chemicals management. ● Improve sourcing practices and policies and increase FOB prices to ensure that the prices allow suppliers to manage waste and environmental risks, worker health and safety, as well as living wages. ● Support development and implementation of national and international due diligence legislation on emissions limits, materials, waste management and use of chemicals in the industry. EU and governments must: ● Introduce ambitious mandatory human rights and environmental due diligence legislation instead of relying on voluntary measures, putting in place an obligation on companies to respect human rights in their operations and supply chains.This includes: transparency on the due diligence process, on the supply chain, on wages paid in the supply chain, worker rights, gender rights and the awareness of risks and rights all the way down the supply chain, according to the “leave no-one behind” principle.[64] ● Strengthen the Non-Financial Disclosure Directive to: a. specify clear mandatory requirements for reporting on human rights risks, impacts and their management based on the UNGPs,32 and allow the establishment of further reporting criteria on particular risks of specific sectors. b. require supply-chain disclosure (production units and processing facilities) from,

[62] Fair and sustainable textiles: European civil society strategy. (2020).
[63] Fair and sustainable textiles: European civil society strategy. (2020).
[64] This paper is part of the Living Wage Through Transparency project. For the full list of recommendations on transparency, see the Position Paper on Transparency (2020).

	at a minimum, companies in high-risk sectors where violations are rife, such as garment. The supplier list should include machine-readable information on all production units and processing facilities, as well as the name, address, and parent company of the business, type of products made and number of workers at each site ● Trade agreements need to be made fully consistent with international agreements, sustainability requirements and goals to avoid negative impacts on nature and people. ● Ensure that civil society – unions, NGOs and worker groups – are invited to contribute to the design of any steps towards a circular economy. Strong input from and on behalf of existing and future workers is vital to create a future industry that tackles both environmental and social challenges at the same time.[65] ● Ensure that the EU's upcoming Textile Strategy, that aims to sustainable and circular consumption and production patterns, supports binding rules and targets for member states and companies on extended producer responsibility, carbon emissions, waste management, or sourcing and processing of raw materials and chemicals.
	Consumers and citizens can: ● Demand that both social and environmental justice is delivered in the fashion industry, starting with a change to the business model. ● Support civil society and engage with associations or decision makers to address the structural issues affecting the environment and employees.

[65] For example, the Just Transition Centre, set up by ITUC, brings together workers and their unions, communities, businesses and governments in social dialogue to ensure that labour has a seat at the table when planning for a Just Transition to a low-carbon world.