







## JOINT POSITION ON THE EU STRATEGY FOR SUSTAINABLE TEXTILES

We welcome the EU Commission's efforts to make our industry truly sustainable. Working directly with brands and their suppliers has taught us that a sustainable garment and textile industry asks for measures that address **environmental**, human rights and commercial **practices** within the industry<sup>1</sup> in a comprehensive manner.

While we applaud the efforts for coherent policy-making for our industry, we would like the EU strategy for sustainable textiles to address potential negative impacts that new and/or circular business models may have on factory workers, producers and farmers. The only way that the EU strategy for sustainable textiles can support the transition to a fully sustainable supply chain, is if human and labour rights are respected and the decent work principles are applied throughout all levels of the supply chain.

Therefore, we ask the EU Commission to see the EU Textile Strategy as the **overarching strategy** for the sector by incorporating strong social practices and to follow a holistic approach that embraces a smart mix of measures.

Below we have provided key topics that – from our perspective – need to be included in the EU Textile Strategy to meaningfully improve social practices of the European garment and textile industry and to develop this holistic approach.

1. <u>The EU mHREDD initiative should be instrumental to the EU Textile Strategy.</u>

In line with the OECD guidelines<sup>2</sup> and the UNGPs<sup>3</sup>, all companies in our industry have a responsibility to respect human rights in their supply chains, regardless of their size. Currently, companies who uphold these duties can be vulnerable to competitive and financial disadvantages.

European garment and textile companies outsource the majority of their production to third countries, working with numerous suppliers throughout the various tiers. They often source indirectly through agents and place (small) orders with many different suppliers. The lack of leverage and oversight this causes, as well as the unequal power balance between buyers and suppliers, can compromise safety, labour rights and environmental performance at farm and production level.

<sup>&</sup>lt;sup>1</sup> <u>https://www.theindustrywewant.com/ec-sustainable-textile-strategy</u>

<sup>&</sup>lt;sup>2</sup> <u>https://mneguidelines.oecd.org/responsible-supply-chains-textile-garment-sector.htm</u>

<sup>&</sup>lt;sup>3</sup> <u>https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr\_en.pdf</u>

The aforementioned issues can impede many companies to take measures in their supply chain to positively impact human rights and environmental performance. To tackle these issues, EU due diligence legislation is needed. We therefore call for the EU Commission to use the efforts made for human rights and environmental due diligence (HREDD) legislation under the Sustainable Corporate Governance initiative. This legislation should be instrumental for the EU strategy for sustainable textiles Strategy, with a push for collaboration to increase leverage and equal partnerships.

## 2. New business models should be responsible business models

Current business and purchasing practices have a negative social and environmental impact. We are pleased with the Strategy's acknowledgment that developing **new and/or circular business models** is necessary in the garment and textile industry, including the role of purchasing practices of brands. However, we ask the Commission to consider the impact of new business models on both the people working in the industry and on the environment. Addressing this needs a coherent approach. Human and environmental rights should be part of, and given equal weighting in new and/or circular business models. We ask the Commission to encourage the development of business models that ensure decent working conditions for all workers, and that have a positive impact on the environment.

## 3. Promotion of sector dialogue on key social practices

The promotion of **sector dialogue and multi-stakeholder engagement** can accelerate the transition to a sustainable supply chain. This can be done by stimulating exchange and scale up learnings on **key topics such as living wage/income, purchasing practices and supply chain transparency**. Multistakeholder and business initiatives could provide systems to scale up the implementation of meaningful due diligence and help ensure a Just Transition. They can frame and contribute to the development of an industry transition pathway towards new and/or circular models that improve social, environmental and commercial practices.

## 4. Responsible public procurement

Governments have a duty to protect human and labour rights. With the EU public sector being responsible for procuring over  $\epsilon$ 8 billion p.a. of textile and workwear products<sup>4</sup>, public procurement can have significant leverage to improve general conditions along the supply chains by expressing a demand for socially as well as environmentally sustainable supply chains in their tenders. We, therefore, would like to see a **better inclusion of social criteria in public procurement** as part of the EU strategy for sustainable textiles.

With this letter our organisations are kindly requesting the EU Commission to integrate socially responsible business conduct in the EU strategy for sustainable textiles, with special attention for

<sup>4</sup> http://www.ecap.eu.com/wp-content/uploads/2016/09/ECAP-Workwear-Report-Pt-1-def-final.pdf

a level playing field, new business models with a positive impact on the whole supply chain and sector dialogue. Only then, can we ensure the active prevention of human rights abuses and environmental harm within the garment and textile industry.







For workers' rights. For better business.

