

Transition Pathway for the Textiles Ecosystem

Report on stakeholder pledges and commitments 1 March 2024

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EXECUTIVE SUMMARY

The European Commission published the <u>transition pathway for the textiles ecosystem</u> on 6 June 2023, followed by an online <u>call for commitments</u>. Stakeholders are invited to contribute to the implementation of the transition pathway by submitting commitments with concrete actions and targets.

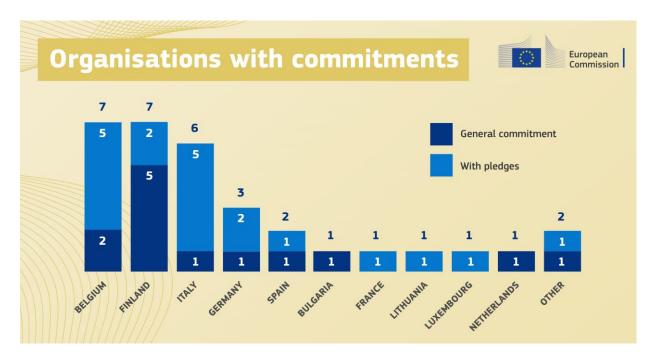
This report summarises the first round of commitments which includes **110 concrete pledges from 19 organisations covering all 8 building blocks of the transition pathway,** namely i) sustainable competitiveness, ii) regulation and public governance, iii) social dimension, iv) R&I, techniques and technological solutions, v) infrastructure, vi) skills, vii) investment and funding, and viii) readiness to support EU strategic autonomy and defence efforts.



Pledges published under the respective building blocks of the transition pathway

In addition, a number of organisations (13) have submitted commitments without concrete actions or measurable targets. In view of publication and this report, such submissions are referred to as "general commitments", whereas the term "pledge" is used to refer to a concrete action presented by organisations with a measurable target.

Some organisations have also several activities reported under one specific transition pathway action, however, for the purpose of this report such actions are only counted for as one pledge. Thus, the Commission received many more submitted commitments than those that are now published as pledges. Therefore, no quantitative conclusions should be drawn from this first published set of pledges. It shows many good examples and can serve as best practices or inspiration for other stakeholders preparing commitments.



Number and origin of organisations that have submitted pledges and general commitments ("other" means non-EU countries)

The collection of pledges continues and you can find more information on the organisations that have submitted pledges and general commitments, as well as the published pledges, on the European Commission's dedicated website.

This **report** summarises and illustrates interesting examples of submissions, sometimes shortened to fit the format of this report. Stakeholders are invited to browse <u>the full set of pledges published online</u>. These may provide useful information and inspire new submissions.

From this first round of publication, we can observe that:

- The largest share of pledges comes from companies/business organisations and business associations.
- Sustainable Competitiveness is the building block with the highest overall number of pledges (35%), followed by Regulation and Public Governance (17%), R&I, Techniques and Technological Solutions (14%).
- The action with the highest number of pledges is action 1, with significantly more pledges than the other actions. The action with the second most pledges is action 2.
- Actions relating to skills have a high combined number of pledges.

There is a considerable difference in the number of pledges across the different building blocks, with over a third of the published pledges under Sustainable Competitiveness, followed by Regulation and Public Governance, and R&1, Techniques and Technological Solutions. This may be since these building blocks relate, in particular, to the twin transition and upcoming EU legislation on sustainability, which affect the industry to a great extent.

Actions in the transition pathway relating to skills also account for a significant number of published pledges, which shows the interest, and need, among stakeholders to ensure adequate skills in the sector, as well as support for the EU Pact for Skills for the Textiles Ecosystem.

The **collection of pledges** is a continuous process. All stakeholders are invited to respond to the online <u>call for commitments.</u>

INTRODUCTION

On 10 March 2020, the Commission adopted a new industrial strategy¹. The aim was to help the EU industry lead the green and digital transformation and to boost the EU's global competitiveness and open strategic autonomy. In light of the COVID-19 pandemic, the industrial strategy was updated in 2021², highlighting the need to further accelerate the green and digital transitions and to increase the resilience of EU industrial ecosystems. To do so, the Commission proposed to launch so-called "Transition Pathways", co-created with stakeholders, including for the textiles ecosystem.

The textiles ecosystem is characterised by high quality of production, front runner position in terms of uptake of sustainability practices and strong leadership in high value-added segments where drivers of competitiveness are difficult to replicate.

A set of challenges stem from the ecosystem's deep integration in global value chains. This strong exposure to international trade and global value chains inevitably increases the ecosystem's dependence on imports for domestic production and consumption. Over 70% of fashion products consumed in the EU are imported.

A key challenge for the green transformation is to boost investments to accelerate sustainability and circularity. Hence, efforts are needed to boost production of circular textiles, as well as investments in digitalisation to enhance the production flows of textile manufacturing. Another challenge is to onboard consumers in the green transition and create more demand for sustainable products and reshape consumption patterns.

Digitalisation provides the operational tools to make textile manufacturing more competitive and sustainable. Efficient textile production requires well-planned production flows. Challenges operators face are to adapt to fashion trends, stock planning and product lifecycle management. Digitalisation can give operators the tools to adapt to flexible production cycles and hence become more efficient.

¹ European industrial strategy | European Commission (europa.eu)

² COM(2021) 350 final

The co-creation process for the Transition Pathway for the Textiles ecosystem was initiated on 30 March 2022 with the publication of a Staff Working Document (SWD)³ with scenarios for a more resilient, sustainable and digital textiles ecosystem. At the same time, the Commission launched a targeted stakeholder consultation to collect comments and contributions to which 103 replies were submitted. During 2022, four workshops were held with stakeholders covering sustainability, digitalisation, resilience and the social dimension of the transition. A concluding workshop was organised in October 2022 with 140 participants. The input from the stakeholder consultation was published in a report drafted by experts supporting the European Commission in the co-creation process.⁴ Exchanges were also undertaken with the European Parliament, the Council, and social partners with valuable input and support.

The resulting <u>transition pathway for the textiles ecosystem</u> policy report, published on 6 June 2023, identifies 50 specific actions under 8 building blocks, namely: Sustainable competitiveness; Regulation and public governance; Social dimension; R&I, Techniques, and Technological Solutions; Infrastructure; Skills, Investments and funding; Ecosystem's readiness to support EU strategic autonomy and defence efforts. Each building block covers a key aspect of the twin transition and the desired move to greater resilience and competitiveness, and a number of specific actions together with a timeframe for implementation (short-term, medium-term, or long-term) and identification of the key actors involved.

Moreover, several of the actions in the transition pathway have links to the **EU Strategy for Sustainable and Circular Textiles**⁷⁵, and the **EU Pact for Skills for the Textiles ecosystem**.⁶ The EU Strategy for Sustainable and Circular Textiles sets out a framework to facilitate the transition of the textiles ecosystem towards increased circularity and sustainability by 2030, and to this end announced actions, both legislative and policy initiatives, along the textiles value chain.

Co-implementation as a follow-up to co-creation

The co-creation process proved to be useful in getting input and building the transition pathway together with the stakeholders of the textiles ecosystem. With the publication of the transition pathway policy report the process continues with a co-implementation phase involving all interested stakeholders. The aim of the co-implementation phase is to bring forward the identified actions and to monitor progress of the transition. Submissions were – and still are - collected through an online <u>call for commitments</u>, which remains continuously open.

Pledges do not necessarily need to be new actions; they can be an existing engagement with a concrete target in the future and a clear link to a transition pathway action. The key elements for successful pledges thus include: **1**) ongoing or future concrete actions, **2**)

³ <u>SWD(2022) 105 final</u>

⁴ For more information on the co-creation process and the report, see: <u>https://single-market-</u> economy.ec.europa.eu/sectors/fashion/textiles-transition-pathway_en

⁵ COM (2022) 141 final, see also <u>Textiles strategy (europa.eu)</u>

⁶ https://ec.europa.eu/social/main.jsp?catId=1517&langId=en

measurable targets/indicators, preferably with a planned date to be able to follow progress over time; and **3**) linked to a specific transition pathway action.

In view of publication, the term "pledge" is used to refer to a concrete action presented by an organisation with a measurable target, whereas submissions without concrete actions or measurable targets are referred to as "general commitments" but not published.

Pledge preparation included bilateral feedback by the textile team in the European Commission's Directorate General for the Internal Market, Industry, Entrepreneurship & SMEs (DG GROW), suggesting - where needed - specific areas for improvement. Following the feedback many organisations re-submitted concrete actions with verifiable targets. Some organisations may also still elaborate their submissions, which could then be included in the next round of publication. In addition, some of the published pledges have been summarised by the DG GROW textiles team for the sake of conciseness.

In order to ensure a continuous collaboration with stakeholders, the European Commission will establish a **Transition Pathways Stakeholders' Support Platform** (currently under development). The textiles part of the platform will, besides providing access to information relevant for the textiles ecosystem (including on funding opportunities and relevant legislative developments), create a stakeholder community across the textiles ecosystem and facilitate community activities. Moreover, the platform will support the implementation of the transition pathway and provide a key tool for monitoring and supporting the transition of the ecosystem, including facilitating the collection and publication of pledges, as well as taking stock of commitments and progress made.

Finally, the European Commission is planning to organise a **stakeholder event** in the coming months to support the co-implementation of the transition pathway, share best practices and lessons learnt so far.

Objectives of this report

By gathering and publishing pledges, several objectives are supported:

- Demonstrating that stakeholders in the textiles ecosystem are committed to the objectives of the transition pathway and take concrete actions to this end;
- Showing examples of leadership, innovation and best practices for peers and collaborators to follow;
- Helping to point out key topics, actors and regions with ongoing actions, as well as areas where possible gaps remain or which require further attention;
- Supporting synergies between stakeholders, Member States, policy areas and initiatives; and
- Providing information for assessing the progress of key activities in the textiles ecosystem and on possible needs to refine priorities and support mechanisms.

The following sections summarise the current status of collection of pledges and general commitments. The first section presents an overview of organisations that have sent submissions. The second section highlights some main observations from published pledges as well as concrete examples, divided by topic. Annex I draws upon the lessons learnt and summarises guidance on pledge preparation. Annex II presents the list of the 50 specific actions identified in the transition pathway as a reminder for the reader.

OVERVIEW OF ORGANISATIONS

This section gives an overview of the stakeholder organisations that have submitted general commitments or concrete pledges to support the transition pathway for the textiles ecosystem.

To date, there are in total 32 organisations established in 10 EU Member States and 1 non-EU country (USA) which have submitted commitments. Out of these, 19 organisations have altogether <u>110 concrete pledges</u>, <u>published on the Commission's website</u>.

Figure 1 illustrates the distribution of these organisations across the EU. **Belgium, Finland and Italy** have the highest number of organisations with submissions, while Belgium and Italy also have the highest number of organisations with concrete pledges. Finland has the highest number of organisations with general commitments.

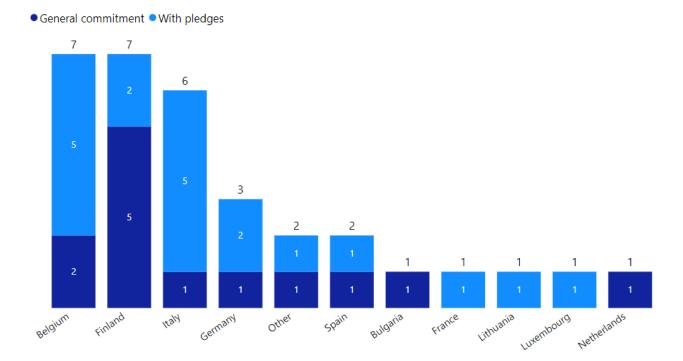
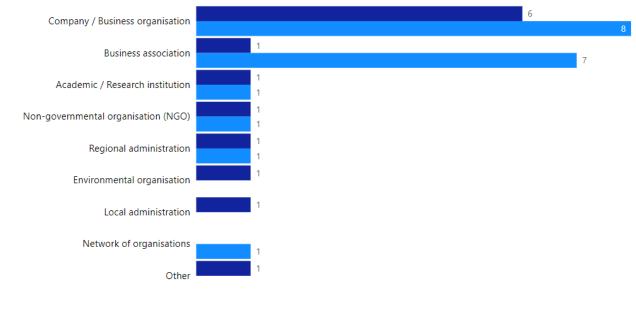


Figure 1: Number and origin of organisations that have submitted pledges and general commitments ("other" means non-EU countries)

Belgian organisations are roughly equally distributed between company/business organisations and business associations, whereas Finnish organisations represent to large extent company/ business organisation. Thus, several of the organisations located in Belgium are EU industry associations with members from different Member States. Italian companies are more broadly distributed across different organisation types (business associations, company/business organisation, Academic/Research Institution and Local Administration).

Figure 2 shows the organisations based on their structural type. The figure also shows how many organisations have concrete pledges or general commitments. Among the organisations, company/business organisations represent the largest group with pledges, as well as with general commitments. Business associations account for almost the same number of organisations with pledges but less with general commitments.

For the other organisation types, the number with pledges and general commitments are rather equally spread. To date, a limited number of administrations have submitted pledges or commitments, and thus the large bulk of pledges and commitments come from the private sector. The industry plays a key role in the transition of the textiles ecosystem, including up-and reskilling activities and the upcoming EU legislation on sustainability. Thus, it is not surprising that the biggest share of submissions come from industry. However, more could be done to increase participation of public administrations, as well as NGOs and trade unions. Countries without pledges should also be further targeted, to raise awareness about the transition pathway among stakeholders and gather engagement.



General commitment
 With pledges

Figure 2: Types and number of organisations that have submitted pledges and general commitments

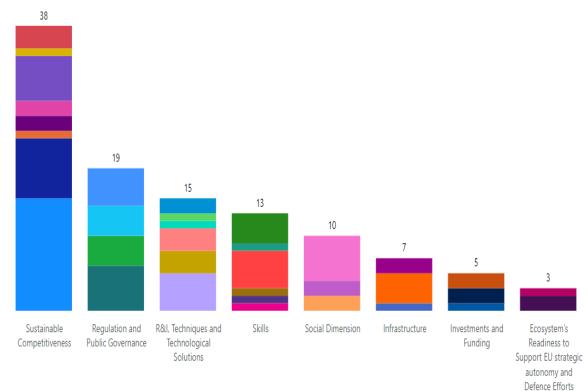
SUMMARY OF PLEDGES

As explained in the introduction, the Commission received many more commitments than those that are now published as pledges. In addition, some organisations have several activities reported under one specific transition pathway action. For the purpose of this report, such activities are counted for as one pledge. Therefore, no quantitative conclusions should be drawn from this first published set of pledges, nor should the number of pledges published be considered for statistical analysis of all activities taking place among stakeholders in the textiles ecosystem.

The published pledges provide interesting insights and excellent examples of concrete actions that different types of stakeholders undertake to support the ambitions of the transition pathway for the textiles ecosystem; and can serve as best practices or inspiration for other stakeholders preparing commitments.

Overview of pledges

To date, there are 110 published pledges, covering all 8 building blocks of the transition pathway, with pledges for 35 out of the 50 actions (see Annex II for the list of actions per building block). For several of the other actions, submissions from stakeholders have been received but these are considered as general commitments rather than concrete pledges.



● 01 ● 02 ● 08 ● 09 ● 10 ● 11 ● 12 ● 13 ● 14 ● 15 ● 16 ● 17 ● 19 ● 20 ● 21 ● 23 ● 24 ● 25 ● 27 ● 29 ● 30 ● 32 ● 33 ● 36 ● 37 ● 38 ● 39 ● 40 ● 41 ● 42 ● 43 ● 44 ● 45 ● 47 ● 49

Figure 3: Published pledges by transition pathway building blocks and actions

Overall, building block 1 (Sustainable Competitiveness) has the highest number of pledges, with 38 pledges published, and also the highest number of pledges for a specific action, which is Action 1: Promote, support and implement circular and sustainability practices, services and business models, including social economy enterprises (such as product-as-service models, take-back services, second-hand and repair services, innovative sorting and recycling) including through Horizon Europe, LIFE, and the 'ReSet the Trend #ReFashionNow' campaign and actions from the Social Economy Action Plan.

A significant part of pledges also focused on **Action 2** (Recognise and value specific sustainability practices undertaken by the industry through, for example, promoting the uptake of safe and sustainable by design chemicals and materials, and promoting the visibility and uptake of the EU Ecolabel scheme) and **Action 11** (Create more demand for sustainable products and onboard consumers in the green transition by launching consumer campaigns to create awareness and to reshape consumption patterns including under the motto ReSet the Trend #ReFashionNow, as well as supporting emotional durability by designing products that people want to keep).

Building block 2 (Regulation and Public Governance) has the second highest number of pledges published, with a total of 19. Action 14 (Follow-up on actions in the EU Strategy for Sustainable and Circular Textiles, including specific ecodesign requirements, the Digital Product Passport, circular and sustainable management of textile waste and possible extended producer responsibility rules, and encourage industry participation in the relevant consultations), is the action with most pledges. However, there is a quite similar number of pledges for **Action 15, Action 16** and **Action 17.** These actions all relate to the EU Strategy for Sustainable and Circular Textiles and actions announced therein.

R&I, Techniques and Technological Solutions is the building block with the third largest share of published pledges (15 pledges). There is a fairly equal distribution of pledges amongst building block 3 (Social Dimension), and building block 6 (Skills), while building block Infrastructure), 7 (Investments and Funding) and 8 (Ecosystem's Readiness to Support EU strategic autonomy and Defence Efforts) have fewer pledges.

As shown in figure 4 below, there is a considerable difference in the number of pledges across the building blocks, with over a third of the published pledges under Sustainable Competitiveness, followed by Regulation and Public Governance and R&1, Techniques and Technological Solutions. This may be since these building blocks relate, in particular, to the twin transition and upcoming EU legislation on sustainability which affect the industry to a great extent.

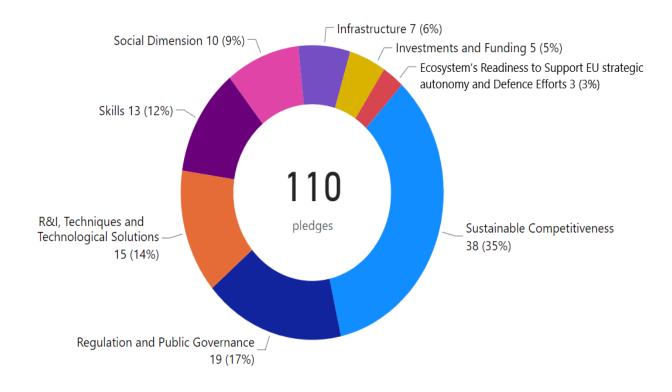


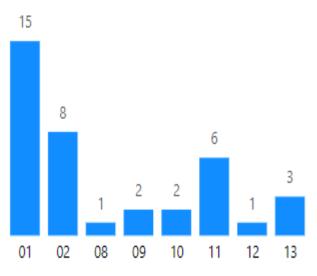
Figure 4: Pledges published under the respective building blocks of the transition pathway

The following sections give some more information and examples of published pledges in all the building blocks.

Sustainable Competitiveness

38 pledges were published in this building block under the following actions:

- Action 1: Promote, support and implement circular and sustainability practices, services and business models, including social economy enterprises (such as product-asservice models, take-back services, second-hand and repair services, innovative sorting and recycling) including through Horizon Europe, LIFE, and the 'ReSet the Trend #ReFashionNow' and campaign actions from the Social Economy Action Plan.
- Action 2: Recognise and value specific sustainability practices undertaken by the industry through, for example, Figure 5: Published pledges under Sustainable promoting the uptake of safe and sustainable by design chemicals and materials, and promoting the visibility and uptake of the EU Ecolabel scheme.



Competitiveness

- Action 8: Support SMEs through the Enterprise Europe Network (notably through the ٠ EEN Textile Sector Group), the Eurocluster initiative and the EU Circular Economy Stakeholder Platform to innovate and accelerate the green transition. Provide EEN advisory services to SMEs in the ecosystem in areas from a dedicated business plan, to innovation, advice on various types of funding and EU programmes, to legislation, networking activities and events.
- Action 9: Support SMEs through the Enterprise Europe Network (notably through the • EEN Textile Sector Group) and the Eurocluster initiative to grow internationally by organising trade fairs, business-to-business matchmaking and provide advice on funding and the regulatory framework.
- Action 10: Undertake risk assessment and prepare management plans for potential disruptions of global supply chains.
- Action 11: Create more demand for sustainable products and onboard consumers in the green transition by launching consumer campaigns to create awareness and to reshape consumption patterns including under the motto ReSet the Trend #ReFashionNow, as well as supporting emotional durability by designing products that people want to keep.
- Action 12: Reduce number of fashion collections per year. •
- Action 13: Establish a community of practice for the textiles ecosystem as part of the ٠ Transition Pathway Stakeholder Support Platform.

This is the building block with the largest number of pledges overall (more than one third of all published pledges). As demonstrated by Figure 5, the highest number of pledges are under Action 1, however Action 2 and Action 11 also have a fairly high number of pledges. These actions all relate to the green transition, and the pledges come from a variety of stakeholders (such as company/business organisations, business associations, academic/research institution, network of organisations, regional administration, NGO), mainly in the private sector.

Examples of published pledges

Action 1: Promote, support and implement circular and sustainability practices, services and business models, including social economy enterprises (such as product-as-service models, takeback services, second-hand and repair services, innovative sorting and recycling) including through Horizon Europe, LIFE, and the 'ReSet the Trend #ReFashionNow' campaign and actions from the Social Economy Action Plan

By Adidas (company/business organisation, Germany)

By 2025, nine out of ten Adidas articles will be sustainable. Adidas defines articles as sustainable when they show environmental benefits versus conventional articles due to the materials used, meaning they are – to a significant degree – made with environmentally preferred materials.

By 2030, Adidas will reduce absolute greenhouse gas (GHG) emissions by 30% across the entire value chain (Scope 1, 2, 3), measured against a baseline of 2017.

By 2050, Adidas will achieve climate neutrality (CO2e) across the entire value chain.

By Inditex (company/business organisation, Spain)

We are aware that our responsibility does not end in our stores and we want to help our customers extend the life of their garments and advance towards a circular model. That was behind our decision to launch Zara Pre-Owned in 2022, a pioneering platform accessible from Zara stores and the Zara website and mobile app, which offers repairs, customer-to-customer sales and the possibility of donating used clothing. Our goal is to introduce circularity services such as these in key markets by 2025.

We commit to reporting on our progress in our yearly Sustainability report available at inditex.com.

By Sioen NV (Apparel Division) (Company/business organisation, Belgium)

Sioen is the consortium partner in the BDCS (Belgian Defence Clothing System) who works on the recycling of >150 tonnes of EOL Combat Clothing. They are for the moment testing with batches of 2 tonnes. The aim is to have 75% of the total volume recycled by end 2024.

By Kelheim Fibres GmbH (company/business organisation, Germany)

Kelheim Fibres GmbH produces the speciality viscose fibre 100% in Europe. They have their production process in closed loops. In addition, they develop their fibre with a percentage of recycled materials. By 2027 source 25% of cellulose used in fiber production from textile waste. Apart from that, they are undergoing an energy transformation and the aim is to switch 45% of energy used to CO2 free fuels by 2027.

By Confartigianato Imprese (business association, Italy)

The production districts of Prato (Tuscany) or Biella (Piedmont) are virtuous examples of the use of recycled raw materials and circular textile production. Both production districts represent well-established models of sustainable production, where innovation, research, and experimentation are combined with tradition and quality in production processes and finished products. More specifically, the industrial district of Plato represents a model of innovation in textile recycling, based on the reuse of textile processing waste and second-hand clothes. At present, there are about 100 companies that recover over 100 thousand tonnes of material from pre- and post-consumer cycles, it is estimated that about 20% of the total turnover produced in the district derives from the regeneration and recycling of fabrics. In the area of used clothing recovery only, about 50 companies operate in the district with more than 600 employees, with a processing capacity of about 70,000 tonnes per year of used clothing for subsequent selection (so-called 'first plants').

The recovery and processing of used garments allow 65% of the incoming material to be directed to reuse and 33% to be sent for recycling with only 3-4% of the material sent for disposal. One of the projects planned within the district is the creation of a Textile Hub, dedicated to the recovery of textile waste. The project includes: i) construction of a waste sorting and treatment plant for the subsequent reuse and recycling of

textile materials; ii) potential of about 34,000 t/year; iii) 20,000 t/year from the post-consumer circuit (entire regional basin); iv) 14,000 t/year from the pre-consumer circuit (about 50% of the district's production), v) automatic selection according to fiber type (wool, cotton, silk, viscose, etc.); and, vi) automatic colour selection using infrared (NIR) sensors.

Action 2: Recognise and value specific sustainability practices undertaken by the industry through, for example, promoting the uptake of safe and sustainable by design chemicals and materials, and promoting the visibility and uptake of the EU Ecolabel scheme.

By Klopman International srl – TDV Industries (company/business organisation, Italy)

In order to develop fully circular textiles, the Klopman-TDV group has decided to invest in a project to mechanically recycle clothes at the end of their first lifecycle. The development of Renaissance Textile involves the creation of three lines, one entirely dedicated to the recycling of white polyester-cotton blend garments, one line dedicated to coloured fabrics, and one dedicated to technical fabrics. The first of these three lines is already in full operation, supplying Klopman and TDV Industries with fibers needed for the production of circular fabrics and intended for the production of workwear. Renaissance textile is in operation since 2022 and has one line already working to recycle white garments. A second line is planned for the year 2024/25 to also be able to recycle coloured garments.

By Finnish Textile & Fashion (business association, Finland)

The Finnish Textile & Fashion association promotes its member companies work and efforts to the circular economy and sustainability by e.g. providing a facilitated platform/forum where companies can share information and discuss their investments.

In 2024, the Finnish Textile & Fashion Association aims to organise four Sustainability Network events for its member companies, focusing on raising awareness of sustainability and circular economy issues in the textile sector.

Action 11: Create more demand for sustainable products and onboard consumers in the green transition by launching consumer campaigns to create awareness and to reshape consumption patterns including under the motto ReSet the Trend #ReFashionNow, as well as supporting emotional durability by designing products that people want to keep.

By SDA Bocconi Monitor for Circular Fashion (academic/research institution, Italy)

SDA Bocconi (and Bocconi University) will involve and engage students with the aim of making them ambassadors of sustainability and circularity in fashion and creating more demand for sustainable products and onboard consumers in the green transition. The Monitor for Circular Fashion organized the ReFashionNow event on 5 May 2023 involving more than 150 students. KPIs are both the number of students involved by the Monitor for Circular Fashion every year (>150 students in 2023) and the number of events involving students (2 events in 2023).

By Humana LT, UAB (company/business organisation, Lithuania)

Humana LT works to promote sustainable fashion. Through a proactive social media account @HumanaLithuania, it regularly showcases selected pieces for each season to encourage social media users to think about how to incorporate second-hand fashion pieces into their everyday style. From time to time, also offers consumers significant discounts of up to 70% thereby increasing access to affordable and high-quality fashion choices.

Humana LT regularly works in partnership with Lithuanian artists (musicians, stylists, influencers, and singers) to promote second-hand fashion and on many occasions, styled them using clothes from our Humana stores. Each year Humana LT aims to work in partnership with at least three Lithuanian artists to promote second hand fashion. This is reviewed annually.

Committed to reshaping consumption patterns by promoting the broader benefits of second-hand clothing and will continue to do so using owned social media channels, events and collaborations with famous artists and influencers. Through their proactive social media activity, also commit to regularly incorporating the motto ReSet the Trend #ReFashionNow into consumer outreach. Humana LT aims to incorporate the motto ReSet the Trend #ReFashioNow into consumer outreach at the least 12 times every six months. This is reviewed every six months, with then next review due in February 2024.

Regulation and Public Governance

19 pledges were published in this building block under the following actions:

- Action 14: Follow-up on actions in the EU Strategy for Sustainable and Circular Textiles, including specific ecodesign requirements, the Digital Passport, Product circular and sustainable management of textile waste and possible extended producer responsibility rules, and encourage industry participation in the relevant consultations.
- Action 15: Anticipate enhancing information to consumers on sustainability aspects of products in the context of foreseen ecodesign requirements through the proposed Digital Product Passport and the planned revision of the Textile Labelling Regulation, as well as in the context of

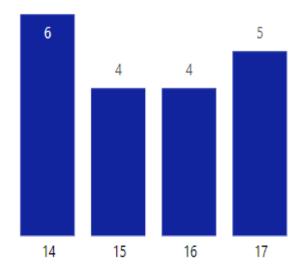


Figure 6: Published pledges under Regulation and Public Governance

the information requirements and fight against greenwashing practices following the Empowering consumers in the green transition and the Green Claims proposals.

- Action 16: Finding common methods to assess and compare the sustainability performance of textile products in the context of the foreseen ecodesign requirements.
- Action 17: Improving traceability and transparency in the textile value chain through the proposed Digital Product Passport.

This is the building block with the second highest number of pledges overall – 19 pledges covering 4 (out of 5) actions. The pledges are fairly equally distributed amongst these actions.

Actions 14-17 relate to the green transition and actions announced in the EU Strategy for Sustainable and Circular Textiles, such as the foreseen ecodesign requirements, proposed Digital Product Passport., and the planned revision of the Textile Labelling Regulation. The pledges come from a variety of stakeholders (such as company/business organisations, business associations, academic/research institution, network of organisations), mainly in the private sector.

Examples of published pledges

Action 14: Follow-up on actions in the EU Strategy for Sustainable and Circular Textiles, including specific ecodesign requirements, the Digital Product Passport, circular and sustainable

management of textile waste and possible extended producer responsibility rules, and encourage industry participation in the relevant consultations.

By RREUSE (network of organisations, Belgium)

RREUSE is actively involved in follow-up actions related to the EU Strategy for Sustainable and Circular Textiles, in particular with regard to circular and sustainable management of textile waste and possible extended producer responsibility rules.

RREUSE will participate in the relevant consultations related to circular textile waste management. RREUSE will keep on sharing best practices and recommendations on circular textile waste management. RREUSE's members will play a key role in implementing actions related to textile waste management at the national level. To this end, RREUSE will speak at multiple events on this topic (CCRI workshop, stakeholders workshop at the European Parliament, EU Circular Talk).

By SDA Bocconi Monitor for Circular Fashion (academic/research institution, Italy)

The Monitor for Circular Fashion commits to actively participate in the context of foreseen ecodesign requirements through the proposed Digital Product Passport and the planned revision of the Textile Labelling Regulation, as well as in the context of the circular and sustainable management of textile waste and possible extended producer responsibility rules and in the context of the information requirements and fight against greenwashing practices following the Empowering consumers in the green transition and the Green Claims proposals. KPIs are the number of consultations per year (1 consultation in 2023) and active participation of Monitor for Circular Fashion partners in consultations as single companies.

Action 15: Anticipate enhancing information to consumers on sustainability aspects of products in the context of foreseen ecodesign requirements through the proposed Digital Product Passport and the planned revision of the Textile Labelling Regulation, as well as in the context of the information requirements and fight against greenwashing practices following the Empowering consumers in the green transition and the Green Claims proposals.

By Catalina J (company/business organisation, Belgium)

Catalina J will collaborate with relevant stakeholders to ensure the integration of Digital Product Passports for their product range, educate customers on how to access and interpret Digital Product Passports, prepare to update product labels to comply with new regulations, actively participate in industry discussions to advocate for clear and standardized labelling practices that benefit both consumers and the environment, develop educational materials and resources for consumers, promote awareness of greenwashing practices and provide guidance on how consumers can identify genuinely sustainable products.

1. Advocacy and Industry Involvement: Action: Participate in three industry discussions advocating for clear and standardized labelling practices. Target: Secure endorsement from at least one industry association by mid-2025.

2. Consumer Education Materials: Action: Develop and distribute educational materials for consumers. Target: Distribute materials across min 5 platforms by Q4 2024.

3. Greenwashing Awareness: Action: Conduct a greenwashing awareness campaign. Target: Achieve 15,000 social media shares within the campaign's first month.

By Sioen NV (Apparel Division) (Company/business organisation, Belgium)

Sioen is preparing the implementation of woven unique QR codes in all of its products, in preparation of the Product Digital Passport, where they can already give digital access to product (technical) data sheets, composition, Declaration of Conformity, Users Instructions, Care & Maintenance (incl. repair) instructions. In

addition, some of its products already have RFID tags (Fire Fighting PPE). Sioen intends to give up to 100% of its clothing products a woven QR code (readable at EoL) by end 2024 (in line, at manufacturing stage).

Action 17: Improving traceability and transparency in the textile value chain through the proposed Digital Product Passport.

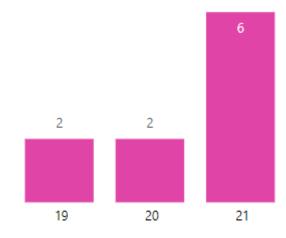
By Finnish Textile & Fashion (business association, Finland)

The Finnish Textile & Fashion association strives to increase the knowledge and know-how of the Finnish textile industry on traceability, transparency and the proposed Digital Product Passport, by conducting multidisciplinary cooperation, participating in studies and projects, and involving textile industry companies in this work. Ten business pilots on digital product passports for the textile industry will be completed by July 2024. Based on the findings of the pilot projects, a handbook for the industry will be compiled.

Social Dimension

10 pledges were published in this building block under the following actions:

- Action 19: Support a fairer and more inclusive European Union through the European Pillar of Social Rights and the Social Economy Action Plan.
- Action 20: Implement the EU Gender Equality Strategy to make progress towards a gender-equal Europe and mainstream the gender perspective taking into account both women's and men's interests and concerns.
- Action 21: Support up-and reskilling, access to lifelong learning and training opportunities through for example, the EU



Pact for Skills for the Textiles ecosystem, *Figure 7:* Published pledges under Social Dimension to ensure workers are skilled for the twin transition.

Overall, this building block does not have such a large number of pledges. Still, Action 21 relating to up-and reskilling is amongst the actions with the third highest number of pledges overall (together with Actions 11 and 14). This shows the interest, and need, among stakeholders to ensure adequate skills in the textiles ecosystem, as well as support for the EU Pact for Skills for the Textiles ecosystem.⁷ (see more on the skills aspect under building block 6). The pledges come from a variety of stakeholders (such as company/business organisations, business associations, academic/research institution, network of organisations).

Examples of published pledges

Action 21: Support up-and reskilling, access to lifelong learning and training opportunities through for example, the EU Pact for Skills for the Textiles ecosystem, to ensure workers are skilled for the twin transition.

By Humana LT, UAB (company/business organisation, Lithuania)

Humana LT is committed to preparing the workforce for achieving the twin transition. Every person employed by Humana LT will have access and go through a rigorous training programme. For those based at our sorting centre, this includes at least 6 months' worth of on-the-job training to qualify as a professional sorter. Across our shop network, we run two training programmes for employees. The first is a more routine induction to ensure all new employees are well integrated into their role and working environment. The second element of the training involves immersion into the operational side of the business offering training to shop assistants on all aspects of running a Humana shop successfully including the standards to uphold. This is reviewed every 6 months and will next be reviewed in March 2024.

By Finnish Textile & Fashion (business association, Finland)

The Finnish Textile & Fashion association conducts at regular intervals a competence survey, in which the competence needs among the association's member companies are mapped. The survey covers also future continuing education needs. The association disseminates the results via the textile academy group to educational institutions and various national foresight working groups. The advisors of the association

⁷ <u>https://ec.europa.eu/social/main.jsp?catId=1517&langId=en</u>

continuously participate in the education development and quality assurance of the education. Through the funding of The Service Centre for Continuous Learning and Employment's (SECLE) we are also enabling several new training programs by Finnish education providers that respond to the training needs pointed out in the overall competence survey and the digital skills survey conducted by the association. These training possibilities will be implemented by early 2025.

R&I, Techniques and Technological Solutions

15 pledges were published in this building block under the following actions:

- Action 23: Foster innovation and research on sustainable manufacturing processes and innovative technologies with lowcarbon footprint for the development of new safe and sustainable by design chemicals and materials to make products circular, as well as support development of new digital technologies under the work programmes of Horizon Europe, Digital Europe and LIFE.
- Action 24: Explore the possibilities for focused and generic support for R&I on textiles under Horizon Europe.
- Action 25: Increase access and interaction of SMEs in the textiles ecosystem to/with tech support structures (for example through tech federations, digital innovation hubs, campuses, incubators, clusters, industry alliances).

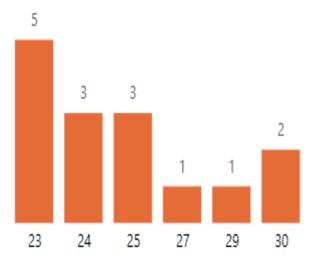


Figure 8: Published pledges under R&I, Techniques and Technological Solutions

- Action 27: Support SMEs for development of digital skills through the Pact for Skills for the Textiles ecosystem in cooperation with multi-stakeholder skills partnerships at local and regional levels.
- Action 29: Support research projects to test prototypes of Digital Product Passports for the sector through the Digital Europe Programme
- Action 30: Establish cooperation with European standardisation organisations (for example CEN, CENELEC) and industry to identify and fill main standardisation gaps for innovative digital technologies relevant for the textiles ecosystem (including via the Annual Union Work Programme for European Standardisation).

This is the building block with the third highest number of published pledges overall, with a spread of pledges over a number of actions (for 6 out of 9 actions). The pledges come from a variety of stakeholders (such as company/business organisations, business associations, academic/research institution, regional administration), mainly in the private sector.

Examples of published pledges

Action 23: Foster innovation and research on sustainable manufacturing processes and innovative technologies with low-carbon footprint for the development of new safe and sustainable by design chemicals and materials to make products circular, as well as support development of new digital technologies under the work programmes of Horizon Europe, Digital Europe and LIFE.

By Adidas (company/business organisation, Germany)

In order to create new and elevated consumer experiences, Adidas is developing and implementing tools that bring more transparency to its product creation process, enabling the development and innovation teams to identify materials as well as create products and concepts with lower carbon footprints. By applying innovative measurement tools, during 2022, we introduced the Adizero Lightstrike with a carbon footprint of 3.5 kg CO2e

per pair, achieving a 42% reduction compared to the previous version, and the Supernova 2 with a footprint of 8.9 kg CO2e per pair, an 11% reduction.

By Inditex (company/business organisation, Spain)

The extraction and processing of the raw materials we use accounts for nearly 30% of our emissions. In addition, we use natural resources such as water and soil, as well as chemical substances. Hence the importance of making progress on the use of materials that deliver reduced impacts, in line with the definition of preferred fibres provided by benchmark organisations such as the Textile Exchange.

We have been working to drive the use of organic and recycled cotton, viscose from preferred sources and European linen.

- That foundational work positions us to take a new step: by 2030, 100% of our textile products will only use materials that deliver a lower impact.
- We estimate that around 25% of the textile fibres we use will be made from next-generation materials that do not yet exist at an industrial scale, which is why we are investing in their development.
- We are aiming to have 40% of the textile fibres we use come from conventional recycling processes.
- Another roughly 25% will come from crops grown using organic or regenerative farming practices.
- The remaining 10% will be made from other preferred fibres aligned with the yardsticks set by benchmark organisations.

We commit to reporting on our progress in our yearly Sustainability report available at inditex.com.

By Région Nouvelle-Aquitaine (regional administration, France)

Région Nouvelle-Aquitaine has a "Factory of the Future" programme to support regional companies (for example in digitalising their processes). Around 1 200 companies have benefited from this programme since 2014 for a total budget of around EUR 266 million. The Nouvelle-Aquitaine Region is offering companies the chance to take part in the Factory of the Future programme and benefit from an on-site operational performance diagnostic lasting up to 5 days, paid for 100% by the Region and the French State. Initially created in 2014, the current programme covers the period 2020-2024 (www.usinefutur.fr). The proposed diagnostic aims at improving competitiveness. It will focus on:

- the performance of industrial organisation and quality (flow mapping, identifying sources of non-value added, improving quality and working conditions, staff and management commitment, skills management, etc.)
- production technologies in the digital age (identification of relevant key technologies and processes linked to performance management, innovative processes, etc.)
- digital strategy, to assess the company's understanding of digital leverage and its ability to use it to support corporate strategy (taking the customer into account in the organisation, diagnosing the IT master plan, with a focus on cybersecurity and digital sobriety, etc.)
- the sustainable factory (optimising resources, energy and environmental efficiency, sustainable and local sourcing, limiting waste, eco-responsible approaches, etc.).

This diagnostic, carried out by a service provider selected by the Region, enable the beneficiary to take an overall view of industrial performance, digital and technological transformation, and energy and environmental efficiency, by placing the human at the heart of the project. The diagnosis is the first stage in the process that the company decides to follow. Together with its institutional partners, the Region can also provide financial assistance for future development projects and offer the company technical support in implementing improvement actions.

Action 24: Explore the possibilities for focused and generic support for R&I on textiles under Horizon Europe.

By EURATEX (business association, Belgium)

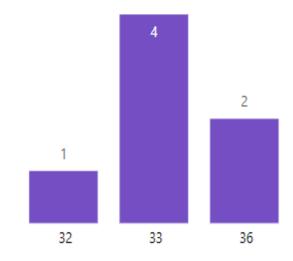
EURATEX is dedicated to fostering collaboration among leading European fashion and design brands, waste management industry representatives, environmental NGOs, research and innovation institutes, as well as representatives for vocational education and higher education. Through these bridges of unity, we set forth to combine our strengths towards the realisation of the vision (a future textile sphere teeming with resilience and

sustainability) of the dedicated European partnership on textiles proposed under the 2nd wave of the EU Funding Programme on Research and Innovation Horizon Europe, with possible implementation 2025-2027.

Infrastructure

7 pledges were published in this building block under the following actions:

- Action 32: Implementation of the Waste Framework Directive, including separate collection for textile waste as of January 2025.
- Action 33: Promote creation of innovative sorting and recycling hubs specialised in textile waste management across Europe for example with Hubs4Circularity support, funded by Horizon Europe, the national recovery and resilience plans, national or regional investments and programmes for infrastructure development.



 Action 36: Communicate and increase awareness on funding opportunities for the ecosystem in renewable energy (for

Figure 9: Published pledges under Infrastructure the ecosystem in renewable energy (for example solar panels) with funding for

example from the Recovery and Resilience Facility, cohesion policy funds, InvestEU, the Innovation Fund, the Modernisation Fund, Horizon Europe, and the LIFE programme.

Infrastructure is one of the building blocks with the least number of published pledges overall. The pledges come from business associations and companies/business organisations.

Examples of published pledges

Action 33: Promote creation of innovative sorting and recycling hubs specialised in textile waste management across Europe for example with Hubs4Circularity support, funded by Horizon Europe, the national recovery and resilience plans, national or regional investments and programmes for infrastructure development.

By EURATEX (business association, Belgium)

EURATEX commits to launch a dedicated organisation to support recycling of 2.5 millions of tons of textile waste by 2030 and help building up to 250 facilities to recycle textile waste through collaborative projects. The operations of ReHubs Europe will attract and facilitate investments to generate textile recycling capacity; Support projects for its members, e.g. partners search, investments, management support, data sharing, public communication; Run and update the European Textile Recycling roadmap, in coordination with 13 EURATEX; Networking and business relationship focused on textiles recycling; Provide other services as data access and manage/expand an existing feedstock platform for matchmaking of feedstock demand & offer. EURATEX also engages with Horizon funded projects such as RegioGreenTex and CISUTAC to respectively support the creation of regional hubs for textile recycling and support innovation in recycling.

By Adidas (company/business organisation, Germany)

The T-REX Project will intend to create a harmonized EU blueprint and business opportunities for closed-loop sorting, and recycling of household textile waste. Transforming end-of-use textiles, from waste, into a desired feedstock, and a commodity for new business models that can be adopted at scale - in combination with upcoming legislation for separate household textile waste collections and EPR (amongst others). The project end date is 31 May 2025.

By CNA Nazionale (business association, Italy)

Our regional representative in Tuscany, CNA Toscana Centro, with the other main trade associations of textile companies, and Next Technology Tecnotessile, is a partner in a project created for the construction of a fully

automated textile waste selection plant as part of the new Textile Hub co-financed by the Italian recovery and resilience plan. Establishing the main national textile hub in Prato will contribute to consolidating the role of the Prato district as a technological and operational hub for textile recycling at a European level. The creation of the hub will lead to an increase in the level of awareness of the possibilities of recovering and recycling textile material within the production-industrial context and will serve to increase and qualify technological equipment through new plants and equipment dedicated to recycling. For the selection of material, advanced automatic systems dedicated to recovered material or incoming waste sorting will be designed and created at the new hub. A memorandum of understanding was signed during 2021 which aims at regulating a stable and mutual collaboration, and spreading good practices for research, selection and initiation of recovery of textile waste from industrial or artisanal production. During 2022 and 2023, the activities for the establishment of the plant began. The recycling plant identified and financed within the PNRR (the Italian recovery and resilience plan) must be constructed, concluded, and tested by 30 June 2026.

Action 36: Communicate and increase awareness on funding opportunities for the ecosystem in renewable energy (for example solar panels) with funding for example from the Recovery and Resilience Facility, cohesion policy funds, InvestEU, the Innovation Fund, the Modernisation Fund, Horizon Europe, and the LIFE programme.

By ETSA (business association, Belgium)

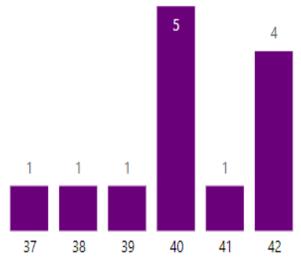
ETSA is committed to ensuring that our members are well-informed and primed to leverage the vast array of funding opportunities available in the renewable energy sector, such as solar panels. Our proactive approach sees us consistently monitor and analyze funding avenues provided by esteemed entities and initiatives, including but not limited to the Recovery and Resilience Facility, cohesion policy funds, InvestEU, the Innovation Fund, the Modernisation Fund, Horizon Europe, and the LIFE programme. By streamlining access to these opportunities, we aim to facilitate the seamless integration of renewable energy solutions within our industry, paving the way for a greener and more sustainable future. Driving this mission forward is the collaborative energy of various task forces within our membership. These specialized groups, endowed with domain-specific expertise, actively explore and dissect available funding opportunities.

They act as knowledge hubs, disseminating crucial information, insights, and strategic guidance, ensuring that our members are always a step ahead in their renewable energy pursuits. We actively engage in dialogues, workshops, and brainstorming sessions, enabling a dynamic flow of ideas and strategies tailored to harness funding opportunities effectively.

Skills

13 pledges were published in this building block under the following actions:

- Action 37: Set up Pact for Skills Multi-Stakeholder Local Partnerships under the EU Pact for Skills for the Textiles Ecosystem in relevant Member States/Regions, with dedicated support from the Single Market Programme (action grant of EUR 1.2 million from the SME Pillar – Work Programme 2023).
- Action 38: Engage the ecosystem companies, education providers, trade unions and other stakeholders to commit to jointly agreed actions and targets under the EU Pact for Skills for the Textiles ecosystem, for example increase the use and



accessibility of mentoring and apprenticeships schemes, incorporate new skills profiles responding to green and digital skills needs in vocational, education, training policy and *Figure 10:* Published pledges under Skills curricula.

- Action 39: Gather intelligence for green and digital skills via the Textiles EU Pact for Skills Multi-Stakeholder Local Partnerships and the Textiles Skills Observatory.
- Action 40: Organise events and awareness-raising activities on the attractiveness of the sector and new opportunities to work in the industry around the European Year of Skills.
- Action 41: Develop skills and capacities of textiles ecosystem education staff and students through Erasmus+ mobility opportunities for vocational and higher education.
- Action 42: Promote women participation to managerial and senior positions in companies, for example via the EU Pact for Skills for the Textiles ecosystem actions, raise awareness on EU programmes facilitating the exchange of entrepreneurial and management experience such as Erasmus for Young Entrepreneurs.

The building block on skills has published pledges under all of its 6 actions, with the largest number of pledges under Action 40, followed closely by Action 42. Taking into account the pledges published under Action 21 (in building block Social Dimension) which relates to upand reskilling, a significant number of pledges relate to skills. This shows the interest, and need, among stakeholders to ensure adequate skills in the textiles ecosystem, as well as support for the implementation of the **EU Pact for Skills for the Textiles Ecosystem**. The pledges come from a variety of stakeholders (such as company/business organisations, business associations, academic/research institution, network of organisations, regional administration, NGO), all relevant taking into account the need to involve a wide range of stakeholders for the implementation of the EU Pact for Skills at national/regional levels.

Examples of published pledges

Action 37: Set up Pact for Skills Multi-Stakeholder Local Partnerships under the EU Pact for Skills for the Textiles Ecosystem in relevant Member States/Regions, with dedicated support from the Single Market Programme (action grant of EUR 1.2 million from the SME Pillar – Work Programme 2023).

By EURATEX (business association, Belgium)

As the leading coordinator of the TCLF Skills Alliance under the European Pact for Skills, EURATEX commits to establish together with its partners at least 8 multi-stakeholder local skills partnerships in important textile regions in the EU. The so-called "Skillbridge" project is financed as a direct grant of 1,25 Mio.€, under the Single Market Programme, starting in February 2024 with the duration of 3 years. The project underscores the importance of monitoring partnership actions through a dedicated platform, facilitating community exchanges for knowledge sharing, and providing unwavering support to SMEs, enabling them to upskill and reskill their workforce in tune with the evolving industry demands. The local partnerships aim in implementing the goals of the TCLF Pact for skills at regional level through events, workshops and cross-regional exchanges. The support mechanisms of the project range from apprenticeship programs to exchange and mobility initiatives. This holistic approach ensures that SMEs are not only equipped with the necessary resources but also receive unwavering support in their endeavours to enhance their workforce's skills, all in alignment with the broader objectives of the EU TCLF Pact for Skills.

By the end of the project, we hope that we can achieve the following main KPIs:

- Number of regional stakeholders and other attendees at a dedicated Stakeholder Event: at least 50
- Number of workshops conducted: at least 10
- Number of networking events and meetings organised: at least 8 (1 per EU member state)
- Number of case studies and success stories presented: at least 5
- Successful selection of at least 10 projects receiving specialized training services, benefitting at least 200 SMEs.

Action 40: Organise events and awareness-raising activities on the attractiveness of the sector and new opportunities to work in the industry around the European Year of Skills.

By ETSA (business association, Belgium)

During the European Year of Skills, ETSA took a proactive stance in advocating for the attractiveness and potential of the textile service industry. Building on the momentum from the ERASMUS+ Project "Educate!" — a venture focused on skills and adult learning — ETSA remained engaged with this project even post its culmination in 2021. The association explored the promising avenues of upskilling and reskilling workers within the textile service industry, along with delving into the proposed "Talent Pools" initiative.

Highlighting the association's commitment to knowledge sharing and collaboration, in September 2023, ETSA participated in a conference orchestrated by its German National Association. This gathering spotlighted the themes of upskilling and reskilling German workers, with an added emphasis on tapping into talent from non-EU regions. Furthermore, reflecting ETSA's dedication to fostering skills and learning, plans are underway for a Congress set to take place in Prague in 2024. This congregation will spotlight adult education, skills enhancement, and vocational training as its pivotal themes.

By CNA Nazionale (business association, Italy)

Various events are planned as part of CNA Federmoda's annual activities (and also in collaboration with the CNA local system) in the context of the RMI Ricerca Moda Innovazione (Research Fashion Innovation), a program which aims to support youth creativity in the fashion sector and promote dialogue between businesses and schools, between the world of work and young people to bring new professionals to the Italian fashion sector, and the conference "Green jobs in fashion" building a bridge between school desks and the world of work. The 2024 edition of Research Fashion Innovation will be the 34th. Moreover, in April 2024, the new edition of "Green jobs in fashion" will be organized and promoted by their regional representative in the Marche Region (CNA Marche).

By Caritas Luxembourg (Non-governmental organisation, NGO, Luxembourg)

Lët'z Refashion by Caritas is a store ("boutique-atelier") for sustainable and ethical fashion. It is a project issued from the campaign Rethink Your Clothes (https://rethink.lu/letzrefashion.html) and is supported by the Ministry of International Cooperation. We offer upcycled and second hand clothes (from local designers and resellers), as well as workshops. Our target audiences are high school students and the wider public. The project is based on 3 pillars. 1. Awareness: educating on the issues of the entire value chain from the garment sector. We offer solutions and alternatives to fast fashion by encouraging better consumption (buying less, buying better). We also provide mini-conferences to invite experts on consumption and textile. 2. Skills: we organise workshops, we hope people to learn and develop sewing skills. By providing affordable and accessible workshops, we hope people will appreciate the work and skills level it takes to make garments, and value their clothes more. 3. Exchange: creating a hub and providing a space in Luxembourg for our designers and audience to exchange the fashion industry and concepts such as circularity.

For the year 2022: 36 upcycling workshops with 168 participants in total; 4 Swaps clothes were organised.; On average we sold 112 items per month; On average 340 visitors per month in the store; We have 58 suppliers: upcycling designers, associations, second hand initiatives, accessories. Every Friday there is a Repair cafe animated by a former refugee.

We put in place a survey for the upcycling workshops that shows the following: - 95% of respondents ready to put into practice the knowledge acquired, - more than 50% of participants declare themselves ready to buy less new clothing. - more than 50% are encouraged to pay more attention to the quality and origin of new clothing purchased.

For 2024 the numbers are expected to increase.

Action 42: Promote women participation to managerial and senior positions in companies, for example via the EU Pact for Skills for the Textiles ecosystem actions, raise awareness on EU programmes facilitating the exchange of entrepreneurial and management experience such as Erasmus for Young Entrepreneurs.

By Adidas (company/business organisation, Germany)

By 2025, Adidas strives to achieve gender wage parity for workers and their supervisors in its strategic Tier 1 suppliers.

Adidas is committed to increasing female representation in management positions (Director level and above) globally to more than 40% by 2025.

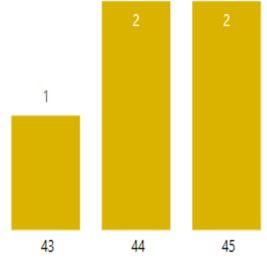
By Humana LT, UAB (company/business organisation, Lithuania)

89% of the existing workforce is female. Within Humana LT there are 100 managerial roles, with 95% of those roles currently being occupied by female workers. In administration, 80% of senior roles are filled by women, with 67% progressing into these roles from the very beginning of their career. Across the shop network, 100% of senior positions are filled by women, with 68% of these women having progressed into these roles from the beginning of their careers with Humana LT. Finally, in their sorting centre 85% of senior positions are occupied by women with many of these women having started as trainees in the business. Continue to improve opportunities for women to progress to senior levels within the business, and working with HR colleagues to ensure they feel supported throughout their careers at Humana LT. Humana LT aims to retain at least 80% of women in managerial roles and 70% of women in senior administration roles. This will next be reviewed on 31 March 2024.

Investments and Funding

5 pledges were published in this building block under the following actions:

- Action 43: Communicate and increase awareness on funding opportunities for the textiles ecosystem such as Horizon Europe, LIFE, ESF+, Digital Europe, InvestEU, the Single Innovation Fund, Market Programme, cohesion policy fund and Recovery and Resilience Facility, for example through the transition pathway stakeholder support platform.
- Action 44: Explore support possibilities for R&I on textiles under Horizon Europe, including for a possible partnership. Build participation and cooperation with relevant European Partnerships and initiatives under Horizon Europe and other EU funding programmes.



 Action 45: Use and promote the Green Public Procurement criteria to facilitate the Fig inclusion of green requirements in public tender documents.

Figure 11: Published pledges under Investments and Funding

Investments and Funding is one of the building blocks with the least number of published pledges overall, with only 5 pledges. The pledges come from 4 organisations, out of which 3 are business associations.

Examples of published pledges

Action 44: Explore support possibilities for R&I on textiles under Horizon Europe, including for a possible partnership. Build participation and cooperation with relevant European Partnerships and initiatives under Horizon Europe and other EU funding programmes.

By EURATEX (business association, Belgium)

EURATEX will actively support the realisation of the strategic objectives of the European partnership dedicated to textiles proposed under the 2nd wave of the EU Research and Innovation Programme Horizon Europe, which may include securing sustainable and diversified raw materials, increasing textile-to-textile recycling capacity, improving textile functionality, supporting sustainable design, enabling digital transformation, and stimulating skills development. EURATEX is actively summoning stakeholders that are interested in the implementation of such a partnership. We promoted the partnership proposal via a webinar on the 15th of September and we raise awareness for this initiative amongst our members and via Social Media.

Action 45: Use and promote the Green Public Procurement criteria to facilitate the inclusion of green requirements in public tender documents.

By Finnish Textile & Fashion (business association, Finland)

The Finnish Textile & Fashion association is committed to support the use and promotion of Green Public Procurement criteria and provide textile specific information and support to public procurers.

The Finnish Textile & Fashion association published a new guide for public procurement units on sustainable textile procurement in autumn 2023. In addition, in 2023, we launched a joint project on innovative public textile procurement between public procurement units, textile companies and VTT Technical Research Centre of Finland. The Finnish Textile & Fashion association aims to start an innovative textile procurement process during 2024.

Ecosystem's Readiness to Support EU strategic autonomy and Defence Efforts

3 pledges were published in this building block under the following actions:

- Action 47: Liaise with national defence authorities to ascertain how the ecosystem could contribute to the development of military capabilities.
- Action 49: Develop plans to increase the readiness to shift production and prioritize deliveries for defence purposes to sustain Armed Forces, defence companies and other relevant sectors in case of crises of war.

Ecosystem's Readiness to Support EU strategic autonomy and Defence Efforts is the building block with the least number of published pledges so far, and only under 2 actions (out of 4).

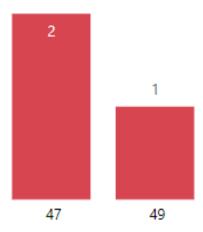


Figure 12: Published pledges under Ecosystem's Readiness to Support EU strategic autonomy and Defence Efforts

Examples of published pledges

Action 47: Liaise with national defence authorities to ascertain how the ecosystem could contribute to the development of military capabilities.

By Finnish Textile & Fashion (business association, Finland)

The Finnish Textile & Fashion is involved in the Finnish National Emergency Supply Organization, specifically in the Textile and Equipment Committee, where we assess the preparedness of the Defence Forces concerning textiles. Additionally, the National Emergency Supply Agency makes emergency procurement and production reservation agreements with companies in our industry using various procedures.

The Textile and Equipment Committee has quarterly meetings, thus the work is continuous. During 2024, the Finnish Textile & Fashion association will launch cooperation with the responsible Ministry and the National Emergency Supply Agency to better define the textile products to be stockpiled.

By Klopman International srl – TDV Industries (company/business organisation, Italy)

Klopman-TDV Industries Group supply major European armies with fabrics for their personnel. Our sales team and technicians are often personally involved in discussions about worker protection and selection of more sustainable solutions. We are suppliers of the French army for example since years and we make sure there is a continuous exchange of information with them to guarantee the maximum protection for the workers with the fulfilment of very stringent regulations and quality controls. We have annual agreements for the supply.

Action 49: Liaise with national defence authorities to ascertain how the ecosystem could contribute to the development of military capabilities.

By Finnish Textile & Fashion (business association, Finland)

The Finnish Textile & Fashion association is currently influencing the national reform of emergency supply legislation in this regard. At the beginning of 2024, Finnish Textile & Fashion will issue a statement on the Government's target decision concerning security of supply operations in Finland. Furthermore, we aim to define the textile products critical to security of supply during 2024.

CONCLUSION

In the first round of publication, the Transition Pathway for the Textiles Ecosystem counts a total of 110 published pledges from 19 organisations covering all 8 building blocks.

There is a considerable difference in the number of pledges across building blocks, with over a third of the published pledges under Sustainable Competitiveness, followed by Regulation and Public Governance and R&1, Techniques and Technological Solutions. These areas relate in particular to the green and digital transitions, and the upcoming EU legislation on sustainability which confirms the interest of stakeholders to make the textiles ecosystem more sustainable, circular and digital, and turn the ongoing actions into concrete results.

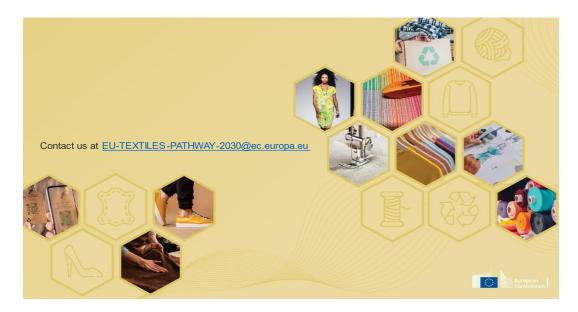
Actions relating to skills also account for a significant number of published pledges, which shows the interest, and need, among stakeholders to ensure adequate skills in the textiles ecosystem, as well as support for the EU Pact for Skills for the Textiles Ecosystem.

The largest share of pledges comes from companies and business associations, and thus from the private sector. The industry plays a key role in the transition of the textiles ecosystem, including up-and reskilling activities and the upcoming EU legislation on sustainability. Thus, it is not surprising that the biggest share of submissions come from industry. However, more could be done to increase participation of public administrations, as well as NGOs and trade unions and to get all relevant actors onboard.

The collection of pledges and commitments thus continues, with the aim to increase the number of pledges across all Member States, as well as public administrations, but also from a larger set of companies/business organisations and business associations across the EU. Bilateral communication and personalised feedback have proven to be efficient tools to support the co-implementation phase of the transition pathway and help stakeholders to both submit and elaborate their commitments.

In addition, the European Commission is planning to organise a stakeholder event in the coming months to support the co-implementation of the transition pathway, share best practices and lessons learnt so far, with the aim to also reach out to more stakeholders. A far-reaching involvement of a broad set of organisations is necessary for a successful transition.

We invite all stakeholders to respond to the online <u>call for commitments</u> and be part of the co-implementation of the transition pathway for the textiles ecosystem.



ANNEX I: LESSONS LEARNT AND GUIDELINES FOR PREPARING PLEDGES

Overall, this first round of collecting, processing and publishing stakeholder pledges has provided useful knowledge in different ways. The collection of pledges, like the whole transition pathway co-implementation, is a long-term and a continuous learning process. All stakeholders are encouraged to look at the published pledges and get inspired to shape and submit their pledges for the next round of publication.

This first round has provided lessons on how to improve the support for stakeholders in preparing their pledges, and on how to shape the submission and revision process. Most of the challenges identified are related to the lack of measurable targets and/or specific measurable goals to be achieved.

It is to be noted that:

- Submitting a pledge does not create a legally binding obligation. These are voluntary commitments, and the target reflects the ambition that the stakeholders set for their own action, in order to help follow whether they are progressing as planned. Targets may also be changed.
- Follow-up of pledges does not require submitting formal evidence, avoiding unnecessary administrative burden. The follow-up approach is based on information voluntarily shared by stakeholders.
- Pledges do not necessarily need to be new actions. If an organisation has an existing strategic engagement with a concrete target for the future and a clear contribution to the transition pathway objectives, it can be submitted as a pledge.
- Pledges do not need to reflect all the activities of an organisation. The objective is to collect examples of well-defined key actions. It is perfectly acceptable to have only one key pledge by an organisation.
- Each action should be introduced only once under the topic it most strongly contributes to, to avoid duplication.

- Pledges can repeat a commitment that also links to other actions, such as the UNECE "Sustainability Pledge"⁸ or the EU Pact for Skills for the Textiles ecosystem.⁹ There is no conflict of interest to provide as pledge an activity that is also part of other related initiatives. The difference often lies in that the transition pathway pledges should describe a concrete action with a measurable target for the organisation, while many other initiatives only outline collective targets.
- Sustainability strategies of a company or an organisation may already include concrete elements that could be made visible as an organisation's pledges. Many private sector companies have published sustainability strategies with clear actions and targets. Selected actions from such strategies, with ambitious targets and yearly follow-up are welcome to be shared as best practice examples.

Key issues to be considered when preparing pledges

A few key issues to keep in mind when preparing a submission:

- Ensuring that each pledge clearly states 1) an ongoing or future concrete action with 2) a measurable target/indicator, preferably with a planned date to be able to follow progress over time; and 3) a clear link to a transition pathway action.
- Understanding that different types of stakeholders have different roles and operating contexts. Not everyone can make a similar type of pledge, and it may be useful to review pledges of actors with similar roles as examples.
- Each organisation is expected to make <u>only</u> one submission (meaning it should have only one contribution ID), which can contain several pledges. When modifying contributions, they should revise the existing submission, instead of sending a new one.
- A pledge should <u>not</u>:
 - describe a general activity or mission statement, such as "we work on sustainability", or "we aim to contribute to the green transition and provide sustainable services...", or "we support the EU Strategy for Sustainable and Circular Textiles";
 - describe a short-term funded collaborative project without a longer-term perspective on how the organisation will put the results into action to serve the transition;
 - describe what the organisation has done in the past, without making a pledge for the future;
 - describe at length the problem and context, rather than focusing on concrete actions and targets – any descriptive information can be made available online and the link to the online information can be included in the pledge text;

⁸ <u>SUSTAINABILITY PLEDGE - Homepage (thesustainabilitypledge.org)</u>

⁹ <u>https://ec.europa.eu/social/main.jsp?catId=1517&langId=en</u>

- o take the form of a position paper on legislative proposals or upcoming initiatives;
- duplicate previously submitted pledges.

Five steps for preparing and submitting a good pledge

The five steps below summarise the guidance that has proved to be useful for stakeholders to prepare good pledges:

- 1. Read through the Transition Pathway for the Textiles Ecosystem policy report with an open and innovative mind have a look at published pledges and summary reports for good examples.
- 2. Reflect on your organisation's strategy and objectives is it already aligned with the transition pathway or can it be improved?
- 3. Collaborate and innovate with your workers, members, partners what action makes best sense in the long-term for your organisation and what should be its target and follow-up mechanism?
- 4. Formulate one or more concrete pledge(s), each including the following 3 elements:
 - a. A concrete <u>action</u> (ongoing or future).
 - b. <u>A measurable target/indicator</u>, preferably with a <u>target date or frequency</u>, which helps assess whether the action is progressing, still being implemented or has reached its final target.
 - c. <u>Clear link with a relevant action of the Transition Pathway for the Textiles</u> <u>Ecosystem</u>.
- 5. Send your submission via the online <u>call for commitments.</u>

ANNEX II: OVERVIEW OF ACTIONS OF THE TRANSITION PATHWAY FOR THE TEXTILES ECOSYSTEM

More information on the actions, objectives, and context can be found in the <u>transition pathway for the textiles ecosystem</u> policy report, available in 22 languages.

Actions	Actors	Timeframe
Building block 1: Sustainable Competitiveness		
1. Promote, support and implement circular and sustainability practices, services and business models, including social economy enterprises (such as product-as-service mo take-back services, second-hand and repair services, innovative sorting and recycling) including through Horizon Europe, LIFE, and the 'ReSet the Trend #ReFashionNow' campaign and actions from the Social Economy Action Plan.		Short/Medium
2. Recognise and value specific sustainability practices undertaken by the industry throug for example, promoting the uptake of safe and sustainable by design chemicals and materials, and promoting the visibility and uptake of the EU Ecolabel scheme.	gh, EU/ EU Member States /Industry	Short/Medium
3. Continue making use of trade policies to promote trade and to support the respect of environmental and social rights with our trading partners through the Trade and Sustainable Development chapter in Free Trade Agreements and through the Generali Scheme of Preferences (GSP).	FU/FU Member States	Short/Medium
4. Increase the uptake of sustainable consumption and production of textile ecosystem products in developing countries by funding from the SWITCH programme.	EU	Short/Medium
5. Strengthen market surveillance for the ecosystem through cooperation with the EU Product Compliance Network to implement and develop EU joint action projects such REACH4Textiles.	as EU/ EU Member States	Short/Medium
6. Create and launch of an EU Toolbox against counterfeiting to step up the fight against infringements by clarifying the roles and responsibilities of right holders, intermediarie		Short/Medium

	and public authorities and to improve cooperation and data sharing and encourage the use of new technologies.		
7.	Develop a New European Bauhaus action for fashion to boost and disseminate Bauhaus values in the sector: beauty, sustainability and inclusion.	EU/Industry	Short/Medium
8.	Support SMEs through the Enterprise Europe Network (notably through the EEN Textile Sector Group), the Eurocluster initiative and the EU Circular Economy Stakeholder Platform to innovate and accelerate the green transition. Provide EEN advisory services to SMEs in the ecosystem in areas from a dedicated business plan, to innovation, advice on various types of funding and EU programmes, to legislation, networking activities and events.	EU/EU Member States/Industry	Short/Medium
9.	Support SMEs through the Enterprise Europe Network (notably through the EEN Textile Sector Group) and the Eurocluster initiative to grow internationally by organising trade fairs, business-to-business matchmaking and provide advice on funding and the regulatory framework.	EU/ EU Member States /Industry	Short/Medium
10.	Undertake risk assessment and prepare management plans for potential disruptions of global supply chains.	Industry	Short
11.	Create more demand for sustainable products and onboard consumers in the green transition by launching consumer campaigns to create awareness and to reshape consumption patterns including under the motto ReSet the Trend #ReFashionNow, as well as supporting emotional durability by designing products that people want to keep.	EU/ EU Member States /Industry	Short/Medium
12.	Reduce number of fashion collections per year.	Industry	Medium
13.	Establish a community of practice for the textiles ecosystem as part of the Transition Pathway Stakeholder Support Platform.	EU/Industry/ other stakeholders (such as NGOs, trade unions, vocational and education training providers, lead organisations coordinating the implementation of the EU Pact for Skills for the Textiles ecosystem)	Short
Bui	ding block 2: Regulation and Public Governance		

14. Follow-up on actions in the EU Strategy for Sustainable and Circular Textiles, including specific ecodesign requirements, the Digital Product Passport, circular and sustainable management of textile waste and possible extended producer responsibility rules, and encourage industry participation in the relevant consultations.	EU/ EU Member States /Industry	Short/Medium
15. Anticipate enhancing information to consumers on sustainability aspects of products in the context of foreseen ecodesign requirements through the proposed Digital Product Passport and the planned revision of the Textile Labelling Regulation, as well as in the context of the information requirements and fight against greenwashing practices following the Empowering consumers in the green transition and the Green Claims proposals.	EU/ EU Member States /Industry	Short/Medium
16. Finding common methods to assess and compare the sustainability performance of textile products in the context of the foreseen ecodesign requirements.	EU/ EU Member States /Industry	Short/Medium
17. Improving traceability and transparency in the textile value chain through the proposed Digital Product Passport.	EU/ EU Member States /Industry	Short/Medium
18. Developing KPIs for the textiles ecosystem to monitor the progress of the green and digital transformation in the framework of the project 'Monitoring of European industrial ecosystems'.	EU	Short
Building block 3: Social Dimension		
19. Support a fairer and more inclusive European Union through the European Pillar of Social Rights and the Social Economy Action Plan.	EU/ EU Member States	Short/Medium
20. Implement the EU Gender Equality Strategy to make progress towards a gender-equal Europe and mainstream the gender perspective taking into account both women's and men's interests and concerns.	EU/ EU Member States	Short/Medium
21. Support up-and reskilling, access to lifelong learning and training opportunities through for example, the EU Pact for Skills for the Textiles ecosystem, to ensure workers are skilled for the twin transition.	EU/ EU Member States /Industry	Short/Medium
22. Consult the social partners on the direction and content of initiatives for the ecosystem through the European sectoral social dialogue for the textiles ecosystem.	EU/ Stakeholders	Short/Medium
Building block 4: R&I, Techniques and Technological Solutions		

23. Foster innovation and research on sustainable manufacturing processes and innovative technologies with low-carbon footprint for the development of new safe and sustainable by design chemicals and materials to make products circular, as well as support development of new digital technologies under the work programmes of Horizon Europe, Digital Europe and LIFE.	EU/ EU Member States /Industry	Short/Medium
24. Explore the possibilities for focused and generic support for R&I on textiles under Horizon Europe.	EU/ EU Member States /Industry	Short
25. Increase access and interaction of SMEs in the textiles ecosystem to/with tech support structures (for example through tech federations, digital innovation hubs, campuses, incubators, clusters, industry alliances).	EU/ EU Member States /Industry	Short/Medium
26. Explore the possibility to create a thematic group on digital innovation in the textiles ecosystem within the network of EDIH to boost cooperation and bottom-up contributions within the network, as well as ecosystem specific indicators in the EDIH mapping tools – allowing for example better identification of hubs supporting actions for the ecosystem.	EU/ EU Member States /Industry	Short
27. Support SMEs for development of digital skills through the Pact for Skills for the Textiles ecosystem in cooperation with multi-stakeholder skills partnerships at local and regional levels.	EU/ EU Member States /Industry	Short
28. Implement the standardisation request on IT standards and protocols for the proposed Digital Product Passport, by CEN/CENELEC/ETSI and relevant stakeholders.	EU/ EU Member States /Industry	Short/Medium
29. Support research projects to test prototypes of Digital Product Passports for the sector through the Digital Europe Programme.	EU/ EU Member States /Industry	Short/Medium
30. Establish cooperation with European standardisation organisations (for example CEN, CENELEC) and industry to identify and fill main standardisation gaps for innovative digital technologies relevant for the textiles ecosystem (including via the Annual Union Work Programme for European Standardisation).	EU/ EU Member States /Industry	Short
31. Connect Horizon 2020 and Horizon Europe beneficiaries of actions supporting the textiles ecosystem to the 'Standardisation Booster' platform.	EU/ EU Member States /Industry	Short
Building block 5: Infrastructure		
32. Implementation of the Waste Framework Directive, including separate collection for textile waste as of January 2025.	EU Member States /Industry	Short
33. Promote creation of innovative sorting and recycling hubs specialised in textile waste management across Europe for example with <u>Hubs4Circularity</u> support, funded by Horizon	EU/ EU Member States /Industry	Short/Medium

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	urope, the national recovery and resilience plans, national or regional investments and rogrammes for infrastructure development.		
en	onnection of textiles ecosystem actors with relevant common European data spaces to nable the development of data-driven business models including through the Digital urope Programme.	EU/ EU Member States /Industry	Short
	ccess of textile ecosystem actors to funding for the development of data driven business odels, including the development of data spaces in the Horizon Europe programme.	EU/ EU Member States /Industry	Short/Medium
rei an	ommunicate and increase awareness on funding opportunities for the ecosystem in enewable energy (for example solar panels) with funding for example from the Recovery nd Resilience Facility, cohesion policy funds, InvestEU, the Innovation Fund, the lodernisation Fund, Horizon Europe, and the LIFE programme.	EU/ EU Member States /Industry	Short/Medium
Buildin	ng block 6: Skills		
the the	et up Pact for Skills Multi-Stakeholder Local Partnerships under the EU Pact for Skills for ne Textiles Ecosystem in relevant Member States/Regions, with dedicated support from ne Single Market Programme (action grant of EUR 1.2 million from the SME Pillar – Work rogramme 2023).	EU/ EU Member States /Industry/Regions/Other stakeholders (such as the lead organisations coordinating the implementation of the EU Pact for Skills for the Textiles ecosystem, vocational education and training providers)	Short
sta the ap	ngage the ecosystem companies, education providers, trade unions and other akeholders to commit to jointly agreed actions and targets under the EU Pact for Skills for ne Textiles ecosystem, for example increase the use and accessibility of mentoring and oprenticeships schemes, incorporate new skills profiles responding to green and digital kills needs in vocational, education, training policy and curricula.	Industry/ EU Member States/Regions	Short/Medium
	ather intelligence for green and digital skills via the Textiles EU Pact for Skills Multi- akeholder Local Partnerships and the Textiles Skills Observatory.	EU Member States /Industry/ Lead organisations coordinating the implementation of the EU Pact for Skills for the Textiles ecosystem	Short
	rganise events and awareness-raising activities on the attractiveness of the sector and ew opportunities to work in the industry around the European Year of Skills.	EU/ EU Member States /Industry	Short

41. Develop skills and capacities of textiles ecosystem education staff and students through Erasmus+ mobility opportunities for vocational and higher education.	EU/ EU Member States /Industry	Short/Medium
42. Promote women participation to managerial and senior positions in companies, for example via the EU Pact for Skills for the Textiles ecosystem actions, raise awareness on EU programmes facilitating the exchange of entrepreneurial and management experience such as Erasmus for Young Entrepreneurs.	EU/ EU Member States /Industry	Short/Medium
Building block 7: Investments and Funding		
43. Communicate and increase awareness on funding opportunities for the textiles ecosystem such as Horizon Europe, Digital Europe, LIFE, ESF+, InvestEU, Innovation Fund, the Single Market Programme, cohesion policy fund and Recovery and Resilience Facility, for example through the transition pathway stakeholder support platform.	EU/ EU Member States /Industry	Short
44. Explore support possibilities for R&I on textiles under Horizon Europe, including for a possible partnership. Build participation and cooperation with relevant European Partnerships and initiatives under Horizon Europe and other EU funding programmes.	EU/ EU Member States /Industry	Short/Medium
45. Use and promote the Green Public Procurement criteria to facilitate the inclusion of green requirements in public tender documents.	EU/ EU Member States	Short/Medium
46. Undertake reforms to support the sustainability, digitalisation, resilience and the social dimension of the textile industry's transition through the Technical Support Instrument.	EU/ EU Member States	Short/Medium
Building block 8: Ecosystem's Readiness to Support EU strategic autonomy and Defence Efforts		
47. Liaise with national defence authorities to ascertain how the ecosystem could contribute to the development of military capabilities.	EU/ EU Member States	Short/Medium/Long
48. Reskilling of workers through the Pact for Skills to take into account a war situation.	EU/ EU Member States /Industry	Short/Medium/Long
49. Develop plans to increase the readiness to shift production and prioritize deliveries for defence purposes to sustain Armed Forces, defence companies and other relevant sectors in case of crises of war.	Industry	Short/Medium/Long
50. Set up contingency plans to handle disruptions in supplies of input materials, water and energy, as well as plans to handle situations where the workforce is mobilized for war efforts. These plans should build on a mapping of supply chains and dependencies.	EU Member States /Industry	Short/Medium/Long