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Endorsed by:

Ethical principles for the clothing re-use sector

June 2016

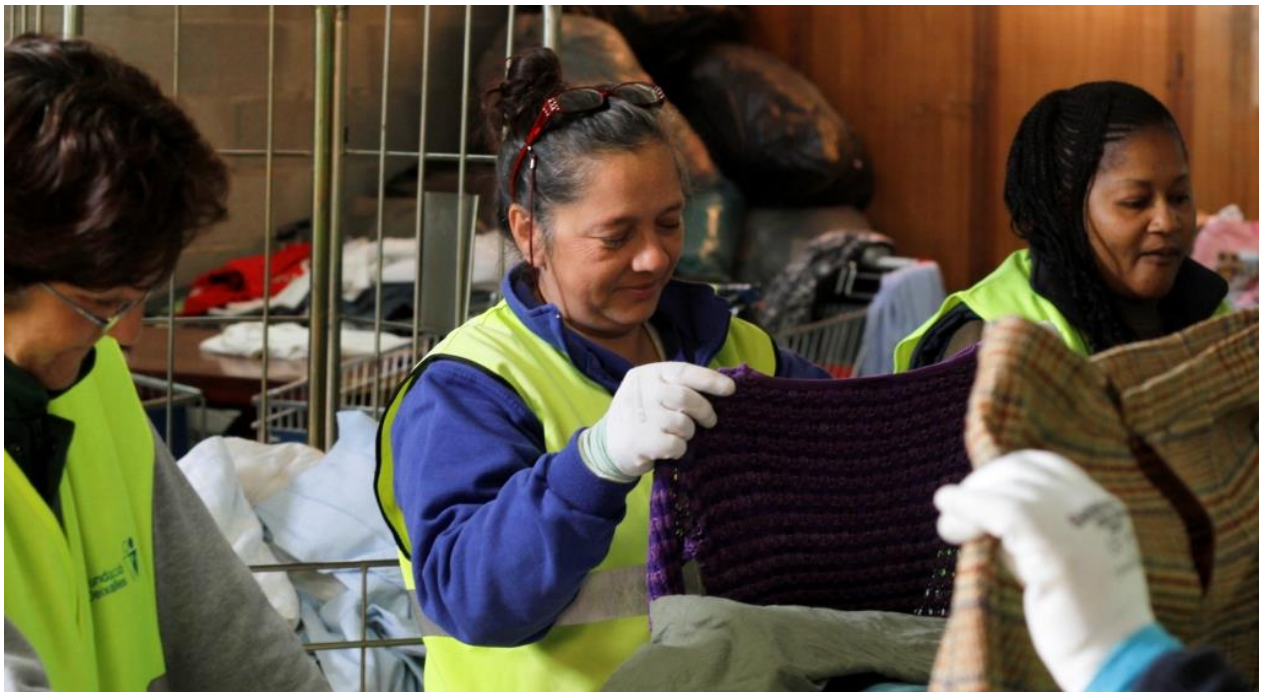


Photo credit, Fundacio Deixalles, Spain

1. Introduction

EU citizens consume over 13 kg per capita of clothing per year resulting in at least 5.7 million tonnes being discarded each year[1], equivalent to filling 5.500 Olympic swimming pools with clothes. Despite

[1] Estimates based on JRC (2009) Study on the selection of Waste Streams for End of Waste Assessment, available here

these significant volumes, separate collection rates of discarded textiles in most EU countries[2] are low, with the majority landfilled or incinerated. Nevertheless, in 2014, the trade of used clothes was around 4.2 million tonnes with a value of 4.4bn Dollars[3]. Given that used clothes are a global commodity, periods of high demand cause an increase in the number of rent-seeking actors wanting to collect them – both formal and informal in nature.

This presents significant competition for the collection clothes at local level and a challenge for social enterprises, many of whom have been active in the sector for decades: with fewer textiles to collect their income will be reduced and less people can be employed locally, especially from disadvantaged and marginalised groups.

As part of this competition for textile collection, there exist some legitimate private companies as well as informal actors which use imagery or charitable logos to mislead citizens into thinking they are donating directly to a charity or good cause. These practices are increasingly talked about in the media, casting a negative light on the sector as a whole

In a bid to address these challenges there have been a number of voluntary initiatives developed from within the social economy to improve transparency and visibility of social enterprises active in used-textile management. The primary aim of these initiatives is to help inspire confidence for partnerships between social enterprises and local authorities as well as other actors requiring textile waste management solutions. Most importantly their aim is also to reassure citizens that their donated textiles, and any profits made, will be managed and used in an ethical manner.

This document highlights some of these initiatives and outlines the main common ethical principles that social enterprises collecting textiles abide by. The main aim is to raise awareness about these initiatives and principles at EU level should similar pan-European work take place in the future.

2. Quick background facts

1. What happens to textiles when we donate them?

Used textiles can be collected in a number of ways including street containers, door to door collection services, recycling parks and direct donations to charity shops. Once used textiles are collected they are sorted. Depending on the organisation carrying out the collection, they may do the sorting themselves or sell on the unsorted collected textiles (the "original") to a sorting facility. On average the majority of textiles which are collected have re-use potential (some 60%) either locally or internationally. Another 30-40% is destined for recycling and the rest must be disposed of as a cost to the organisation.

[2] Estimates from the Textile Recycling Association in 2005 showed that between 15 and 20% of textiles were separately collected whilst a recent study from the Nordic council of ministers estimated that separate collection in the Nordic region ranged from 22% in Sweden to 46% in Denmark.

[3] WRAP (2016) Textiles Market Situation Report – Spring 2016 available here

13 kg

clothing on average purchased by each EU citizen [1]

5.7 million tonnes of clothing

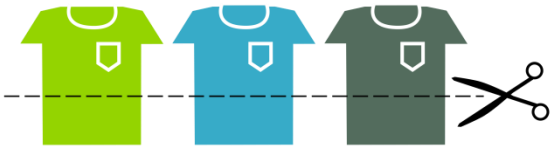
that could fill 5500 olympic swimming pools are thrown away every year in the EU [2]

120 000

local jobs could be supported if all discarded clothing was collected and sorted by social enterprises [3]

20 - 30 %

reduction of each carbon, water and waste footprint when extending life of clothes by just 9 months [4]



rreuse

1 Calculation based on data from Eurostat and JRC (2009) Study on the selection of Waste Streams for End of Waste Assessment
2, 3 RREUSE (2015) Briefing on job creation potential in the re-use sector
4 WRAP (2016) Textiles Market Situation Report – Spring 2016

2. Sorting and selling locally creates jobs and is environmentally preferable

Sorting and sales of collected textiles locally provides significant local job opportunities. In general, however, social enterprises collect and sort locally because sorting is an activity that can employ people that are excluded from most of the labour market. RREUSE recently estimated that at least 20 jobs can

be created in the collection and sorting of 1000 tonnes of used clothes. If all 5.7 million tonnes of used clothes discarded each year[4] would be sorted locally we could create 120,000 jobs in Europe in this activity. Valorising the material locally in this way also keeps the operation more stable economically than simply exporting and from an environmental perspective keeps the value of the material circulating close to the place where the textile is collected.

3. Social enterprises: pioneers in promoting transparency

Increasingly consumers are asking about what happens to used textiles that they donate. There have been a number of initiatives born from within the social economy in order to improve transparency of textile operators and to improve cooperation between those who donate, local authorities and social enterprises in the collection of used textiles. Two of the most advanced are Solid'R and Fairwertung

Fairwertung is a German organisation whose main aim is to make non-profit textile collectors more visible through a label (see below). Holders of the 'Fairwertung' label aim to highlight that they are non-profit organisations and that the clothes collected will either be donated directly to those in need or sold with revenues being reinvested in the social mission of the organisation. FairWertung also monitors the flow of goods from the collector to the sorting facility to make sure that all textiles are sorted under high environmental and social standards.

Solid-R is an ethical label and charter developed by RESSOURCES, the Brussels and Walloon network of social and solidarity enterprises, that is valid across the BENELUX region. The social enterprises which sign up to this ethical charter engage themselves to adhere to its criteria which focus on transparency and ethical conduct of the clothes themselves and revenues gained. The organisations which adhere to the charter also agree to be audited against the criteria by an external organisation. [5]

The European Union should consider promoting such initiatives Europe-wide.

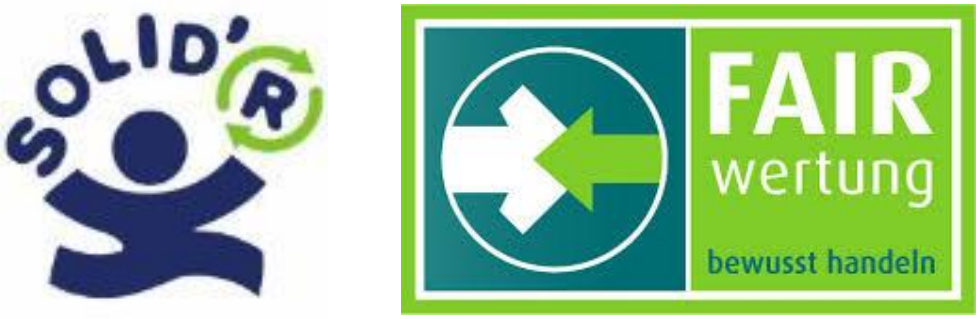


Figure 1: Logos of the Solid'R and Fairwertung labels

[4] JRC (2009) Study on the selection of Waste Streams for End of Waste Assessment, available here
[5] The full criteria of Solid'R can be viewed here

Other initiatives, not exclusive to the social economy, also exist but which have nevertheless been devised in cooperation with some social enterprises:

"**The Nordic textile reuse and recycling commitment** aims to engage stakeholders in committing to common goals of reducing the environmental impact from textile consumption and increasing the competitiveness of the Nordic region. It is a proposal of a common quality requirement system for textile collection, sorting, reuse and recycling. It provides a third party certified system for legitimate sustainable collection, sorting, reuse and recycling of textiles"[6]. The system includes a labelling commitment whereby textile collectors doing so for social label can use a different label from purely private operators based on a set of social criteria.

It is currently being piloted until September 2016.[7]

4. General principles of social enterprises working in management of used textiles

Should there be any initiative in the future to create a European-wide labelling scheme for the textile waste management chain, RREUSE strongly feels that the role of social enterprises in this field must be given extra visibility due to their social added value. We feel that these organisations can distinguish themselves using the following principles:

A) Social sustainability criteria

1. The highest possible fraction of reusable clothes collected should be sorted and sold on the local / regional market from which the textiles were originally collected;
2. The revenue from sales of collected goods must serve exclusively for the promotion of social, humanitarian and/or environmental objectives of the enterprise, less the costs for management of collection, sorting and selling and, if necessary, investments;
3. Collection, sorting and sales of used clothes should be used as a way to employ and provide support services for persons distanced from the labour market;
4. A part of the collected textiles could be made available as immediate coordinated relief aid in the wake of natural or manmade disaster;
5. Collected clothes that do not get sold in second-hand shops of the organisation are to be sold to actors that satisfy all necessary legal requirements and abide by ILO labour standards as a minimum;

[6] Norden (2015) The Nordic textile reuse and recycling commitment, available here
[7] Norden (2016) Fate and Impact of Used Textiles Exports: Phase One Report, available here

6. The public should be informed clearly and transparently about the main aim social, humanitarian or environment purpose of the organisation including the way the textile is sorted and about how the revenues are used through clear labels on all collection infrastructure (such as street containers and other designated collection points/facilities) or through publically accessible written or electronic information

B) Economic sustainability requirements

1. Collection, sorting and selling should take place under the full control of the social enterprise. Under no circumstances can the organisation endorse purely commercial operators which have values inconsistent with their own by lending / selling rights to its own name and brand;
2. The hiring of subcontractors by the organisation for collection, sorting and selling is only allowed when the capacity of the social enterprises is limited or when there is not enough capacity for an execution of an economically viable collection activity. Should this be the case no hidden profit distribution should take place, but the service purchased in addition should get paid accordingly. This should be monitored according to a transparent process and the overall responsibility and control has to stay in the hand of the social enterprise;

C) Environmental sustainability criteria

1. As far as possible, re-use and recycling of collected textiles should take place within the country where the textile was originally collected in order to reduce carbon emissions, abide by the EU proximity principle and in line with the EU waste hierarchy.
2. Preferably, textiles and leftovers should only be sold to dealers if it is possible to control the flow of material downstream, i.e. the sorting facility
3. The collection of textiles takes place through the use of containers, door to door schemes, organised collection points in stores etc. in accordance with the national waste regulations;
4. In every part of the process chain the collected goods are handled carefully in view of preserving their value;
5. The collected goods are sorted, so that the largest possible proportion of reusable clothes are classified for the different markets
6. All remaining fractions for recycling, landfill or incineration must be carried out in accordance with national waste regulation

For more information, please contact RREUSE: info@rreuse.org, or call **+32 (0)2 894 46 14** www.rreuse.org,

The Reuse and Recycling EU Social Enterprises network (RREUSE) is a European umbrella organisation for national and regional networks of social enterprises with re-use, repair and recycling activities. Approximately 130,000 workers, trainees and volunteers work throughout our 31 member organisations across 17 European countries and the U.S.A. Although structures and national contexts are diverse, RREUSE members share common elements such as the protection of the environment, the fight against poverty and, especially, the progress of disadvantaged people back into the labour market. RREUSE's main goal is to put sustainable development into practice by encouraging job creation and social inclusion in the field of waste prevention and sustainable waste management activities