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# Finnish Textile & Fashion's Comment on the Sustainable Products Initiative

Finnish Textile & Fashion welcomes the Commission's initiative on Sustainable Products. In our view, a successful EU Product Policy will provide a stable framework for the development of more sustainable products in the future. It will help achieving circularity, making products more appropriate for a climate neutral future, and help creating a common understanding of the essence of a sustainable product.

In our view, circular economy is a business opportunity, but in the long run it is also a business necessity. Making products more sustainable plays an important role in this transition. It is crucial that the sustainable product policy legislative initiative will provide a stable framework for this. At the same time, it is important to remember that a "one size-fits-all" method would not be suitable for use within the Sustainable Product Initiative, and neither is the idea of widening the Eco-Design Directive beyond products that are clearly energy-related.

## **Making Products More Sustainable**

Product design – at the beginning of a product's life cycle – plays a crucial role in the sustainability and circularity of a product. Currently, only a small number of all products available are designed with durability, longevity, and recycling in mind. In our view, the Sustainable Product Initiative can create an opportunity for a win-win situation, which can be beneficial both for the environment and the European textile industry.

We welcome the Commission's proposal to address the Eco-Design Directive to non-energy related products, like textiles. We also support the objective of making products more sustainable on the European market. However, we would like to raise our concern regarding the development and implementation of general principles and guidelines with relation to the initiatives mentioned above. The textile industry is very diverse, and textile products are usually designed for various uses (e.g., clothing, home textiles, workwear, medical textiles). Within this industry, a great variety of products needs to be considered in all decision-making.

On the other hand, we find that eco-design should be supported, as it is fundamental in defining harmonised requirements. In our view, it could be a suitable legal instrument to guide further development towards circularity in Europe and help with the definition of a sustainable product.

For the diverse textile industry, developing specific requirements can be quite complex. For this reason, all the specified requirements should be clear, pertinent and based on science. The requirements for defining a sustainable product should consider the whole of a product's life cycle.

However, some technical challenges might hamper the implementation of eco-design requirements. For example, setting the minimum requirements for a product's lifespan is almost impossible, since it largely depends on the end users, and cannot be defined merely based on the chosen material or production methods. Also based on textile product's function and intended use, a simple product composition (e.g., mono-materials) are not always possible (e.g., technical, or medical textiles).

We also wish to remind that, when designing products, many aspects such as product safety and quality, materials, energy efficiency as well as the benefits for a customer, need to be taken into consideration by the manufacturers. Due to the intended use and end user preferences, the product portfolio of the textile and fashion industry is very heterogeneous. Consequently, there are very different approaches to making products even more efficient in terms of their environmental impact. Hence the product requirements should stay neutral in when considering technology and materials, which would not hinder the development of new innovations, business models and products.

When considering extending the life span of products, textiles differ from, for example, electronics. There are no similar dangers in handling the products, but on the other hand, the result of repairing textiles is largely influenced by the repairing method and the quality of the work. The repair cost largely depends on product quality, the degree of reusability and repairability, the availability of skilled employees as well as repair shops. At the moment, repairing is often not an attractive option for consumers. For this reason, there is a need to offer consumers incentives to repair products instead of always buying new ones.

#### **Providing Information, Including Digital Product Passport**

We support the idea of introducing a Digital Product Passport for products produced within and imported to the EU. In our view, this has the potential of being a useful tool in resolving issues of product transparency, traceability, and labelling. It could also be a useful tool in helping the transition to circular economy. A Digital Product Passport could also improve the data exchange within the complex supply chains of the textile sector.

Although important benefits can be seen in the implementing of a Digital Product Passport, it is important that the Commission takes into consideration that a Digital Product Passport should be useable, manageable, and implementable for the businesses in the industry. They need to be an active part of the development of a product passport, given their knowledge of the value chains and the existing systems of the industry, and what is required for a product passport to work in practice.

The information needed for the product passport needs to be carefully considered. The structure of the passport should reflect the different information needs of the different entities. Company sensitive information must stay confidential by default, and the generated information in general must bring a real added value. For example, all supplier information cannot be required to be published transparently. There cannot be a standard product passport for all products. The information in the value chain needs to be adopted sector by sector or product by product, and it needs to be based on a true need. Especially the limited resources of the SMEs must be considered when developing a Digital Product Passport. It is indeed also important to have a sufficient transition period for the system development before adoption.

We support the idea to also add the information of the environmental impacts to the Digital Product Passport. However, this requires that the calculations are based on harmonised methods. Also, the

data and tools which are needed for the calculations, should be freely available for all companies. Otherwise, there is a risk that the SME's do not have the required resources to provide the information.

### **Transformation To Circular Business Models and A Level Playing Field**

Circular economy is a global trend with significant economic opportunities. There are still many challenges that need to be addressed to make circular economy a reality. The Sustainable Product Initiative should focus on minimizing rapid consumption of unrenovable materials, low quality, and short life cycles. We also invite the Commission to put an effort in solving the inconsistencies, barriers and gaps in the existing legislation which are standing in the way of creating new business models. These aspects are especially important, since a large part of the global impact of the European textile consumption is generated outside the EU.

We believe that the most effective way to encourage companies to move towards new circular business models is to provide incentives for both businesses and consumers. Also, the existing legislation should be developed towards supporting circularity. For example, discarded textiles should be seen primarily as a valuable raw material, not as a waste. This would promote proper treatment of the end-of-life textiles, the development of recycling systems and new circular business models. More research and development are needed, not only in physical material and product features, but also in the administrative and financial aspects of the new business models.

Ensuring effective enforcement and market surveillance is important when assessing the success of the new sustainable product initiative. There is also a need to promote and offer incentives to choose high quality and durable products and reward low-impact manufacturing processes. This also applies to favouring products designed with recycled or biobased materials or are designed to be repairable, recyclable or for longevity.

#### **More information:**

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#### **Finnish Textile & Fashion**

Finnish Textile & Fashion is the central organization for textile, clothing, and fashion companies in Finland. Our member companies produce, for example, clothing, home textiles, sportswear, and outdoor apparel. They also manufacture industrial non-wovens as well as technical industrial textiles.