

Fashion CEO Agenda- Policy Gaps and Opportunities

Circular systems

19 May 2021, 14.45-15.20 CEST

Following the launch of the Fashion CEO Agenda 2021¹ on 12 May, Global Fashion Agenda takes a closer look at each of the five priorities set forth to discuss how policy potentially can support the further activation of each priority. Full draft programme available [here](#).

Priority context

Increased awareness around the need to transition from linear to circular business models has led to numerous initiatives in recent years-both industry and policy driven. This complementary approach is the way forward: as shown in Global Fashion Agenda's [2020 Circular Fashion System Commitment Final Report](#) a voluntary approach can inspire action when it comes to circular design, collection, resale and recycling. Engaging with policy remains however key when it comes to tackling the remaining challenges outlined below and to incentivise mechanisms to scale circular fashion systems.

Policy Gaps and Opportunities

First of all when it comes to production, shifting to a more circular fashion system has the potential to promote improved working conditions. However, the majority of garment workers lack access to upskilling opportunities and training, limiting their ability to respond to change and take advantage of new opportunities. **Business and policymakers must understand the impacts on jobs to equip, support and protect workers in this transition.**

A second issue with policy gaps worth addressing is overstock and deadstock. As a result of COVID-19 and a significant drop in demand, it is estimated that around 60 billion pieces of excess fashion products will be in circulation, representing a 140-200% increase. **Policymakers will be expected to help the industry swiftly find value-capturing alternatives to potential incineration or landfill.**

As far as waste is concerned, policy measures are **needed to support the development of collection, sorting and recycling infrastructures such as the ones put forward by Euratex's ReHubs' initiative². This is even more crucial** in light of the expected growing volume of separately collected textiles by end 2024 as a result of the obligation introduced by the EU's 2018 Waste Directive. Significant and continued **investment in the research and development of innovative and scalable technologies would allow the industry to turn waste into high-quality materials.**

Focus of the discussions: All in all European policymakers are seemingly aware of the need to boost the sustainability performance of the sector and to address the challenges brought about by COVID-19 in light of the EU Textiles Strategy expected later in 2021 as well as of several other vertical measures announced by the EU's 2020 Circular Economy Action Plan. Global Fashion Agenda is virtually gathering circularity experts to bring them the key industry frontrunners' learnings so that all forthcoming **policy actions ensure a set of coherent measures that truly support complexities around changing the linear model.**

Main related legal conversations

As part of the 2020 EU Circular Economy Action Plan:

¹ The *Fashion CEO Agenda* is a guide to what every CEO in fashion needs to prioritise to future-proof their company. The publication outlines the most pressing issues and the biggest opportunities for environmental and social impact and provides guidance on how to move from words to action. Priorities include: Respectful and Secure Work Environments, Better Wage Systems, Circular Systems, Efficient Use of Resources and Smart Material Choices.

² Cf. the European Apparel and Textile Confederation (EURATEX's) proposal for the development and set up of [European Textile Recycling Hubs \(ReHubs\)](#).

- [Sustainable Products Policy Initiative](#) (Q4 2021)
- [Substantiating Green Claims Initiative](#) (Q3-Q4 2021)
- [EU Textile Strategy](#) (Q3 2021)

Speakers

- Valérie Boiten, Senior Policy Officer, Ellen MacArthur Foundation
- Christos Kyriatzis, Senior Expert- Textile Clothing, Leather and Footwear, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs European Commission
- Jérôme Pero, SG of the Federation of the European Sporting goods Industry- FESI on behalf of the Policy Hub- Circularity for Apparel and Footwear
- Rüdiger Fox, CEO, Sympatex Technologies
- Harsh Saini, EVP sustainability, Fung Group
- Moderator: Alice Kuhnke, MEP & chair of the EP Intergroup on the Green New Deal