

EVENT REPORT

General Assembly: Circular economy in European textile & apparel manufacturing

14 June 2017



On Thursday 8 June 2017, about 100 delegates attended the EURATEX General Assembly conference on Circular Economy in textile & apparel manufacturing. Four committed companies and Mr Grzegorz Radziejewski from the cabinet of the Commission Vice President Katainen discussed the opportunities, but also the challenges for the sector. Drawing the conclusions, EURATEX called for collaboration to prosper and showcase art in the circular economy.

Mr Klaus Huneke, president of EURATEX, opened the conference by stressing on the three main areas the textile & clothing sector should focus on:

- The importance of **free and fair trade between key global trading partners**
- **Sustainability**, as value for the society and the “new quality” for many companies, which place it at the core of the business’ strategy, investments and a key factor for competitiveness
- The need to intensify **market-driven applied research** to defend Europe’s position as an innovation leader in the global marketplace and the help that the **RegioTex Initiative** should play at regional level



Regarding sustainability and notably circular economy, Mr Huneke said that “is one of the biggest change in our industrial society and, just like the digital revolution, it has the biggest potential to positively impact our society. [...] Moving from a linear to a circular model, may change the way in which people use things, industries produce, the society uses its limited resources and dispose of waste, if any of it is left.”

The EURATEX President swiftly opened the floor to the European Commission delegate keynote and invited all participants to look into successful business cases and to reflect upon industry needs and collaborations.

The keynote speech was given by Mr Grzegorz Radziejewski, responsible of green growth at the cabinet of the Commission Vice President Katainen. Mr Radziejewski highlighted the growing number of people and organisations interested and committed in the circular economy and the real benefit of it for resources saving, societal gains such as new jobs creation or increase in disposable income, environmental footprint among others. He stressed “to benefit from the enormous potential of circular economy, we need to change people’s, business and consumers’ mind-set, which is the hardest challenge to tackle”.



He also underlined two other essential financing elements to reach circularity goals: “to engage private capital and to count on business engagement”.

For Mr Radziejewski, **investment in innovation** – in broader sense, not just technological, but also new business models and processes – and **collaboration** are key to prosper and gain competitiveness through circular economy in the European Union.

He touched upon concrete examples of European Commission policy actions addressing barriers to innovation: the Innovation Deals on water reuse and reuse of electric car batteries; if these prove successful, more innovation deals will be launched.

He concluded indicating possible ways to finance circular projects. Among others, the Horizon 2020 programme, whose budget line for the circular economy has been raised from €600 million to €800 million for the 2018-2020 period and structural funds with €5,5 billion in 2014-2020 period or through the Investment Plan which aims at mobilising private capital.

The panel discussion gathered Mr Radziejewski and four companies committed in circular economy:

- Hilaturas Ferre producing yarns coming from pre- and post-consumer clippings and reducing the pollution and water and energy consumption caused by their activities through all their processes
- European Spinning Group (ESG) producing collections made from post-consumer recycled denim yarn (towels, tents, jeans, workwear, etc.)
- Marchi & Fildi Spa producing yarns coming from post-consumer clippings and reducing the pollution and consumption caused by their activities through all their processes
- TDV industries that has created an environmental calculator and a social & societal display on top of being involved in eco-circular developments



Those companies presented their success stories and proved that circularity in the textile & apparel supply chain is possible, is already happening and that SMEs (Small and Middle-sized Enterprises) have a crucial role to play but need proper policy actions.

To improve the existing efforts on circularity in the textile & apparel supply chain two needs emerged from the companies' views:

- A clear definition of what recycling really is to protect consumers from false claims
- Better visibility for SMEs capacities to create awareness and trigger new partnerships

Drawing the conclusions, Mauro Scalia, Head of Sustainable Businesses at EURATEX, introduced the **industry's policy brief** and the upcoming line of action of EURATEX with its members, based on three ideas:

- Gather online successful business cases from **100 companies**, especially SMEs, to learn about capacities, challenges and to support new partnerships
- Joining the relevant **platforms** launched by EU institutions, business and society organisations to contribute by sharing information and technical inputs
- Stock taking of results and new actions planning in a public event within **one year**, by June 2018.



A move to circular economy is complex but this shall be the goal: make it **real** for most people and most businesses, especially the small ones.

EURATEX will work with policy makers and help designing measures which fit, removing barriers, incentivising a demand for circular economy and drive the transition through innovation and investment.

EURATEX will also work with any other business and society organisation to build on our common interests and let the transition happen.

To close the event with a surprise, a massive piece of art was unveiled giving the sense of how circularity in textiles is not just a matter of manufacturing, but is also relevant in art. The piece « Le Bélier de Verviers » (The Ram of Verviers) realised by the French artist Pierre Matter with recovered materials from the old industrial plants of Solvent and wool from Traitex was exhibited to witness expertise and know-how still strong today.



Piece proposed by [Meta-Morphosis](#)



A key European manufacturing sector made up of 177.700 companies, 99% are SMEs, producing primarily in Europe and integrated in the global value chains. This industry is transforming since 2004 when it starts to move away from mass market commodity goods to focus on high value, innovative and sustainable products and production which deliver garments to people as well as key materials for personal protection, sport, automotive, aerospace, construction, medical, and many other applications. Europe is the world's second largest exporter of textile products generating €171 billion turnover and employing 1.7 million people.