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**COMMISSION STAFF WORKING DOCUMENT**  
**EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT REPORT**

*Accompanying the document*

**Directive of the European Parliament and of the Council**

**amending Directive 2008/98/EC on waste**

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## 1. WHAT IS THIS INITIATIVE ABOUT?

This impact assessment considers a possible revision of the Waste Framework Directive (WFD) to contribute to the ambition of the European Green Deal in terms of reducing waste generation and the transition to a circular economy, focusing on two resource intensive sectors: textiles and food.

Total textile waste, covering clothing and footwear, home textiles, technical textiles, and post-industrial and pre-consumer waste, in 2019 amounted to 12.6 Mt (10.9 Mt post-consumer waste and 1.7 Mt post-industrial and pre-consumer waste). Clothing and footwear waste amounted to 5.2 Mt, equivalent to 12 kg per person per year in the EU. Only about 22% of post-consumer textile waste, which represents 87% of textile waste generated, is collected separately mainly for re-use or recycling while the rest is incinerated or landfilled. Despite progress, separate collection, sorting and recycling in the EU are insufficient to handle the additional quantities expected once the separate collection obligation materialises on 1 January 2025 and textile consumption continues to grow. The problem stems from regulatory, market and behavioural drivers:

- Funding gap to scale up re-use and recycling systems to achieve economies of scale.
- Regulatory uncertainty on the application of the definitions of ‘textiles’ and ‘textile waste’ leading to gaps and inconsistencies in textile waste flows and hampering cross-border movements. Increasing regulatory fragmentation due to different approaches to separate collection and their financing models. This hampers high-quality feedstock needed to scale up re-use and recycling.
- ‘Fast-fashion’ trends flooding the market with low-cost clothing and textiles. Consumers are mostly unaware of the negative environmental externalities of textiles across their life cycle, in particular their transboundary impacts on third countries.

Boosting the circularity of textiles would lower the use of primary materials and help mitigating negative environmental externalities. Harmonising textile waste management would facilitate legal certainty on the quality, scale and consistency of the feedstock, thereby enabling stakeholders (e.g. Member States, local authorities, social enterprises, waste managers, producers, consumers) to maximise re-use and recycling.

The amount of food waste in the EU reached nearly 59 Mt in 2020. Over half of food waste (53%) is generated by households, followed by the processing and manufacturing sector (20%).

Despite the growing awareness of the negative consequences of food waste, political commitments made at EU and Member State levels and EU measures implemented so far, food waste generation is not decreasing as required to make significant progress towards Sustainable Development Goal (SDG) Target 12.3. Target 12.3 calls for halving per capita global food waste at retail and consumer level. Action taken to date in Member States is uneven and disparate and the full potential for food waste reduction is not realised as both market and behavioural drivers are not adequately addressed.

The problem stems from the following main drivers: insufficient consumer food management; inefficiencies and trade-offs in the food supply chain; lack of understanding and certainty as regards implementation of food safety standards; lack of evidence-based, coordinated approaches in Member States, leading to food waste generation going largely unchecked.

## 2. WHAT IS TO BE ACHIEVED AND WHICH POLICY OPTIONS HAVE BEEN ASSESSED?

For textile waste, the specific objectives are to reduce waste generation, and increase re-use and recycling. Three policy options were assessed compared to the baseline:

- Option 1 aims to support Member States in implementing and enforcing current provisions by clarifying definitions, exercising existing Commission mandates for secondary legislation, and improving current stakeholder platforms for guidance and exchange of best practices.
- Option 2 envisages setting regulatory requirements in the Waste Framework Directive to clarify definitions and reporting obligations, set minimum requirements for the collection and treatment of used and waste textiles to ensure compliance with the waste hierarchy. A flagship measure is the establishment of an extended producer responsibility (EPR) for textiles to secure the funding for re-use and recycling systems and R&D to maximise circularity of the sector.
- Option 3 entails setting waste management performance targets.

For food waste, the specific objectives are to (i) assign clear responsibility to Member States for accelerating reduction of food waste along the food value chain, and (ii) to ensure sufficient and consistent response by all Member States. As the lack of progress is mainly due to existing EU measures (regulatory and non-regulatory) not being used to their full potential, this initiative focusses solely on setting targets.

Setting, at EU level, the same target for each Member State should lead each one to taking the most effective measures, tailored to its specific national situation.

The impacts and feasibility of three policy options have been assessed covering different target levels set for different stages of the food supply chain – see table.

2030 food waste reduction target on:	Option 1	Option 2	Option 3	Option 4 (voluntary)
primary production	n/a	n/a	10%	n/a
processing and manufacturing	10%	10%	25%	n/a
retail and consumption	15%	30%	50%	voluntary target 50%

## 3. WHAT IS THE PREFERRED OPTION AND WHY?

The preferred option for textiles is Option 2, a set of regulatory requirements to scale up textile re-use and recycling with positive net impacts, potentially complemented by setting a separate collection target for textiles (Measure 3.6). The preferred option includes measures ensuring harmonised sorting practices across the EU to increase re-use and recycling and reduce the illegal exports of textiles waste disguised for re-use purposes (Measures 2.5, 2.6 and 2.8), mandating setting-up harmonised national EPR schemes to close the funding gap (Measure 2.9), improving reporting to better monitor textile flows (Measure 2.14), and potentially setting a separate collection target for textile waste (Measure 3.6).

Regarding food waste, Option 2 will be effective in providing a strong policy impulse for Member States to take action to reduce food waste at national level while being proportionate and feasible. Therefore, this option is used as a basis to assess the cumulative impacts of this initiative (food and textile waste).

Option 3 offers the most significant environmental benefits and best reflects the political commitment of the EU and its Member States to contribute to the achievement of SDG Target

12.3. However, given the limited progress made across the EU and therefore doubtful technical feasibility, achieving the target set in this option – by 2030 – will be challenging.

#### **4. WHAT ARE THE IMPACTS OF THE PREFERRED OPTION?**

On textile waste, the expected impacts are as follows:

- The EPR would entail costs for producers/importers placing textiles on the EU market, which may be passed on to consumers. The costs are expected to account for approximately 0.6% of the total cost of the product (or €0.12 per t-shirt), while providing €3.5-4.5 billion annual holistic returns for collection, sorting, re-use and recycling investment. The recovery of value is estimated at 58% of the costs.
- The negative environmental externalities are expected to decrease with greater re-use and recycling, including €16 million savings from GHG emission reductions and reduced negative impacts on third countries.
- The social impacts in the EU and third countries are expected to be mitigated. 8 740 jobs would be created in the waste management sector, including in textile recycling, supporting social enterprises in managing used textiles.

The textiles industry is dominated by SMEs. Microenterprises (representing about 88% of companies and 12% of industry turnover) would be exempted from EPR fees. The impact of the preferred option on competitiveness is overall positive.

Food waste reduction targets are expected to deliver significant environmental benefits (e.g., Option 2 leads to a 25% reduction in GHG emissions compared to the baseline) and financial savings for consumers (€439/household/year). As reducing food waste can lead to a reduced demand for food, the initiative may have some limited impact on farm income and reduce the need for farm labour, which however can be offset by other measures (e.g., increase in organic farming) and gains in non-food sectors.

This initiative is considered as relevant for SMEs. However, countries that have undertaken coordinated action focus so far on larger businesses and voluntary measures.

#### **5. MEASURING SUCCESS?**

The impact of the preferred option for textile waste would be monitored – if maintained – through the target set out in Measure 3.6. and based on the improved data flows on textiles as a result of Measure 2.14. The latter would also future proof the legislation enabling further performance target setting that is currently assessed as not feasible under Option 3. Monitoring is based on annual data on textiles reported.

Monitoring of progress towards food waste reduction targets will be done based on Member States' annual reporting according to rules established already under the WFD. Moreover, implementation of national food waste prevention programmes is subject to periodic reviews by the European Environment Agency.