What the EU's Ecodesign for Sustainable Products Regulation needs to focus on to ensure positive impact for smallholder farmers and artisans in the textile sector

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Position paper

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About the Fair Trade Advocacy Office (FTAO)

The Fair Trade Advocacy Office (FTAO) leads political advocacy for the Fair Trade Movement at the EU level. It has the purpose of promoting justice, equity and sustainable development at the heart of trade structures and practices so that everyone, through their work, can maintain a decent and dignified livelihood and develop their full human potential. Formed as a joint initiative of Fairtrade International, the World Fair Trade Organization, and the World Fair Trade Organization-Europe, the FTAO leverages a broad coalition of civil society groups and social enterprises committed to equitable and sustainable trade.

The FTAO is a member of the Ecodesign Forum and represents a wide range of actors in social enterprises, SMEs, craft industry, traders, producer cooperatives, national Fair Trade platforms in EU member states, among others. Together, we are deeply committed to the principles of sustainability, and have been working to create a circular and sustainable economy for several decades. Our general 2024-2029 policy priorities for how the European Union can promote a fair and sustainable textile sector are available on our website.

Executive summary

This paper outlines our key positions and recommendations regarding the Ecodesign for Sustainable Products Regulation (ESPR), under which the European Commission will issue a delegated act on textile products setting minimum performance criteria and information requirements by the end of 2026 or early 2027. We take this opportunity to pay particular attention to the implications of the ESPR for smallholder cotton farmers, artisans and the Fair Trade movement. In order to ensure continued market access of smallholder cotton farmers and artisans, it is important that the textiles performance criteria correspond to their capacity and reality. This paper discusses what Ecodesign criteria need to focus on to ensure positive impact for these actors:

- **Durability:** Ecodesign criteria for durability of textile products must move beyond solely assessing tensile strength and adopt a "holistic durability" approach, considering wearability, comfort, resilience to washing, consumer behaviour, and the relationship between purchase and repair prices. Furthermore, the European Commission should recognise the critical importance of biodegradability of certain natural fibres, even if they are less durable.
- **Environmental impacts of fibres**: The textiles delegated act should quantify the positive environmental contributions of natural fibres, such as their role in enhancing biodiversity, improving soil health, and sequestering carbon. It is crucial to distinguish between different cultivation methods and geographic origins of natural fibres when assessing their impact. Ecodesign criteria must also reflect the high environmental impact of virgin-fossil-fuel based synthetic fibres and promote the use of recycled synthetic materials while reducing overall production. Finally, the methodology used for calculating environmental impacts should be improved to address gaps in the Product Environmental Footprint Category Rules (PEFCR) and ensure a more holistic assessment.
- **Socio-Economic aspects:** The textile sector has a vital socio-economic importance to the livelihoods of smallholder farmers and artisans. Performance criteria should consider their capacities and realities to ensure continued market access. We recommend incorporating methods from Social Life Cycle Analysis (S-LCA) to comprehensively assess social and socio-economic impacts throughout the product lifecycle.

- **Minimum requirements for recycled content and “sustainable renewable materials”:** While supporting increased use of recycled materials, the textiles criteria should reflect the varying qualities and characteristics of different recycled content, especially concerning microplastic release from recycled polyester. The definition of "sustainable renewable materials" in the ESPR, a term currently undefined, should explicitly include natural fibres cultivated in sustainable ways (e.g., organic, Fairtrade) and fabrics produced using sustainable artisanal techniques.
- **Digital Product Passport (DPP):** The DPP is a welcome step towards greater transparency and should include production sites, date of production, and certification or other third-party verification. Access to the data in the DPP should be accessible and unlimited for all actors in the supply chain, including smallholder farmers and garment workers.
- **Support to artisans, social enterprises and smallholder farmers:** Support measures for SMEs foreseen in the ESPR must be accessible and useful for smallholders, artisans, and social enterprises, including those outside the EU. These measures should enable them to demonstrate compliance with performance criteria, including support for accurate environmental footprint calculations that are specific to their diverse practices.

Background

The Ecodesign for Sustainable Products Regulation (ESPR) is an unprecedented legislation, aiming to ban the least sustainable products by setting requirements on how products are designed, produced and how they need to perform. The Fair Trade Advocacy Office is committed to strengthening this legislation during the design and implementation of the delegated act on textiles and establishing a digital product passport, in order to transform the fashion industry into one that is good for planet and people. We will work with the European Commission to adopt robust and ambitious Ecodesign requirements for all textile products to ensure that they are of high quality, more durable, reusable, repairable, recyclable and non-toxic. To do so, the European Commission should measure and set targets to reduce the overall material footprint of the products in the scope of ESPR delegated acts covering textile product. Ecodesign requirements must take into account the performance of different fibres and hence be fibre-specific, targeting relevant hotspots. The ESPR can thus serve as a tool for collective action to prevent and minimise water, air and soil pollution due to sourcing of textile materials and the production of textile products.

We take this opportunity to pay particular attention to the implications of the ESPR for smallholder cotton farmers, artisans and the Fair Trade movement. In order to ensure continued market access of smallholder cotton farmers and artisans, it is important that the textiles performance criteria correspond to their capacity and reality. This paper discusses what Ecodesign criteria need to focus on to ensure positive impact for these actors.

1. Durability

The upcoming Ecodesign criteria aim to set performance requirements regarding the durability of textile products (Article 5(1)(a)).

Durability relies on more than tensile strength

Synthetic fibre products often outperform natural fibres in most durability tests, because fossil fuel-based textiles have high tensile strength. Therefore, basing durability tests solely on tensile strength may unintentionally promote synthetic materials, which contribute significantly to low-quality, disposable fashion often linked to fast fashion.

In its design of durability criteria, the Commission should do so following "holistic durability" considerations, i.e. factor in a wide range of factors that determine a garment's durability, beyond its physical characteristics. Holistic durability refers to the comprehensive assessment of a garment's ability to endure over time, considering not just its physical lifespan but also its performance, functionality, and the value consumers place on it.[1] This perspective has already been tried and tested in construction.[2] Wearability and comfort are key components of durability because a garment that is uncomfortable or impractical is less likely to be worn frequently, reducing its functional lifespan.[3] Similarly, a garment's resilience during washing, which includes resistance to shrinkage, fading, and fabric degradation, also affects its durability.[4] Consumer perceptions and behaviours, such as how they care for, repair, or dispose of garments—are equally important in determining a garment's long-term usability (ibid). The relation between the purchase price and repair price are additional important factors that affect holistic durability.[5] In setting performance criteria for durability, the Commission should factor in these considerations and go beyond only tensile strength.

Durability criteria should be designed with consideration for the benefits of biodegradability

Garments made from synthetic fibres may be durable but only in the sense that they are not biodegradable at end of life, and would remain durable enough even when in a landfill. As such, a careful balance must be struck between biodegradability and durability, with the former being of critical importance as well. Natural fibres demonstrate better performance compared to synthetic fibres on aspects such as recyclability and biodegradability at end of life.[6] For instance, jute fibre is 100% biodegradable.[7]

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[1] See for instance: Vanacker, H. et al. (2022). Journal of Cleaner Production. Different dimensions of durability in the luxury fashion industry: An analysis framework to conduct a literature review; Fletcher, K. Fitzpatrick, A. (2024). Fashion Theory. Decentering Durability: Decarbonizing and Decolonizing Ideas and Practices of Long-Lasting Clothes; Jetti, R. Dhar, D. (2024) Archives of Design Research. Product Durability: A Systematic Literature Review; d'Itria, E. Vacca F. (2024) Discover Sustainability. Shaping sustainable solutions in fashion through design-led strategies, approaches, and practices.
[2] Gjorv, O.E. Sakai, K. (2000) Concrete Technology for a Sustainable Development in the 21st Century.
[3] Motlogelwa, S. (2018) Materials, Development, and Applications. Comfort and durability in high-performance clothing.
[4] Nayak, R.K. Padhye R. (2015) Materials, Design and Technology. The Care of Apparel Products.
[5] Agence de la Transition Ecologique (2022). Fonds réemploi-réutilisation et réparation de la filière TLC.
[6] Dhange, V.K. Landage S.M. Moog, G.M. (2022) Sustainable Textiles: Production, Processing, Manufacturing & Chemistry. Organic Cotton: Fibre to Fashion.
[7] Food and Agriculture Organization of the United Nations. (n.d.) Jute.

Recommendations	
1	Durability tests should be based on more than tensile strength, and assess "holistic durability".
2	While emphasising the importance of durability, the European Commission should offset biodegradability when calculating impact.

2. Environmental impacts of fibres

The upcoming Ecodesign criteria aim to set performance requirements regarding the environmental impacts of textile products (Article 5(1)(o)), which may also include land use. The ESPR delegated act on textiles has a real opportunity to support the production of environmentally friendly and sustainable textiles, by recognising not just the most harmful practices and banning them, but also by identifying and promoting the most positive, and supporting use of those materials.

Quantify positive environmental impacts of natural fibres for a comprehensive assessment

Natural fibres are essential for sustainable development. They are renewable, biodegradable, and have a lower environmental impact than synthetic fibres (UN Resolution 78/169 of December 2023). Natural fibres, such as cotton, wool, and jute, often play significant roles in enhancing biodiversity, improving soil health through crop rotation and regenerative farming practices, and sequestering carbon.[8] Further, natural fibres can help to mitigate climate change. Their farming can absorb carbon dioxide from the atmosphere, and they can be used to produce products that reduce our reliance on fossil fuels.[9] Beyond cotton, abaca supports in erosion control and biodiversity rehabilitation.[10] The European Commission should thus seek to discuss and try to quantify the positive environmental contributions that certain natural fibres offer: Assessing these positive impacts would provide a more balanced and comprehensive view of the environmental impact of textiles.

[8] Cotton Research and Development Corporation. Kassatly, V.B. Townsend, T. (2024) European Union Ecodesign for Sustainable Products Regulation; Soil Association (2015). Organic Cotton and Climate Change.
[9] United Nations General Assembly. (2023) 78/169. Natural plant fibres and sustainable development.
[10] Food and Agriculture Organization of the United Nations. (n.d.) Abaca.

Distinction between cultivation methods and geographic origin of natural fibres

In assessing the positive impacts, it is important to distinguish between different cultivation methods, such as organic, Fairtrade organic, agro-ecological versus conventional cotton. The Commission's Joint Research Centre in its draft textiles report has already noted that organic and regenerative cotton farming use different resources from conventional cotton farming. Such a distinction offers further insights into benefits for other product aspects beyond just "environmental impact" (Article 5.1.(o)), such as use of chemicals (Article 5.1(g)), resource use (Article 5.1(j)) and others. For instance, an evaluation of the environmental impact of Fairtrade certified cotton in India exemplifies the massive differences between cotton cultivation methods: Fairtrade organic and in-conversion farmers had 20% higher water productivity rate than either group of non-Fairtrade farmers, and a 14% smaller water footprint.[11] Further, Fairtrade organic cotton generated 45% less greenhouse gas emissions than cotton cultivated with other methods.[12] Overall, while exact impacts vary between geographies, researchers agree that organic and agro-ecological farming methods significantly reduce emissions, use of chemicals, conserve water, and otherwise differ significantly from conventional cotton.[13] As such, when the Commission calculates environmental impacts of textile products in order to set performance criteria, it should base this on accurate data for each category.

Set Ecodesign criteria to reduce use of harmful synthetic fibres

The upcoming Ecodesign criteria aim to set performance requirements regarding the environmental impact of textile products (Article 5(1)(o)). Raw material extraction overall represents an estimated 21% of the textile industry's emissions, as highlighted by the Circularity Gap Report 2024.[14] Therefore, the Fair Trade movement supports measures to minimise the environmental impact of textiles at the raw materials level: This means for natural fibres (e.g. cotton, hemp, wool, leather, bamboo, jute) and semi-man-made fibres (viscose of different origins) the Ecodesign criteria for textiles should be based on an assessment of how they were grown (land use techniques, agricultural methods, use of organic practices, water use), and for man-made fibres (e.g. polyester, nylon, acrylic, fleece) how the petroleum was extracted and refined. While natural fibres appear to have more impact on land use via farming,

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[11] Fairtrade India, Global Agrisystem, Centre for Social Markets. (2024). Evaluating Environmental Impact of Fairtrade Certified Cotton in India.
[12] Ibid.
[13] See for instance: Mehmeti, A. et al. (2024). Sustainability. Performance and Sustainability of Organic and Conventional Cotton Farming Systems in Egypt: An Environmental and Energy Assessment.
[14] Circle Economy (2024). The Circularity Gap Report 2024

this does not factor in the land use and CO2 emissions from the production of synthetic garments, which rely on extraction of non-renewable resources, such as oil. The fashion industry's reliance on fossil fuels is exemplified by the fact that synthetic fibres in our clothes account for 1.35% of global oil consumption[15] – this exceeds the annual oil consumption of Spain. If the fashion industry continues on this trajectory of oil-dependency, by 2030 almost three-quarters (73%) of our textiles will be produced from fossil fuels.[16] Given the COP28 UN Climate Change Conference commitment by the EU and world leaders to transition away from fossil fuels, virgin-fossil-fuel based synthetic fibres should be assessed as having a high environmental impact.

Yet, as much as it is not possible to continue relying on synthetic fibres, they are currently widely used, with 62% of all fibres produced in 2020 being synthetic.[17] Therefore, there is a need to prioritise as much as possible recycled synthetic materials, while also reducing the volume of new materials produced overall.[18]

Address gaps in PEF

Further, the use of the Product Environmental Footprint Category Rules (PEFCR) is inadequate for assessing the environmental impact of fibres, as it does not apply the same system boundaries for the cultivation of natural- or formation of synthetic fibres.[19] This has also recently been noted by the European Parliament, which noted in 2024 that "for some product groups, the PEF method is not suitable for providing a holistic environmental assessment".[20] The Ecodesign criteria should be based on a method that applies the same system boundaries and adequately accounts for the impacts of microplastics. The European Commission could here take inspiration from the "Ecobalyse", the official methodology used in the French law on textile labelling.[21] While it remains imperfect, the Ecobalyse distinguishes between organic and conventional cultivation methods for cotton and countries of production, and incorporates to a certain extent microplastics pollution.[22]

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[15] Changing Markets Foundation (2021). Fossil fashion: the hidden reliance of fast fashion on fossil fuels.
[16] Ibid.
[17] Textile Exchange (2022). Preferred Fiber and Materials Market Report 2022.
[18] Textile Exchange (2024). The Future of Synthetics.
[19] Make the Label Count (2022). Delivering EU Environmental Policy Through Fair Comparisons of Natural and Synthetic Fibre Textiles in PEF; European Environmental Bureau (2022). Open letter on concerns about the PEF methodology and its application to apparel and footwear products.
[20] European Parliament. (2024). P9_TA(2024)0131 Substantiation and communication of explicit environmental claims (Green Claims Directive).
[21] Ministère de l'Aménagement du territoire et de la Décentralisation et le ministère de la Transition écologique, de la Biodiversité, de la Forêt, de la Mer et de la Pêche (n.d.) Affichage environnemental sur les vêtements.
[22] Gitbook. (2025). Ecobalyse: Durabilité.

Recommendations	
3	The European Commission should assess positive environmental contributions that natural fibres may offer. In doing so, it should distinguish between different cultivation methods, geographic origin and fibres.
4	Ensure that the environmental impact at raw material phase of virgin-fossil-fuel-based synthetic fibres is adequately reflected in criteria for this product aspect.
5	Ensure that the methodology used for calculation reflect the true environmental impacts of fibres, for instance by addressing gaps in PEFCR.

3. Socio-economic aspects

It is critical to examine the socio-economic impacts that the ESPR will have on vulnerable economic actors, in accordance with Article 21(2)(d) of the Treaty on European Union (by which the EU must "foster the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty"). Beyond founding principles of the EU, the current Commission has set farmer welfare squarely at the core of its mandate, for instance in the 2025 Vision for Agriculture and Food by which the EU commits to supporting farmers.[23] Further, the EU Strategy for Sustainable and Circular Textiles sets out that by 2030, textile products placed on the EU market should be produced in respect of social rights.[24]

The ESPR does not include socio-economic aspects within the product criteria for which performance requirements shall be set, but an evaluation shall take place in the future on whether to include them in a revision. Additionally, the Ecodesign criteria will inform the revision of the Ecolabel, a voluntary badge of excellence created in 1992, which already includes social aspects via corporate social responsibility in its Criterion 26 and can only become more ambitious.[25]

[23] European Commission. (2025). Vision for Agriculture and Food.
[24] European Commission. (2022). EU Strategy for Sustainable and Circular Textiles.
[25] European Commission. (2014). Commission decision establishing the ecological criteria for the award of the EU Ecolabel for textile products.

As held in Article 3(3) of the Treaty on European Union, the EU shall overall in all its actions promote social justice and protection. In this spirit, the preparatory study on textiles by the Commission's Joint Research Centre is examining the potential socio-economic impact of textiles criteria. This means that in deciding what performance criteria to put in place, social considerations do factor in. We are pleased that the Joint Research Centre is already considering the socio-economic impacts on workers and communities around textile manufacturing plants in their preparatory study on textiles products.[26]

The Fair Trade movement insists that the impacts on the following actors should be particularly considered:

- **Smallholder farmers:** Natural fibres, such as cash crops, are often used as collateral for loans that provide farmers with access to essential inputs like fertilisers, pesticides, and seeds for growing food crops, which they might otherwise not be able to afford. For many smallholder families in the Global South, food crop cultivation and livestock farming are key to their survival, but fibres such as cotton, jute, abaca, and sisal often represent their primary source of cash income.[27] Smallholder farmers are estimated to produce over 75% of the world's cotton.[28] Approximately 250 million smallholder farmers worldwide are dependent on cotton for their livelihood and income.[29] For abaca, 86% comes from the Philippines, where the sector consists of an estimated 90,000 smallholder farmers.[30] Further, jute is commonly grown by smallholder farmers, often intercropped with legumes or cereals.[31]

- **Artisans and social enterprises:** When the Commission assesses the impacts of textiles criteria on SMEs according to its working plan, it is important that it looks specifically at artisans and social enterprises, as these already integrate considerations for the environment and socio-economic into their businesses. For instance, artisans – who make products fully or partly by hand – may use less resources and energy given their

[26] Joint Research Centre. (2024). Preparatory study on textiles for product policy instruments.
[27] Cotton Research and Development Corporation. Kassatly, V.B. Townsend, T. (2024) European Union Ecodesign for Sustainable Products Regulation;
[28] Fair Trade Advocacy Office. (2025). The cost of exclusion: How leaving smallholder farmers behind could disrupt global and EU markets.
[29] UNIDO. (2024). World Cotton Day 2023.
[30] Council of Fashion Designers of America. (n.d.). Abaca.
[31] Crop Trust. (n.d.) Jute mallow.

small-scale operations, and minimise waste.[32] The Ecodesign textiles criteria should therefore be designed to have a net positive impact on their operations and further support uptake of their business model in the sector. Further, in calculations of environmental impacts of different textile products, the Commission should ensure that good practices of artisans and social enterprises are able to be reflected. This could for instance include training and other support for accurate calculations of the impact, so that artisans can reflect their best practices.

- **Workers in end-of-life value chain segments:** Workers from marginalised and disadvantaged backgrounds, including those in informal sectors, women, and migrants, tend to be disproportionately present in areas of the value chain that are expected to grow within a more circular economy (such as recycling and logistics).[33] If such work is not designed in a way to support their upliftment, for instance as part of social enterprises, this presents a significant risk of reinforcing current issues related to job quality in these circular roles, such as low pay, long working hours, and harassment.

The UN Resolution 78/169 of December 2023 recognises that the "production and processing of natural fibres can contribute to poverty eradication and food security", as "these activities provide employment and income opportunities for farmers and rural communities".[34] In addition to examining potential adverse impacts of Ecodesign criteria on these vulnerable economic actors, the Ecodesign criteria should therefore also be designed in a way that they support their livelihoods and wellbeing and promote uptake of beneficial practices. To assess and reflect these impacts, we recommend Social Life Cycle Analysis, or S-LCA. This serves to assess social and socio-economic impacts from the product life cycle, as described by the UN Environment Programme.[35] As discussed by the European Commission's Joint Research Centre this already has significant industry uptake in other sectors.[36]

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[32] "Products that are produced by artisans, either completely by hand or with the help of hand-tools or even mechanical means, as long as the direct manual contribution of the artisan remains the most substantial component of the finished product… The special nature of artisanal products derives from their distinctive features, which can be utilitarian, aesthetic, artistic, creative, culturally attached, decorative, functional, traditional, religiously and socially symbolic and significant". UNESCO and International Trade Centre (ITC). (1997). Final report of the International Symposium on Crafts and the International Market: Trade and Customs Codification.

[33] BSR. (2021). Keeping Workers in the Loop.

[34] United Nations General Assembly. (2023) 78/169. Natural plant fibres and sustainable development.

[35] United Nations Environment Programme. (2020). Guidelines for Social Life Cycle Assessment of Products and Organizations 2020.

[36] Joint Research Centre. (2015). Social Life Cycle Assessment: State of the art and challenges for supporting product policies.

Recommendations	
6	When deciding on specific performance criteria and weighting of different considerations, the European Commission should recognise the vital socio-economic importance to the livelihoods of those involved in their production, such as smallholder farmers and artisans.
7	Life Cycle Analyses should incorporate methods from social life cycle analysis to assess social and socio-economic impacts from the product life cycle.

4. Minimum requirements for content of recycled content and "sustainable renewable materials"

The Ecodesign Regulation foresees that the European Commission should set minimum criteria on the amount of recycled content in textiles (Article 5.1(k)) and that the basis for improving product aspects should be, among other things, the "use or content of sustainable renewable materials" (Annex I(i)). We support the ambition to increase the use of recycled materials and sustainable renewable materials.

Different sources of recycled material need different standards

In setting criteria for recycled content, the European Commission should consider that recycled content varies in quality and characteristics. For instance, recycled cotton and recycled polyester have vastly different qualities. For instance, it is important to note that recycled polyester has several harmful consequences. When polyester is recycled, fibres are cut and reassembled, which leads to more shedding during use and washing. As such, recycled polyester leads to release of vast amounts of microplastics: Washing one polyester shirt every two weeks can release approximately 52,000 microplastic fibres annually.[37] A single laundry load of polyester clothes can discharge as many as 700,000 microplastic fibres.[38] The Commission should set criteria accordingly, distinguishing between different recycled materials.

[37] United Nations Regional Information Centre for Western Europe. (2024). From petroleum to pollution: the cost of polyester.
[38] European Parliamentary Research Service. (2019). Environmental impact of the textile and clothing industry.

Where virgin fibres are used, ensure high sustainability standards

While setting criteria for recycled content is important, the sustainability benchmark of a (partly) recycled product should be seen in relation to other sustainability factors, such as the other fabrics in the blend and the recyclability after use.

As the Joint Research Centre assesses, making products out of 100% recycled post-consumer textiles is almost impossible, and a blend will be needed of recycled materials and virgin materials.[39] As the production of virgin fibres will continue, criteria for recycled fabrics should ensure that the virgin fibres in the blend are sustainable.

That the Ecodesign criteria should promote the increase of sustainable materials is also noted in Annex I ESPR in the product parameter "use of content of sustainable renewable materials". This is also in line with the UNEP strategy (2023) to shift towards sustainable and circular textiles.[40] While this term is not defined here, the European Environment Agency has defined a "renewable raw material" as a resource that has a natural rate of availability and yield a continual flow of services which may be consumed in any time period without endangering future consumption possibilities as long as current use does not exceed net renewal during the period under consideration.[41]

4.1. Defining sustainable renewable materials

As regards how the "use of sustainable renewable materials" should be defined, traditional and artisanal practices should be reflected in "sustainable renewable materials".

Smallholder cotton farmers often use traditional methods (such as small fields, rotation crops, rain-fed), alongside some modern practices, such as integrated pest management or organic farming techniques, which contribute to sustainable cotton cultivation.[42] The Commission should consider how to reflect cotton grown under these methods under the term "sustainable renewable materials".

Further, it is important to keep in mind the specific manufacturing techniques that artisans use to produce fabrics based on different fibres. For instance, fabrics produced in accordance with

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[39] The JRC suggests that criteria cannot be not set at 100%, but will instead require a blend of recycled and virgin fibres in order to maintain quality. Source: Joint Research Centre. (2024). Preparatory study on textiles for product policy instruments; see also: Piippo, R. et al. (2022). Fit for the Future: Garment Quality and Product Lifetimes in a CE Context.

[40] Joint Research Centre. (2024). Preparatory study on textiles for product policy instruments, section 4.3, bullet point 7 on the use of "sustainable or recycled materials"

[41] European Environment Agency. (n.d.) Renewable raw material.

[42] Tiemand, T. Douxhamps, S. (2023) World Development Sustainability. Opportunities and challenges for integrated smallholder farming systems to improve soil nutrient management in Southeast Asia.

"khadi" or similar principles involve a reduction in water and energy.[43] The Commission should ensure that fabrics produced in accordance with artisanal manufacturing techniques are included under the term "sustainable renewable materials".

Keeping the focus on increasing the use of both sustainable and/or recycled materials in the ESPR is critical, as it can incentivise environmentally friendly, organic and agro-ecological farming practices (e.g. for cotton and other natural fibres).

Recommendations	
8	In setting criteria for recycled content, the European Commission should consider that recycled content varies in quality and characteristics and set criteria accordingly.
9	The ESPR textiles criteria should understand natural fibres cultivated in sustainable ways – such as organic, Fairtrade cotton and other agro-ecologically grown natural fibres – and fabrics and textile products produced in sustainable ways by artisans as a 'sustainable renewable material' as listed in Annex I.

4.2. Digital Product Passport

More transparency in the textile sector is urgently needed. The launch of the digital product passport (DPP) is a welcome step to increase transparency and traceability, and to ensure that consumers can make sustainable choices. Notably, in addition to information on performance on product parameters (such as an environmental footprint and durability score), the DPP is also proposed to include other information that "could influence sustainable product choices for customers and the way the product is handled by parties other than the manufacturer".

Sustainability, circularity and the made-in label are all information that are considered essential by consumers. Importantly, sustainability as understood in the concept of "ESG" includes not only environmental sustainability, but social as well. In a 2020 survey by the German environmental agency, 91% of respondents considered compliance with social standards in the manufacture of products to be "very" or "rather" important.[44] In the Flash Eurobarometer (2019), more than 80% of the respondents agreed (totally or tended to) that

[43] Gupta, S. et al. (2021). Indian Journal of History of Science. An assessment of environment friendly methods of khadi manufacturing.
[44] Umwelt Bundesamt. (2020). Erweiterte Integration sozialer Aspekte im Umweltzeichen Blauer Engel.

"[t]here is not enough information available about [...] working conditions linked to clothing".[45] Consumers find information related to social sustainability essential, and it should therefore be included in the digital product passport. This could, for instance, be done through information about whether the garment was produced in accordance with any standard, such as Fairtrade or similar standards.

The DPP should also require the date of production to be documented. This will create effective policy implementation in several ways:

- It would create transparency about when a garment was placed on the market, facilitating extended producer responsibility, support recycling facilities and social enterprises, and also help researchers in researching fast fashion trends.
- It would allow consumers to better understand the lifespan of their garments and incentivise longer used.
- If it involves timestamps for various stages of the production chain, it would provide insights into lead times by buyers towards their suppliers. This would shed light on short lead times, among the unfair trading practices in the textile sector that the European Commission has been seeking to address since a Green Paper in 2013.[46]

Further, the European Commission is devising the Digital Product Passport in synergy with the revision of the Textile Labelling Regulation. As part of this revision, Article 24 of the original regulation foresees that the review should examine "an origin labelling scheme aimed at providing consumers with accurate information on the country of origin and additional information ensuring full traceability of textile products". The Digital Product Passport provides sufficient space to facilitate this. Indicating the country of origin alone is not sufficient and requires additional context to "ensure full traceability", as Article 24 seeks. Because of vast differences within countries, indicating only the country is simply not enough for consumers to make an informed decision. Given the fractured nature of the sector, we are convinced in addition the physical made-in label, the digital label of textiles products should include all tiers of the production process. For example, for cotton this would mean where:

- Material was grown/sourced
- Ginning took place
- Spinning took place
- It was woven/knitted

[45] European Commission. (2021). Preparatory study to gather evidence on ways to empower consumers to play an active role in the green transition.
[46] European Commission. (2013). Green Paper on Unfair Trading Practices in the Business-to-Business Food and non-food Supply Chain in Europe.

- Dyeing and/or printing took place
- CMT/finishing took place

While doing so, the information requirements should ensure that location disclosure is meaningful but does not create threats or harm to workers or producers. The level of specificity should be sufficient to allow meaningful insights into the socio-economic conditions in which a garment was produced.

Finally, the Commission should make sure that the digital product passport becomes a tool that could be used to support widespread access to robust, credible and comparable data. As such, access to this information system should be free, unlimited and according to established Open Data standards. Ensuring that not just consumers, but other actors in the supply chain have access to the data in the Digital Product Passport is essential for several reasons: Smallholder farmers and garment workers rarely know what company they are producing garments for, as the label is usually sewn in at the last stage. To be able to address the problem, workers and smallholder farmers need tools to know what brand they are producing for.

For further discussion on information requirements in the Digital Product Passport, see our feedback on the Textile Labelling Revision.[47]

Recommendations	
10	Additional information to be included in the DPP for textiles should include: a. Production sites b. Date of production c. Certification or other third-party verification
11	Ensure the data in each Digital Product Passport is accessible to all and for free, to ensure meaningful use of this data.

[47] Fair Trade Advocacy Office. (2024). The FTAO calls for inclusion of social aspects in revised Textile Labelling Regulation.

5. Support to artisans, social enterprises and smallholder farmers

We welcome that the ESPR foresees support for small businesses, specifically in the form of guidance, targeted and specialised training, financial support, specific assistance to SMEs active in the manufacturing of products for which Ecodesign requirements are set. The Commission shall also support the calculation of the product environmental footprint (specifically) by providing secondary datasets and digital tools, and support the implementation of the Digital Product Passport.

Ensure support measures for SMEs are accessible for smallholders, artisans and social enterprises

As the Commission has announced an additional check regarding the impact on SMEs regarding criteria for textiles products, it is important that this check also involves an examination of whether these support measures will benefit social enterprises, artisans and smallholder farmers. Their role in textile supply chains is critical: In the cotton value chain, smallholder-produced raw materials feed into the EU's textile sector. The EU textile industry employs approximately 3.8 million workers, who therefore rely on the smooth functioning of the cotton supply chain.[48] Further, the Commission explicitly recognised social enterprises and artisans as critical actors during the European Year of Skills[49], but without adequate support measures, these very actors risk exclusion from the EU market.

Ensure that these support measures support their ability to demonstrate compliance with performance criteria

Notably, the challenge lies in their ability to document this knowledge in a manner that is standardised, accurate, and accessible for broader policy or market purposes. Many smallholders may lack the resources, infrastructure, or technical capacity to effectively track and report key data, such as emissions, crop yields, pesticide use, soil health, or for artisans manufacturing techniques, use of resources etc.

[48] DG GROW. (2025). Number of Persons employed, for Textile 2024.
[49] DG ENV. (2023). Euractiv. A new revolution for EU fashion and textiles.

This lack of documentation can hinder their ability to demonstrate to buyers that they indeed satisfy performance criteria. Therefore, the Commission should pay particular attention to creating criteria that all actors can demonstrate compliance with, and to developing measures to support their ability to demonstrate that their practices satisfy these criteria. Further, the Commission should ensure that the secondary datasets to calculate environmental footprint support smallholders, and that they – in line with the previous section – are specific to the different types of cultivation methods and geographic origin of natural fibres.

Recommendations

12	Ensure that support measures for SMEs are accessible and useful for social enterprises, artisans and smallholder farmers, including outside the EU.
13	Ensure that these support measures enable these actors to demonstrate their ability to comply with performance criteria.

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