

EPR variable fee white paper

The critical role the fashion and textile sector can play in improving environmental performance.



Contents

Foreword	3
Executive Summary	4
Introduction	7
Explaining EPR Fees	8
About the EPR Sandbox	14
Results	20
What is next?	26
Your next steps	28
Acknowledgements	31



Foreword

As Chief Executive of UKFT, representing textile manufacturers and retailers, I am pleased to present the Clothing EPR Sandbox Project white paper. This groundbreaking initiative represents a significant step towards achieving a more sustainable and circular economy for the UK textiles and fashion industry.

The Extended Producer Responsibility (EPR) Sandbox Project, led by QSA Partners and funded by Innovate UK's National Interdisciplinary Circular Economy Research programme (NICER), has successfully demonstrated the viability of an intelligent, variable EPR fee system. The proposed system incentivises circularity, encouraging better product stewardship across the industry.

Our collaboration with other major industry trade organisations and the academic expertise of the NICER Hub at the University of Exeter has allowed us to tackle the key challenges in data integration and circular eco-modulation. The project has not only identified gaps and inefficiencies in current data practices but also proposes practical solutions that can be scaled and implemented industry wide.

This project is a testament to the collaborative spirit and forward-thinking approach of our industry. It underlines our commitment to environmental stewardship and sustainable development. I would like to extend my gratitude to all the project partners, participating brands, and the dedicated team at QSA Partners for their invaluable contributions.

It is imperative that we build on these foundations, engaging more stakeholders and expanding our efforts to create a truly circular economy. The establishment of WEFT to further develop the EPR Sandbox project marks a significant milestone in this journey, and I am confident that together, we can achieve lasting positive impact for our industry and our planet. The evidence has been tested, refined and presented as open source: the challenge is now on for industry to adopt it.

ութե

Ale Monald

Adam Mansell

Executive Summary

The Clothing EPR (Extended Producer Responsibility) Sandbox Project, concluded in April 2024, demonstrated the potential for an intelligent variable fee system to incentivise circularity within the UK textiles and fashion industry. Led by QSA Partners with the help of UK Fashion & Textiles Association (UKFT), British Fashion Council (BFC) and British Retail Consortium (BRC) and supported by Innovate UK's National Interdisciplinary Circular Economy Research programme (NICER), this project brought together major industry trade organisations, brands, retailers and academic experts to address key data challenges and explore the impact of circular eco-modulation.

Objectives and Approach

The project's primary goals were to analyse existing producer data sets to enable circular eco-modulation and identify data gaps. The project modelled variable fee levels to demonstrate their effects without optimising eco-modulation levels. Data from over 500,000 types of garments, covering hundreds of millions of individual items, were gathered and analysed. The project achieved clear scores for over 85% of the data, applying a maximum score to the remainder where data was incomplete.



Key Findings

Finding 1 Data Challenges and Solutions	Brands typically hold product and sales data in separate systems, complicating the connection of these data sets. The project developed methods to match product identity, sales and weight data, enabling accurate analysis.
Finding 2 Variable Fee System	Different fee models were tested, including per-item, per- kilogram, and varied per-garment fees based on circular attributes. The project found that a fee system rewarding the reporting of individual item weights and circular attributes incentivises accurate reporting and better product design.
Finding 3 Circularity Incentives	The proposal of a central fund to incentivise circular activities, such as repair, reuse, and recycling, with the potential for producers to benefit from payments for participating in these activities. From consultation with the participating brands, it is already clear that this approach to analysis has value, in understanding the potential future options for EPR fees but also in understanding the circularity of their existing products on sale and how they can be improved through better design.
Finding 4 Industry Impact	Data modelling showed that scaling up the variable fees to the UK market could yield significant funding for circular activities, with potential savings on producer obligations if or when they adopt circular design principles.

Future Steps

To expand on the success of the initial project, a new independent company, WEFT, has been established to manage the sandbox system and conduct further data analysis. This new entity will focus on improving data robustness, developing open standard formats for data input, and exploring the application of this approach to other markets, including the EU and USA.

Conclusion

The EPR Sandbox Project has shown that variable fee scoring can drive circularity in the textiles and fashion industry. It has the potential to drive radical improvement in sustainability impacts and harmonise reporting across many nations into a single simple reporting system - this system can provide each nation with a bespoke set of incentivised fees in line with its preferred policy objectives. This approach can be an international game-changer in fashion and textile sustainability.

This work has informed the UKFT's key asks of the new government to develop an industry-led EPR scheme and establish industry-led national textile recycling infrastructure. It has also influenced the British Retail Consortium's (BRC's) governing principles for a UK textile EPR. The next phase involves scaling up the approach, engaging more brands, and refining the system to support a balanced and fair EPR framework. This innovative project paves the way to develop an EPR system that works with and for industry - to reward positive circular behaviours and penalise activities that are detrimental to the planet; ultimately providing a harmonised international EPR reporting and analysis system, fostering sustainable practices across the whole global fashion industry.

This white paper was researched and authored by QSA Partners, with thanks to our collaborators and partners UK Fashion & Textiles Association, the British Fashion Council, the University of Exeter's NICER Hub and the British Retail Consortium. We would also like to thank Innovate UK for co-funding this project. QSA Partners was established in 2013 to support businesses to implement circular economy business models. These are better for customers and commercial performance, and better for the planet.

To enable delivery of the next recommended steps a new independent organisation has been founded. WEFT will deliver and manage the sandbox system and do data analysis and calculations for the producers and governments to observe & test. It will advise on whether certain requirements can reasonably be measured and scored effectively in the industry data it can see.

Introduction

We, along with many industry experts, believe that intelligent Extended Producer Responsibility (EPR) fees are good for business. In this paper, we'll explain why and how these fees can promote sustainability and drive sustainable change and influence customer behaviour.

Many businesses and industry experts agree with the concept of eco-modulation, but the industry faces the challenge of designing an efficient and fair way of creating intelligent, variable EPR fees that are fit for purpose, and evolve with our fast-paced industry.

The European Commission has set a target for EU-wide harmonised EPR¹ fees that use ecomodulation to drive circularity. How can industries and governments address the difficult task of fair and balanced EPR fees without creating excessive burdens on their supply chains and customers?

Our work has broken new ground towards a solution. This paper sets out options for EPR fees, and the benefits and potential issues of implementing variable and eco-modulated EPR fees to clothing and textile products. We intend that a broad audience can understand it, but it's focused at:

- Policy experts & governments
- Clothing brands & retailers.

For the purposes of this paper, we have focussed on the UK market for clothing and textile products because the original work was part-funded by the UK Research & Innovation and we sought the help of UKFT in convening stakeholders. However, the principles discussed here can be applied to other global markets for these products and other product markets anywhere. We intend for the UK to be our proof-of-concept market, with replication globally.

1 https://ec.europa.eu/commission/presscorner/detail/en/ip_23_3635

07 I EPR variable fee white paper

Explaining EPR fees

Why are EPR fees necessary?

EPR fees require the producer of a product to pay for the treatment of that product at the end of its life. Waste collection and management systems are global and complex, it's often unrealistic to expect the producer to directly recover its own products and process them appropriately. EPR Fees enable the transfer of funds to local operators who can appropriately process the product.

Without a fair system to pay for such costs other people must pay for treatment, and this often means treatment is done to the lowest cost possible or, even worse, the products are disposed of in ways that cause significant and long-term damage to communities and the environment. There are many global examples of inappropriate disposal of clothing in regions that are far away from production supply chains or genuine secondary markets - and pollution created as these products slowly degrade.

What are the options for EPR fees?

EPR fees need to be designed carefully, to create a fair system across the supply chain, from the largest multi-national to new start-ups. This has been challenging in the past because it usually requires extensive and detailed analysis and reporting of data from producers and downstream treatment processors.



01 - Collective EPR fee systems

Collective fees impose a common flat-rate fee that producers pay on each product sold. These were seen to be the easiest to implement on a large scale in past systems - where good data was difficult to access. Applying collective fees meant that all producers could quickly adopt and pay a common fee, which raised some funds quickly for end-of-life management of the products.

Collective fees were also easier to implement where it was challenging to determine the difference between similar products (which food blender, computer or TV had the best design for repair or was easiest to recycle?).

These fee systems are commonly operated in the UK and many EU markets for funding the collection and treatment of e-waste. For example, in Ireland the collective fee for all TVs placed on the market is €5.00.²

A significant drawback of a flat fee system is that no-one is directly incentivised to improve the eco-design of their product: they won't get a reduced fee and it's unlikely to make a difference to the total market cost of recycling unless those better products are collected and treated separately.

A further drawback is that once fees are fixed there may be subsequent market or product changes that render the fee irrelevant or inappropriate. Changing fixed fee levels in current regulatory systems tends to be long-winded, sometimes needing a change in regulation.

2 https://www.producerregister.ie/images/uploads/inner/Category_Listing_6.pdf



02 - Individualised fee systems

These proved challenging to apply in the past because accurately implementing the fee in large markets was considered too difficult. Any given producer may release a large number of new products each year and calculating individual fees for this high rate of product churn is challenging if we attempt to categorise every single product placed on the market.

It is also essential to create a clear basis for the individualised fee: should it be related to a product's weight or composition? Its lifespan or how easily it may be repaired? Individual fees cannot be implemented without clear consensus on the fee structure.

The benefit of individualised fees is that, if consensus can be reached, producers clearly see which products attract the highest fees and where they can reduce EPR costs by improving product design and onward life for products.

The mechanism for regularly updating and evolving individualised fees is important - to ensure that fees can adapt dynamically to future product and commercial changes. This could be done annually with a forward forecast of changes. An evolving fee system enables system administrators to strategically work with industry to drive certain behaviours they wish to encourage by incentivising them further - with the intention that these incentives get larger over a period of time; while other activities are disincentivised, and the disincentives increase over time to encourage companies to steer away from these activities. This is essential in an industry as fast moving and dynamic as fashion and clothing.



Are EPR fees enough to drive stewardship?

EPR fees only tackle one part of a wider issue related to true product stewardship. Other policy measures may be needed to mitigate other impacts of products placed on the market, but these are outside the scope of our work.

The majority of EPR fee systems currently in place only consider the end of life of products they focus on the economics of waste collection and waste processing, missing production impacts or failing to address social impact. For this reason, many of them are related only to the weight of the product placed on the market.

Future EPR fee systems can encompass a far wider range of metrics including product durability, ease of repair, whether the product is suited to better recycling processes, and potentially other factors. This is sometimes called eco-modulation - applying a fee in proportion to the environmental impacts of the product. It's important to ensure that any fee mechanism remains open to other impact factors too, such as social impacts.



Other considerations

Reporting into EPR systems is currently an administrative burden to businesses. Through our engagement with the sector, we've learned that some EPR fee systems are so complex that brands do not claim eco-modulation incentives because the size of the incentive is less than the cost of the administration needed to claim it. In other examples, the EPR fees were difficult to forecast and final costs were substantially higher than original estimates.

A further challenge of all EPR fee systems is their ability to prevent free riders - the producers who exploit gaps in reporting and data systems to avoid paying fees. For e-waste in the UK, companies producing less than 5 tonnes of product are exempt from fees. With modern online shop fronts it can be easy to create new producer accounts to circumvent such requirements, rendering any data or fee system open to abuse.

A successful Textiles EPR scheme will deliver a more sustainable fashion industry in the UK, encouraging green growth through the onshoring of textile recycling, and will help the UK to meet its climate goals. The Sandbox is a crucial piece of research into the practical implementation of UK Textiles EPR scheme fees, and we urge government to consider the findings.

Helen Dickinson, Chief Executive Officer at the British Retail Consortium



Can an EPR fee system be optimised?

With a consensus between industry and government, fee optimisation is possible. It requires a balanced approach and a clear forward plan. This paper presents a way to optimise EPR fees for textile and fashion products and sets out how this can be achieved.

What would be the impact of not implementing EPR fees?

If EPR fees are not implemented in a market the environmental and social costs of producing the products are placed on the regions where harvesting, production and manufacture take place - these are often among the poorest regions globally.

In parallel, the cost burden of collection and waste treatment are borne by all taxpayers, meaning that everyone must share the disposal cost burden regardless of whether or not they buy many clothes. In cases where clothing disposal and management are not properly controlled, waste clothing is left in global regions that are unable to properly contain or recycle it. This leads to extensive pollution.

In summary, the absence of EPR fees places the greatest funding, environmental and social burdens on communities that are least able to afford them.



About the EPR Sandbox Project

Modern data processing systems helped us to analyse large volumes of data that previously would be impossible or overwhelming. Our project was created to identify how large data sets from multiple brands could be analysed and compared in a consistent way.

Our aim

To demonstrate how an individualised, intelligent fee could be applied to clothing in the UK market.

Our approach

QSA Partners gathered and analysed raw sales and product data spanning 12 months of sales from six brands of varying size, all with a UK market presence. We wanted to make gathering the data as easy as possible for businesses - so we asked for the information in their usual system formats but with clear product identity information so we could connect the sales and product information data sets. Where weight data were available, we included them. A key part of the project was to identify where data were available and to understand the quality of data.



A focus on circular product attributes

Before starting the project, we consulted brands and retailers to understand what detailed information they had at a product level. It was clear that complex data, like carbon and water impacts, was not widely available for enough products. This insight led to the project focusing on circular attributes.

Durability	Evidence of the product satisfying known durability criteria
Repair	Number of garment repairs
Reuse	The number of items resold after first use (excluding returned new items)
Composition	Material composition factors such as recycled content, design for recycling (monomaterial and suited to common fibre-to-fibre recycling processes), and natural fibre content

Variable fees vs eco-modulation

Fees were created based on circular attributes. Some of these are perceived to have an environmental benefit (e.g. recycled content) but we did not vary scoring in proportion to the quantity of recycled content, nor did we delve into the veracity of the reported quantity or type of recycled material. For this reason, we use the term variable fee and we do not claim to have applied eco-modulation to the products.

Future work will consider the robustness of the scoring mechanisms and the potential for incorporating scores related to the environmental benefits we can detect.

Which brands were involved?

We wanted to get a good mix of large and small brands, manufacturers and platforms. Our participants included:

- Burberry
- John Smedley
- Marks & Spencer
- New Look
- A global sportswear brand
- A global fashion resale platform



Why product categories were ignored

The project purposefully ignored product categories used by other systems for the following reasons:

- There is no common taxonomy of products used by all brands. There are various alternatives, such as GOTS, Higg, and typical market trade analyses, and none of these can easily be applied universally to all brands. Brands told us that they find the 104 product categories used by France's ReFashion system cumbersome and challenging to implement.
- 2. Product categories are irrelevant to our scoring approach: the garment identity doesn't affect the circularity score we applied.
- 3. It's more useful to report scoring to brands in their own product structure this is how they can understand priority actions for improving their score.
- 4. Current categories and taxonomies are likely to change or become outdated. For example, many systems place clothing into gender categories and this distinction is becoming less relevant.
- 5. We wanted the provision of data from brands to be as low effort as possible.

Calculation methodology: producer fee

A range of criteria was set for each circular attribute and factors created to score each item. Every item in each brand's product listing was assessed against the criteria and scores in each criterion were multiplied to generate a final score.

An example criterion is designed for recyclability, where a 100% wool or 100% cotton garment receives the best score, a 100% polyester garment receives an intermediate score and garments with a mixed composition receive the worst (highest) score.



Sandbox circular scoring methodology

The resulting score was applied as a fee (i.e. a score of 3 was applied as a 3 pence fee) and the total fee for all products was presented to the brand, with a detailed breakdown of its own scores within its product range.

A maximum score was assigned in any criterion where a product had absent data or incomplete data that we could not analyse. This serves as an incentive to brands for providing information (and could be used to further effect).

A large amount of detailed data reconciliation, cleaning and manipulation was done by the project team to achieve the calculation outputs.

Calculation methodology: circular action incentives

QSA also modelled a scenario where organisations (including brands and retailers) could receive direct income from the system for delivering circular actions. For example, a company could be paid a cash value for each garment they repair and each used garment they resell onto the UK market. Calculations could also be created for notional incentives for collecting used clothing (e.g. based on weight collected) but these incentives need further development to ensure they incentivise the right outcomes. It's vital that any incentive drives the right balance between reuse and recycling within the UK versus export for reuse overseas.



Example EPR finance system

The project analysed product data for over 250 million products, ranging across 500,000 unique product styles and types. The methodology applied scores to over 220 million products and assigned the maximum no useful data to the remaining ~30 million items. This section explains the results for an example company since it is not appropriate to publish any commercially sensitive data from participating companies.

It is critical to emphasise that the fee values used in this project were developed for the purposes of research modelling and should not be regarded as a recommendation for an appropriate fee level: the appropriate fee level is a future issue for industry to resolve and agree with the relevant governments.

Example outputs

A company selling 50 million items each year can foresee the following fixed EPR fee structures:

Fixed fee basis (per garment)	Source / reference	Annual EPR fee cost to the business (£)
£0.01	Fixing Fashion report, UK Parliament, 2019	£500,000
£0.10	Textile EPR Status Report, WRAP, 2024	£5,000,000
£0.033	Based on ~£0.10 per kg, roughly equivalent to the €0.10 per kg fee used by Stichting UPV Textiel in the Netherlands	£1,650,000

The Sandbox calculation methodology was applied to each individual product sold, assessing its performance against the circular criteria. The model assumed a maximum fee roughly equivalent to the £0.033 per item but a significantly lower minimum fee for items that exhibited excellent circular attributes. The result was a variable fee score distribution for the brands' entire annual sales such as the example below:



In this example, the brand has achieved a generally good Sandbox score on many of its products. From the score distribution a direct comparison with the above fixed EPR fees can be made:

Variable Fee Basis (Per Garment)	Source	Annual EPR fee cost to the business (£)
Range	EPR Sandbox model	£700,048

Each brand received a detailed analysis of its product mix describing the product ranges or styles that are responsible for their highest "variable fee". Due to the product-agnostic approach of the Sandbox this analysis could be tailored to each brands' product categorisation system.

Example sandbox calculation output



Summarised reporting provided insight into best and worst-performing products under the Sandbox scoring methodology and applied a defined range of incentives for circular activity that the brand achieved during the period. This included collection of waste clothing (instore &/or in banks), repair services and product resale.

Sandbox Score Visualisation



In parallel, it was possible to estimate the potential income that bulk collectors of waste clothing might generate from the funded model that was designed. These values were based on arbitrary weight-based incentives and a future system would need to balance the scale of incentives with the income generated by the system. There is a further option to focus the incentive on specific outcomes that benefit the UK economy. For example: to incentivise the sortation of waste into material streams suitable for UK-based fibre recycling processes.

We see this work as a rare, once-in-a-generation opportunity to transform the way clothing is designed and produced and the way individuals consume clothing and accessories. The potential impact is immense, and the risks of inaction are equally significant. This is the moment for the government to take decisive leadership. The evidence is clear, and the time for bold action is now.

Jennifer Decker, Partner, QSA Partners

Feedback from participating brands

All brands that participated in the project found the outputs highly informative:

- They understood how a variable fee might be simply implemented on their complex datasets.
- They learned which products in their sales mix performed well, and where circular design changes could reduce their calculated fee.
- They identified where better product data could help to improve scores and fee costs.
- They were motivated by the potential of a direct financial reward for downstream circular services and actions.
- There was potential for smaller brands to fully offset their EPR fees by providing circular services to customers.
- Our approach demonstrates that we can clearly assign scores across whole product ranges with a minimal administrative burden on participating brands.

The fashion industry thrives on creativity and passion for change, so it's only natural that the BFC was a key partner in the creation of the Fashion Sandbox. We fully support this work; our industry needs strong support from the government. As we face some of the most challenging market conditions in recent memory, we recognise our responsibility in driving a sustainable future, but the journey requires collective effort—we cannot do it alone.

Caroline Rush, CEO, British Fashion Council



At M&S, we ensure our clothes are made well and made to last and, through Plan A, we've been taking action for over 15 years to help customers give their clothes Another life. In 2008, we were the first UK retailer to launch a clothes recycling scheme, and this year we launched a clothing repair service. We are proud to be a part of the Fashion Extended Producer Responsibility Sandbox project and support steps to scale textile recycling in the UK, but want to work with government so that it drives tangible change. A successful EPR scheme must incentivise good business, encourage circular design and invest in UK recycling infrastructure if we are to achieve positive change.

Katharine Beacham, Head of Sustainability in Clothing & Home at Marks & Spencer

At Burberry, we are working to support a more circular economy through our aftercare services and circular business models. These services help our customers keep their luxury products in use for longer. By contributing to this industry-led EPR Sandbox project, our aim is to positively influence the future of the fashion industry in adopting more circular practices.

Sumit Dargad, VP, Quality and Engineering, Supply Chain at Burberry

As a 240-year-old 8th generation family-owned business, we are committed to manufacturing sustainably. Traceability and raw material partnerships form a huge part of our sustainability journey. The EPR Sandbox project has enabled a steering committee from various sectors within the textile industry to create a process for EPR that is fair to all involved. Everyone needs to become aware of the EPR process and help us shape the future for product end of life and beyond. Incremental gains for reducing our CO₂ emissions create huge benefits for the planet.

Tim Clark, Technical Director, John Smedley

24 I EPR variable fee white paper

Opportunity for government: A national picture

The system can also be used to run what-if scenarios and a extrapolate a national figure for EPR fees, based on a set of core assumptions. This facilitates an informed discussion between industry, governments and other stakeholders when assessing what level of fee to implement, contributing valuable insight to questions such as "how much funding does a fee generate for investment in textiles circularity?"

Whole market view?

Our work is world leading and innovative; the project demonstrates a viable new way to apply an individual variable fee to complex fashion markets.

There is a perceived risk that the brands who were involved in this project are early adopters and already have good quality data systems, meaning that they found it simple to provide us with product sales and circularity information. However, the data received was in a wide range of non-standard formats, which required extensive cleaning and alignment work to enable our comparative assessment.

We are building an understanding of the challenges in working with the type of data received and believe that an open standard for reporting data in a common format will help brands to maximise the benefits of a variable fee system.

The potential for this project should not be underestimated and we anticipate it could be the basis of a single, harmonised international EPR reporting and analysis system. The system has the potential to apply a variety of national variable fee calculations from a single input dataset for those brands who sell across global markets.

So, what is next?

To demonstrate that the approach can be applied to the wider market QSA Partners have set up a new project hosted in an independent company called WEFT.

This new company serves as an independent mechanism for development of fee structures and tests them out with the guidance and input of industry, government and other stakeholders who have an interest in the UK fashion and textiles industry.

The new work will:

Step 1 Test the limits	Delve deeper into existing data sets from the original brands to test the potential limits of further data that we already understand.
^{Step 2} Source new data	Gather new data from a wider range of brands and producers to assess the wider potential for the variable fee system and how it could be applied.
Step 3 Improve scoring	Develop and refine further metrics and options for scoring products, such as estimated carbon impact, durability test outputs and relevant product and supply chain certifications.
Step 4	Create sandbox outputs to drive transparency and enable

Educate and inform

Create sandbox outputs to drive transparency and enable informed discussions about how a variable EPR fee can be implemented in multiple markets. So far, data related to garments placed on the UK market has been explored. We are clear, the approach can be applied to any market and can see the value to producers in being able to apply a common method across multiple countries.

The flexibility of the model means that WEFT's scoring approach does not fix all nations into the same scoring method: different countries and regions can choose to emphasise attributes and ignore others according to their specific priorities. The benefit of this is that a single data input from a producer can easily create the appropriate scores and fee calculations for all common systems.

WEFT will engage with international and regional governments to determine the appetite for a common EPR fee calculation system based on simple data inputs.

QSA Partners will continue with valuable research related to EPR systems, including the development of open standard formats for data reporting and the analysis of how communicating the variable EPR fee to consumers influences their buying decisions. The future of multinational, variable EPR fees is now a viable option.



Your next steps

The UK cannot continue to consume but not care. Brands and manufacturers have a pivotal and influential reach that impacts not only buyer behaviours but can lessen our collective effects around the globe.

But knowing and even accepting a role is one thing, being able to act in a cohesive and implementable way is another. Our work opens doors to the next step.

Through this project, major industry organisations are leading the way and are convinced that fair & intelligent variable EPR fees are possible and the right course of action.

The UK Fashion & Textile Association's key asks of the new government called for:

- The new government to introduce legislation to drive investment that helps the sector transition to a more circular economy.
- Introduce an intelligent EPR scheme for fashion and textiles, which incentivises the good and penalises the bad. The fees generated should be used to further develop the circular economy.
- Work with the industry to create a national textile recycling infrastructure to tackle the growing issue of textile waste and create new feedstock for UK manufacturers.

The British Retail Consortium's EPR Governing Principles for Textiles calls for the government to work with industry to build an industry-designed, cost-effective system that promotes a circular economy where materials are recycled for reuse in garment production.

Brands and producers: Act now

With a new UK government in place and with a new focus on zero waste and circular economy, the time is now right for brands to engage in the next phase of the EPR Sandbox project to improve their knowledge of a variable EPR fee and understand their likely obligations. It is not possible to predict when the UK government will implement EPR on textiles, but urgent action is necessary to inform an industry-led system and tackle the climate impacts of the global fashion sector. The following action plan has been created as a guide to get you started:

- 1. Join the Sandbox. Contact WEFT to find out how.
- 2. Work out how you measure the impact of your products which are the best and worst performers, and why?
- 3. Use the Sandbox results to refine your focus and to engage with government consultations on EPR fees.
- 4. Join QSA Partners' development work on an open standard for fashion data to support harmonisation of product reporting requirements.
- 5. Check your current alignment with climate targets and other sustainability goals.
- 6. Require your supply chain to align with the open standard principles to make reporting easier for everyone.



Governments must lead now

There is industry wide support for an intelligent, industry-led EPR fee mechanism that flexes to incentivise sustainability and secures funding for the development of high-impact circular infrastructure, jobs and skills in the UK.

We recognise the need for formal processes including consultation and impact assessments and we urge governments to engage with us to advise on how a scheme can be governed fairly, operated with a clear legal framework and operationalised.

Working with our partners, we have demonstrated that an intelligent EPR fee based on eco-modulation is possible and could make a real difference to reducing the environmental impact of our industry. An EPR fee scheme based on eco-modulation would level the playing field, by rewarding positive action for those designing for end of life and penalising those that don't take their responsibility to the environment seriously. It is the one issue around sustainability that everyone in the supply chain agrees on – legislation is needed to drive progress.

Adam Mansell, CEO of UK Fashion and Textile Association



Acknowledgements

We wish to thank the following people and organisations for their support, advice and participation in creating and delivering the EPR Sandbox project:

The brands who contributed vital product and sales data: **Burberry, John Smedley, Marks & Spencer, New Look, an international sportswear brand and a major resale platform**.

Our project partners UK Fashion & Textiles Association, British Fashion Council and the University of Exeter (which operates the CE-NICER Hub). We'd also like to thank the British Retail Consortium for their extensive guidance and support in engaging brands.

Innovate UK, which provided the essential funding required to deliver this initial project and demonstrate its commercial value, and Datitude for their technical work on this project.

Our colleagues at QSA Partners, who patiently supported the early-phase development of this concept for many years prior to receiving external funding.

Dr Mark Sumner, for inspiring us to act on EPR for textiles and helping us to engage with brands since 2021.

Gerrard Fisher & Kristina Bull WEFT Limited September 2024

www.weft.org.uk