

**Factsheet 11**  
**EU Textile Regulation**

# **An Apparel Supplier's Guide**

**Key Sustainability Legislation  
in the EU, US, and UK**

EU Corporate Sustainability Due Diligence Directive  
EU Corporate Sustainability Reporting Directive  
New York Fashion Act  
EU Forced Labour Regulation & Guide  
US Uyghur Forced Labor Prevention Act  
EU Ecodesign for Sustainable Products Regulation  
EU Packaging & Packaging Waste Directive & Proposal  
EU Microplastics Regulation  
UK Plastic Packaging Tax  
EU Product Environment Footprint Guide  
**EU Textile Regulation**  
EU Taxonomy

# Acknowledgements

## This resource was commissioned and led by:

Epic Group  
Norlanka Manufacturing Colomo Ltd.  
Shahi Exports Pvt. Ltd.  
Simple Approach  
Transformers Foundation



## In addition, this research was also supported by:

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, GIZ FABRIC Asia  
Transformers Foundation



## Author:

**The Remedy Project** is a social enterprise that works to improve access to justice and remedy for migrant workers in global supply chains. They work constructively with governments, civil society, law enforcement, and the private sector to translate the UN Guiding Principles on Business and Human Rights into practice. For more information please see [www.remedyproject.co](http://www.remedyproject.co).

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This document should not be construed as legal advice or a legal opinion on any specific facts or circumstances. This document is not intended to create, and receipt of it does not constitute, a lawyer-client relationship. The contents are intended for general informational purposes only, and you are urged to consult your legal counsel concerning any particular situation and any specific legal question you may have.

In addition, many of the legislations covered in this document remain at the early stages of the relevant legislative procedure. The information provided herein has been developed based on the latest draft of the proposed legislation at the time of writing. It is intended that the guidance and recommendations provided in this document will be updated as the legislation develops.

# Introduction

## a. Objective

This document is intended to enable suppliers in the apparel value chain that are established or headquartered outside of the Global North<sup>1</sup>, or whose operations are based outside these jurisdictions or whose supply chains extend to the Global South, to better understand how sustainability-related legislation in the Global North could potentially impact them. While suppliers may not, in all cases, be directly subject to the obligations created by these Global North laws, they may still experience knock-on effects as they form an integral part of the global apparel value chain and produce goods for multinational brands and retailers who have increasing compliance obligations as they adopt new practices in order to respond to the increased legislation. As such, this document aims to:

- Offer a public resource and roadmap for suppliers to proactively respond to and prepare for the requirements of these Global North laws.
- Provide a platform for dialogue and information exchange where suppliers and manufacturers can explore engagement (where possible) with policy makers in Global North jurisdictions.
- Support suppliers in delivering the fashion industry's social and environmental performance goals, and drive meaningful change for rights holders – whether workers, local communities, cotton farmers– globally.

## **b. Who commissioned this resource and why**

This resource was initiated and led by suppliers across production tiers and locations facing many of the same challenges. Despite these shared challenges, rarely do suppliers come together to address these challenges collectively.

Specifically, this resource was commissioned by: Epic Group, Norlanka, Shahi Exports & Simple Approach. In addition, this research was also supported by Transformers Foundation and GIZ FABRIC.

It is important to note the symbolic significance of this piece of work: this is a project initiated and led by fierce – and in some cases direct – commercial competitors. The entities commissioning this resource hope this inspires more apparel suppliers to join forces.

## **c. Which legislation is covered & why**

The entities commissioning this work began by crowdsourcing a longlist of legislation which industry representatives feel are pertinent to the apparel and textile sector (thank to everyone who generously shared their time helping to develop this long list). The entities commissioning this work, in consultation with the Remedy Project, based on significance and impact, narrowed the longlist down to twelve pieces of legislation. The twelve pieces were selected based on the potential scale of cascading impacts and the business risk they pose to suppliers. It is therefore important to emphasize that this resource is not exhaustive.

## **d. Important legislative context to understand**

As governments in the Global North embark on ambitious plans to transition towards climate neutrality, inclusive and sustainable growth, the body of sustainability legislation is expanding rapidly. The European Union (EU) is at the forefront of these changes, introducing a plethora

of legislative and non-legislative measures to implement priority policies such as the [European Green Deal](#). The European Green Deal is a cornerstone of the EU's industrial strategy, comprising a series of proposals to make the EU's climate, energy, transport, and taxation policies fit for reducing net greenhouse gas emissions by at least 55% by 2030, and to secure the global competitiveness and resilience of European industry<sup>2</sup>. There are also sector-specific initiatives such as the EU Strategy for Sustainable and Circular Textiles, which aim to implement the commitments made under the European Green Deal, by setting out measures to address the design and consumption of textile products, and promote a greener and fairer value chain in the textiles industry. The legislations covered in this document such as the EU Ecodesign for Sustainable Products Regulation and Digital Product Passport, EU Corporate Sustainability Due Diligence Directive, EU Regulation on Prohibiting Products Made With Forced Labour on the Union Market (**Forced Labour Regulation**), are only some of the initiatives taken by the EU to execute on the European sustainability policy objectives<sup>3</sup>.

These legislations create legally binding obligations on companies to consider how they are managing their social and environmental impact. Many of these laws and regulations have global application and/or will impact apparel manufacturing and sourcing hubs outside of the Global North. As such, while these laws originate from the Global North such as the EU, United Kingdom, and United States, they will impact companies operating outside of these jurisdictions. It is therefore a prescient time for companies directly subject to these legislations, and for those who have business relationships with them, to align their sustainability policies and practices with these laws.

At a high level, these laws (especially those relating to mandatory human rights due diligence) can be collectively understood as a legal framework that translates elements of the [United Nations Guiding Principles on Business and Human Rights \(UNGPs\)](#) into binding legal obligations. The UNGPs represent the authoritative framework on how businesses should operationalize their commitments to human rights. As businesses are increasingly required to comply with different (and sometimes overlapping) laws in this area, it is The Remedy

Project's view that businesses that are able to operate in accordance with the UNGPs and other international frameworks such as the [OECD Due Diligence Guidance for Responsible Business Conduct](#) will be more successful in making this transition. Complying with the highest international standards could help future-proof business against future legislative changes and may also be more efficient from a process perspective. Furthermore, the Remedy Project sees a trend of many brands upgrading their internal compliance and value chain requirements based on the UNGPs and international frameworks. Thus, complying with these international standards could help businesses position themselves to align with brands' expectations and easily and effectively adapt to future legislative requirements, as well as satisfy the requirement of other business partners and customers. Instead of having to operate in accordance with different standards of compliance for each jurisdiction and each counterparty, the business can adopt a less fragmented, and thus less burdensome, approach to compliance. Of course, even if suppliers align with established international frameworks, different brands will continue to set varying detailed procedural requirements on their supply chain partners, particularly in the near future. We therefore continue to recommend that suppliers proactively work with brands and retailers on implementation to reduce the risk of multiple interpretations.

#### **e. General implications for companies supplying apparel & beyond**

These legislative developments make clear that businesses will need to re-think the way they approach sustainability. This new era of legislation moves sustainability from "nice to have" to "must-have" and requires companies to implement human rights and environmental risk management practices. With this transition, we expect to see more cross-functional efforts to embed considerations of human rights and environmental impacts into business' day-to-day operations and overall strategy. In this new landscape, in-house legal teams must work closely with procurement and sourcing, operations, product teams, and in-house sustainability experts to achieve compliance. There must also be executive and management level buy-in, and attention given to sustainability issues.

## f. Likely implications for suppliers

Some of the key and recurring operational implications for suppliers are likely to include:

- Increased demands from brands for visibility into upstream supply chain partners' practices and full supply chain traceability
- More stringent codes of conduct and contract clauses from brands who work to protect themselves in case of legal investigation and penalties.
- Increased reporting requirements and data requests. This will require stronger data supply chains and data storage.
- Until legislative frameworks fully mature, different EU states may interpret requirements differently and brands are likely to set different requirements. However, given the common trend of adopting rules and requirements on the basis of international principles and standards, such as the UNGPs and OECD Due Diligence Guidelines, aligning internal systems and procedures with those principles and standards can be a good start towards satisfying varying requirements.
- Increased emphasis for suppliers to implement due diligence processes to identify, prevent, remediate and report on social and environmental impacts.
- Increased focus on grievance mechanisms. Here too there is a risk that different brands will interpret new requirements differently and that this could lead to varying standards within a single facility.

It is hoped that this document will provide companies – especially those engaged in the apparel value chain – a roadmap to navigate this fast-evolving regulatory landscape.



# How to Use ● This Document

**This document comprises a series of factsheets. For each legislation, the factsheet will cover the following topics:**

## 1. Overview

A summary of the key aspects of the legislation.

## 2. Context

A description of the political context and policy objectives that the legislation seeks to address or achieve.

## 3. Status

Whether the legislation is in effect and if not, the current stage of the legislative procedure. If known, the expected timeline for implementation is also provided. For proposed EU legislation, users may find it helpful to refer to the [European Parliament's infographic](#) for information on the different stages of the EU legislative procedure.

## 4. Scope

This section sets out the types of companies or products that fall within the scope of the legislation. This may include, for example, an explanation of the thresholds that a certain company must meet for the legislation to apply. Our suggestion to suppliers is to start by identifying whether they are directly in-scope and, if so, review the obligations and compliance recommendations for companies in-scope (Sections 5 & 6). If a supplier has established that they are not directly in-scope, it is our suggestion that those suppliers review whether the brands for which they produce are in scope. If a supplier's customer is within scope, our suggestion is to review the potential implications for suppliers to companies in-scope (see Section 7).

## 5. Obligations for companies in-scope

A description of the duties and responsibilities that must be undertaken by the companies that are directly subject to the legislation.

## **6. Compliance recommendations for companies in-scope**

Suggested recommendations for companies to prepare for compliance with the legislation (where the legislation is not yet in effect), or considerations for companies seeking to improve their compliance (where the legislation is already in effect). For the avoidance of doubt, these compliance recommendations do not constitute legal advice or opinion; companies should seek legal advice from attorneys concerning any specific situation or legal question they may have. Moreover, as the text of the laws in many cases remains subject to change, companies should refer to the most updated version of the legislation in developing their compliance strategy. The enforcement actions undertaken by the relevant regulator (once the law is in effect) will also determine the scope of compliance obligations.

## **7. Potential implications for suppliers to companies in-scope**

In some instances, suppliers in the apparel value chain who are not directly subject to the concerned legislation, may still be impacted by the legislation as they supply to companies in-scope (i.e., a fashion brand or fashion retailer in-scope). These may include requirements around transparency and traceability, or obligations to undergo audits or obtain certifications. This section sets out the potential implications of the legislation for suppliers. For the avoidance of doubt, companies in-scope will approach compliance differently and many of the legislations covered in this document are in nascent stages of development. Moreover, the enforcement actions undertaken by the relevant regulator will also affect how companies in-scope respond to the legislation. As such, the guidance provided herein is only intended to represent our best estimates of the knock-on effects of the concerned legislation and is for informational purposes only.

## **8. Penalties for non-compliance**

Where applicable or known, the penalties for companies in-scope that fail to comply with the legislation are set out.

### **9. Form of Enforcement**

A description of the key forms of enforcement action that may be taken by the relevant authorities.

### **10. Reporting/disclosure for companies in-scope**

An overview of the key information disclosure obligations (if any) for companies in-scope.

### **11. Access to remedy mechanisms and litigation risk**

This section notes where the relevant legislation provides a right for legal action to be taken against a company for alleged non-compliance.

### **12. Opportunity to participate and engage in legislative developments**

Where applicable, opportunities to participate in public consultation.

### **13. Useful resources to support compliance**

Links to third-party resources and guidance are provided for further detail on how companies in-scope may approach compliance and how suppliers or business partners to companies in-scope may prepare for cascaded compliance requirements.

# Glossary

A glossary of key terms used in this document is set out below.

**Brands:** For the purposes of this document, this refers to a multinational company that is engaged in the business of offering branded apparel products.

**Companies in-scope:** Companies that are directly subject to the obligations set out in the relevant legislation.

**Due Diligence:** A process that businesses should carry out to identify, prevent, mitigate, and account for how they address the actual and potential adverse human rights or environmental impacts in their operations, their value chain and other business relationships.

**EU Decision:** A “decision” is binding on those to whom it is addressed (e.g., an EU country or an individual company) and is directly applicable<sup>4</sup>.

**EU Delegated Act:** A delegated act is an EU legislative mechanism to ensure that EU

laws that are passed can be implemented properly or reflect developments in a particular sector.

**EU Directive:** A directive is a legislative act that sets out a goal that all EU countries must achieve. However, it is up to the individual countries to devise their own laws on how to reach these goals<sup>5</sup>.

**EU Regulation:** A regulation is a binding legislative act. It must be applied in its entirety across the EU<sup>6</sup>.

**European Commission:** The European Commission is the EU’s politically independent executive arm. It is responsible for drawing up proposals for new European legislation, and it implements the decisions of the European Parliament and the Council of the EU.

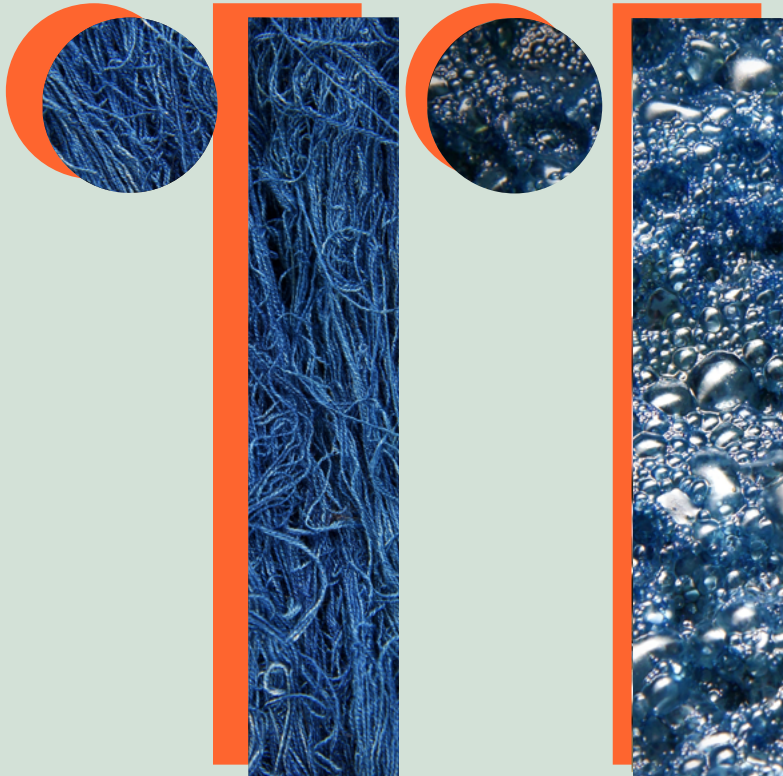
**European Council:** The European Council is the EU institution that defines the general political direction and priorities of the European Union.

**European Parliament:** The European Parliament is the EU’s law-making body that is directly elected by EU voters every 5 years.

**Grievance Mechanism:** Any routinized, State-based, or non-State-based, judicial or non-judicial process through which grievances concerning business-related human rights abuse can be raised and remedy can be sought<sup>7</sup>.

**Supplier:** For the purposes of this document, unless otherwise specified, this refers to a supplier in the apparel value chain. While the information provided herein is applicable across the entire value chain, it is primarily intended for Tier 1 suppliers and sub-contractors who produced finished goods for fashion brands and retailers, and Tier 2 suppliers and sub-contractors who provide services and goods, such as knitting, weaving, washing, dyeing, finishing, printing for finished goods, and components (e.g., buttons, zippers, soles, down and fusible) and materials for finished goods.

**Value Chain:** A value chain encompasses all activities related to the production of goods or the provision of services by a company, including the development of the product or the service and the use and disposal of the product as well as the related activities of upstream and downstream business relationships of the company.



# EU Textiles Regulation

## 1. Overview

Regulation (EU) 1007/2011 on Textile Fiber Names and Related Labelling and Marking of the Fiber Composition of Textile Products (the **Textiles Regulation**) regulates fiber names and related labelling requirements for textile products. Textiles products that are made available on the EU market should be labelled, marked or accompanied with commercial documents that meet the requirements set out in the Textiles Regulations.

## 2. Context

The Textiles Regulation was put in place to protect consumer interests and ensure that businesses that sell textile products across the EU were consistent in the way that they labelled or marked the products.

EU-wide legislation around textile labelling and marketing was first introduced in the 1970s. Changes have been made over time to the laws in response to fibre and material technological developments to include more requirements for the labelling and marketing of textile products.

## 3. Status

The Textiles Regulation was adopted by the European Union on October 18, 2011, and was effective from May 8, 2012. It repealed and replaced the previous laws.

## 4. Scope

Companies planning to sell textiles products in the EU market (including retailers and manufacturers) must ensure that the products are labelled or marked in accordance with the Textiles Regulation. In general, textile products must carry a label clearly identifying the composition of all textile fibers used and indicating any non-textile parts of animal origin. These labels must be firmly attached to the product.

Textile products<sup>8</sup> exclusively composed of textile fibres (e.g., clothing), or products containing at least 80% by weight of textile fibres (such as furniture, umbrella, and sunshade coverings), fall within the scope of the Textiles Regulations.



## 5. Obligations for companies in-scope

### Textile labels and fibre names

Textile labels<sup>9</sup> are mandatory in the EU for textiles intended for sale to the end consumer. In the case of business-to-business sales, textile labels may be replaced or supplemented by accompanying commercial documents.

The manufacturer of the product must ensure that the label or marking complies with the Regulation, and that the information provided is accurate. If the manufacturer is not incorporated in the EU, these obligations shall fall upon the importer. Distributors will also need to comply with the Textiles Regulation where they place a product on the market under their name or trademark, attach the label by themselves or modify the content of the label.<sup>10</sup>

National authorities can check textile products for conformity with the information displayed on the label at any stage of the marketing chain, such as:

- when requesting customs clearance
- at distributor's warehouses
- at wholesale or retail outlets.

The Textiles Regulation lays down requirements on the use of textile fibre names and related labelling and marking of fibre composition of textile products when they are made available on the EU market. In a nutshell, textile labels must:

- be durable, easily legible, visible, accessible, and securely attached;
- give an indication of the fibre composition;<sup>11</sup> and
- use only the textile fibre names listed in the Textiles Regulation for the description of fibre compositions.

Where there are any non-textile parts of animal origin in the product (e.g., fur, leather, bone, or down feathers), the label should also state that the product 'contains non-textile parts of animal origin'.



All labels of textiles products sold in one or more EU countries must include translations in all the official national languages where the textile products are made available to the consumer.

## Purity

Textiles products can only be described as “100%”, “pure”, or “all” if it is composed exclusively of one fibre type. The manufacturer may choose whether to use those terms or to refer, for example, to a 100% cotton shirt simply as “cotton”.

For finished textile products made from two or more fibres, the fibre contents should be itemized and followed by their percentage of the total product (i.e., “cotton 80%, polyester 15%, nylon 5%”). For finished textile products with two or more distinct textile components (i.e., a jacket with a separate lining), textile labelling should be made separately for each component.

## Types and names of fibres

The types and names of textile fibres that can be used are limited to the list in Annex I of the Textiles Regulation on textile names and related labelling. If the textile product contains a textile fibre that is not among those listed in the Textiles Regulation, it is possible to apply for a new fibre type to be added.

## Cotton

The term “cotton” may be used only to describe the fibre obtained from the bolls of the cotton plant (*Gossypium*). The term “cotton linen union” may be used only for products having a pure cotton warp and a pure flax weft, in which the percentage of flax accounts for not less than 40% of the total weight of the fabric. This name must be accompanied by the composition specification “pure cotton warp - pure flax weft”.



## Wool

The terms “virgin wool” or “fleece wool” may only be used for products composed exclusively of a fibre which:

- Has not previously been part of a finished product;
- Has not been subjected to any spinning and/or felting processes (other than those required in the manufacture of the product); and
- Has not been damaged by treatment or use.

The terms “virgin wool” or “fleece wool” may be used to describe wool contained in products that are made from a mixture of texture fibres. In such cases, the wool fibre must:

- Not have been previously incorporated in a finished product;
- Not be damaged by treatment; and
- Account for at least 25% of the total weight of the mixture.

## 6. Compliance recommendations for companies in-scope

Companies in-scope should ensure that textile products that are made available on the EU market are labelled in accordance with the requirements of the Textiles Regulation. The composition of a textile product should be determined through robust testing and inspection, as the information provided on the labels must be accurate.

Note that wash care labels, country of origin, size label, and manufacturer identification are not specifically required by the Textiles Regulation. Having said that, it is strongly recommended to include this information as certain EU countries may require such information, or they might be covered by other legislations or industry standards.

## 7. Potential implications for suppliers

The Textiles Regulation is focused on protecting consumers from misrepresentation in the labelling of textiles products, rather than addressing the environmental and human rights impacts of textile products or production processes. As such, it is not highly relevant to the scope of suppliers' sustainability obligations.

That being said, suppliers to companies in-scope should expect to receive requests for specific labeling and information relating to the purity and types of fibres used. These disclosures will likely be subject to independent verification and brands in-scope may seek assurances from suppliers relating to the accuracy of the information provided.

## 8. Penalties for non-compliance

Not applicable.

## 9. Form of enforcement

The ECHA has no enforcement responsibilities; therefore, enforcement of REACH regulations is a national responsibility. Each EU country must put in place an official system of controls and adopt legislation specifying penalties for non-compliance with the provisions of REACH.

## 10. Reporting/disclosure requirements for companies in-scope

Importers or downstream users that place products falling within certain excluded uses/sectors shall be subject to reporting requirements. They will be required to send the identity of the polymer(s) used, a description of the use of the microplastic, the quantity of microplastics used in the previous year, and the quantity of microplastics released to the environment (either estimated or measured in the previous year) to the ECHA. The proposed reporting requirement is expected to help ensure that significant emissions are not occurring from the excluded uses/sectors.



## 11. Access to remedy mechanisms and litigation risk

Not applicable.

## 12. Opportunity to participate and engage in legislative developments

Not applicable.

## 13. Useful resources to support compliance

YourEurope, [Textile Label](#)

EURlex, [REGULATION \(EU\) No 1007/2011 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 September 2011 on textile fibre names and related labelling and marking of the fibre composition of textile products and repealing Council Directive 73/44/EEC and Directives 96/73/EC and 2008/121/EC of the European Parliament and of the Council](#)

## References

- 1 For the purposes of this document, “Global North” encompasses the European Union, United Kingdom, and the United States.
- 2 European Commission, [A European Green Deal](#)
- 3 See for example the summaries of EU legislation on environment and climate change.
- 4 European Union, Types of legislation
- 5 European Union, Types of legislation
- 6 European Union, Types of legislation
- 7 UNGPs Principle 25 and commentary
- 8 Article 3(1)(a) defines a textile product as “any raw, semi-worked, worked, semi-manufactured, manufactured, semi-made-up or made-up product which is exclusively composed of textile fibres, regardless of the mixing or assembly process employed.”
- 9 According to the definition in the Textiles Regulation, ‘labelling’ means affixing the required information to the textile product by way of attaching a label.
- 10 Article 15
- 11 There are some exceptions for listing the fibre composition, for example, visible, isolable fibres which are purely decorative and do not exceed 7% of the weight of the finished product do not have to be considered in the fibre compositions.

# Discover Other Factsheets from An Apparel Supplier's Guide

1

**EU Corporate Sustainability Reporting Directive**

2

**EU Corporate Sustainability Due Diligence Directive**

3

**New York Fashion Act**

4

**EU Forced Labour Regulation and Guide**

5

**US Uyghur Forced Labor Prevention Act**

6

**EU Ecodesign for Sustainable Products Regulation**

7

**EU Packaging and Packaging Waste Directive and Proposal**

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