

## Factsheet 8

### EU Microplastics 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

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Norlanka Manufacturing Colomo Ltd.  
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Transformers Foundation



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## 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 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 Microplastics Regulation

## 1. Overview

The Commission Regulation (EU) amending Annex XVII to Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) as regards synthetic polymer microparticles (the **Microplastics Proposal**) is a proposed legislative initiative which aims to reduce the intentional release of microplastics in the environment. In doing so, the Microplastic Proposal hopes to ultimately reduce environmental pollution and potential risks to human health.

## 2. Context

The European Commission has been working on tackling plastic pollution for a long time. To reduce all sources contributing to microplastic pollution, the European Commission published the European Green Deal, the new Circular Economy Action Plan (CEAP) and the Zero Pollution Action Plan. The latter includes reducing microplastic emissions by 30% among its 2030 targets.

The European Commission requested the European Chemicals Agency (ECHA) to prepare a restriction dossier concerning the use of intentionally added microplastics to consumer or professional use products. In parallel, the CEAP presented a set of initiatives to establish a comprehensive and sustainable product policy framework to address unintentional release of microplastics. To this end, the European Commission will address the presence of microplastics in the environment by:

- Restricting intentionally added microplastics and tackling pellets considering the opinion of the ECHA;
- Developing labelling, standardization, certification, and regulatory measures on unintentional release of microplastics;
- Further developing and harmonizing methods for measuring unintentionally released microplastics and delivering harmonized data on microplastics concentrations in seawater; and
- Closing the gaps in scientific knowledge related to the risk and occurrence of microplastics in the environment, drinking water and foods.

There is currently no single European law that covers microplastics in a comprehensive manner. There are also no economic incentives for businesses to take measures to reduce the presence of microplastics in the environment.

## 3. Status

The European Commission published the Microplastics Proposal on August 30, 2022. The Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH) Committee discussed the Proposal on September 23, 2022, and again on March 1, 2023.

If passed, the European Commission can send the Microplastics Proposal to the European Parliament and the Council. The European Parliament and the Council have a 3-month scrutiny period and, if they do not oppose the Microplastics Proposal during that period, it will be adopted under the Commission Regulation (EU) amending Annex XVII to Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals as regards synthetic polymer microparticles, which establishes the EU chemicals framework.

## 4. Scope

The Microplastics Proposal on microplastics will apply to manufacturers, importers, and downstream users of microplastics and of products within the scope of the legislation.

## 5. Obligations for companies within scope

The Microplastics Proposal **prohibits** the placement of synthetic polymer microparticles (**microplastics**) on the market on their own or, where the microplastics are **intentionally added** to confer a sought-after characteristic, in mixtures in a concentration equal to or greater than 0.01% by weight.<sup>8</sup> This would include (but is not limited to) use of microplastics cosmetic products or detergents/waxes/polishes and air care products.

Certain uses and sectors are excluded from this prohibition:

**Excluded uses/sectors:**

- i. microplastics for use at industrial sites
- ii. medicinal products within the scope of Directive 2001/83/EC of the European Parliament and of the Council and veterinary medicinal products within the scope of Regulation (EU) 2019/6 of the European Parliament and of the Council
- iii. EU fertilizing products within the scope of Regulation (EU) 2019/1009 of the European Parliament and of the Council
- iv. food additives within the scope of Regulation (EC) No 1333/2008 of the European Parliament and of the Council
- v. in-vitro diagnostic devices (if potential release can be minimized by setting conditions of use and disposal)



- vi. microplastics that are both (a) contained by technical means throughout their whole life cycle and (b) microplastic containing wastes arising are incinerated or disposed of as hazardous waste
- vii. microplastics that permanently lose their particle form
- viii. microplastics that are permanently enclosed in a solid matrix during end use.

Any manufacturer, importer or downstream user responsible for placing a substance or mixture containing a microplastic falling within the exclusions set out in (i), (ii), (vi), (vii) or (viii) above must ensure that the label, safety data sheet, or instruction, provides any relevant instructions for use to avoid releases of microplastics to the environment, including at the waste life-cycle stage. The instructions must be clearly visible, legible, and indelible and the label written in the official language(s) of the EU country or countries where the substance or mixture is placed, unless the concerned country or countries provide(s) otherwise.

The Microplastics Proposal includes transitional periods aimed at providing sufficient time for businesses to comply with the restriction and transition to suitable alternatives. More specifically, the Microplastics Proposal sets the following transitional periods:

- **4 years** after the entry into force for the use of microplastics in rinse-off cosmetic products;
- **5 years** after the entry into force for the use of microplastics in detergents/waxes/polishes and air care products, fertilizing products outside the scope of application of Regulation (EU) 2019/1009, for products for agricultural and horticultural uses;



- **6 years** after the entry into force for the use of microplastics in the encapsulation of fragrances, leave-on cosmetic products, medical devices within the scope of Regulation (EU) 2017/745, granular infill for use on synthetic sports surfaces;
- **8 years** after the entry into force for the use of microplastics in plant protection products and biocidal products; and
- **12 years** after the entry into force for the use of microplastics in lip products, nail products and make-up.

## 6. Obligations for companies in-scope

The Microplastics Proposal shall not have direct effects on manufacturers of textile products for the apparel industry, as it only addresses the intentional use of microplastics in products. While textiles products are a major source of microplastics pollution, the release of microplastics from textile products (also referred to as microfibres) primarily originate from the washing of synthetic textiles during textile manufacturing, garment wearing and end-of life disposal. This form of microfiber release or shedding is categorized as unintentional release of microplastics, and therefore does not fall within the scope of this Microplastics Proposal.

However, more broadly, this legislative initiative highlights that regulatory bodies are actively engaged in addressing microplastics pollution. Although there are currently no EU regulations that address microfibres unintentionally released by textile, future regulation curbing plastic microfiber pollution is expected. For example, France has already taken legislative steps to regulate microfiber pollution through the introduction of the Anti-Waste for a Circular Economy Law. The UK is reportedly working on a similar bill to address microfiber pollution. In addition, the EU strategy for sustainable and circular textiles also confirms that the European Commission intends to address the unintentional release of microplastics from synthetic textiles.

## 7. Potential implications for suppliers

See discussion in Section 6 above.

## 9. Form of enforcement

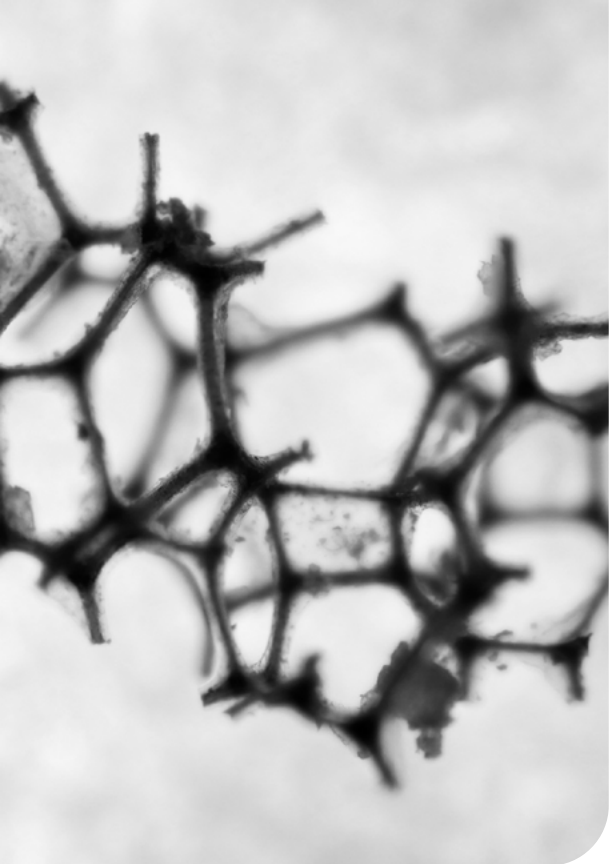
The ECHA has no enforcement responsibilities; therefore, enforcement of REACH regulations is a national responsibility. Each EU country must put in place an official system of controls and adopt legislation specifying penalties for non-compliance with the provisions of REACH.

## 8. Penalties for non-compliance

Not applicable.

## 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

The Microplastics Proposal was open to public consultation from February 22, 2022 to May 17, 2022. There are no current opportunities to participate and engage in the legislative process.

## 13. Useful resources to support compliance

European Commission, Comitology Register, [COMMISSION REGULATION \(EU\) .../... of XXX amending Annex XVII to Regulation \(EC\) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals \(REACH\) as regards synthetic polymer microparticles](#)

ECHA, [Annex XV Restriction Report Proposal for a Restriction](#) (2019)

## 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 Polymers that occur in nature and that have not been chemically modified and polymers that are biodegradable are excluded.

# 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**

8

**EU Microplastics  
Regulation**

9

**UK Plastic  
Packaging Tax**

10

**EU Product  
Environment  
Footprint Guide**

11

**EU Textile  
Regulation**

12

**EU Taxonomy**