

Textile Recycling Association

What is happening in the international used textile markets?

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1. How does the used clothing market work?
2. Historical context.
3. Changes in the market in the last 5 years.
4. Current market and future.



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1. How does the industry work?



Collections



Export



Sorting



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Pictures courtesy of Soex UK, JMP Wilcox & Geographical Magazine.



2. Historical Context



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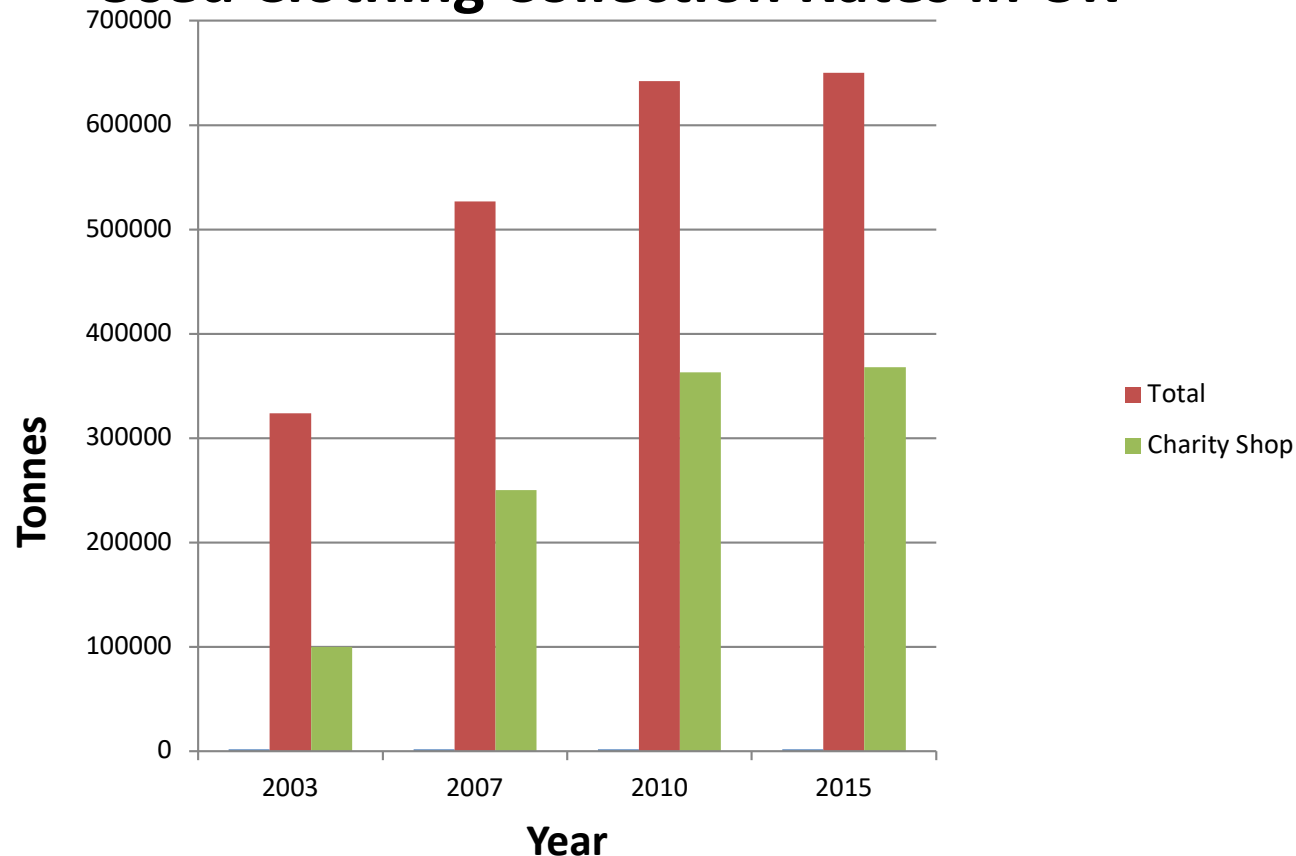


The Value of Used Clothing in the UK.



Used clothing collection rates in the UK.

Used Clothing Collection Rates in UK



Source: Oakdene Hollins, Charity Retail Association and WRAP.

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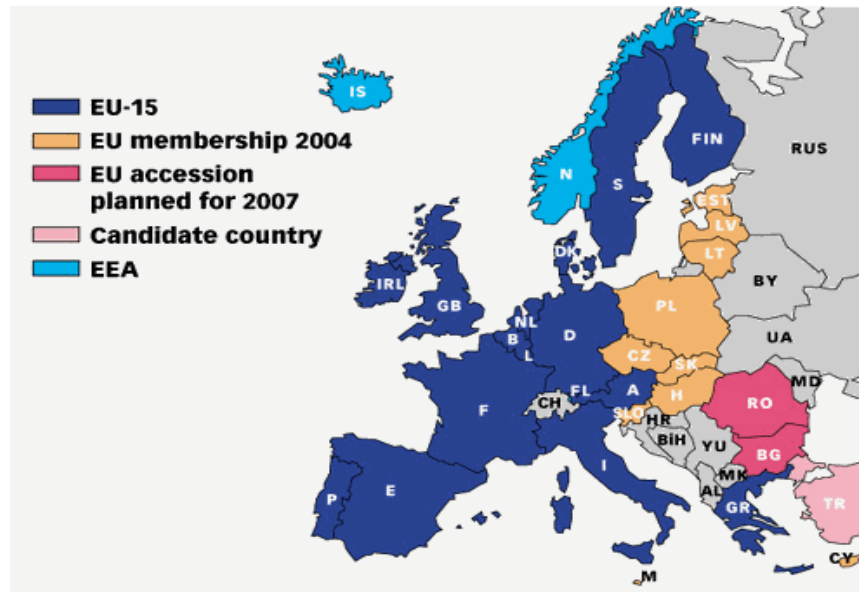
Causal Factors for boost in UK & European markets

2004 – EU Expansion
(10 new countries joined)
– Markets opened up.

No temporary restrictions on migration
from new member states to UK. Restrictions in
other countries lifted a few years later.

Value of UK used
clothing rises
unsustainably and
notable rises elsewhere.

Competition from
Eastern European
collectors increases
dramatically – no
regulation / no
enforcement of laws.



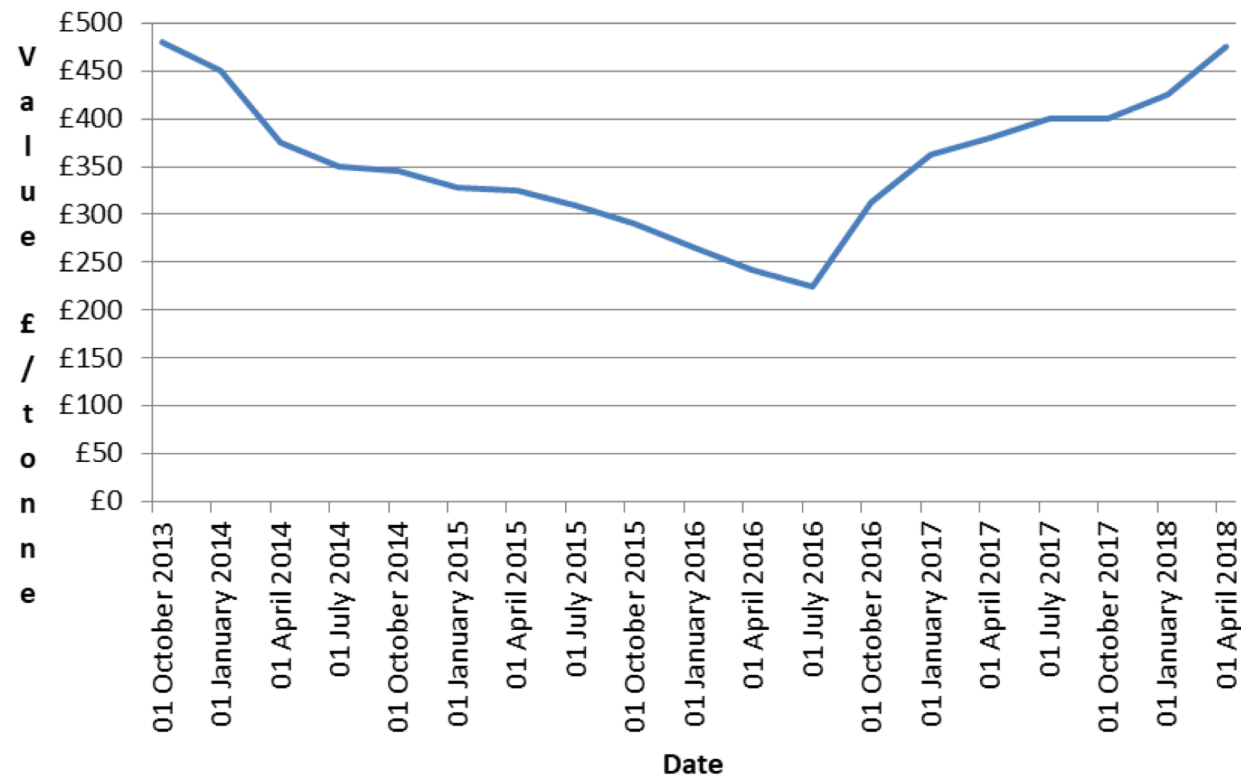
UK, Germany,
Belgium, Netherlands,
France – established
used clothing
industry.

British clothing
considered to be “of the
best quality” & “highly
fashionable”.

Lack of regulation – particularly
around non-charitable collections.

3. Market in the last 5 years.

Value of Charity Shop Grade Clothing since 2013



Source: WRAP Materials Market Price Report (mid point values).
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Causal Factors part 1

Political instability in key markets – Ukraine, Sub-Saharan Africa.

Ebola



Charity shops – extracting more value out of donations by rotating unsold stock.

Decline in quality – driven down by proliferation of competition



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Causal Factors pt 2(continued).

New clothing producers struggling to shift their items, resulting in pressure to reduce costs – quality suffers.

Strong Pound made UK exports of used clothing more expensive.



20% of TRA members went out of business since the start of 2013 – over supply in market.

Over inflation of market

Demand from Eastern European EU member states under constant pressure from rising standards of living.



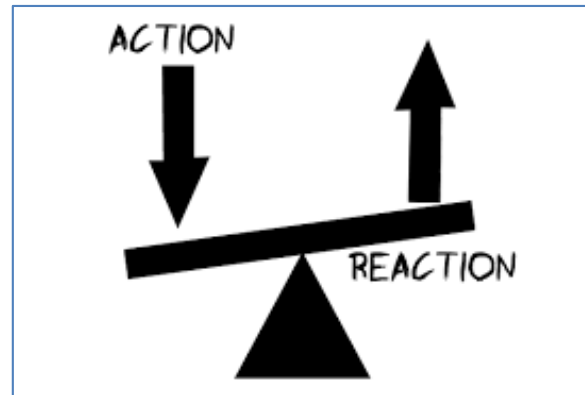
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Consequences

Values across all grades crashed to about half their value

We saw a decline in theft of clothing and bogus charity activity.



Charity shops reported that some collectors are only taking higher value goods.

Collectors reduced the size of their collection areas.

Cash for Clothing operations all but disappeared

Quality of used clothing has declined.



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The Curve Ball !!!

- Exports to Kenya alone were worth around £24 million in 2014.
- Kenya – 3rd largest market in Africa for UK market.
- EAC countries account for about 10 – 15% of global exports of used clothing.
- A ban would be devastating.

Communique of the 16th Ordinary Summit of the East African Community Heads of State.

Paragraph 18. 20th February 2015

“The summit further directed the Council of Ministers to study the modalities for the promotion of the textile and leather industries in the region **and stopping the importation of used clothes, shoes and other leather products from outside the region and report to the 17th Summit**”.

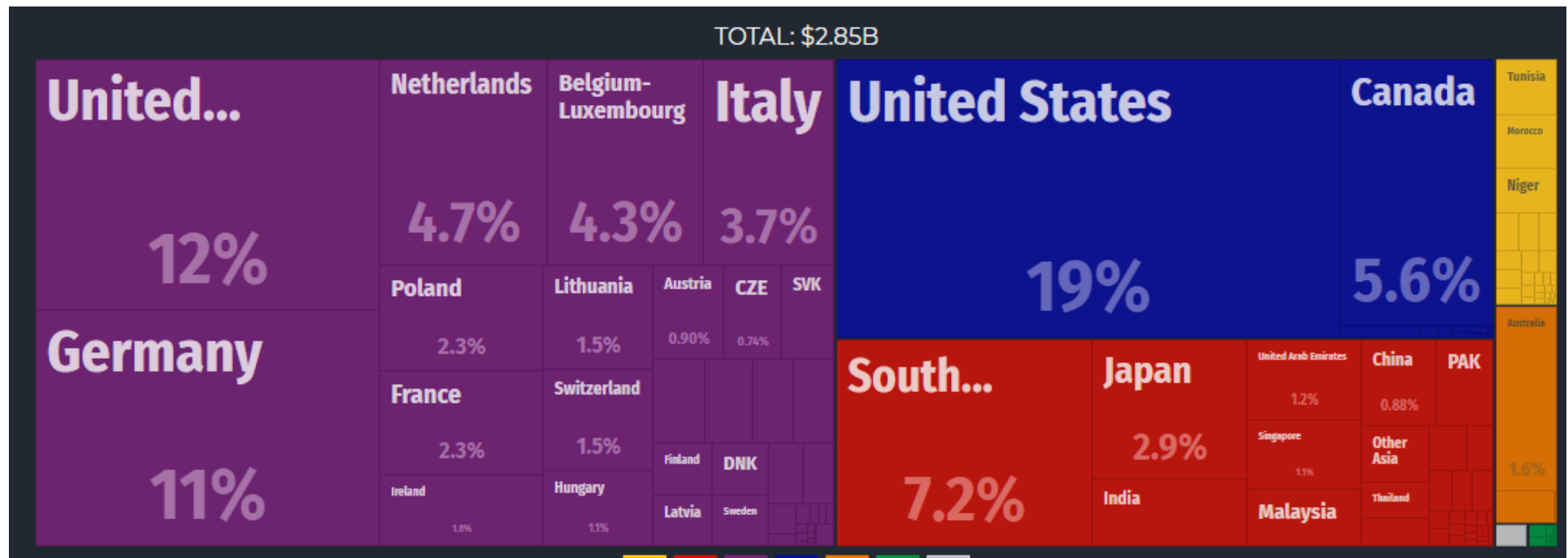


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The second curve ball!

Where does the world import used clothing from? (2010)



Source: Observatory of Economic Complexity

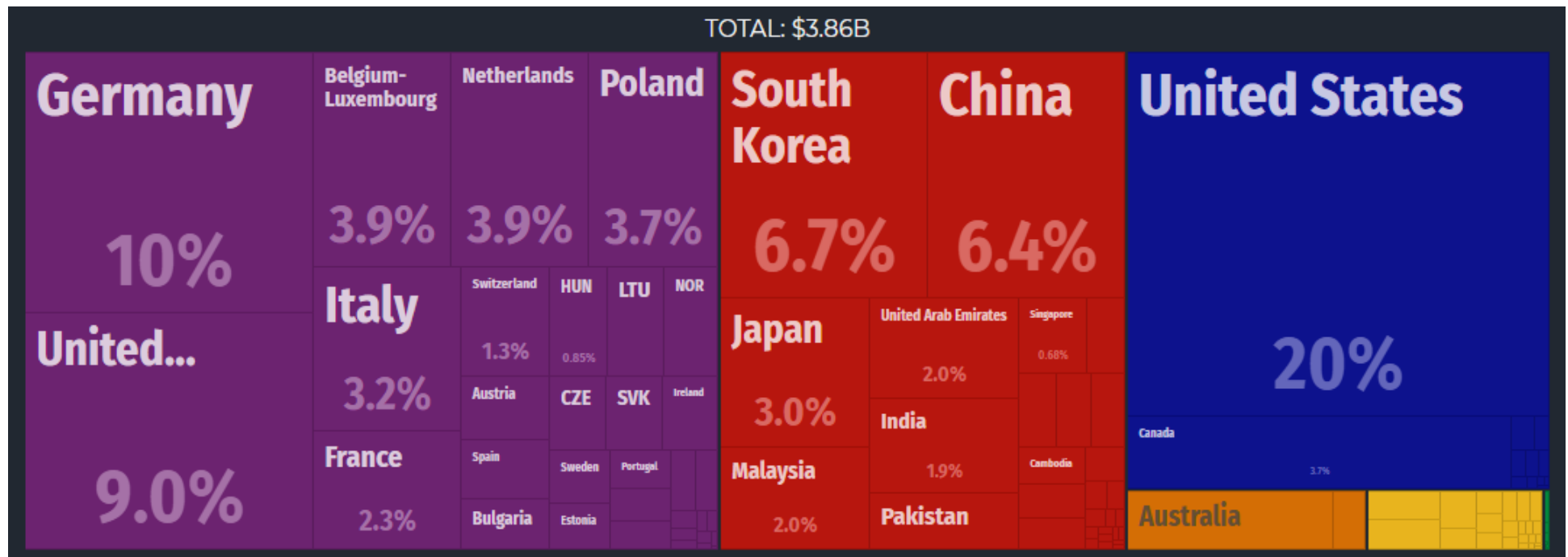


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The second curve ball!

Where does the world import used clothing from? (2015)



Source: Observatory of Economic Complexity



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3. Current and Future Markets?



Some recent good news!

Threat of ban on imports of used clothing into Kenya, Tanzania and Uganda withdrawn.

President Trump Determines Trade Preference Program Eligibility For Rwanda, Tanzania, And Uganda

Washington, DC – The President determined today the eligibility of Rwanda, Tanzania, and Uganda for trade preference benefits under the African Growth and Opportunity Act (AGOA).

In response to a petition filed by the U.S. used clothing industry in March 2017, the Administration initiated an out-of-cycle review of

After suggestions of sanctions by the US government by withdrawing the AGOA agreement.

Rwanda is still holding out.

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4. Current and Future Markets

Current Markets

- Very mixed messages
- Values of used clothing have increased since 2016.
- Stagnation of markets in 2018?
- Most countries reporting an over-supply of “original” grade (i.e. collected/unsorted) clothing and a decline in quality.
- Problems with theft and bogus operators.
- Current markets are **only** driven by the value of used clothing.
- Recycling markets have little or no value.



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4. Current and Future Markets

Future Markets



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A political hot potato!

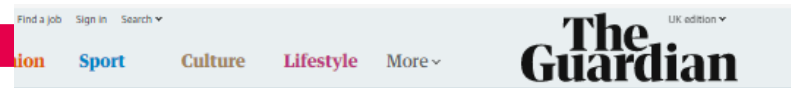
Political Pressures

Measuring Fashion report tells the story of the industry's environmental performance



In the face of climate change, resource depletion and shifting consumer expectations, fashion brands are increasingly coming under pressure to drive meaningful change and to back up their sustainability stories with facts. To encourage a more resilient future for fashion, Quantis and ClimateWorks, an NGO mobilizing philanthropy to solve the climate crisis and ensure a prosperous future, performed a study looking at the entire value chain of apparel and footwear. The results are out in our new report, *Measuring Fashion: Insights from the Environmental Impact of the Global Apparel and Footwear Industries study*.

[Get Report](#) [Read Press Release](#)



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Further issues.

- New markets for recycling whilst continuing to target and maintain value of used clothing.
- Political pressures that may retract used clothing markets.
- Mass of used clothing in the world will continue to increase.
- Collection rates in UK and Germany stand out – other countries will need to improve.
- China is set to become a dominant player in the used clothing sector.
- Where is it all going to go when the current markets for used textiles are full?



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Further issues.

- Used clothing markets have limited capacity and these markets don't address other textile products.
- Slowing down fashion to the extent required is not a realistic proposition especially when global population is increasing.
- Whilst it is important to make improvements in the sustainability of the supply chain especially during design and manufacture we will still need to deal with products at EOL
- We need new markets, new applications, new ideas.



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Further Issues.

- Develop new sorting techniques that can improve efficiencies.
- Develop fibre to fibre recycling processes that can deliver fibres that compete on performance and price.
- Consider whether it could be environmentally advantageous to move down the waste hierarchy.
- Can we redistribute jobs in the global recycling industry more evenly to create a fairer global society?
- How is this going to be funded?



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Research

Summary of known projects/initiatives that aim to develop textile recycling markets and improve the sustainability of the clothing supply chain.

- 1) Resyntex (Guest Speakers). <http://www.resyntex.eu/the-project>
- 2) Eco TLC www.ecotlc.fr
- 3) European Clothing Action Plan (ECAP) www.ecap.eu.com
- 4) The Circular Economy Textiles Programme - <https://www.circle-economy.com/textiles/#.Wwgf8UgvzIU>
- 5) Fibresort Technology Programme. – <https://www.circle-economy.com/case/fibersort/#.Wwggg0gvzIU>
- 6) Nordic Council of Ministers (much of the research by IVL)– development of strategy for collection, sorting re-use and recycling of textiles - <https://www.diva-portal.org/smash/get/diva2:720964/FULLTEXT01.pdf>
- 7) C&A Foundation – Circular Fashion - driving the transition to circular fashion by nurturing and scaling solutions - <http://www.candafoundation.org/what-we-do/circular-fashion/>
- 8) Renewcell – Sweden - <https://renewcell.com/>
- 9) Mistra Future Fashion – <http://mistrafuturefashion.com/>
- 10) Worn Again - <http://wornagain.info/>
- 11) Trash 2 Cash - <https://www.trash2cashproject.eu/>
- 12) VTT technical research centre (Finland) and Aalto University
<https://www.vttresearch.com/media/news/fibres-from-textile-waste-to-be-turned-into-new-attractive-consumer-products>
- 13) H&M Foundation – Global Change Award (1 million Euros) shared by 5 winning ideas
<http://hmfoundation.com/focus-area/planet/>
- 14) Sustainable Clothing Action Plan (SCAP) - <http://www.wrap.org.uk/sustainable-textiles/scap>



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Conclusions

- No choice – sustainability and collection rates must improved.
- China and other countries are set to become dominant exporters.
- Used clothing markets need to be kept open and are set to become more crowded.
- New markets for recycling are essential
- The industry is set for a big shake up.



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Thank you!

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