

FTAO calls for inclusion of social aspects in revised Textile Labelling Regulation

On October 18 2024, the Fair Trade Advocacy Office (FTAO) participated in a workshop hosted by the European Commission, focused on the revision of the Textile Labelling Regulation (TLR). The FTAO welcomes the European Commission's commitment to providing consumers with accurate information through revised labelling requirements, and participated as stakeholders in the [public consultation](#) in September 2023. **We strongly believe that this revision presents a crucial opportunity to include social aspects on textile labels, and discuss below the arguments that we put forward at the workshop:**

Consumer Demand for Social Information

A main contributing factor of harm in the textile sector is a lack of transparency, and the Commission has the goal that by 2030, textile products placed on the EU market should be made with respect for social rights. Numerous studies demonstrate that consumers want more information on working conditions in the textile industry and increasingly seek transparency on social rights compliance in their purchasing decisions: For instance, a [2024 survey](#) by Fairtrade Luxembourg and Caritas Luxembourg showed that 55% of consumers desire greater transparency from companies on working conditions in their supply chains, with 52% wanting such information on product labels. Across the EU, the numbers are even more in favour: [Eurobarometer surveys](#) reveal a consistent upward trend of consumers demanding more information about working conditions in the clothing industry, with 86% wanting such on the textile label in 2020. Additional studies by the [German Environment Agency](#) (2020), [Fashion Revolution](#) (2020), [CECU](#) (2023), [OCU](#) (2017) in Spain and the [Danish Consumer Council](#) (2022) further reinforce the importance consumers place on social information and transparency in the textile industry.

Yet, existing tools are insufficient to learn more about the social impact of the garments in one's closet: According to the Commission itself, 99.5% of companies active in the textiles, clothing, leather and footwear industry in the EU are SMEs. Therefore, they will not fall within the scope of the CSDDD – which only applies to companies with over 1000 employees. Only

0,5% of garment companies will be obliged to do their due diligence and report on it. Even then, when these companies do report, this is generally in the form of a longer sustainability report, in which the consumer will have to search for the information they are looking for. Including social information in the textile label would ensure easy access and create immediate transparency, and can provide a structured and accessible way for all actors to communicate social information, ensuring a level playing field and avoiding an unstructured flow of information.

The Need for a Comprehensive Digital Label

We propose a comprehensive approach that combines a physical label with a mandatory digital label to provide detailed social information. This will have several benefits: It will assist in providing meaningful information to consumers, incentivise the development of a single market for sustainable products and realise the Commission's goal that by 2030, textile products placed on the EU market should be made with respect for social rights. Further, it will empower workers and (cotton) farmers that are part of international supply chains but do not know what company ends up using their products. Transparency will allow them to address human rights- or environmental grievances with the party that is actually in a position to mitigate these risks. Through the digital label, essential information that does not fit on a physical label can be accessed. For instance, the current "made-in" label is insufficient, as the textile sector is highly fragmented, with a single piece of clothing oftentimes traveling across several continents.

The physical label can include general information about the product, such as the size and care instructions. The digital label should offer supplementary information, including social aspects, such as:

- Production locations, including addresses of *at least* where: material was grown/sourced, spinning took place, it was woven/knitted, and dyeing, printing-, CMT and finishing took place
- Information on the incomes of farmers and workers throughout the supply chain
- Details on audits, complaints, and reports related to production locations and fabric sourcing

- Information on working conditions, including working hours, overtime, health and safety, trade unions, and collective bargaining agreements
- Insights into purchasing practices, lead times, contractual clauses, and price breakdowns
- Contact information for consumers and other interested parties to inquire about the product and production process
- Country-specific information on minimum wage, ratified conventions, and trade union practices. This data should supplement garment-specific information and provide context for understanding production conditions.

This approach aligns with existing trends in the industry, as some companies are already including social information on their labels through QR codes and other digital tools. For instance, Fair Trade enterprises such as *Re-Wrap* have invested in a traceable value chain, and [publish their impact on their website](#).

Conclusion

The revision of the Textile Labelling Regulation offers a significant opportunity to promote social responsibility in the textile industry and reward front-runners in the industry who put people and the planet first. The FTAO strongly advocates for the inclusion of social aspects in the revised regulation through a mandatory digital label. This approach would empower consumers and contribute to a more sustainable and ethical textile sector in which producers and workers around the world can thrive.

For any questions or to read FTAO's full feedback provided at the workshop, please contact Alena Kahle at kahle@fairtrade-advocacy.org