

<u>Make the Label Count</u> is a global coalition representing 52 natural fibre producers, manufacturers, brands and environmental groups. Its aim is to ensure that claims made by the fashion and textiles industry are credible and accurate, empowering EU consumers to make informed choices about the clothes they wear.

Launched in 2021, Make the Label Count supports the European Union's ambitious proposals for sustainable textiles and has been an active contributor to the work of policymakers mitigating the fashion industry's negative impact on people and planet.

However, if not done properly, EU textile legislation could legalise greenwashing.

In an industry flooded with self-governed definitions of 'sustainability', the need for regulation and harmonisation has never been more important.

In its efforts to promote a circular economy and protect European consumers, the EU has developed the Product Environmental Footprint (PEF) method—a Life Cycle Assessment (LCA) methodology first proposed by the European Commission in 2013—designed to measure a product's environmental impact.

The PEF methodology is intended to be applied to category rules for apparel and footwear (PEFCR) to assess the specific environmental impacts of textile products.

But the PEF methodology omits crucial product impacts that are the driving force behind the fashion industry's environmental damage.

To make the PEF fit for purpose and ensure it helps deliver the EU's sustainability and circularity ambitions, three key indicators must be included: **microplastic release**, **plastic waste**, **and circularity**.

Until these indicators are adequately covered in the methodology, the PEF should not be recommended for use to substantiate environmental claims under the Green Claims Directive.

By failing to include these key indicators, the PEF methodology favours fossil fuel-based synthetic garments, promotes fast fashion, and enables retailers to maintain greenwashing practices.

If natural fibres are disadvantaged due to the bias in the current PEF methodology, fashion brands will be less likely to source these circular fibre options, effectively removing them from the market and **leaving consumers with fewer and less sustainable choices**. This could create an unfair trade barrier against natural fibres and adversely impact natural fibre farmers and manufacturers across Europe and the world.

The European Commission understood this and did not recommend the use of the PEF in its proposal for the Green Claims Directive. The European Parliament aligned with this position, going further to acknowledge the PEF's limitations in omitting key impacts like microplastic pollution.

Unfortunately, the Council of the EU's current approach, if included in the final text of the Directive, will undermine the goal of providing EU consumers with reliable, comparable and accurate information on the environmental impacts of products.

We therefore ask policymakers to:

- 1. Reject the Council's references in Recitals 17, 24 and 32 "recommending" the use of the PEF;
- 2. Amend <u>Recital 26</u> so that the impact assessment of microplastic release in PEFCRs results in a separate PEF indicator with appropriate weighting;
- 3. Support the <u>Commission's original proposal</u> text in Article 3, paragraph 4, rejecting the <u>Council's proposed changes</u>;

Maintaining the Council's current position in the final version of the Green Claims Directive will accelerate the growth of fast fashion, directly contradicting the EU's promise to "put fast fashion out of fashion."

We urge EU lawmakers to refrain from recommending the use of the current PEF and PEFCR methodology in the Green Claims Directive.