



Brussels, 28 May 2025

Joint open letter (EuRIC & FEAD)

Europe's plastics recycling & post-consumer textiles industries need urgent support

Dear EU27 Deputy Permanent Representatives,

Europe's plastics recycling and post-consumer textile collection, preparing for reuse, and recycling industries are facing a deepening crisis that requires urgent political action. *EuRIC's*, the European Recycling Industries' Confederation's **plastics recycling branch (EPRB) and textile reuse & recycling branch (EuRIC Textiles)**, together with **FEAD**, the European Waste Management Association, **jointly urge EU Member States to urgently discuss this critical situation at the upcoming June Environment Council and adopt immediate safeguard measures to support both sectors that are critical to Europe's circular economy and resource generation.**

These industries are under severe pressure, facing competitiveness issues due to structural market failures:

- The **prices of virgin materials remain much lower** compared to the price of its recycled equivalent.
- **Demand for recycled content is weak**, as manufacturers fail to commit to integrating recyclates into their products.
- **Third-country (China) competition is intensifying** with skyrocketing imports of cheap recycled plastics and a flood of extremely cheap and low-quality ultra-fast fashion products from platforms like *SHEIN* and *Temu*.

Without clear and urgent EU support, plastics recycling and textile preparing for reuse, and recycling plants across Europe will shut down completely meaning the collapse of a whole industry. This is already happening all over Europe where plastic recycling plants recently had to shut down due to market failures. *Veolia*, Europe's leading waste management company, has already shut down a plant for recycling PET plastic bottles in Germany. In October 2024, *Soex Group*, one of the largest global collectors of used textiles, began insolvency proceedings and cease all activities in Europe.

The collapse of these sectors would mean a major failure of the EU's industrial and environmental ambitions and would lead to the loss of thousands of green jobs across the continent. It would hinder the deployment of circular technologies like recycling, which drastically reduces energy consumption and emissions, prevents resources depletion and strengthens Europe's competitiveness and strategic autonomy. Ultimately, it would leave Europe's waste without recycling possibilities.

For the survival and long-term competitiveness of Europe's plastics and textiles preparing for reuse and recycling operators urgent support is needed. We call for the following urgent actions to avoid the collapse of the European plastics and textiles recycling industry:

1. **Temporary financial support for the textiles sector**, to sustain the European textiles collection infrastructure, and the preparing for reuse and recycling operations until Extended Producer Responsibility (EPR) schemes are fully implemented (i.e. in approximately three years). Current EU funding opportunities for the textile sector fall short of addressing the immediate financial pressures threatening the sector's survival.
2. **Swift access to state aid funds for both industries**, until the market for recycled plastics and for used textiles recover and stabilise and planned recycled content targets and requirements come into force. We also call for the State aid Framework accompanying the Clean Industrial Deal (CISAF) to explicitly include circularity measures - key to the Clean Industrial Deal's success. We are concerned that CISAF, as currently drafted by the EU Commission, overlooks the need to invest in circular technologies.
3. **Stimulate demand for circular materials through mandatory requirements in EU public procurement rules, and through reduced VAT for reuse, repair and recycling or elimination of double taxation on used textiles and recycled plastics/textiles.** Applying reduced VAT rates for second-hand products and repair services would boost market demand for used textiles. Recycling services in the EU should also benefit from lower VAT rates to enhance their competitiveness against virgin material production. Alternatively, introduce a system that avoids double taxation of used textiles and recycled plastics/textiles, recognising that VAT was already paid when these products were first placed on the market as virgin materials.
4. **Introduce mandatory "Made in Europe" recycled content to drive the demand for recycled materials and stimulate investments in sorting and recycling technologies within Europe.** For textiles, the upcoming Ecodesign delegated act should mandate the use of textile-to-textile recycled content (primarily sourced from post-consumer textile waste generated in the EU), in new garments. For plastics, we call for swift implementation of pragmatic mandatory recycled content targets. Given the surge in imports from third countries, strong mechanisms for verification and traceability of recycled polymers, and the application of EU-equivalence rules are needed to safeguard the European recycling industry.

The June Environment Council is a crucial opportunity to take concrete steps that will ensure the survival of these vital sectors. Failure to act now risks irreversible damage to Europe's circular economy ambitions and strategic resilience. We, the cosignatories, stand ready to work closely with Member States and the European Commission to co-design effective, pragmatic solutions that support both circularity and industry competitiveness.

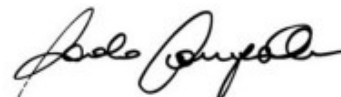
Yours sincerely,



Mariska Boer
*EuRIC Textiles (EuRIC's
Textiles Branch)*
President



Sophie Sicard
*EPRB (EuRIC's Plastics
Recycling Branch)*
President



Paolo Campanella
FEAD
Secretary General



EuRIC represents the recycling industry at a European level. Gathering the vast majority of national recycling federations from EU/EEA Member States, the Confederation represents about 5,500+ recycling companies – from market leaders to SMEs – generating an aggregated annual turnover of about 95 billion € by treating various waste streams such as household or industrial & commercial waste including ferrous and non-ferrous metals, end-of-life vehicles (ELVs), electronic waste (WEEE), packaging (paper and plastics), end-of-life tyres or textiles.



FEAD is the European Waste Management Association, representing the private waste and resource management industry across Europe, including 20 national waste management federations and 3,000 waste management companies. Private waste management companies operate in 60% of municipal waste markets in Europe and in 75% of industrial and commercial waste. This means more than 500,000 local jobs, fuelling €5 billion of investments into the economy every year.