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- ▶ **The assessment of the textile and footwear sector's regulatory alignment with European Union standards**

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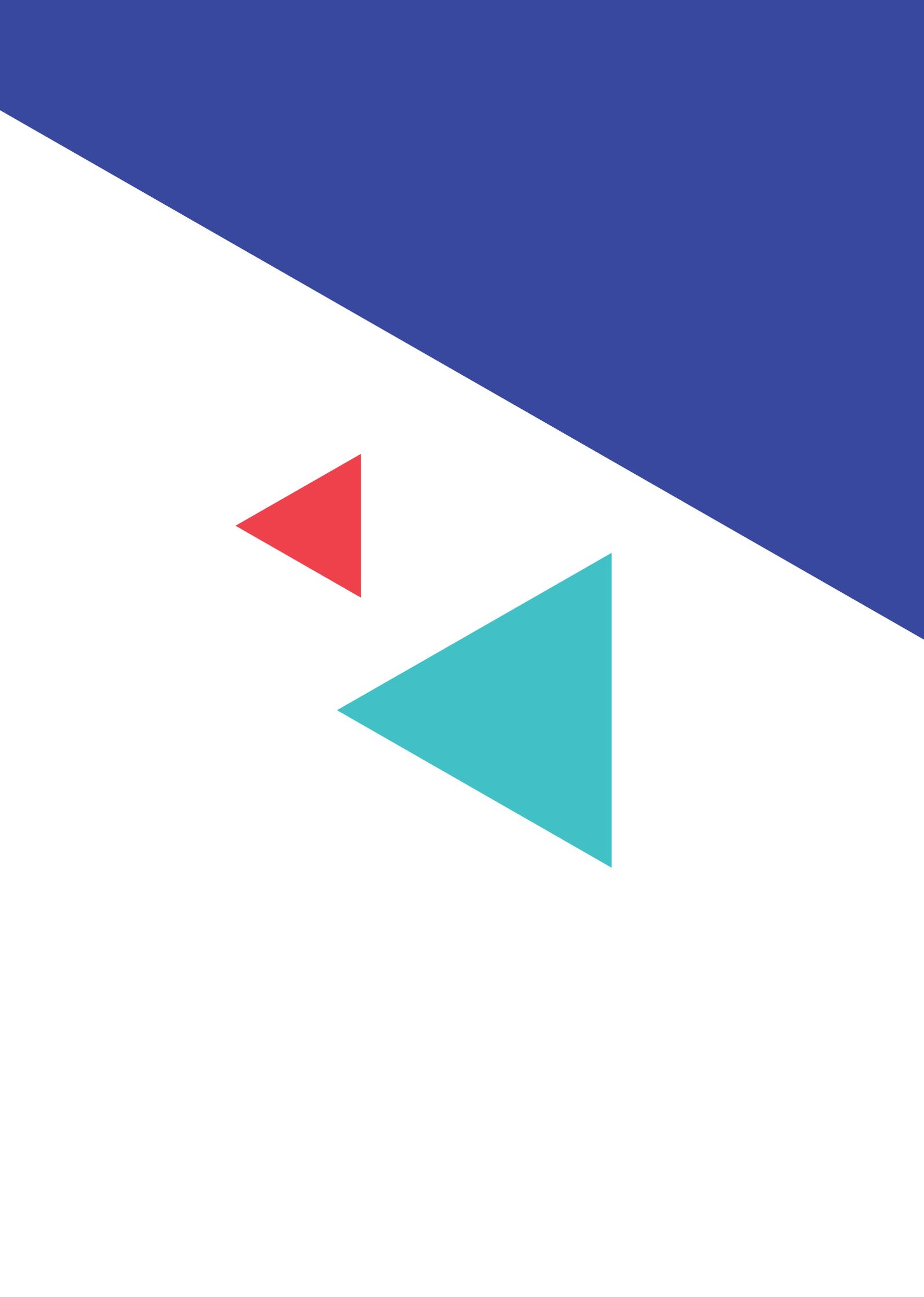
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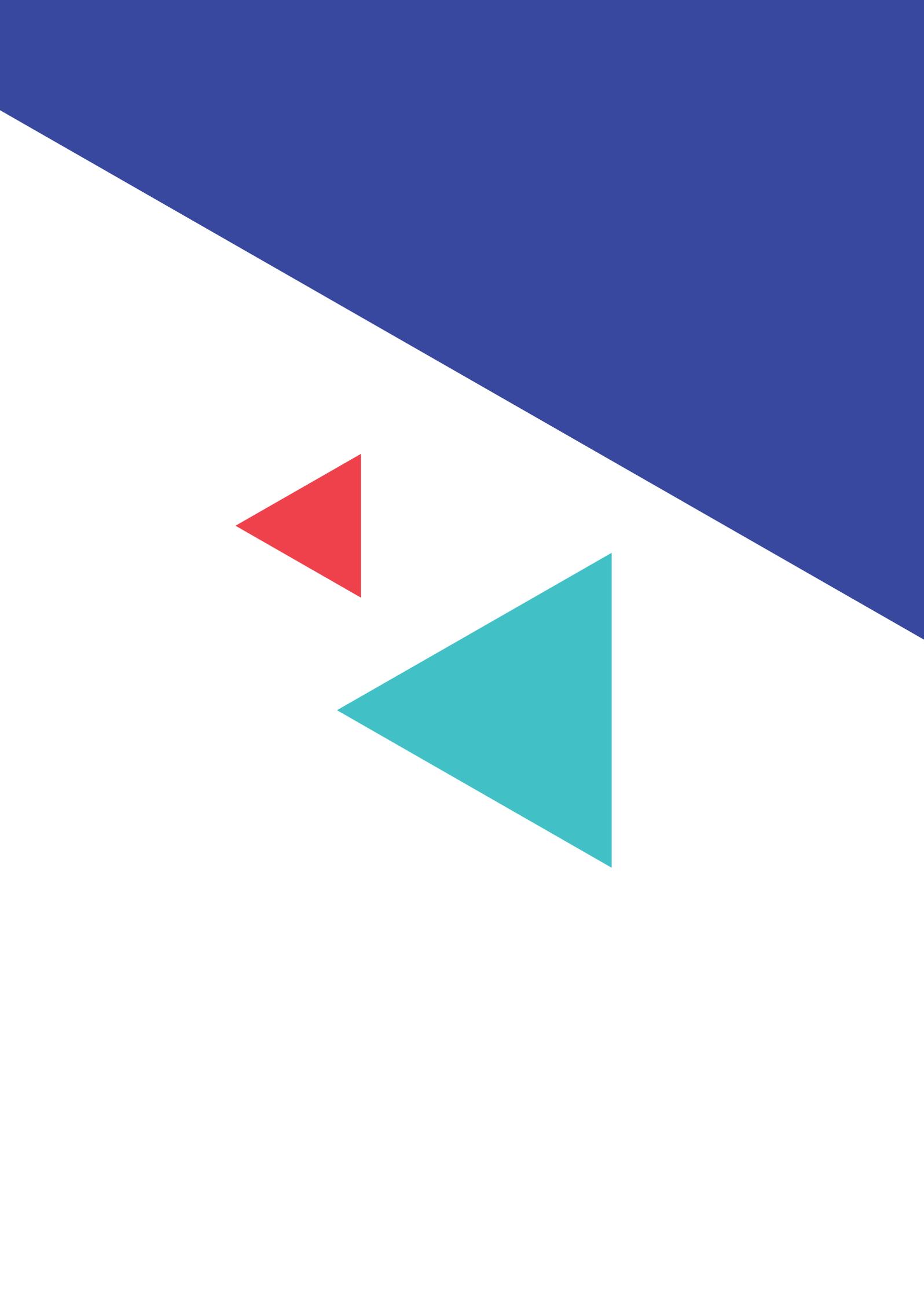
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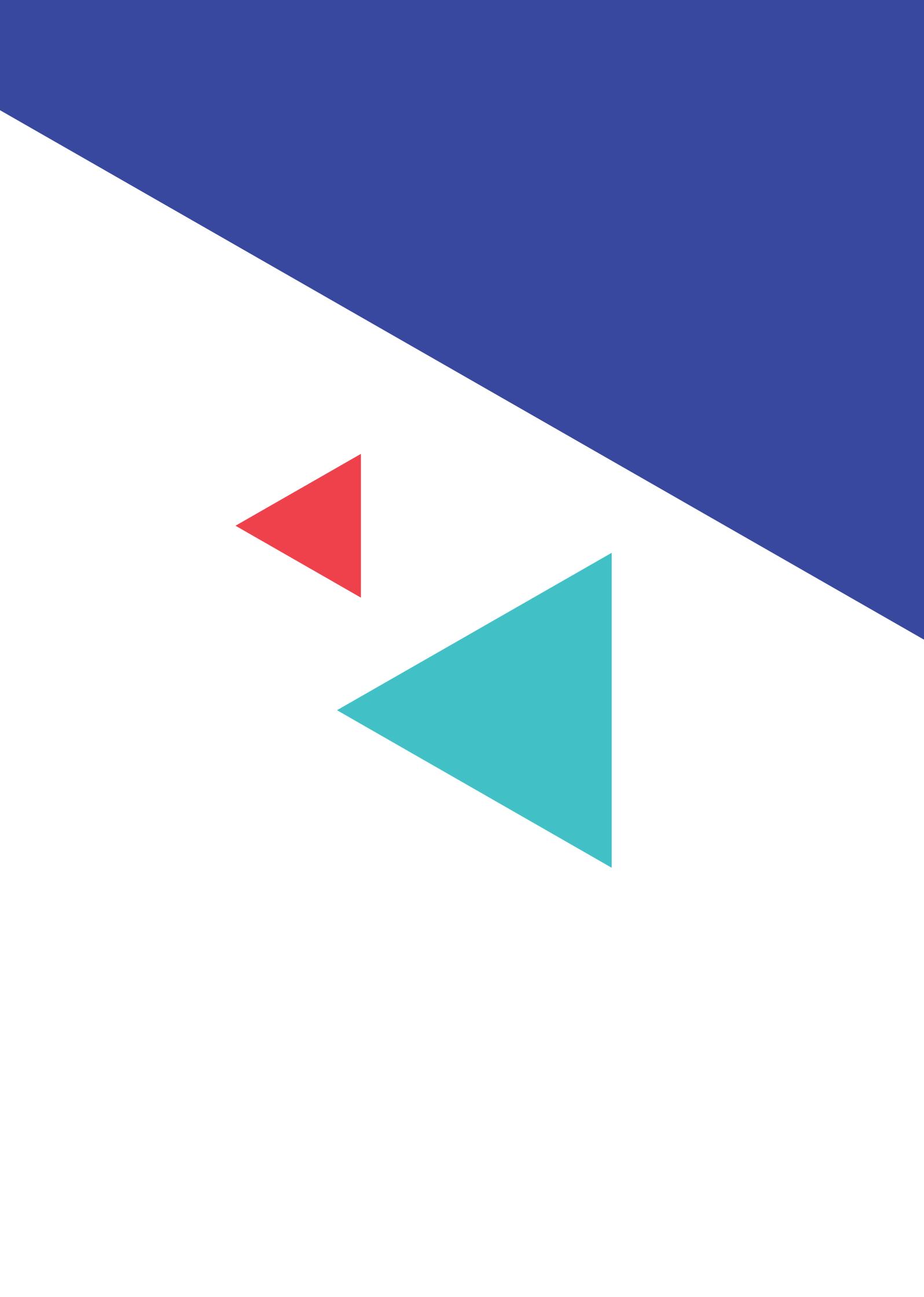
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► List of acronyms

Acronym	Explanation
CEAP	Circular Economy Action Plan
DCM	Decision of Council of Ministers
DPP	Digital Product Passport
EC	European Commission
EPR	Extended Producer Responsibility
ESPR	Ecodesign for Sustainable Products Regulations
ESSCT	European Strategy for Sustainable and Circular Textiles
EU	European Union
GPP	Green Public Procurement
ILO	International Labour Organization
ISO	International Organization for Standardization
PET	Polyethylene Terephthalate
PPA	Public Procurement Agency
PPE	Personal Protective Equipment
PPL	Public Procurement Law
SDG	Sustainable Development Goals
SME	Small and Medium-Sized Enterprises



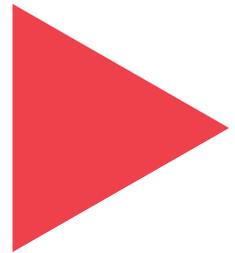
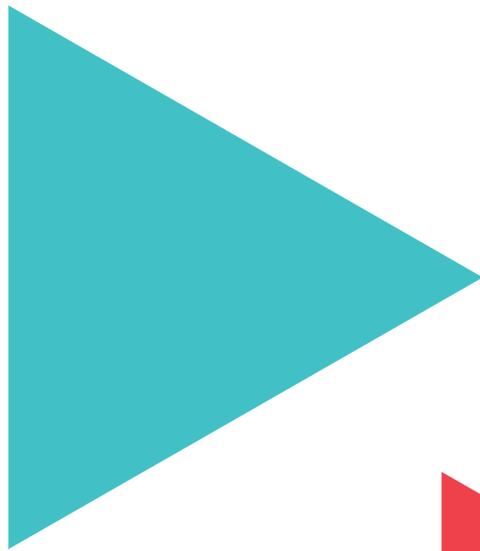
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The project aims to prepare and enable private sector partners in Albania to implement the SDGs in their business models, thus directly supporting Albania's efforts to contribute to the biggest global agenda today, Agenda 2030 for Sustainable Development.

This report is authored by Dr Jolta Kacani under the guidance and coordination of Sajmira Kopani (Technical Officer, ILO). Input and comments were provided by Hesham Bayoumi (Enterprise Development International Expert, ILO).

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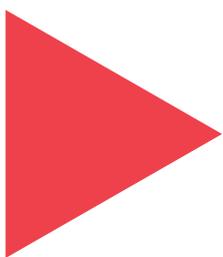
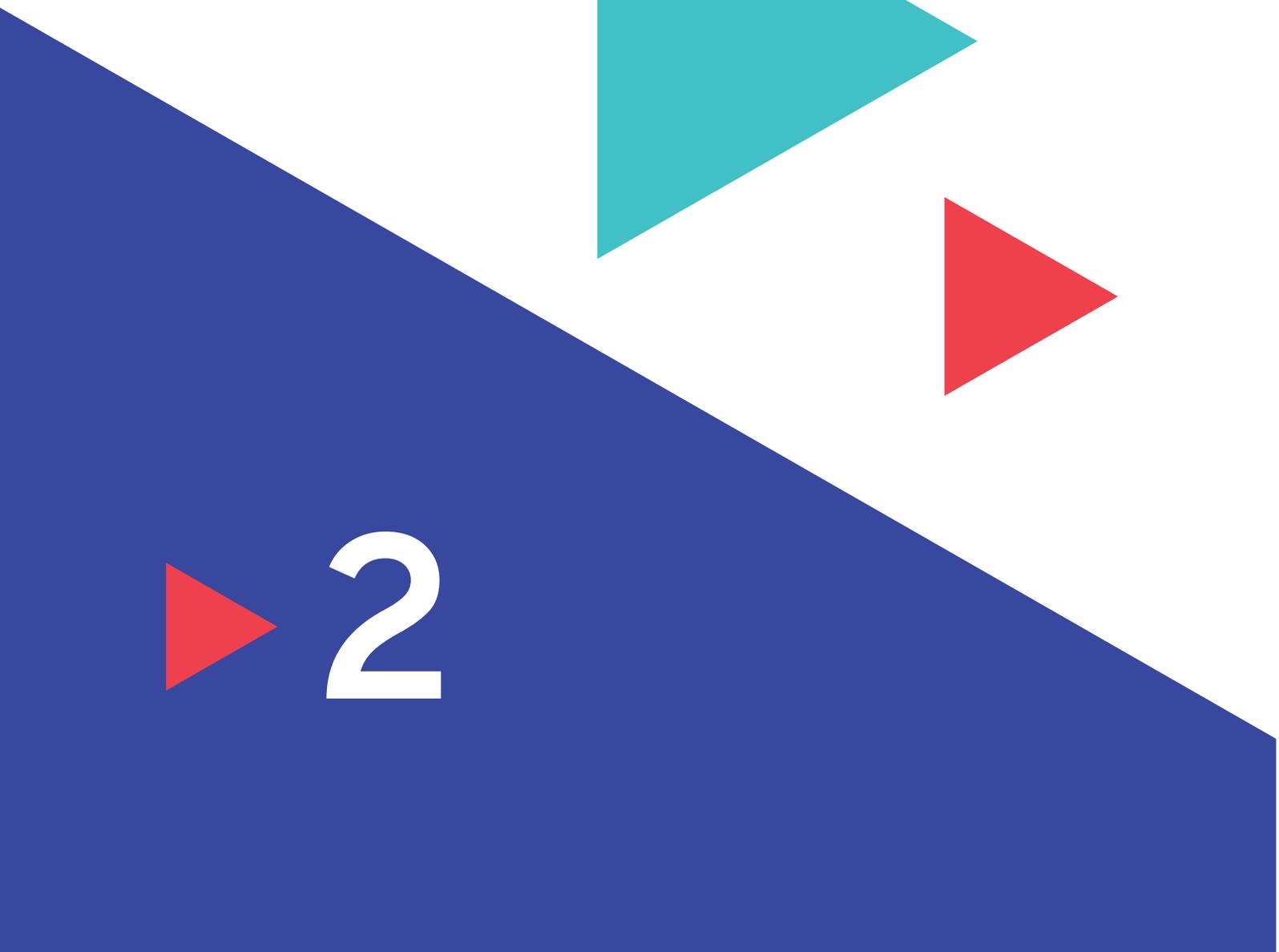


1

1. Executive summary

In 2022, the European Commission approved opening up accession negotiations with Albania, emphasizing that the integration process requires, among other things, effective legal approximation and proper implementation of the European regulations on locally manufactured end-consumer goods so that they are fully acceptable in the European Union. This also includes textile and footwear goods exported in the European market for end-customer use. The current gap between the Albanian legal framework and the European one indicates that in the textile and footwear industry national legislation is only partially aligned with the EU acquis on pre-packaging, textiles, footwear labelling and mixtures. The main objective of this report is to introduce an insightful legislative review, followed by an action plan to fill the existing gap with the European legal framework and generate new opportunities for textile and footwear enterprises to benefit from new partnerships in the EU market. Such partnerships open up additional channels for knowledge transfer and niche creation, thereby increasing the potential for market exploitation as dominant garment and footwear suppliers to EU markets and customers.

Within the framework of recent global socio-economic trends, entering and competing in the EU market is no longer solely a matter of price. Additional competitive advantages related to social and environmental considerations in manufacturing or “circular and sustainable fashion” can be supported and promoted through immediate legislative measures that will level up approximation with European standards and acquis chapters. These measures oriented towards improving and upgrading production modalities and procedures to align with the standards required in the EU legal framework generate a high potential to form new partnerships that may strengthen competitive advantages and enable entrance into new markets.



2

2. Introduction to the legislative analysis of the textile and footwear industry

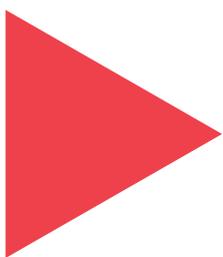
This report aims to help promote sustainable practices in the global textile and footwear sector in general and more specifically in Albania. This report delivers an insightful review of the existing legislative framework in Albania concerning the textile and footwear sector as regards the most recent European Union (EU) standards.

In July 2022, the European Commission (EC) approved opening up accession negotiations with Albania, indicating that the EU integration process regarding Acquis chapter 4 “Free movement of goods”, chapter 20 “Enterprise and industrial policy”, chapter 28 “Consumer and health protection”, and chapter 29 “Customs union” related to trade in the textile and footwear industry requires legal approximation and proper implementation in order for locally produced finished garments to be fully acceptable in the EU market. Within these EU acquis chapters both the EC Progress Report (2022)¹ and the ILO Stocktaking paper “SDG principles and positive practices adopted by the textile and footwear sector in Albania” (2022)² emphasize that in the textile and footwear industry national legislation is only partially aligned with the EU acquis on pre-packaging, textiles, footwear labelling and mixtures. An insightful legislative review followed by a concrete action plan to fill the existing gap between the EU legal framework and that of Albania furnishes an opportunity for textile and footwear enterprises in the country to benefit from new partnerships in the EU market. Such partnerships open up additional channels for knowledge transfer and niche creation, thereby increasing the potential for market exploitation as dominant garment and footwear suppliers to EU markets and customers. Within the recent global socio-economic trends, entering and competing in the EU market should no longer be based on price alone. Additional competitive advantages related to social and environmental practices in manufacturing or taking up “circular and sustainable fashion” can be supported and promoted through immediate legislative measures that will level up approximation with EU standards and acquis chapters. These measures oriented towards improved and upgraded production modalities and procedures when aligned with standards required in the EU legal framework generate a high potential to form new partnerships that strengthen competitive advantages and enable entrance into new markets.

Considering the importance of textiles and footwear for the Albanian economy and for the promotion of international trade and exports in the European market, this assignment will complement the Stocktaking of SDG principles and positive business practices adopted by the private sector.

¹ Commission Staff Working Document SWD (2022) 332, “Albania 2022 Report Accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 2022 Communication on EU Enlargement policy”, dated 12.10.2022.

² https://www.ilo.org/budapest/what-we-do/publications/WCMS_869582/lang--en/index.htm



3

3. Overview of the European legal framework in the industry

The 2020 Circular Economy Action Plan³ and the 2021 update of the EU Industrial Strategy⁴ identify textiles as a key product value chain with an urgent need and strong potential for transition to sustainable and circular production, consumption and operating business models. Textile and footwear enterprises, consumers and public authorities in the EU are already focusing on increasing the sustainability and circularity of this sector, but the transition is slow as its environmental and climate footprint remains high. By securing the green and digital transition, addressing social challenges, and ensuring compliance with SDG manufacturing criteria, the EU aims to become a global trailblazer in sustainable and circular textile value chains by promoting new technological solutions and innovative business models. These innovative solutions will make it possible to reduce the textile sector's environmental footprint along the life cycle, increasing the sector's resilience and competitiveness, improving working conditions according to ILO standards and ensuring that the value of textiles is retained in the economy for as long as possible, reducing dependencies on limited raw materials.

By 2030 textile products placed in the EU market should be long-lived and recyclable, to a great extent made of recycled fibres, free of hazardous substances and produced in respect of social rights and the environment. Consumers are expected to benefit longer from high quality affordable textiles and economically profitable re-use, and repair services should be widely available, while "fast-fashion" will be out of fashion. The circular textiles ecosystem is thriving, driven by capacities for innovative fibre-to-fibre recycling, while the incineration and landfilling of textiles has been reduced considerably. In a competitive, circular and innovative textiles sector, producers take responsibility for their products along the value chain, including when they become waste, thus aligning with EU standards.

The European legislative framework, including the **EU Ecolabel Criteria for Textile Products**⁵ and the **EU GPP Criteria for Textiles Products and Services**,⁶ already include requirements related to environmental aspects of textile products. They encompass, for example, detailed criteria for good quality and durable products, restrictions on hazardous chemicals, as well as requirements on environmentally sustainable sourcing of textile fibres.⁷ Building on this knowledge, under the **Ecodesign for Sustainable Products Regulation**,⁸ subject to its approval by co-legislators and dedicated impact assessment, the EC is emphasizing binding product-specific ecodesign requirements to increase textiles' performance in terms of durability, reusability, reparability, fibre-to-fibre recyclability and mandatory recycled fibre⁹ content. The aim is to minimize and track the

³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2020) 98, "A new Circular Economy Action Plan For a cleaner and more competitive Europe", dated 11.03.2020.

⁴ https://single-market-economy.ec.europa.eu/industry/strategy_en

⁵ Commission Decision 2014/350/EU establishing the ecological criteria for the award of the EU Ecolabel for textile products, dated 05.06. 2014. (OJ L 174, 13.6.2014, p. 45-83).

⁶ Commission Staff working Document, SWD (2017) 231, "EU Green Public Procurement Criteria for Textiles Products and Services", dated 06.06.2017.

⁷ Work with textile industry representatives on the environmental footprint of apparel and footwear products is ongoing and due for completion by 2024

⁸ COM (2022) 142 final establishing a framework for setting ecodesign requirements for sustainable products and repealing Directive 2009/125/EC. <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=COM:2022:142:FIN>.

presence of substances of concern, and to reduce the adverse impacts on climate and environment. In doing so, specific attention is paid to the cost-effectiveness and proportionality of measures, as well as the affordability of textiles. Based on the current regulations applied in the EU market the Commission will prioritize products with the highest potential and impacts in terms of environmental sustainability. Therefore, as part of the measures under the new Ecodesign for Sustainable Products Regulation, the Commission will introduce a **Digital Product Passport for Textiles** based on mandatory information requirements on circularity and other key environmental aspects.

Special attention is paid to the presence of hazardous substances used in textile products entering the EU market, around 60 of which are considered to be carcinogenic, mutagenic or toxic to reproduction. This is a source of concern that the Commission is addressing under REACH. Furthermore, by developing criteria for safety and sustainable design, chemicals and materials, the EU is supporting the textile and footwear industry in substituting as much as possible and otherwise to minimize the substances of concern in textile products, as announced in the Chemicals Strategy for Sustainability.¹¹ This is in line with actions to increase protection of workers exposed to hazardous substances, as defined in the EU Strategic Framework on Health and Safety at Work 2021–2027.¹²

Pursuing the zero-pollution ambition in the production of textiles also guides the revision of the Industrial Emissions Directive¹³ and the ongoing review of the Best Available Techniques (BAT) Reference Document (BREF) for the Textiles Industry.¹⁴

In addition, the initiative on Empowering Consumers for the Green Transition¹⁵ with which the Commission proposes to amend the Unfair Commercial Practices Directive¹⁶ and the Consumer Rights Directive 2011/83/EU¹⁷ will result in new requirements that are highly relevant for textile products. The new EU rules will ensure that consumers are provided with information at the point of sale about a commercial guarantee of durability, as well as information relevant to repairs, including a reparability score, whenever this is available. General environmental claims, such as “green”, “eco-friendly”, “good for the environment”, will be allowed only if underpinned by recognized excellence in environmental performance, notably based on the EU Ecolabel, type I ecolabels, or specific EU legislation relevant to the claim. Voluntary sustainability labels covering environmental or social aspects must rely on third-party verification or be established by public authorities. Moreover, there will be conditions for making green claims related to future environmental performance, such as “climate neutral by 2030”, and for comparing to other products.

A particular source of growing concern is the accuracy of green claims made about the use of recycled plastic polymers in apparel where these polymers do not come from fibre-to-fibre recycling, but in

⁹ Regulation (EU) No 1007/2011 of the European Parliament and of the Council of 27 September 2011 on textile fibre names and related labelling and marking of the fibre composition of textile products and repealing Council Directive 73/44/EEC and Directives 96/73/EC and 2008/121/EC of the European Parliament and of the Council Text with EEA relevance (OJ L 272, 18.10.2011, pp. 1–64).

¹⁰ Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/E.

¹¹ COM (2020) 667 final. European Commission Chemicals Strategy for Sustainability Towards a Toxic-Free Environment.

¹² COM (2021) 323 final. EU strategic framework on health and safety at work 2021–2027, Occupational safety and health in a changing world of work.

¹³ <https://ec.europa.eu/environment/industry/stationary/ied/evaluation.htm>

¹⁴ <https://eippcb.jrc.ec.europa.eu/reference/textiles-industry>

¹⁵ Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council (Unfair Commercial Practices Directive) (OJ L 149, 11.6.2005, pp. 22–39).

¹⁶ Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council (Unfair Commercial Practices Directive) (OJ L 149, 11.6.2005, pp. 22–39).

¹⁷ Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights, amending Council Directive 93/13/EEC and Directive 1999/44/EC of the European Parliament and of the Council and repealing Council Directive 85/577/EEC and Directive 97/7/EC of the European Parliament and of the Council (OJ L 304, 22.11.2011, p. 64).

particular from sorted PET bottles. Beyond the risk of misleading consumers, such a practice is not in line with the circular model for PET bottles, which are suitable for being kept in a closed-loop recycling system for food contact materials and are subject to extended producer responsibility obligations, including fees, with a view to meeting the objectives of the EU Rules on Single-Use Plastic Products¹⁸ and on Packaging.¹⁹ These claims face further challenges given the role of synthetic fibres in microplastics pollution.

On the other hand, the textiles and footwear industry requires a highly skilled workforce to unlock the potential for employment brought by the digital and green transitions, as only 13 per cent of the workforce has high-level qualifications.²⁰ The sector is struggling to attract qualified young talent, and SMEs in the textiles ecosystem are being held back by a lack of skilled employees. Over 55 per cent of European enterprises reported difficulties in filling ICT vacancies,²¹ and 40 per cent of enterprises have a green skills gap.²² Areas such as eco-design, fibre development, innovative textile production, repair and reuse are particularly important. Vocational education and training, both initial and continuous, including apprenticeships, are essential for equipping people with the necessary skills.

Under the EU Pact for Skills²³ the Commission supported the establishment of a large-scale skills partnership for the textiles ecosystem to promote upskilling, reskilling and the acquisition and transfer of green and digital skills, including knowledge of life-cycle assessment and value chain assessment. In line with the New European Skills Agenda,²⁴ the Digital Compass 2030²⁵ and the objectives of the Porto Summit,²⁶ the Pact for Skills for the Textiles Ecosystem, launched on 16 December 2021, commits to key performance indicators, with a view to creating local partnerships between industry, public authorities, and education providers. Agreed actions include increasing diversification in enterprise management by up to 5 per cent each year, in particular access for women to higher positions; supporting 10,000 SMEs in their digitalization efforts; designing 20 new educational processes and tools responding to green and digital skills; increasing the offer of apprenticeships in the sector by 20 per cent; and other commitments on upskilling and reskilling the workforce in the coming years.

Finally, the newly created EU Product Compliance Network²⁷ will coordinate and support cross-border market surveillance practices in the EU in priority areas to be proposed by the competent authorities and ensure cross-sectoral coordination between different Administrative Cooperation Groups (AdCos), such as the AdCo on Chemicals and Textile Labelling.

Given the extensive EU legal framework in the field, this report will focus on the following areas oriented towards green production and EU Green deal objectives. This report will analyse in detail the following areas: (i) EU strategies related to the textile and footwear industry, (ii) ecodesign, (iii) eco labelling, (iv) public green procurement, (v) waste management, (vi) green claims. Finally, the report will present an action plan indicating measures required to improvement approximation of the Albanian legal framework with the corresponding EU one.

¹⁸ Directive (EU) 2019/904 of the European Parliament and of the Council of 5 June 2019 on the reduction of the impact of certain plastic products on the environment (Text with EEA relevance), PE/11/2019/REV/1, (OJ L 155, 12.6.2019).

¹⁹ European Parliament and Council Directive 94/62/EC of 20 December 1994 on packaging and packaging waste, OJ L 365, 31.12.1994, pp. 10–23.

²⁰ Eurostat (2019) Labour Force Survey.

²¹ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=ICT_specialists_-_statistics_on_hard-to-fill_vacancies_in_enterprises

²² https://ec.europa.eu/eurostat/statistics-explained/index.php?title=ICT_specialists_-_statistics_on_hard-tofill_vacancies_in_enterprises

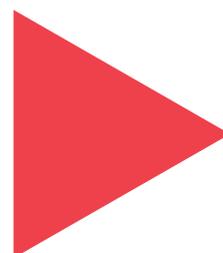
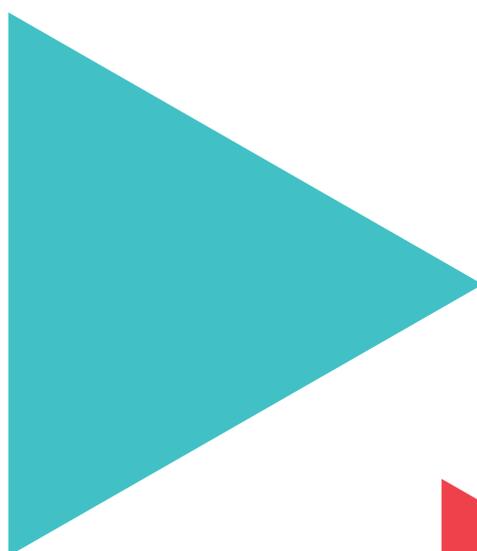
²³ <https://euratex.eu/news/which-skills-companies-need-from-their-workforce/>

²⁴ <https://ec.europa.eu/social/main.jsp?catId=1223&langId=en>

²⁵ https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/europes-digital-decade-digital-targets-2030_en

²⁶ https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/europes-digital-decade-digital-targets-2030_en

²⁷ Established under Regulation (EU) n. 2019/1020 of the European Parliament and of the Council of 20 June 2019 on market surveillance and compliance of products and amending Directive 2004/42/EC and Regulations (EC) No 765/2008 and (EU) No 305/2011, PE/45/2019/REV/1 (OJ L 169, 25.6.2019, pp. 1–44).



4

4. Gap analysis methodology in undertaking a legislative review

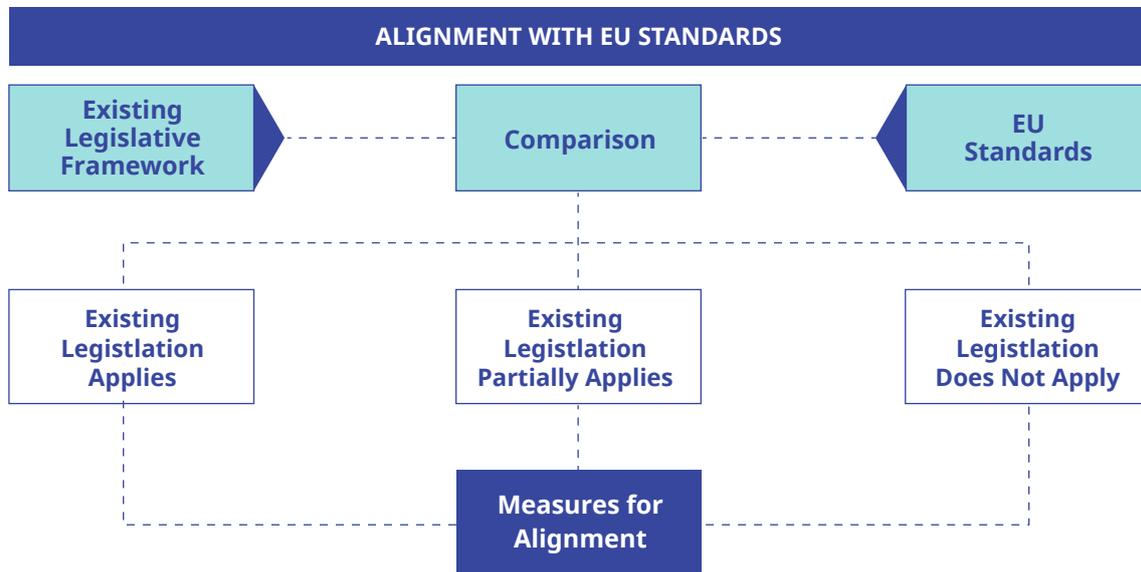
To conduct a thorough and insightful legislative review and we based the report on a gap analysis. The purpose of a gap analysis is to compare the current legislative environment in Albania for the textile and footwear sector with the EU legal framework applied in the industry. This methodology aims to identify gaps and propose concrete actions needed to fill in the missing areas. A gap analysis is a forward-looking methodology that involves strategic planning when drafting an action plan with concrete measures.

In gap analysis methodology "gap" refers to the space between "where we are" in the current state of our legislative framework and "where we want to be" (the target or desired state). A gap analysis is a method of assessing the performance of the current legislation in the textile and footwear industry and determining whether it enables free movement of finished locally manufactured garments in the EU market in accordance with predetermined standards, especially those oriented towards green manufacturing and circular products. A gap analysis is also referred to as a needs analysis, needs assessment or need-gap analysis.

In this methodology the identification of gaps in the legislative framework pertaining to the textile and footwear industry will be carried out according to the flow presented in Figure 1.

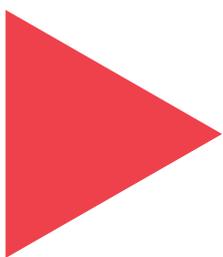
- 1.** The first step is to identify, list and categorize the relevant legal documents pertaining to the textile and footwear industry in Albania and the EU's legal requirements for green and recyclable products in the EU market.
- 2.** The second step is to carefully read and analyse the documentation and information identified in the first step.
- 3.** The third step is to determine whether the EU legislative framework in the textile and footwear industry is applied, partially applied, or not applied at all in the current Albanian legal framework.
- 4.** The fourth step is to identify what is missing, the gaps in the Albanian legal framework that are preventing enterprises in the textile and footwear industry from increasing their exports in the EU market.
- 5.** The fifth step is to prioritize the gaps identified in the fourth step, as trying to fill all the gaps at once is costly and requires adequate human capacities and external technical assistance that are not available in a small and developing country like Albania.

► Figure 1: Gap analysis steps in undertaking a legislative review



Source: Author representation.

The action plan will be prepared after consultations with stakeholders. Stakeholder consultations will serve to redefine the predetermined legislative gaps identified during the desk review and comparison between the current Albanian legislation and EU standards. Redefining the gaps means re-assessing the potential impact of filling these gaps.



5

5. Relevant European strategies

► 5.1. European Industrial Strategy

The legislative review here will follow a top-down approach, starting with analysis of EU strategy documents that set the necessary framework for drafting and publication. The EU's new industrial strategy²⁸ aims to create and design new solutions by considering all players within the value chain, including the textile and footwear industry. This approach means generating solutions by creating new innovative ecosystems oriented towards green growth. The new industrial strategy is the roadmap towards the EU 2030 agenda and beyond. The focus of the new industrial policy is a new product policy framework which will establish sustainability principles for all products, helping to make the EU market and its industries more competitive. In the new industrial policy, priority is given to high-impact product groups with specific actions that include a circular electronics initiative, sustainability requirements for batteries, and new measures for circular textiles.

The new Industrial Strategy 2020 laid the foundations for an industrial policy that would make Europe's industrialization more autonomous. It is based on the lessons member states drew from the Covid-19 crisis, orienting the industry towards circular and green production systems. The new industrial package of measures relates to SMEs²⁹ and the EU Single Market.³⁰

The SME dimension is one of the main pillars of the strategy, with a commitment to mobilize significant investment to support SMEs and provide them with tailored financial support and measures to enable them and start-ups to embrace resilience and green growth. It also means securing Europe's Single Market, ensuring open strategic autonomy, and accelerating the green and digital transitions. The Industrial Strategy for Europe proposes new measures to strengthen the resilience of the Single Market, especially in times of crisis. It addresses the need to better understand dependencies in key strategic areas and presents a toolbox to address them. It offers new measures to accelerate transition to the circular economy.

The purpose of the industrial strategy is to promote a more sustainable, digitalized, resilient and globally competitive economy that creates jobs. The industrial strategy aims to ensure that EU member states can lead the green and digital transition as globally competitive players relying on its strengths. The strategy emphasizes support for all kinds of operators based on the ecosystem and value chains, stresses the basic factors of industry (innovation, competition, and a strong and well-functioning internal market) and strengthens global competitiveness through open markets and inclusion of regional markets.

With the new industrial policy in place the EU aims to lead transitions towards climate neutrality and digital leadership. The aim is for EU industry to become an accelerator and enabler of change, innovation, and growth.

²⁸ Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2020) 102, "A New Industrial Strategy for Europe", CELEX 52020DC0102, dated 10.03.2020.

²⁹ Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2020) 103, "An SME Strategy for a sustainable and digital Europe", CELEX 52020DC0103, dated 10.03.2020.

³⁰ Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2021) 350 updating the 2020 New Industrial Strategy: building a stronger Single Market for Europe's recovery, CELEX52021DC0350, dated 05.05.2021.

Key aspects of the new industrial strategy include:

- ▶ focusing on industrial ecosystems rather than specific sectors;
- ▶ using industrial alliances to mobilize and coordinate private investment in strategic sectors;³¹
- ▶ greater use of pan-European state support via important projects of common European interest;
- ▶ making the European economy climate-neutral by 2050;
- ▶ incorporating assertive trade and investment instruments into the industrial policy conception to reduce international dependencies;
- ▶ developing and commercializing “deep technologies”.³²

▶ 5.2. The European Green Deal

The EU Green Deal³³ is Europe’s new growth strategy. At the heart of it is the goal of becoming the world’s first climate-neutral continent by 2050. It intends to achieve this not only without diminishing the EU’s economy, but while also improving the quality of life for citizens in the member states and for external partners of the EU. All industrial value chains, including energy-intensive sectors, will have a key role to play. They will all have to work on reducing their own carbon footprints but also accelerate the transition by providing affordable, clean technology solutions and by developing new business models. To become more competitive as they become greener and more circular, industries will need a secure supply of clean and affordable energy and raw materials. Stepping up investment in research, innovation, deployment, and up-to-date infrastructure will help in developing new production processes and create jobs in the process.

The European Green Deal presents a roadmap for making the EU’s economy sustainable by turning climate and environmental challenges into opportunities across all policy areas and making the transition just and inclusive for all. It outlines investments needed and financing tools available and explains how to ensure an inclusive transition. The European Green Deal covers all sectors of the economy, notably transport, energy, agriculture, buildings, and industries such as steel, cement, ICT, textiles, and chemicals. It provides an action plan³⁴ to boost the efficient use of resources by moving to a clean, circular economy, restoring biodiversity and cutting pollution. In order to meet all of its objectives, the Green Deal’s policies focus on seven areas:

- ▶ Climate action to make the EU climate-neutral by 2050.
- ▶ Eliminating pollution to cut pollution rapidly and efficiently.
- ▶ Sustainable mobility to promote the roll-out of cleaner, cheaper, and healthier forms of transport, both private and public.
- ▶ Building and renovation to ensure that buildings are more energy efficient.
- ▶ Sustainable industry to ensure production cycles that are more sustainable and more environmentally respectful.
- ▶ Clean energy to decarbonize the energy sector.
- ▶ Sustainable agriculture for a common agricultural policy that ensures that EU agriculture is socially, economically, and environmentally sustainable.

³³ Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2019) 640, “The European Green Deal”, dated 11.12.2019.

³⁴ Annex to the Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2019) 640, “Roadmap - Key actions - The European Green Deal”, CELEX 3A52019DC0640, 11.12.2019.

- ▶ From farm to fork to ensure more sustainable food systems.
- ▶ Biodiversity to restore degraded ecosystems and help to achieve a balance with nature.

Another significant component is the Just Transition Mechanism (JTM).³⁵ This will help to ensure that no one is left behind by the inevitable economic changes of Europe moving to net-zero emissions. It will provide targeted support to alleviate the socio-economic impact in the most affected regions, such as countries that are still heavily dependent on fossil fuels. Additionally, there are provisions within the EU Green Deal that specify investing in environmentally friendly technologies, supporting industry to innovate, and working with international partners to improve global environmental standards.

▶ 5.3. The European Circular Economy Action Plan

The Circular Economy Action Plan (CEAP)³⁶ is one of the main building blocks of the European Green Deal. The CEAP aims to make our economy fit for a green future and strengthen industrial competitiveness, while protecting the environment and conferring new rights on consumers. The CEAP focuses on design and production for a circular economy, with the aim of ensuring that the resources used are kept in the economy for as long as possible. The legislative package aims at making almost all physical goods in the EU market more durable and therefore more environment-friendly, circular and energy-efficient throughout their whole lifecycle, from the design phase to daily use and reuse after end-of-life. The new CEAP presents actions along the entire life cycle³⁷ of products to modernize and transform economic activity while protecting the environment. It is changing the ways of production and consumption. The CEAP sets out a product policy framework to increase sustainable production of goods and services. The action plan provides strategic orientations for member states to integrate the circular economy in their own national strategies.

The CEAP announces initiatives for the entire life cycle of products, from design and manufacturing to consumption, repair, reuse, recycling, and bringing resources back into the economy. It introduces legislative and non-legislative measures and target areas. It is not possible to achieve the climate-neutrality target by 2050 without transitioning to a fully circular economy.

The Plan is the answer to growing energy use and inefficient use of materials and subsequent waste, especially in relation to resource-intensive sectors such as electronics and ICT, batteries and vehicles, packaging, plastics, textiles, construction and buildings, food, water, and nutrients. In total, the CEAP announced 35 legislative and non-legislative actions. Supporting CEAP packages were announced in March 2022, including key areas: (i) making sustainable products the norm; (ii) sustainable and circular textiles; and (iii) construction products of tomorrow.

The Circular Economy Action Plan provides a future-oriented agenda for achieving a cleaner and more competitive industry together with economic actors, consumers, citizens and civil society organizations. This plan will ensure that the regulatory framework is streamlined, maximizing opportunities for transition while minimizing burdens on people and enterprises. The plan encompasses a set of interrelated initiatives to establish a strong and coherent product policy framework that will make sustainable products, services and business models the norm and

³⁶ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2020) 98, "A new Circular Economy Action Plan for a cleaner and more competitive Europe" dated 11.03.2020.

³⁷ Commission Staff Working Document SWD (2020) 100, "Leading the way to a global circular economy: state of play and outlook", 11.03.2020.

transform consumption patterns so that no waste is produced in the first place. Further measures will be put in place to reduce waste and ensure that the EU has a well-functioning internal market for high quality secondary raw materials. The EU's capacity to take responsibility for its waste will also be strengthened.

The CEAP also includes a comprehensive policy framework that will aim to strengthen industrial competitiveness and innovation, boosting the market for sustainable and circular textiles, including the market for textile reuse, and driving new business models. Textiles are the fourth highest-pressure category for the use of primary raw materials and water, and fifth for greenhouse gas emissions. The CEAP provides guidance on separate collection of textile waste, which member states must ensure by 2025.

► 5.4. European Strategy for Sustainable and Circular Textiles

The EU Strategy for Sustainable and Circular Textiles (ESSCT³⁸) aims to ensure that by 2030 textile products have a longer life, are made as much as possible from recyclable materials and are free of hazardous substances. Considering the complexity of the textile value chain, to respond to these challenges the ESSCT was drafted based on input from industry and other stakeholders. The strategy is aimed at strengthening industrial competitiveness and innovation in the sector, boosting the EU market for sustainable and circular textiles, including the market for textile reuse, addressing fast fashion and driving new business models. Many of the pressures created by the consumption of textiles can be traced back to fast fashion, that is, low-cost, low-quality apparel produced at great speed, often under poor labour conditions outside the EU. The Strategy addresses both the demand and the supply side challenges this creates. For producers, mandatory design requirements for textiles and greater reliance on extended producer responsibility schemes will help to extend the lifetime of clothing. Textiles are the fourth highest-pressure category for the use of primary raw materials and water, and fifth for greenhouse gas emissions. This strategy will boost the market for reused textiles by reducing customer behaviours oriented towards fast fashion.³⁹ It will support new consumption patterns of circular rather than throw-away clothes, which are currently the norm, with sufficient capacities for recycling and minimal incineration and landfilling.

This will be achieved with a comprehensive set of measures, including:

- A new sustainable product framework, including development of ecodesign measures to ensure that textile products are fit for circularity, ensuring the uptake of secondary raw materials, tackling the presence of hazardous chemicals, and empowering business and private consumers to choose sustainable textiles and have easy access to re-use and repair services.
- An improved business and regulatory environment for sustainable and circular textiles in the EU, with incentives and support for product-as-a-service models, circular materials and production processes, and increasing transparency through international cooperation.
- Boosting the sorting, re-use and recycling of textiles, including through innovation, encouraging industrial applications and regulatory measures such as extended producer responsibility.

³⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2022) 141, "EU Strategy for Sustainable and Circular Textiles", 30.03.2022.

³⁹ Annex to the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2022) 141, "EU Strategy for Sustainable and Circular Textiles", 30.03.2022.

The Strategy proposes actions for the entire lifecycle of textile products, while supporting the ecosystem in the green and digital transitions.⁴⁰ It addresses the ways in which textiles are designed and consumed, looking also at sustainable technological solutions and innovative business models. The main actions include the following:

- ▶ New design requirements for textiles under the Ecodesign for Sustainable Products Regulation, setting mandatory minimums for the inclusion of recycled fibres in textiles, making them longer-lasting, and easier to repair and recycle. Under the proposed regulation, sustainable textile products will become the norm in the EU. The proposal would also ban the destruction of unsold products under certain conditions, including unsold or returned textiles.
- ▶ Clearer information on textiles and a Digital Product Passport based on mandatory information requirements on circularity and other key environmental aspects.
- ▶ Action to address the unintentional release of microplastics from textiles. In addition to product design, measures will target manufacturing processes, pre-washing at industrial manufacturing plants, labelling and the promotion of innovative materials.
- ▶ Harmonized EU rules on extended producer responsibility for textiles, and economic incentives to make products more sustainable (“eco-modulation of fees”), as part of the revision of the Waste Framework Directive in 2023.
- ▶ Support for research, innovation and investment and for the development of the skills needed for the green and digital transitions.
- ▶ Tight controls on greenwashing, with stricter rules to protect consumers and direct links to the upcoming Green Claims Initiative.
- ▶ Action to address the unintentional release of microplastics from textiles. In addition to product design, measures will target manufacturing processes, pre-washing at industrial manufacturing plants, labelling and the promotion of innovative materials.
- ▶ Addressing the challenges related to halting the export of textile waste. Extended Producer Responsibility (EPR) schemes for promoting circularity and reducing waste levels, harmonized EPR rules for textiles with eco-modulation of fees.
- ▶ The co-creation of a Transition Pathway for the Textiles Ecosystem to establish the way forward and set out concrete steps on how to achieve the 2030 goals set by the ESSCT.

One of the measures of the transition pathway is the introduction of Digital Product Passports (DPP),⁴¹ tools that can significantly enhance the end-to-end traceability of a product, complementing information provided in product manuals or labels. This tool will help consumers to make informed choices by improving their access to product information, allowing repairers or recyclers to access relevant information, and improving enforcement of legal requirements by the authorities. The information to be included in the product passport will be determined when preparing product-specific rules. It may include information such as a product’s environmental footprint, information useful for recycling purposes, the recycled content of certain materials, information about the supply chain, and other things. Moreover, access to information will be granted on a “need-to-know” basis.

⁴⁰ Commission Staff Working Document SWD (2022) 105, “Scenarios towards co-creation of a transition pathway for a more resilient, sustainable and digital textiles ecosystem”, dated 30.03.2022.

⁴¹ <https://www.digitaleurope.org/digital-product-passport/>

Another action that complements the ESSCT is the proposed revision of the EU legislation on Packaging and Packaging Waste,⁴² which aims to put an end to wasteful packaging, boosting reuse and recycling. It has three main objectives. First, to prevent the generation of packaging waste, reduce it in quantity, restrict unnecessary packaging, and promote reusable and refillable packaging solutions. Second, to boost high quality (“closed loop”) recycling by making all packaging on the EU market recyclable in an economically viable way by 2030. And finally, to reduce the need for primary natural resources and create a well-functioning market for secondary raw materials, increasing the use of recycled plastics in packaging through mandatory targets. For consumers, they will ensure reusable packaging options, get rid of unnecessary packaging, limit overpackaging, and provide clear labels to support correct recycling. For industry, they will create new business opportunities, especially for smaller companies.

In terms of addressing social inequalities in the textile industry, the EU’s proposal for a Corporate Sustainability Due Diligence Directive⁴³ introduces obligations for certain large companies to account for adverse impacts on human rights and the environment. Third countries with significant EU textile imports will also be subject to the new obligations.⁴⁴

Through the transition pathway,⁴⁵ stakeholders are engaged to scale up resource-efficient manufacturing processes, reuse, repair, and other new circular business models in the textile sector. The strategy encourages member states to support the reuse and repair sector at national, regional and local levels and to implement tax reductions and other favourable taxation measures for the reuse and repair sector. On the consumer side, the strategy encourages a shift towards quality, durability, longer use, repair and reuse. Through the European Circular Economy Stakeholder Platform,⁴⁶ it will mobilize designers, producers, retailers, advertisers and citizens in redefining EU fashion. Additional legal actions that are part of the transition pathway are presented in Table 1:

► **Table 1: Forthcoming EC actions on sustainable and circular textiles**

No.	Proposed EC action	Timeline
1.	Enforcing the Corporate Sustainability Due Diligence Directive in the textile sector.	2023
2.	Extended Producer Responsibility requirements for textiles with eco-modulation of fees and measures to promote the waste hierarchy for textile waste.	2023
3.	Enforcing the restrictions on exports of textile waste outside the OECD and developing criteria for distinguishing waste from second-hand textile products.	2023
4.	Review of the Textile Labelling Regulation and considering the introduction of a digital label.	2023
5.	Mandatory performance requirements for the environmental sustainability of textile products.	2024
6.	Digital Product Passport for textiles with information requirements on environmental sustainability.	2024
7.	Mandatory requirements concerning green public procurement and Member State incentives.	2024
8.	Disclosure of the number of discarded products by large enterprises and their subsequent treatment, and measures on banning the destruction of unsold textiles.	2024
9.	Revision of the EU Ecolabel criteria for textiles and footwear.	2024
10.	Product Environmental Footprint Category Rules for apparel and footwear.	2024
11.	Guidance on circular economy business models featuring the textile sector.	2024

⁴² Proposal for a Regulation of the European Parliament and of the Council COM (2022) 677 on packaging and packaging waste, amending Regulation (EU) 2019/1020 and Directive (EU) 2019/904, and repealing Directive 94/62/EC, dated 30.11.2022.

⁴³ Directive of the European Parliament and of the Council COM (2022) 71 on corporate sustainability due diligence and amending Directive (EU) 2019/1937, dated 23.02.2023.

⁴⁴ Annex to the Directive of the European Parliament and of the Council COM (2022) 71 on corporate sustainability due diligence and amending Directive (EU) 2019/1937, dated 23.02.2023.

⁴⁵ The pathway is expected to be published within 2023; https://single-market-economy.ec.europa.eu/sectors/fashion/textiles-transition-pathway_en

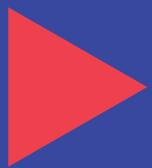
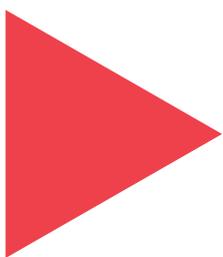
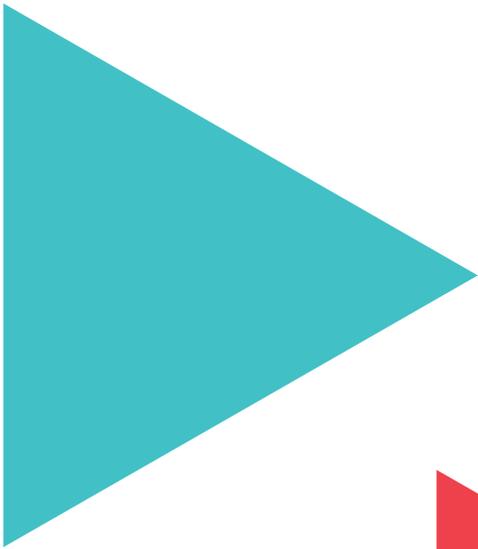
⁴⁶ <https://circulareconomy.europa.eu/platform/en>

► 5.5. Strategy framework in Albania

The strategic framework in Albania is limited. The most recent development strategy for the country is the National Strategy for Development and European Integration 2030.⁴⁷ This voluminous document provides development objectives only at a macro level covering a total of 34 areas for sustainable development and growth in the country. The document does not prioritize sectors, nor does it specifically address the most recent EU legal and regulatory framework introduced and analysed in this report. The other relevant strategy at the national level is the Strategy for Business Development and Investments, 2021–2027.⁴⁸ This strategy has three main objectives: (i) attracting investments and internationalization, (ii) development of SMEs, entrepreneurship, and innovation, and (iii) development of human capital. This strategy is not inclusive and not aligned with the EU Green Deal for circular business ecosystems, including those in the textile and footwear sector.

⁴⁷ Prime Minister's Office State Strategic Programming Agency and Coordination of Help, "National Strategy for Development and European Integration 2030" dated October 2022.

⁴⁸ DCM No. 466, "Strategy for Business Development and Investments, 2021–2027, and its action plan", dated 30.07.2021.



6

6. Ecodesign

▶ 6.1. Ecodesign in the European Union

The proposed Ecodesign for Sustainable Products Regulation (ESPR)⁴⁹ is the foundation for more environmentally sustainable and circular products. It is the framework for setting ecodesign requirements for specific product categories to improve their circularity, energy performance and other environmental sustainability aspects. The ESPR builds on the proven effectiveness of the Ecodesign Directive in relation to energy-related products⁵⁰ and will enable minimum ecodesign and information requirements for almost all categories of physical goods in the EU market. The core of this legislative initiative is to expand the Ecodesign Directive beyond energy-related products to make the ecodesign framework applicable to the broadest possible range of products, aiming for circularity.

This initiative aims to make the products placed on the EU market more sustainable. Citizens will benefit from products that are more durable, reusable, repairable, recyclable and consume less energy. The presence of hazardous chemicals in products will be addressed to protect human health and the environment. Increased resource efficiency will help to reduce the carbon and environmental footprint, helping to address climate and sustainability challenges.

The ecodesign requirements are tailored to the features of the groups of products included in the regulation. These requirements will improve relative effectiveness in delivering increased resource and energy efficiency, enabling longer product life, reducing pollution and the overall impact of products on climate and the environment. The ecodesign requirements are related to:⁵¹

- ▶ product durability, reliability, reusability, upgradability, reparability, ease of maintenance and refurbishment;
- ▶ restrictions on the presence of substances that inhibit the circularity of products and materials;
- ▶ energy use or energy efficiency of products;
- ▶ resource use or resource efficiency of products;
- ▶ minimum recycled content in products;
- ▶ ease of disassembly, remanufacturing and recycling of products and materials;
- ▶ life-cycle environmental impact of products, including their carbon and environmental footprints; preventing and reducing waste, including packaging waste.

The ESPR addresses product design, which determines up to 80 per cent of a product's lifecycle environmental impact. It sets new requirements to make products more durable, reliable, reusable, upgradable, repairable, easier to maintain, refurbish and recycle, and energy and resource efficient.⁵² In addition, product-specific information requirements will ensure that consumers know the

⁴⁹ Regulation of the European Parliament and of the Council establishing a framework for setting ecodesign requirements for sustainable products and repealing Directive 2009/125/EC COM (2022) 142, 2022/0095 (COD), dated 30.03.2022

⁵⁰ Directive 2009/125/EC of the European Parliament and of the Council establishing a framework for the setting of ecodesign requirements for energy-related products, CELEX_02009L0125-20121204, OJ L 285, dated 21.10.2009.

⁵¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on making sustainable products the norm, CELEX 52022DC0140, COM (2022) 140, dated 30.03.2022.

⁵² Commission Staff Working Document Impact Assessment, Accompanying the document, "Proposal for a Regulation of the European Parliament and of the Council establishing a framework for setting ecodesign requirements for sustainable products and repealing Directive 2009/125/EC", SWD (2022) 82, Part 1-4, dated 30.03.2022.

environmental impacts of their purchases. All regulated products will have Digital Product Passports. This will make it easier to repair or recycle products and facilitate tracking harmful substances along the supply chain. Digital Product Passports will be the norm for all products regulated under the ESPR, enabling products to be tagged, identified and linked to data relevant to their circularity and sustainability. Moreover, product passports may be used for information on other sustainability aspects applicable to the relevant product group, pursuant to other Union legislation. Priority will be given to addressing product groups such as electronics, ICT and textiles, but also furniture and high impact intermediary products such as steel, cement and chemicals. Further product groups will be identified based on their environmental impact and circularity potential.

The ESPR will also enable the EU to set labelling requirements⁵³ and will complement the new EU Energy Labels that address circularity aspects, such as a repair score. For other products, the new ESPR label will provide such information. Some products may bear both the EU Energy Label and an ESPR label⁵⁴ in case there is evidence that this will be more effective for consumers and less burdensome for industries. This will make it easier to provide at purchase the mandatory information to inform customers on relevant aspects of products' environmental performance.

► 6.2. Ecodesign for Textiles in the European Union

Despite the adverse environmental impacts generated throughout the lifecycle of the millions of textile products consumed in the EU each year, no EU instruments have been in place to address their product-level sustainability dimensions. Addressing the issues of sustainability of textile and related products is of great concern to European citizens.⁵⁵ For instance, for the textile sector in France, the share of products available on the market linked to eco-modulation according to three non-cumulative criteria (eco-design, integration of recycled materials from used textiles and shoes, integration of recycled material from by-products) represented 0.64 per cent of the total in 2018, twice the volume of 2017. This increased to 2.16 per cent in 2019.⁵⁶

For products in relation to which no specific EU regulation sets mandatory requirements on environmental sustainability, the ESPR will be the legal framework for drafting such requirements.⁵⁷ This is also the case for textiles and footwear. While these products are currently subject to certain product requirements, for instance concerning chemicals and labelling, there are no specific requirements governing circularity, such as durability, reparability, recyclability and recycled content. Following the adoption and entry into force of the ESPR, this regulatory gap will be filled through secondary legislation setting ecodesign performance requirements for textile products, information requirements and a Digital Product Passport. In addition, the EU strategy for sustainable and circular textiles,⁵⁸ adopted as part of this package, represents a comprehensive set of actions that go beyond the ESPR. The aim is to transform this sector and not only change textile design but also boost circular

⁵³ Information from European Union Institutions, Bodies, Offices and Agencies, Communication from the Commission, Official Journal of the European Union, Ecodesign and Energy Labelling Working Plan 2022-2024, CELEX 52022XC0504(01), (2022/C 182/01), dated 30.03.2022.

⁵⁴ Annex to the Communication from the Commission Ecodesign and Energy Labelling Working Plan 2022-2024, C (2022) 2026, dated 30.03.2022.

⁵⁵ Some 62 per cent of respondents to a 2019 public consultation stated that EU policy instruments do not adequately cover sustainable design and production in the textiles sector; 72 per cent believed that EU instruments are not sufficient in informing consumers of the environmental performance of clothes.

⁵⁶ European Commission, Study on the potential of sterilization and other forms of product-service provision for EU SMEs (2018); available at: <https://op.europa.eu/en/publication-detail/-/publication/0d1ed8aa-8649-11e8-ac6a-01aa75ed71a1/language-en>

⁵⁷ Annexes to the Commission proposal for a Regulation of the European Parliament and of the Council establishing a framework for setting ecodesign requirements for sustainable products and repealing Directive 2009/125/EC, COM (2022) 142 final, Annexes 1-8, dated 30.03.2022.

⁵⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, EU Strategy for Sustainable and Circular Textiles, COM (2022) 141, dated 30.03.2022.

business models and reduce textile waste, in line with and in full consideration of the need to ensure consumer affordability and business competitiveness.⁵⁹

The ESPR also indicates the launch of the co-creation process of the transition roadmap of the textiles and footwear industrial ecosystem. It also foresees measures to tackle the unintentional release of microplastics from textiles, ensure the accuracy of green claims, and boost circular business models, including reuse and repair services. To address fast fashion,⁶⁰ the framework encourages enterprises to reduce the number of collections per year, to minimize their carbon and environmental footprints, and to adopt favourable taxation measures for the reuse and repair sector.

► 6.3. Ecodesign in Albania

Ecodesign in Albania is still not legally regulated as the initial ecodesign directive primarily targeted energy-related products such as appliances, equipment, computers, servers, air-condition, and electric displays, which are not produced or assembled in the country. Minor developments are evident in the legal framework supporting the initial ecodesign directive, including the Law on energy efficiency,⁶¹ but the focus of the current legal framework is still on the use of alternative energy sources such as the hydro-electricity produced in Albania or solar panels.⁶² Regarding textiles and related products, the legal framework does not have any approximation as the EU legal framework, ESPR, is very new and not applied fully even in EU member states. They have until 2025 to fully adopt these regulations.

⁵⁹ Commission Recommendation (EU) 2021/2279 on the use of environmental footprint methods to measure and communicate the life cycle environmental performance of products and organizations, dated 15.12.2021.

⁶⁰ Annex to the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, EU Strategy for Sustainable and Circular Textiles, COM (2022) 141, dated 30.03.2022.

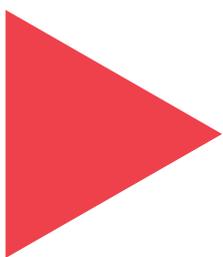
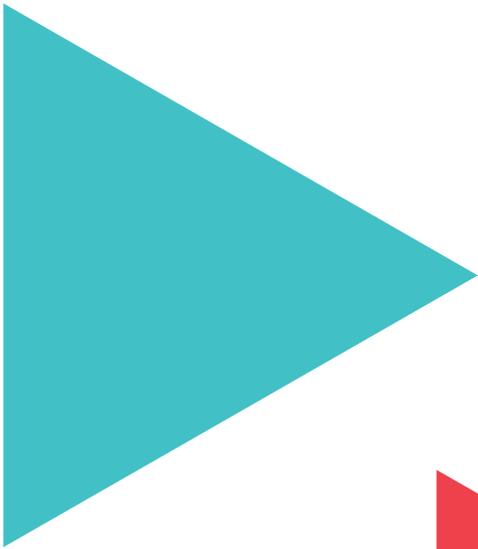
⁶¹ Law 124/2015 on energy efficiency.

⁶² Law No. 28 on some changes in Law 124/2015 on energy efficiency, dated 08.03.2021.

► **Table 2: Albanian and European legal frameworks on ecodesign**

Albanian legislative framework	European legislative framework	Degree of approximation	Degree of priority
Law 124/2015 on energy efficiency. Law No. 28 on some changes in Law 124/2015 on energy efficiency, dated 08.03.2021.	Commission Recommendation (EU) 2021/2279 "On the use of the eEnvironmental footprint methods to measure and communicate the life cycle environmental performance of products and organizations," dated 15.12.2021.		
	Directive 2009/125/EC of the European Parliament and of the Council "Establishing a framework for the setting of ecodesign requirements for energy-related products", CELEX_02009L0125-20121204, OJ L 285, dated 21.10.2009.		
	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2022) 140 "On making sustainable products the norm", CELEX 52022DC0140, dated 30.03.2022.		
	Commission Staff Working Document SWD (2022) 101, "Communication from the Commission Ecodesign and Energy Labelling Working Plan 2022--2024", CELEX 52022SC0101, dated 30.03.2022.		
	Information from European Union Institutions, Bodies, Offices and Agencies, Communication from the Commission, Official Journal of the European Union, Ecodesign and Energy Labelling Working Plan 2022--2024, CELEX 52022XC0504(01), (2022/C 182/01), dated 30.03.2022.		
	Regulation of the European Parliament and of the Council COM (2022) 142 "Establishing a framework for setting ecodesign requirements for sustainable products and repealing Directive 2009/125/EC", 2022/0095 (COD), dated 30.03.2022.		
	Annexes to the Commission proposal for a Regulation of the European Parliament and of the Council COM (2022) 142 "Establishing a framework for setting ecodesign requirements for sustainable products and repealing Directive 2009/125/EC", Annexes 1--8, dated 30.03.2022.		
	Annex to the Communication from the Commission C (2022) 2026 "Ecodesign and Energy Labelling Working Plan 2022--2024", dated 30.03.2022.		
	Commission Staff Working Document Impact Assessment, Accompanying the document SWD (2022) 82, "Proposal for a Regulation of the European Parliament and of the Council establishing a framework for setting ecodesign requirements for sustainable products and repealing Directive 2009/125/EC", Part 1-4, dated 30.03.2022.		
	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2022) 141, "EU Strategy for Sustainable and Circular Textiles, dated 30.03.2022.		
Annex to the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, "EU Strategy for Sustainable and Circular Textiles, COM (2022) 141, dated 30.03.2022.			





7

7. Ecolabel

▶ 7.1. Eco labelling in the European Union

The EU Ecolabel was established in 1992 and indicates environmental excellence. The EU Ecolabel is recognized worldwide as an indication that products and services have an independently verified low environmental impact. To be awarded the EU Ecolabel, goods and services should meet high environmental standards throughout their entire life cycle: from raw material extraction through production and distribution to disposal. The label also encourages enterprises to develop innovative products that are durable, easy to repair and recyclable.

Through the EU Ecolabel, various industries can offer true and reliable eco-friendly alternatives to conventional products, guiding customers to make environmentally friendly choices by activating customer behaviour oriented toward the green transition. Choosing and promoting EU Ecolabel products makes a real contribution to the major environmental challenges identified in the European Green Deal,⁶³ such as achieving climate neutrality by 2050, shifting to a circular economy, and achieving zero pollution in a toxic-free environment.

An ecolabel is a voluntary environmental label for goods and services that in the EU legal framework are referred to as “products”. To be awarded the EU Ecolabel, products must meet specific criteria related to a reduction in the overall environmental impact. The criteria depend on the product group based on Regulation (EC) No. 66/2010 on the EU Ecolabel⁶⁴ and fit the International Organization for Standardization (ISO) definition for a Type 1 Ecolabel.⁶⁵ This means that the EU Ecolabel is awarded on a voluntary basis, based on multiple criteria, by an independent third party to indicate overall environmental impact within a specific product category and based on a life-cycle assessment.

As stated in the EU Ecolabel regulation,⁶⁶ the criteria are based on the best products available in the EEA market in terms of environmental performance throughout the life cycle and correspond indicatively to the best 10–20 per cent of the products available on the market in terms of environmental performance at the time of their adoption. The criteria are based on scientific data and information considering products’ whole life cycle. They cover the main environmental impacts of the product and its technical performance, including health, safety, social and ethical aspects, where appropriate. The criteria encourage substitution of hazardous substances with safer ones and support products’ durability, reusability, recyclability, and recycled content. They include fitness—for-use requirements and guarantee compliance with existing EU legislation.

The EU Ecolabel criteria are regularly revised to keep up with technological evolution and are adopted as Commission Decisions. An overview of the existing product and service groups and the associated criteria can be found on the Product Groups and Criteria website.⁶⁷ Medicinal products (for human or veterinary use) and medical devices, together with food and drinks are currently not eligible for the EU Ecolabel.

⁶³ https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en

⁶⁴ Commission Decision establishing the European Union Ecolabelling Board, CELEX 32010D0709, C (2010) 7961, 2010/709/EU, dated 22.11. 2010.

⁶⁵ Type I environmental labelling is defined by the International Organization for Standardization (ISO) in the ISO 14024:1999 Environmental labels and declarations – Type 1 environmental labelling – Principles and procedures Guidance Standard as “A voluntary, multiple-criteria based, third party program that awards a license which authorizes the use of environmental labels on products indicating overall environmental preferability of a product within a particular product category based on life cycle considerations.” <https://globalecolabelling.net/about/what-is-ecolabelling/>

⁶⁶ Commission Regulation (EU) No 782/2013 amending Annex III to Regulation (EU) No 66/2010 of the European Parliament and of the Council on the EU Ecolabel, CELEX 32013R0782, 14.08.2013.

⁶⁷ https://environment.ec.europa.eu/topics/circular-economy/eu-ecolabel-home/product-groups-and-criteria_en

► 7.2. Eco labelling for textiles and footwear in the European Union

The revised EU Ecolabel criteria for textiles⁶⁸ have a modified scope which is expanded to define three categories of product and two additional categories of intermediate products:

- Textiles, clothing and accessories: clothing and accessories consisting of at least 80 per cent by weight of textile fibres in a woven, non-woven or knitted form.
- Interior textiles: textile products for interior use consisting of at least 80 per cent by weight of textile fibres in a woven, non-woven or knitted form.
- Fibres, yarn, fabric, and knitted panels⁶⁹: intended for use in textiles, clothing and accessories and interior textiles, including upholstery fabric and mattress ticking prior to the application of backings and treatments associated with the final product.
- Non-fibre elements: zips, buttons and other accessories that are incorporated into the product. Membranes, coatings, and laminates.
- Cleaning products: woven or non-woven fabric products intended for the wet or dry cleaning of surfaces and the drying of kitchenware. Cleaning products and non-fibre items such as zips, buttons and accessories were added as specific new sub-categories.⁷⁰

The following products that have textile components but that are not subject to the EU Ecolabel include:⁷¹

- Single use products such as those used for surgical applications are not currently included. These products have very specific quality requirements that may necessitate exclusions from certain criteria.
- Textiles for use in outdoor structures. These are not covered by the criteria and cannot easily be included. The reasoning is that the fitness-for-use criteria might not be relevant for these kinds of products. They may also require additional fabric to be introduced into the criteria.
- Smart textiles and electronic textiles are two new areas highlighted for consideration. No specific definition is currently provided in the criteria document for these two product types.
- Textiles containing electronics – so-called e-textiles⁷² – can take several different forms. They can include the integration of whole devices such as mobile phones, the interweaving of circuitry and cabling into fabric components or the use of yarns and fabrics with specific electrical properties, such as solar photovoltaic transistors.

The revision of EU Ecolabel criteria for all product groups is carried out periodically, prioritizing product groups whose criteria may have become outdated or are influenced by external factors, such as innovation by industry, market changes and new minimum legal, technical, or environmental requirements. A new set of EU Ecolabel criteria have been published by the European Commission

⁶⁸ Commission Decision amending the decision establishing the ecological criteria for the award of the EU Ecolabel for textile products (EU), CELEX 32017D1392, 2014/350/EU, C (2017) 5069 2017/1392, dated 25.07.2017.

⁶⁹ Regulation of the European Parliament and of the Council on textile fibre names and related labelling and marking of the fibre composition of textile products and repealing Council Directive 73/44/EEC and Directives 96/73/EC and 2008/121/EC of the European Parliament and of the Council, (EU) No. 1007/2011, dated 27.09.2011.

⁷⁰ Commission Decision amending Decisions 2009/300/EC, 2011/263/EU, 2011/264/EU, 2011/382/EU, 2011/383/EU, 2012/720/EU and 2012/721/EU in order to prolong the period of validity of the ecological criteria for the award of the EU Ecolabel to certain products, (EU) 2016/2003, CELEX 32016D2003, C (2016) 7218, dated 14.11.2016.

⁷¹ EU Ecolabel Textile Products User Manual Commission Decision (EU 2014/350), Commission Decision (EU 2017/1392), Version 2.0 July 2019.

⁷² Dodd, N., Wolf, O., Cordella, M., Waidtloew, J., Stibolt, M., Hansen, E. (2013): Revision of the European Ecolabel and Green Public Procurement (GPP) Criteria for Textile Products: Technical background report with final criteria proposals. European Commission. JRC85899.

under Commission Decision⁷³ (EU) 2016/1349. The previous scope and definition of the product group has been revised. Footwear classified as personal protective equipment (PPE) is clearly included in the scope.⁷⁴ PPE shoes are usually produced in long-term series, representing well established products on the market which are not subject to changing fashion trends. Specific criteria for the origin and production of the most important materials used in footwear have been developed. These include leather, textile fabrics, coated fabrics, wood, cork, rubber, and synthetic polymeric materials. Specific requirements have been introduced for footwear intended for children under three years of age.⁷⁵

► 7.3. Eco labelling in Albania

Albania has made some progress in adopting EU Ecolabel legislation. The Decision of the Council of Ministers No. 220 for the approval of the procedure and criteria for equipment requiring the Ecolabel, its use and validity, and the composition and functioning of the commission for the issuance of ecolabels is the only document related to the EU Ecolabel, however it has not been updated to ensure compliance with the latest developments at the EU level.⁷⁶ This legal document is very basic and includes only the main categories of products without any requirements or detailed guidelines on how to obtain the EU Ecolabel for specific products. Additional efforts have been in the Albanian legal framework by including the EU Ecolabel in the requirements in the proposed methodology⁷⁷ for Green Public Procurement (GPP), although its application remains voluntary.⁷⁸ More information on the EU Ecolabel and GPP can be found in the section on procurement.

⁷³ Commission Decision establishing the ecological criteria for the award of the EU Ecolabel for footwear, CELEX 32016D1349, C (EU) 2016/1349, (2016) 5028, dated 05.08.2016.

⁷⁴ Commission Decision amending Decisions 2014/350/EU and (EU) 2016/1349 extending the period of validity of the ecological criteria for the award of the EU Ecolabel to textile products and footwear and of the related assessment and verification requirements, CELEX 32020D1805, (EU) 2020/1805 C (2020) 8152, dated 27.11.2020.

⁷⁵ EU Ecolabel Footwear User Manual based on Commission Decision (EU) 2015/345 of 2 March 2015 for the award of the EU Ecolabel for footwear.

⁷⁶ DCM No. 220 for the approval of the procedure and criteria for equipment requiring the Ecolabel, its use and validity, and the composition and functioning of the Commission for the issuance of ecolabel, dated 12.03.2015.

⁷⁷ DCM No. 285, Approval of Public Procurement Rules, dated 19.5.2021.

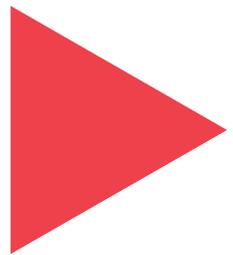
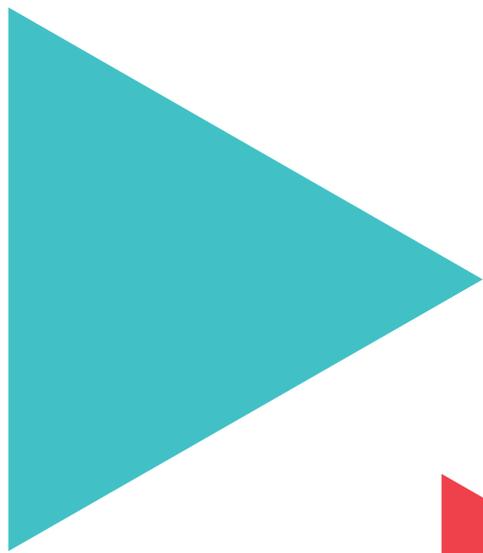
⁷⁸ Law No. 162/2020, dated 23.12.2020, Public Procurement.

► **Table 3: Albanian and European legal frameworks on eco labelling**

Albanian legislative framework	European legislative framework	Degree of approximation	Degree of priority
DCM No. 220 for the approval of the procedure and criteria for equipment requiring the Ecolabel, its use and validity, and the composition and functioning of the commission for the issuance of ecolabels, dated 12.03.2015.	Commission Decision establishing the European Union Ecolabelling Board, CELEX 32010D0709, C (2010) 7961, 2010/709/EU dated 22.11. 2010.		
Law No. 162/2020, dated 23.12.2020, "Public procurement".	Regulation of the European Parliament and of the Council "On textile fibre names and related labelling and marking of the fibre composition of textile products and repealing Council Directive 73/44/EEC and Directives 96/73/EC and 2008/121/EC of the European Parliament and of the Council", (EU) No. 1007/2011, dated 27.09.2011.		
DCM No. 285, dated 19.5.2021, "Approval of public procurement rules".	Commission Regulation (EU) No 782/2013 "Amending Annex III to Regulation (EU) No. 66/2010 of the European Parliament and of the Council on the EU Ecolabel", CELEX 32013R0782, 14.08.2013.		
	Dodd, N., Wolf, O., Cordella, M., Waidtloew, J., Stibolt, M., Hansen, E. Revision of the European Ecolabel and Green Public Procurement (GPP) Criteria for Textile Products: Technical background report with final criteria proposals. European Commission; 2013. JRC85899.		
	Commission Decision "Amending Decisions 2009/300/EC, 2011/263/EU, 2011/264/EU, 2011/382/EU, 2011/383/EU, 2012/720/EU and 2012/721/EU in order to prolong the period of validity of the ecological criteria for the award of the EU Ecolabel to certain products", (EU) 2016/2003, CELEX 32016D2003, C (2016) 7218, dated 14.11.2016.		
	Commission Decision "Amending Decision establishing the ecological criteria for the award of the EU Ecolabel for textile products (EU)", CELEX 32017D1392, 2014/350/EU, C(2017) 5069 2017/1392, dated 25.07.2017.		
	EU Ecolabel Textile Products User Manual Commission Decision (EU 2014/350),		
	Commission Decision (EU 2017/1392) Version 2.0 July 2019.		
	Commission Decision "Establishing the ecological criteria for the award of the EU Ecolabel for footwear", CELEX 32016D1349, C (EU) 2016/1349, (2016) 5028, dated 05.08.2016.		
	Commission Decision "Amending Decisions 2014/350/EU and (EU) 2016/1349 extending the period of validity of the ecological criteria for the award of the EU Ecolabel to textile products and footwear and of the related assessment and verification requirements", CELEX 32020D1805, (EU) 2020/1805 C (2020) 8152, dated 27.11.2020.		
	EU Ecolabel Footwear User Manual based on Commission Decision (EU) 2015/345 of 2 March 2015 for the award of the EU Ecolabel for Footwear.		

 Strong
 Weak

 High
 Middle
 Low



8

8. Procurement

▶ 8.1. European Green Public Procurement

Green Public Procurement (GPP) is defined as “a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life-cycle when compared to goods, services and works with the same primary function that would otherwise be procured.”⁷⁹ Even though GPP is a voluntary instrument it is one of the main EU initiatives to become better at efficient management of resources, stimulating a more sustainable demand for works, goods and services. GPP provides a strong incentive for eco-innovation and alignment with SDG 12 Responsible Production and Consumption.

To be implemented and to be effective, GPP needs clear and verifiable environmental criteria and indicators for products and services in the public procurement process. To date, the European Commission, together with several member states have drafted GPP criteria and indicators⁸⁰ to be applied at both EU and national procurement level. The criteria are designed to assist public authorities in purchasing goods, services and works with reduced environmental impacts. The criteria have been drafted to help public procurement institutions to, where appropriate, include them in standard tender documents, with minor revisions. Despite the ongoing efforts to frequently update these criteria, however, additional actions are required to turn them into common practice for public procurement institutions, encouraging environmentally-friendly works, goods, and services in the EU market and beyond.⁸¹

Two directives have been adopted at EU level aimed at simplifying public procurement procedures and making them more flexible. EU member states transposed the new rules into national laws in 2016. The new rules seek to ensure greater inclusion of common societal goals in the procurement process. These goals include environmental protection, social responsibility, innovation, combating climate change, employment, public health, and other social and environmental considerations.

In terms of GPP, the following sections of the directives are worth drawing attention to:

- ▶ **Defining the requirements of a contract:** Defining technical specifications is guided by Article 42 and Annex VII of Directive 2014/24/EU; and Article 60 and Annex VIII of Directive 2014/25/EU.⁸²
- ▶ **Use of labels:** Conditions for using labels are laid out in Article 43 of Directive 2014/24/EU; and Article 61 of Directive 2014/25/EU.
- ▶ **Lowest price award and life-cycle costing (LCC):** Awarding public contracts based on the most economically advantageous tender is provided as part of Article 67 of Directive 2014/24/EU, and Article 82 of Directive 2014/25/EU.⁸³

⁷⁹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Public procurement for a better environment, CELEX 52008DC0400, COM (2008) 400 final, 16.7.2008.

⁸⁰ https://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm

⁸¹ EU Public Procurement reform: Less bureaucracy, higher Efficiency: An overview of the new EU procurement and concession rules introduced on 18 April 2016, Ref. Ares (2016)1875822 - 20/04/2016.

⁸² Directive 2014/24/EU of the European Parliament and of the Council, CELEX 02014L0024-20180101, dated 26.02. 2014, on public procurement and repealing Directive 2004/18/EC.

⁸³ Directive 2014/25/EU of the European Parliament and of the Council, CELEX 02014L0025-20180101, dated 26.02.2014, on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC.

- ▶ **Innovation partnerships:** Where a contracting authority wishes to purchase goods or services that are not currently available on the market, it may establish an innovation partnership with one or more partners. This allows for research and development (R&D), piloting and subsequent purchase of a new product, service, or work, by establishing a structured partnership. The procedure for establishing an innovation partnership is set out in Article 31 of Directive 2014/24/EU.
- ▶ **Consulting the market:** The procurement directives specifically allow for preliminary market consultation with suppliers to obtain advice, which may be used in the preparation of the procedure. Article 40 of Directive 2014/24/EU.

In April 2016, the EC published the third edition of *Buying Green! A Handbook on Green Public Procurement*,⁸⁴ which is the main document providing GPP institutions with support when buying goods and services with a lower environmental impact. It is also a useful reference for policymakers and companies applying to green tenders. This handbook includes:

- ▶ guidance on how environmental considerations can be included at each stage of the procurement process in the current EU legal framework;
- ▶ practical examples drawn from contracting authorities across EU Member States;
- ▶ sector-specific GPP approaches for buildings, food and catering services, road transport vehicles and energy-using products.

In 2017, the EC published several documents to promote GPP and also to raise awareness of green procurement gains for EU market stakeholders, non-governmental institutions. The EC presented a public procurement strategy⁸⁵ which sets out the overall policy framework and defines clear priorities to improve procurement in practice and support investment within the EU. A smart use of public procurement can help tackle global challenges such as environmental protection, climate change, and resource scarcity. It supports social policies and accelerates the transition to more sustainable value-chains and business models. It can improve competitiveness and open up SMEs' access to green procurement opportunities.⁸⁶

Following these documents, the EC introduced guidance for public procurement practitioners.⁸⁷ Even though GPP criteria are a voluntary instrument, this document highlights that the strategic role of public procurement is not limited to spending public funds in an economically efficient way and guaranteeing the best value for money for the public purchaser. It also confirms its strategic role in achieving policy goals, notably in innovation, environment and social inclusion. The document emphasizes that contracting authorities can request labels, certifications or other equivalent forms of confirmation of social and/or environmental characteristics. Contracting authorities are allowed to consider environmental or social factors in award criteria or contract performance conditions. Also, contracting authorities in EU member states are allowed to take the full life-cycle cost into account when awarding contracts. This may encourage more sustainable and better value offers, which might save money in the long term, despite initially appearing to be more costly.

In addition, the second edition of *Buying social: a guide to taking account of social considerations in public procurement*⁸⁸ was published. This comprehensive document provides practical indications for public buyers to help them take account of the social impact of the goods, services, and works they

⁸⁴ EU (2016): *Buying Green! A Handbook on Green Public Procurement*, 3rd Edition, ISBN: 978-92-79-56848-0.

⁸⁵ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *Making Public Procurement work in and for Europe*, COM (2017) 572.

⁸⁶ EC Public Procurement for a Circular Economy, 2017, Contract No ENV.B.1/SER/2016/0049.

⁸⁷ EC Public Procurement Guidance for Practitioners, 2018, ISBN 978-92-79-77537-6, KN-02-17-003-EN-C.

⁸⁸ Commission Notice "Buying Social – a guide to taking account of social considerations in public procurement (2nd edition)", dated 26.5.2021 C(2021) 3573 final.

purchase. The guide has been updated to reflect the changes brought about by the two new directives on public procurement and includes suggestions on how to use public procurement to achieve social goals. It covers the entire procurement process step by step, including information on how to set up an organizational strategy, how to plan a tender procedure, as well as elements of contract management. The document also includes examples of best practices and practical examples to motivate public buyers, as well as other government and non-governmental stakeholders to include the specific procurement criteria and guidelines in daily procurement procedures and contracts.⁸⁹

▶ 8.2. European Green Public Procurement for Textile Products and Services

Regarding textiles and related products, the EC has prepared a comprehensive document on GPP criteria.⁹⁰ This document aims to achieve a more sustainable use of natural resources and raw materials that could benefit the environment, as well as the overall economy, creating opportunities for emerging "green" economies in the textile industry. As greener goods are defined on a life-cycle basis, GPP will affect the whole value chain and will also stimulate the use of green standards in private procurement for textile and related products.

This document lists the EU GPP criteria developed for the "textiles" product group, which covers the supply of textile products and services. The criteria are split into selection criteria, technical specifications, award criteria and contract performance clauses. Two sets of criteria are presented for each area. The first refers to core criteria, designed to allow for easy application of GPP, focusing on products' environmental performance and aimed at keeping administrative costs low for enterprises. The second category is comprehensive criteria, going into greater detail or higher levels of environmental performance, for use by authorities that want to go further in supporting environmental and innovation goals.

The criteria for textile products encompass the following products, which include finished products as well as intermediate products and accessories:

- ▶ Textile clothing and accessories: uniforms, workwear, personal protective equipment (PPE)¹ and accessories consisting at least 80 per cent by weight of textile fibres in a woven, non-woven or knitted form.
- ▶ Interior textiles: textile products for interior use consisting at least 80 per cent by weight of textile fibres in a woven, non-woven or knitted form. This includes bed linen, towels, table linen and curtains.
- ▶ Textile fibres, yarn, fabric, and knitted panels: intermediate products intended for use in textile clothing and accessories and interior textiles, including upholstery fabric and mattress ticking prior to the application of backings and treatments associated with the final product.
- ▶ Non-fibre elements: intermediate products that are to be incorporated into textile clothing and accessories, and interior textiles. This includes zips, buttons, and other accessories, as well as membranes, coatings and laminates that form part of the structure of clothing or interior textiles, which may also have a functional purpose.
- ▶ Textile fibres comprise natural fibres (cotton and other natural cellulosic seed fibres), synthetic fibres (polyamide and polyester) and man-made cellulose fibres (lyocell, modal and viscose).

⁸⁹ Directive 2014/23/EU of the European Parliament and of the Council, CELEX 02014L0023-20180101, 26.02.2014, on the award of concession contracts.

⁹⁰ Commission Staff Working Document, "EU Green Public Procurement Criteria for Textiles Products and Services", dated 06.06.2017, SWD (2017) 231.

The EU GPP criteria for textile products and services represent an important tool which already incorporates many of the elements necessary to improve textiles' sustainability and circularity. GPP not only addresses the impacts of textile consumption associated with the public sector, but can also serve as a good guide for enterprises for the private sector to develop innovative, sustainable and more circular solutions in textile production and service provision. Application of the EU GPP is already helping to mitigate textile-related environmental impacts. The EU GPP criteria for textile products and services allows the following:⁹¹

- ▶ Purchase of textiles made from fibres which are produced using less fertiliser, hazardous pesticides and production chemicals.
- ▶ Purchase of textiles that contain recycled materials and fibres.
- ▶ Purchase of textiles with a reduced use of environmentally harmful and hazardous substances in their production.
- ▶ Purchase of textiles that require less energy for drying and ironing.
- ▶ Purchase of colour-fast fabrics that do not shrink during use, that are constructed to be more durable in use and which have longer-lasting functional coatings.
- ▶ Contract services that minimize the energy used to wash, dry and iron textiles.
- ▶ Contract services that maintain textiles to extend their lifetime.
- ▶ Contract services that maximize the potential for reuse and recycling of textiles at the end of their service life.

The GPP criteria for textile products and services also consider various textile services that can be contracted by public institutions. These services include:

- ▶ **Laundry:** the collection, cleaning (using a wet or dry process) and return of textiles to specified standards of cleanliness and hygiene.
- ▶ **Maintenance:** the maintenance and repair of textile products to extend their useful life span. This includes the replacement of accessories and parts, fabric panel replacement and the retreating/reproofing of functional coatings.
- ▶ **Take-back:** the collection and sorting of textile products to maximize their reuse and/or recycling. The procuring authority waives ownership of any textile products at the moment of their collection.

▶ 8.3. Green Public Procurement in Albania

In recent years Albania has made good progress towards sustainable procurement procedures and practices, including GPP. However, full legislative compliance with EU regulations is still lacking. In 2020, Albania introduced the new public procurement strategy for a three-year period.⁹² One of the objectives of this strategy is the adoption of sustainable procurement procedures, including those oriented towards GPP. To meet this objective, the strategy aims to have the necessary primary and secondary legislative framework, together with compliance with the GPP criteria. To start with the primary legal framework, amendments were made for a Public Procurement Law (PPL)⁹³ in the country. The following points reflect partial approximation with the previously mentioned EU directives, regulations, and guidelines, as GPP is explicitly included in the law.

⁹¹ Kofoworola, O., Konstantas, A., Wolf, O., Wilde, D., Garcia, R., and Hidalgo, C. (2020): EU Green Public Procurement (GPP) Criteria for Textile Products and Services – Guidance Document, European Commission, JRC120265.

⁹² DCM No. 850, dated 04.11.2020, for the approval of the national strategy for public procurement 2020-2030 and the action plans for its implementation.

⁹³ Law No. 162/2020 on public procurement, dated 23.12.2020.

- ▶ Green Public Contracts (GPC) are public contracts awarded by the contracting authority based on one or more green criteria and included in one of the tender documents: definition of the object, notices, specifications technical, qualification requirements, selection criteria, and contract execution clauses.⁹⁴
- ▶ Voluntary implementation of GPP by the contracting authorities also includes the use of labels and standards and environmental management systems.⁹⁵
- ▶ Contracting authorities apply GPP when they decide to use green public contracts. GPP facilitates the purchase of preferred environmental alternatives regarding goods, services and works, including criteria, conditions, features and requirements from the initial stages of the procurement process⁹⁶ (market consultation, qualification requirements for candidates), documentation and the tender process (technical specifications, criteria and selection, evaluation criteria), up to the stage of contract implementation (the relevant clauses of the green performance contract and related monitoring, and if implemented, penalties for non-compliance).
- ▶ Contracting authorities implementing the GPP must define the scope of the contract, referring to the description of goods, services or works, including the green criteria or a definition related to the function or performance of the relevant green contract.
- ▶ Application of the life-cycle approach to public procurement allows contracting authorities to take into consideration, even during the drafting of technical specifications, environmental criteria that are not directly related to the current/tendering phase in the life cycle of the product, service, or works, but also related to the initial production processes or post-use stages of the life cycle.
- ▶ Contracting authorities may require special labels as a form of verification/certification of compliance by economic operators that the object of the GPP contract has the required characteristics, included in the technical specifications, selection criteria or contract implementation clauses, in accordance with the terms defined in the law regarding their use in public procurement. Contracting authorities may use in their GPP procedures any labels recognized in Albania or in EU member states (principle of mutual recognition⁹⁷).

In addition, important steps are also taken in the secondary legal framework related to GPP. This includes drafting of a methodology to include⁹⁸ the previously mentioned EU GPP criteria within the Albanian public procurement process. The methodology includes examples of technical specifications for each category of covered goods, services and works, and they can be used if they are in accordance with the needs of the contracting authority. The main purpose of the methodology is to provide contracting authorities with the minimum mandatory requirements for environmental protection, which must be taken into account during the prequalification phase while preparing tender documents, awarding contracts, and contract monitoring. This applies also to framework contracts.

The secondary legal framework also includes GPP criteria for textile products and services. However, the criteria are very basic and contracting authorities need to refer to EU documents to obtain full technical specifications related to textile products and services. Reference is made also to Eco labelling, and its different categories, although the list is not exhaustive and again, frequent reference is needed to the latest EU regulations and classifications. For example, reference is made to Nordic Swan labelling, which is valid until 2024, and does not guarantee long-term provision of eco-friendly products and services in the textile industry. In addition, the existing secondary legal framework makes little to no reference to circular procurement (2022), the EU Strategy for Sustainable and Circular Textiles (2022) and the Green Deal Industrial Plan (2023).

⁹⁴ DCM No. 486, "Determining the rules for invalidity of procurement contracts", dated 21.07.2022.

⁹⁵ Recommendation No. 179711, "Drafting of qualification criteria for procurement procedures for goods, works, services, dated 10.03.2022.

⁹⁶ DCM No. 285, "Approval of public procurement Rules", dated 19.5.2021.

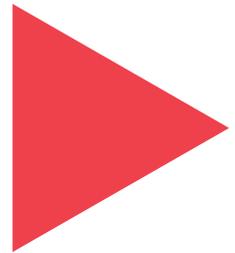
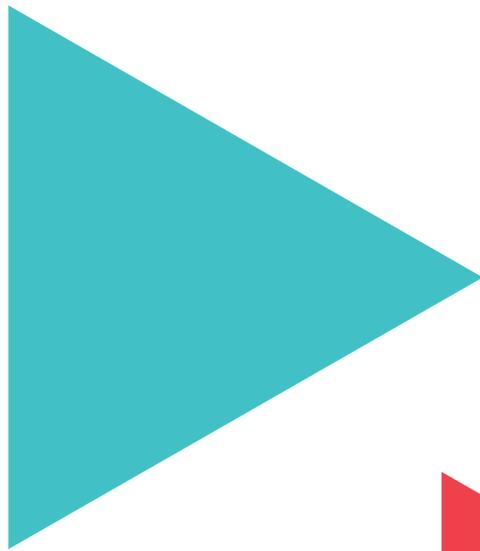
⁹⁷ DCM No. 393, "Creation, organization, and operation of the state agency for centralized procurement and the charge of this agency to carry out special public procurement procedures in the name and on behalf of the prime minister, ministries and dependent institutions", dated 09.06.2022.

⁹⁸ PPA "Guide on the implementation of green public procurement in the procedures of public procurement"

► **Table 4: Albanian and European legal framework on green public procurement**

Albanian legislative framework	European legislative framework	Current degree of approximation	Degree of priority
DCM No. 850, dated 04.11.2020, for the approval of the national strategy for public procurement 2020–2030 and the action plans for its implementation.	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Public procurement for a better environment, CELEX 52008DC0400, COM (2008) 400 final dated 06.07.2008.		
Law No. 162/2020, dated 23.12.2020, on public procurement.	Directive 2014/24/EU of the European Parliament and of the Council, CELEX 02014L0024-20180101, dated 26.02. 2014, on public procurement and Repealing Directive 2004/18/EC.		
DCM No. 285, dated 19.5.2021, Approval of public procurement Rules.	Directive 2014/25/EU of the European Parliament and of the Council, CELEX 02014L0025-20180101, dated of 26.02.2014, on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC.		
DCM No. 457, dated 30.07.2021, for the approval of the common vocabulary of procurement.	Directive 2014/23/EU of the European Parliament and of the Council, CELEX 02014L0023-20180101, 26.02.2014, on the award of concession contracts.		
DCM No. 393, dated 09.06.2022, Creation, organization, and operation of the state agency for centralized procurement and the charge of this agency to carry out special public procurement procedures in the name and on behalf of the prime minister, ministries and dependent institutions.	EU Public Procurement reform: less bureaucracy, higher efficiency: An overview of the new EU procurement and concession rules introduced on 18 April 2016, Ref. Ares (2016)1875822 - 20/04/2016		
DCM No. 486, dated 21.07.2022, Determining the rules for invalidity of procurement contracts.	EU, Buying Green! A Handbook on Green Public Procurement, 3rd Edition, 2016, ISBN: 978-92-79-56848-0		
Recommendation No. 179711 dated 10.03.2022, Drafting of qualification criteria for procurement procedures for goods, works, services.	EC Public Procurement for a Circular Economy, 2017, Contract No ENV.B.1/SER/2016/0049		
PPA Guide on the implementation of green public procurement in the procedures of public procurement.	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Making public procurement work in and for Europe, COM (2017) 572.		
	Commission Staff Working Document, EU Green Public Procurement Criteria for Textiles Products and Services, dated 06.06.2017, SWD (2017) 231.		
	EC Public Procurement Guidance for Practitioners, 2018, ISBN 978-92-79-77537-6, KN-02-17-003-EN-C		
	Kofoworola, O., Konstantas, A., Wolf, O., Wilde, D., Garcia, R., and Hidalgo, C. (2020): EU Green Public Procurement (GPP) Criteria for Textile Products and Services – Guidance Document, European Commission, JRC120265.		
	Commission Notice, Buying social – a guide to taking account of social considerations in public procurement, 2nd edition, dated 26.5.2021, C(2021) 3573.		





9

9. Waste Management

▶ 9.1. Waste management and shipment within the European Union

The EU Waste Framework Directive⁹⁹ sets out the basic concepts related to waste management, including definitions of waste, recycling and recovery. One of the main objectives is to prepare member states to increase the re-use and recycling of municipal waste to a minimum of 55 per cent, 60 per cent and 65 per cent, by weight, by 2025, 2030 and 2035, respectively.

The revised Waste Framework Directive¹⁰⁰ is the reference point for end-of-waste criteria. End-of-waste criteria specify when certain waste ceases to be waste and becomes a product, or a secondary raw material. So far, EU criteria have been established for iron, steel, aluminium and copper scrap and glass cullet. When end-of-waste criteria are not defined at EU level, member states are free to establish their own set of criteria or apply single-case end-of-waste decisions. In the case of national end-of-waste criteria or single-case decisions, these are usually not recognized beyond member state borders. Article 28 of the Waste Shipment Regulation provides for a dispute settlement procedure mechanism in case Member States disagree on the end-of-waste status and if they do so, the waste status prevails. According to Article 6 (1) and (2) of the Waste Framework Directive, certain specified waste ceases to be waste when it has undergone a recovery operation (including recycling) and complies with specific criteria, in particular when:

- ▶ the substance or object is commonly used for specific purposes;
- ▶ there is an existing market or demand for the substance or object;
- ▶ the use is lawful (substance or object fulfils the technical requirements for the specific purposes and meets the existing legislation and standards applicable to products);
- ▶ the use will not lead to overall adverse environmental or human health impacts.

The Communication on the implementation of the circular-economy package provides options for addressing the interface between chemical, product and waste legislation.¹⁰¹ This document, together with the ongoing revision of the Construction Product Regulation,¹⁰² introduces new requirements to increase the sustainability, recyclability and re-use of construction products. This will require the introduction of measures for harmonized end-of-waste criteria at European level to allow a unified assessment of the performance of construction products.

Regarding shipments of waste,¹⁰³ different ways of applying and enforcing the directive, often combined with different interpretations of its provisions and different inspection regimes, have hampered its optimal implementation throughout the EU. These factors limit or discourage legal

⁹⁹ Directive (EU) 2008/98/ EC of the European Parliament and of the Council on waste, CELEX 02008L0098-20180705, dated 19.11.2008.

¹⁰⁰ Directive (EU) 2018/851 of the European Parliament and of the Council amending Directive 2008/98/EC on waste, CELEX 02002R2150-20101018, dated 30.05.2018.

¹⁰¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2018) 32 on the implementation of the circular economy package: options to address the interface between chemical, product and waste legislation, CELEX 52018DC0032, dated 16.01.2018.

¹⁰² Regulation of the European Parliament and of the Council COM (2022) 144, Laying down harmonized conditions for the marketing of construction products, amending Regulation (EU) 2019/1020 and repealing Regulation (EU) 305/2011, 2022/0094 (COD), dated 30.03.2022.

¹⁰³ Regulation of the European Parliament and of the Council COM (2021) 709 on shipments of waste and amending Regulations (EU) No. 1257/2013 and (EU) No 2020/1056, dated 17.11.2021

shipments of good quality waste materials to adequate recycling facilities. Recyclers need to adapt to the local waste collection processes and the quality standards required by the users of the recycled materials in products.¹⁰⁴ This makes it very difficult for manufacturers interested in using recycled materials to compare the quality and performance of the recycled materials available on the market. The absence of clear and standardized information on technical performance and chemical composition is a serious obstacle to the development of efficient markets for secondary materials. Standardization gaps for recycled materials are one of the factors that hamper the recovery of high-value materials from complex products at the end of their life and subsequently the quality of the secondary raw materials. Other important factors include the design of products that prevent or hamper recycling and shortcomings in the separate collection, sorting and treatment methods.

Facilitating preparation for the re-use and recycling of waste in the EU is strengthened by a thorough review of EU rules on waste shipments. The review also aims at restricting exports of waste that have harmful environmental¹⁰⁵ and health impacts in third countries or can be treated domestically within the EU by focusing on countries of destination, problematic waste streams, types of waste operations that are source of concern, and enforcement to counteract illegal shipments.

The new Waste Shipment Regulation has three goals:

1. ensuring that the EU does not export its waste challenges to third countries;
2. making it easier to transport waste for recycling and reuse in the EU;
3. better tackling illegal waste shipments.

The new directive tries to ensure that the EU does not export its pollution abroad and that waste is treated in a sustainable way, within and outside the EU, while supporting the move to an innovative circular economy.¹⁰⁶ The proposed measures will impose high standards for waste management in third countries importing waste from the EU, which can bring environmental and economic benefits for these countries. The proposal on waste shipments fits together with the overall EU objective in the European Green Deal of reducing waste generation. The EC will propose additional new rules to achieve this objective, including regulating the design of packaging and other products to ensure that they do not result in waste that is impossible to re-use or recycle.¹⁰⁷

For countries that are not OECD members, waste exports from the EU would be made conditional on an official request from the country to import non-hazardous waste and a demonstration that it can recover it in a sound manner. A list of countries authorized to import waste from the EU will be drawn up. Export of waste will be suspended if there is no guarantee that this treatment is sustainable.

The following measures are proposed on shipments of waste between EU Member States to boost the circular economy:

- ▶ Full digitalization of all procedures governing waste shipments between EU Member States, in particular for “green-listed” waste.
- ▶ New provisions to support the use of fast-track procedures for shipments of waste for recovery, when they are destined for facilities certified by EU Member States (“pre-consented facilities”).
- ▶ Harmonized classification of waste at the EU level to help overcome the current fragmentation of

¹⁰⁴ Directive (EU) 2015/720 of the European Parliament and of the Council on industrial emissions integrated pollution prevention and control (Recast), CELEX 02010L0075-20110106, dated 24.11.2010.

¹⁰⁵ Commission Regulation (EU) 2018/1881 amending Regulation (EC) No 1907/2006 of the European Parliament and of the Council on the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) as regards Annexes I, III, VI, VII, VIII, IX, X, XI, and XII to address nanoforms of substances (text with EEA relevance), dated 03.12.2018.

¹⁰⁶ Decision of the European Parliament and of the Council COM (2020) 652 on a General Union Environment Action Programme to 2030, dated 14.10.2020.

¹⁰⁷ Directive (EU) 2018/852 of the European Parliament and of the Council amending Directive 94/62/EC on packaging and packaging waste, CELEX 32018L0852, dated 30.05.2018.

the EU market, where a shipment of waste can be subject to different interpretations and procedures when crossing borders in the EU.

- ▶ New provisions making it possible to streamline at the EU level the calculation of financial guarantees that operators must provide before shipping “notified” waste abroad.
- ▶ New and stricter conditions for shipments of waste for incineration or landfill, so that they are authorized only in limited and well-justified cases, as they are the least preferred options for waste management.¹⁰⁸

The proposal covers all types of waste. It contains important changes on the export of “green-listed” waste.¹⁰⁹ This waste is not hazardous, but its treatment can still cause major environmental pollution and harm public health. The proposal does not establish new rules applying to shipments of green-listed waste within the EU. However, it proposes that this waste should be more easily traceable; notably, the documentation accompanying its circulation should be digitalized.

Another area of concern in the updated Waste Shipment Directive is Extended Producer Responsibility (EPR). It links product design and end-of-life management, as producers are supposed to pay the cost of managing waste from their products. The recent revision of the directive increased the level of harmonization by introducing minimum requirements for EPR schemes, addressing their governance, transparency and efficiency. The impact of these measures will become visible in the coming few years. In addition, the revised Waste Directive states that the costs of waste management are to be borne by waste producers or holders, or partly or wholly by the producer of the product from which the waste comes. Article 8a of the Directive now requires member states to implement the modulation of fees for EPR collective schemes. The new EPR requirements are aimed at correcting the lack of harmonization and the uneven implementation of EPR across the EU. The requirements oblige member states to clearly define roles and responsibilities, establish measurable targets, establish reporting systems, ensure equal treatment, put in place fees considering durability, re-usability, recyclability and hazard-ousness, and ensure that necessary costs are covered in a cost-efficient way.¹¹⁰

▶ 9.2. Waste management and shipment within the European Union for textiles

The EU has harmonized legislation on the names of fibres, fibre content in fabrics and names of textile products. The currently binding Textile Regulation of 2011 lays down rules for labelling and marking of all textile products, including an obligation to state the full fibre composition of textile products at all stages of industrial processing and commercial distribution, and rules on textile fibre names. The EC aims to tackle waste management starting from the production phases of textiles and clothing, and through the Ecodesign Directive aims to make recycling easier after the postproduction phase. This includes material choices, the way components are assembled, and the availability of infrastructure to collect, sort and prepare the product for recycling.

In addition, the EU ecolabel for clothing and textiles, a voluntary certification programme, establishes

¹⁰⁸ Directive (EU) 2018/850 of the European Parliament and of the Council amending Directive 1999/31/EC on the landfill of waste, CELEX 32018L0850, dated 30.05.2018.

¹⁰⁹ Directive (EU) 2019/904 of the European Parliament and of the Council on the reduction of the impact of certain plastic products on the environment, CELEX 32019L0904, dated 05.06.2019.

¹¹⁰ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the regions COM/2020/663 on an EU strategy to reduce methane emissions, CELEX 52020DC0663, dated 17.11.2020.

ecological criteria guaranteeing limited use of substances harmful to health and the environment, a reduction in water and air pollution, as well as criteria for extending the lifetime of clothes (resistance to shrinking during washing and drying and colour resistance to perspiration, washing, wet and dry rubbing and light exposure).

The EU Green Public Procurement (GPP) criteria for textiles facilitates the inclusion of green requirements in public tender documents. It is a voluntary instrument that member states and public authorities can implement to the extent they find appropriate.

The upcoming revision of the EU Waste Framework Directive will also include a proposal to harmonize so-called extended producer responsibility (EPR) schemes for textiles, which place an obligation on manufacturers to finance waste collection systems at local level. The revision of the EU's Waste Framework Directive requires EU countries to establish systems for the separate collection of textile waste by 1 January 2025. Currently, there are no targets for collection, so there is no obligation for member states to report. Indeed, currently only 13 EU countries do some reporting. Of these, only Austria, France, the Belgian region of Flanders and Italy report annually on post-consumer textile collection, while other countries have mapped them once or twice over the course of the past decade.

Under the recent proposal for new EU rules on the shipment of waste, the export of textile waste to non-OECD countries would be allowed only under the condition that such countries notify to the Commission their willingness to import specific types of waste and demonstrate their ability to manage it sustainably. To avoid waste streams being falsely labelled as second-hand goods when exported from the EU, escaping the waste regime, based on authority provided for in the proposal, the EC is considering the development of specific criteria to distinguish between waste and certain second-hand textile products.

► 9.3. Waste management in Albania

Waste management has long been a priority of the Albanian government. After 2005, with the establishment of a market economy in Albania, the first legal act was the decision of the Council of Ministers (DCM No. 99) on waste classification.¹¹¹ This document was prepared after the Treaty of Lisbon (2007)¹¹² which laid the foundation for waste management in the EU. Reference to this document provides only a basic classification of waste, even though the EU legal framework is continuously being updated. The waste classification was supplemented with the law on integrated waste management (Law No. 10/463),¹¹³ which is only partially aligned with the initial EU directive on waste management (EU) 2015/720. This law was twice amended with Law 196¹¹⁴ and supplemented with a decision of the Council of Ministers (DCM No. 967)¹¹⁵ focusing on the organization and functioning of the newly established waste management committee. These changes are not aligned with the revisions of the legal framework on waste management made before the EU announced and approved the changes in its directive and related regulations.

¹¹¹ DCM No. 99, For the approval of the Albanian catalogue of waste, dated 18.02.2005.

¹¹² Treaty of Lisbon Amending the Treaty on European Union and the Treaty Establishing the European Community (2007/C306/01).

¹¹³ Law No. 10 463, For integrated waste management, dated 22.09.2011.

¹¹⁴ Law No. 156, About some changes in Law No. 10463, dated 22.9.2011, on integrated waste management, amended, dated 10.10.2013.

¹¹⁵ DCM No. 967, On the organization and operation of the integrated waste management committee, dated 25.10.2013.

¹¹⁶ Please refer to Table 5 for a comprehensive list of what is contained in the Albanian and EU legal frameworks, together with the degree of approximation.

The Albanian legal framework is rich; however, it has little to no approximation with the EU regulations. This is because its drafting takes into consideration only basic EU regulations, and it is not frequently updated to reflect ongoing changes at the EU level (Table 5).¹¹⁶ The same applies to the two main strategic documents on integrated waste management: the National Sectoral Plan for Management of Solid Remains (2020)¹¹⁷ and the Document of Strategic Policies and National Plan for Integrated Waste Management for 2020–2035.¹¹⁸ They do not take account of the current EU legal framework and do not include a roadmap of how to improve approximation and adopt the new EU legal acts on a regular basis.

There is no specific legal framework for the textile sector in Albania. The major EU legal acts concerning this sector were approved in 2022 and a number are still under preparation and will be fully implemented by 2025. In the existing legislation only implicit reference is made to textiles with regard to the transfer of non-hazardous waste,¹¹⁹ differentiated collection of waste,¹²⁰ rules for exporting waste,¹²¹ management of chemicals,¹²² management of metals,¹²³ packaging,¹²⁴ and waste statistics.¹²⁵ The legal framework in Albania only partially approximates that of the EU.

¹¹⁷ National Sectoral Plan for Solid Waste Management, approved by Decision of the National Council of Territory No. 1, dated 13.01.2020.

¹¹⁸ DCM No. 418, For the approval of the strategic policy document and the national plan for integrated waste management, 2020–2035, dated 27.5.2020.

¹¹⁹ DCM No. 229 on the approval of the rules for the transfer of non-hazardous waste and the document for the transfer of non-hazardous waste, dated 23.04.2014

¹²⁰ DCM No. 418 on the differentiated collection of waste at the source, dated 25.06.2014.

¹²¹ DCM No. 641, For the approval of the rules for the export of waste and the transit of non-hazardous waste and inert waste, dated 01.10.2014.

¹²² Law No. 27/2016 on the management of chemicals, dated 17.03.2016.

¹²³ DCM No. 660, For the approval of requests for waste management of metals, dated 31.10.2018.

¹²⁴ DCM No. 232, For some changes and additions to decision no. 177, dated 6.3.2012, of the Council of Ministers, on packaging and their waste, dated 26.4.2018.

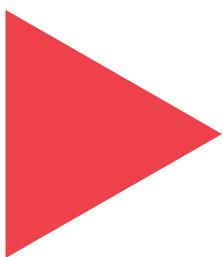
¹²⁵ DCM No. 687, For the approval of the rules for the keeping, update, and publication of waste statistics, dated 29.7.2015.

► **Table 5: Albanian and European legal framework on waste**

Albanian legislative framework	European legislative framework	Current degree of approximation	Degree of priority
DCM No. 99, For the approval of the Albanian catalogue of waste, dated 18.02.2005.	Regulation of the European Parliament and of the Council (EC) No 2150/2002 on waste statistics, CELEX 02002R2150-20101018, dated 25.11.2002.		
Law No. 10/463, For integrated waste management, dated 22.09.2011.	Treaty of Lisbon Amending the Treaty on European Union and the Treaty Establishing the European Community (2007/C306/01).		
Law No. 156 on some changes in law no. 10463, dated 22.9.2011, on integrated waste management, amended, dated 10.10.2013.	Directive (EU) 2015/720 of the European Parliament and of the Council on industrial emissions integrated pollution prevention and control (Recast), CELEX 02010L0075-201110106, dated 24.11.2010.		
DCM No. 967 on the organization and operation of the integrated waste management committee, dated 25.10.2013.	Directive (EU) 2015/720 of the European Parliament and of the Council amending Directive 94/62/EC as regards reducing the consumption of lightweight plastic carrier bags, CELEX 32015L0720, dated 29.04.2015		
DCM No. 229 on the approval of the rules for the transfer of non-hazardous waste and the document for the transfer of non-hazardous waste, dated 23. 04. 2014.	Directive (EU) 2018/851 of the European Parliament and of the Council amending Directive 2008/98/EC on waste, CELEX 02002R2150-20101018, dated 30.05.2018.		
DCM No. 418 on the differentiated collection of waste at the source, dated 25.06.2014.	Directive (EU) 2018/850 of the European Parliament and of the Council amending Directive 1999/31/EC on the landfill of waste, CELEX 32018L0850, dated 30.05.2018.		
DCM No. 641 For the approval of the rules for the export of waste and the transit of non-hazardous waste and inert waste, dated 01.10.2014.	Directive (EU) 2018/852 of the European Parliament and of the Council amending Directive 94/62/EC on packaging and packaging waste, CELEX 32018L0852, dated 30.05.2018.		
DCM No. 687 For the approval of the rules for the keeping, update, and publication of waste statistics, dated 29.7.2015.	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2018) 32 on the implementation of the circular economy package: options to address the interface between chemical, product and waste legislation, CELEX 52018DC0032, 16.01.2018.		
Law No. 27/2016 on the management of chemicals, dated 17.03.2016.	Commission Regulation (EU) 2018/1881 amending Regulation (EC) No 1907/2006 of the European Parliament and of the Council on the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) as regards Annexes I, III, VI, VII, VIII, IX, X, XI, and XII to address nanoforms of substances (text with EEA relevance), dated 03.12.2018.		
DCM No. 660, For the approval of requests for waste management of metals, dated 31.10.2018.	Directive (EU) 2019/904 of the European Parliament and of the Council on the reduction of the impact of certain plastic products on the environment, CELEX 32019L0904, dated 05.06.2019.		
DCM No. 232 on some changes and additions to decision no. 177, dated 6.3.2012, of the Council of Ministers, on packaging and their waste, dated 26.4.2018.	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the regions COM/2020/663 on an EU strategy to reduce methane emissions, CELEX 52020DC0663, dated 17.11.2020.		

Albanian legislative framework	European legislative framework	Current degree of approximation	Degree of priority
National Sectoral Plan for Solid Waste Management, approved by Decision of the National Council of Territory No. 1, dated 13.01.2020.	Decision of the European Parliament and of the Council COM (2020) 652 on a General Union Environment Action Programme to 2030, dated 14.10.2020.		
DCM No. 418 For the approval of the strategic policy document and the national plan for integrated waste management, 2020–2035, dated 27.5.2020.	Regulation of the European Parliament and of the Council COM (2021) 709 on shipments of waste and amending Regulations (EU) No 1257/2013 and (EU) No 2020/1056, dated 17.11.2021.		
	Regulation of the European Parliament and of the Council COM (2022) 144 laying down harmonised conditions for the marketing of construction products, amending Regulation (EU) 2019/1020 and repealing Regulation (EU) 305/2011, 2022/0094 (COD), dated 30.03.2022.		





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10. Green claims

▶ 10.1. Greenwashing in the European Union

On 22 March 2023, the EC published its proposal for an EU directive on the verification and communication of explicit environmental claims, the so-called Green Claims Directive.¹²⁶ The proposal would constrain member states to enact domestic legislation which ensures that traders that make a voluntary, explicit environmental claim (for example, "an environmental claim that is in textual form or contained in an environmental label") present it to the consumer accurately. The Green Claims Directive is intended to complement the amended EU Unfair Commercial Practices Directive.¹²⁷ Furthermore, the proposed Green Claims Proposal aims to address the practice requiring traders to inform consumers on durability and make failures to inform about features that limit durability an unfair commercial practice.

The proposed Green Claims Directive would provide detailed rules on explicit environmental claims. The need to address greenwashing was subsequently set as a priority both under the New Circular Economy Action Plan¹²⁸ and the New Consumer Agenda.¹²⁹ Under these regulations consumers are allowed to make their choices based on transparent and reliable information on the products' sustainability, durability and carbon footprint. These documents emphasize that market transparency is a tool to enable customers to know which products are technologically and environmentally friendly.

With a proposed new directive on green claims, the EU is taking action to address greenwashing, and to protect consumers and the environment. Ensuring that environmental labels and claims are credible and trustworthy will allow consumers to make better informed purchasing decisions. It will also boost the competitiveness of enterprises that are striving to increase the environmental sustainability of their products and activities. The new regulation is committed to ensuring that consumers are empowered to make better informed choices and play an active role in the ecological transition. More specifically, it sets out a commitment to tackle false environmental claims by ensuring that buyers receive reliable, comparable and verifiable information to enable them to make more sustainable decisions and this way to reduce the risk of "green washing". A Commission study from 2022¹³⁰ highlighted that 53.3 per cent of examined environmental claims in the EU were found to be vague, misleading or unfounded, and that 40 per cent were unsubstantiated. The absence of common rules for companies making voluntary green claims leads to "greenwashing" and creates uneven competition to the disadvantage of fair sustainable enterprises.

With the implementation of the Green Claims Directive consumers will have more clarity, stronger reassurance that, when something is sold as green it actually is green, and better-quality information

¹²⁶ Directive of the European Parliament and of the Council COM (2023) 166 on substantiation and communication of explicit environmental claims (Green Claims Directive), CELEX52023PC0166, dated 22.03.2023.

¹²⁷ Directive of the European Parliament and of the Council, COM (2022) 143 amending directives 2005/29/EC and 2011/83/EU as regards empowering consumers for the green transition through better protection against unfair practices and better information, dated 30.03.2022.

¹²⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions COM (2020) 98, A new Circular Economy Action Plan for a cleaner and more competitive Europe, dated 11.03.2020.

¹²⁹ Communication from the Commission to the European Parliament and the Council COM (2020) 696, The new consumer agenda strengthening consumer resilience for sustainable recovery, CELEX 52020DC0696, dated 13.11.2020.

¹³⁰ Commission Staff Working Document SWD (2022) 85, Impact Assessment Report Accompanying the Document Proposal for a Directive of the European Parliament and of the Council, dated 30.03.2022.

to choose environmentally friendly products and services. Enterprises will also benefit, as those that make a genuine effort to improve their products' environmental sustainability will be more easily recognized by consumers and able to increase their sales, reducing unfair competition in the EU market. Before enterprises issue any kind of "green claims" to consumers, such claims will need to be independently verified and backed up with scientific evidence. As part of the scientific analysis, enterprises will identify the environmental impacts that are relevant to their product, as well as any possible trade-offs, to provide accurate information. The proposal will also regulate environmental labels. There are currently at least 230 different labels and there is evidence that this leads to consumer confusion and distrust. To control the overabundance of such labels, new public labelling schemes will not be allowed unless developed at EU level, and any new private schemes will need to show higher environmental targets than existing ones and will be subject to pre-approval.

The Green Claims Directive aims to:

- ▶ make green claims reliable, comparable, and verifiable across the EU;
- ▶ protect consumers from greenwashing;
- ▶ contribute to creating a circular and green EU economy by enabling consumers to make informed purchasing decisions;
- ▶ help to establish a level playing field when it comes to products' environmental performance.

To ensure that consumers receive reliable, comparable and verifiable environmental information on products, the proposal includes:

- ▶ clear criteria on how enterprises should prove their environmental claims and labels;
- ▶ requirements for these claims and labels to be checked by an independent and accredited verifier; and
- ▶ new rules on governance of environmental labelling schemes to ensure they are solid, transparent and reliable.

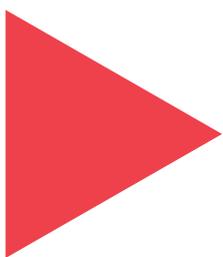
However, the new regulation excludes claims that are covered by existing EU rules, such as the EU Ecolabel or the organic food logo, because the current laws already ensure that these regulated claims are reliable. Claims that will be covered by upcoming EU regulation will be excluded for the same reason.

▶ 10.2. Greenwashing in Albania

Green claims, new to the EU member states, are not included in the Albanian legal framework. The only available legal framework in Albania is the law on customer protection. This law was first enacted in 2008¹³¹ and has been updated several times, most recently in 2018.¹³² Even though periodic efforts are made to approximate the legislation in Albania, the most recent EU regulations are missing. This includes the previously mentioned regulations on unfair practices, the circular action plan and the new customer agenda.

¹³¹ Law No. 9902, dated 17.04.2008 on consumer protection, amended by Law No. 10444 dated 14.07.2011.

¹³² Law No. 71/2018, dated 18.10.2018, on some amendments and additions to Law No. 9902, dated 17.4.2008, on customer protection.



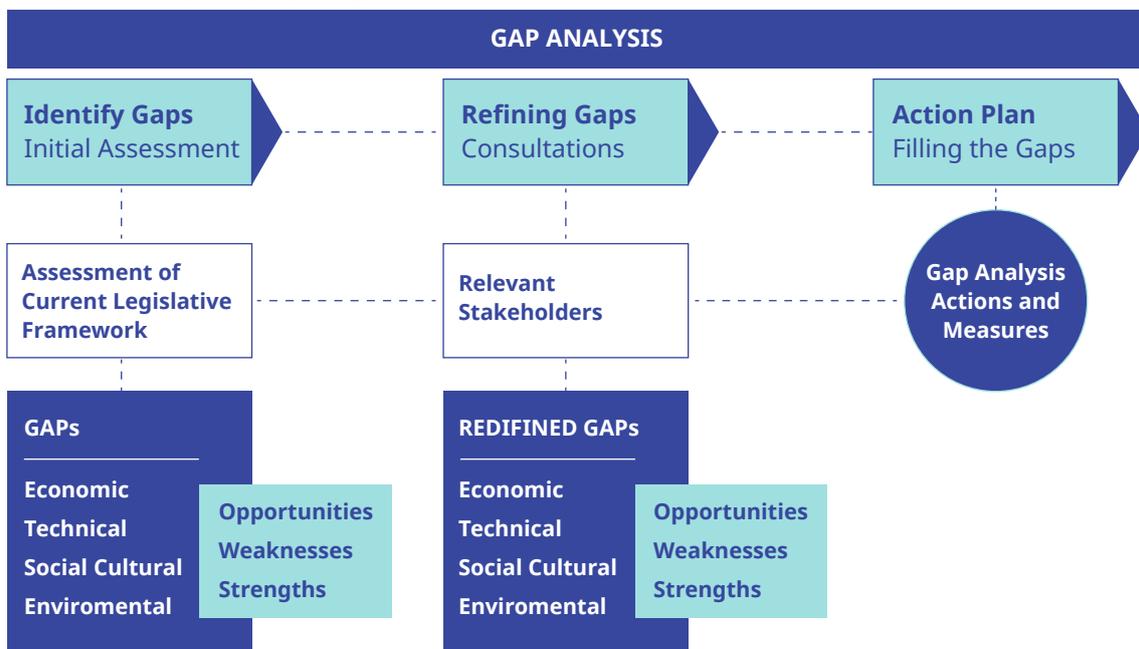
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11. Action plan for improving the legislative framework in Albania

The analysis provided in this report indicates that there is a wide gap between the current EU legal framework and that of Albania with regard to manufacturing sustainable and circular textiles and footwear. Bearing that in mind, based on the schematic presentation in Figure 2, several measures are introduced in the action plan to align the Albanian textile and footwear industry with the EU Green Deal objectives and CEAP. The action plan is presented in Table 6 and introduces measures based on the top-down approach followed in the legislative analysis. This is also a summary table for this assignment, which can serve as an inclusive instrument for policymaking, government institutions and enterprises in the textile and footwear industry. The proposed action plan also sets priorities in addressing gaps or implementing appropriate measures, as it is time for both the regulatory and business spheres in Albania to address the issues step by step, not all at the same time.

In the corresponding table the potential impacts can be economic, technical, socio-cultural and environmental. This makes it easier for the action plan measures to be embraced and implemented by enterprises operating in this industry.

► **Figure 2: Steps in preparing an action plan**



Source: Author representation.

► **Table 2: Albanian and European legal frameworks on ecodesign**

Specific area	Proposed action	Possible effects
National Development Strategies	Prioritization of three sectors for industrial development in the country. One of these sectors can be the textile and footwear industry.	<ul style="list-style-type: none"> • Improved approach towards achieving sustainable green growth. • Transforming the value chain of the textile and footwear industry in Albania. • Paving the way for new circular ecosystems in the textile and footwear industry. • Reduced production costs for the industry. • Reduced environmental footprint in the country. • Improved partnerships with the EU enterprises producing circular textiles. • Improved social welfare of employees and customers.
	Drafting industry specific strategies that will supplement the existing National Strategy for Development and European Integration 2030. These industry- specific strategies can be drafted based on the most recent European Industrial Policy and the European Green Deal.	
	Drafting an industry-specific strategy for the textile and footwear industry to reflect the European Circular Economy Action Plan and the Strategy for Sustainable Circular Textiles.	
	Accompanying the new textile and footwear industrial strategy with a revised of existing “Fason Package”, which that includes 32 measures to promote the industry. A revision has been proposed, revision can be the “Circular Textile and Footwear Package”. It also contains with new measures to also reflect the upcoming EU proposals due in 2024.	
	Drafting of Industry- specific strategies will also be drafted in accordance with according to the criteria of Acquis Chapter 20 “Industrial Policies”. This will ease negotiations and speed up fulfillment of EU membership criteria.	
	Development of a Transition Mechanism for the textile and footwear supplemented by industry fiscal incentives to facilitate and ease enterprises’ burdens when on implementing tation of costly circular measures to ensure green growth.	
	Drafting together with relevant stakeholders a Decision of the Council of Ministers with incentives for textile and footwear enterprises that partially or fully adopt the new directive Corporate Sustainability Due Diligence Directive, especially when their environmental footprint is reduced. These incentives would serve both local enterprises but also foreign ones to make additional investments in the country.	
Ecodesign	Drafting sub-legal acts to the Law on Energy Efficiency to adopt the newly published ecodesign requirements in the textile and footwear industry.	<ul style="list-style-type: none"> • Optimization of manufacturing processes leading to alignment with EU market needs. • Reduced material and resource costs. • Lower waste disposal costs. Improved functionality and quality of products. • Creation of ecological value chains in the textile and footwear industry. • Reduced level of hazardous chemicals used in manufacturing.
	Drafting of a new Decision of the Council of Ministers reflecting EU regulation COM (2022) 142 introducing the first framework on how to apply eco designecodesign in Albania.	
	Drafting and approving a methodology that supports the Decision of the Council of Ministers by introducing the minimum requirements for eco designecodesign in the textile and footwear industry.	
	Approval of the new energy law that encourages enterprises to install solar panels as the extra energy produced is purchased by the state at a pre-determined rate.	
	Drafting of penalties that may be imposed on enterprises if might have in case they import equipment, electronics or and machines that have a high environmental footprint and do not comply with the norm of the European market norms.	
	In the revised Circular Textile and Footwear Package there are incentives to encourage hat will promote enterprises to embrace ecodesign from since the inception of a the product. Ecodesign measures can be accompanied with fiscal subsidies.	

Specific area		
Eco label	Revision of Decision of the Council of Minister No. 22 (2015) in accordance with according to the new EU Eco label latest regulations.	<ul style="list-style-type: none"> • Alignment with customer demand trends preferring or demanding sustainability credentials on products.
	Drafting and approval of a new DCM on the Eco label with a special focus on the textile and footwear industry. This new DCM will reflect the latest EU regulation on regarding eco labeling and additional regulation in this specific industry.	<ul style="list-style-type: none"> • Increased awareness of environmentally responsible activities.
	Preparation of an EU Ecolabel user manual for the textile and footwear industry. This manual will guide enterprises in to adapting to Ecolabel requirements in the EU market.	<ul style="list-style-type: none"> • Reduction of effort and cost required of consumers to obtain sustainability information.
Procurement	Revision of Public Procurement Strategy up to 2030. The new strategy needs to reflect the EU's GPP guidelines of the EU.	<ul style="list-style-type: none"> • Major driver of innovation, providing industry with incentives to develop environmentally friendly work, products and services.
	Adoption of the EU's Buying Green! A Handbook on Green Public Procurement, in Albania. This will serve as a complete guide for GPP in the country.	<ul style="list-style-type: none"> • Financial savings for public authorities, especially considering the full life-cycle costs of a contract and not just the purchase price.
	Revision of the existing GPP methodology in Albania, to be more oriented and detailed towards priority sectors and industries, including the textile and footwear industry.	<ul style="list-style-type: none"> • Authorities that implement GPP will be better equipped to meet evolving environmental challenges.
	Adoption in the GPP of all requirements specified in EU sub-legal acts on the textile and footwear industry.	<ul style="list-style-type: none"> • Authorities that implement GPP will be better equipped to meet evolving environmental challenges.
Waste	Supplement the existing strategy, the "National Sectoral Plan for Solid Waste Management, approved by Decision of the National Council of Territory No. 1, dated 13.01.2020, " with additional chapters on the targeting textile and footwear industry.	<ul style="list-style-type: none"> • Reduction of greenhouse gas emissions and environmental footprint.
	Adoption of the new waste shipment regulation COM (2022) 144 so that textile and footwear enterprises are aware of EPR regarding waste generated during production.	<ul style="list-style-type: none"> • Awareness and application of EPR regulation.
	Preparation and adoption of the "green listed" waste measures in accordance with according to the latest EU regulations, making a clear distinction between hazardous and non-hazardous waste. This refers to DCM 229, 232, 418,641,687.	<ul style="list-style-type: none"> • Improved recycling procedures and capacities in the textile and footwear industry. • Better awareness in generating more "green waste" rather than hazardous waste.
Green Claims	Supplement the existing Law No. 9902, dated 17.04.2008 " On consumer protection, dated 17.04.2008, " with a DCM to reflect the EU New Customer Agenda.	<ul style="list-style-type: none"> • Reduction in false claims made by customers.
	Draft and approve a DCM specifically to align with COM (2023) 166 EU Directive on Green Claims.	<ul style="list-style-type: none"> • Trustworthy information conveyed to customers leads to informed choices.

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Zyra e ILO-s për Evropën Qendrore dhe Lindore
14 Mozsár Utca H-1066
Budapest, Hungari