



Federation of the European
Sporting Goods Industry

FESI Position Paper

FESI position on the **Waste Framework Directive** proposal

November 2023

Summary:

1. Foster harmonisation and avoid market fragmentation
2. **Anchor policy coherence** between EU legislations
3. Coordinate existing and future **Extended Producer Responsibility (EPR) schemes**
4. Define and align **products in scope**
5. Need for **clarification of eco-modulation of fees**
6. Adjust the **transposition timelines**

1. Foster harmonisation and avoid market fragmentation

The sporting goods industry welcomes the Commission's proposal as a step in the right direction especially when it comes to harmonisation. This element is fundamental when it comes to a Circular Economy enshrined in a well-functioning single market. FESI wishes to highlight the importance of further strengthening the proposal in the area of **reporting processes and obligations, governance and collaboration within the Producer Responsibility Organisations (PRO) with clarification of responsibilities of online marketplaces** in order to reach the goal of the targeted revision's objectives.

To strengthen the objective of the proposal, the industry calls for harmonisation of reporting templates, procedures, standards as well as timelines with consideration of specificities of various business models such as retail, online and physical stores through the development of an implementing act and aligned with other EU legislative developments. Linked with this, the **Federation calls for the development of one single EU-wide database** to replace the obligation of following registration requirements in separate national Member State databases, which will increase the transparency of the process and lead to a decrease in the administrative burden. Moreover, the industry wishes to highlight the importance of harmonisation across the Member States of the

governance structure of the Producer Responsibility Organisations (PRO) and of cross-sectoral collaboration and adequate representation within its membership of the entire value chain. The Federation also wishes to ensure involvement and guidance on strategic activities to strengthen circularity, in particular in the area of recycling and investments in innovation, including fibre-to-fibre recycling technologies.

The industry welcomes the inclusion of online marketplaces and distance sales in Article 22a (7)(b) and calls for further clarification detailing online platforms' obligations vis-à-vis their sellers in order to ensure a level playing field and avoid loopholes that would threaten the EU Green Deal. To achieve Europe's environmental objectives, **FESI calls for addressing the gaps and strengthening the enforcement of cross-border online marketplaces without legal entities in EU-27 as well as non-EU retailers who sell directly to EU customers.** The industry also highlights the importance of adequate equipment both in terms of resources and the capacity of market surveillance authorities.

2. Anchor policy coherence between EU legislations

FESI and its members call for policy coherence between the targeted revision of the Waste Framework Directive and other EU legislations currently in development, to ensure alignment on definitions, scope, and requirements, and avoid inconsistencies, and/or conflicting rules to secure the right to free movement of goods in the internal market. Specifically, the industry urges the relevant political actors involved in the proposal to consider the developments around the proposals on the **Ecodesign for Sustainable Product Regulation (ESPR) ongoing revisions of the Waste Shipment Regulation (WSR) and Packaging and Packaging Waste Regulation (PPWR), as well as REACH restrictions, Corporate Sustainability Reporting Directive (CSRD) and the development of the End-of-Waste criteria.**

In the context of the proposal on the Ecodesign for Sustainable Product Regulation (ESPR), the industry calls for the alignment of the eco-modulation of fees together with the ecodesign requirements, particularly in regard to the performance and information requirements, defined by the regulation's delegated acts. Information requirements at the level of PROs should be limited to end-of-life information as this relates to their expertise. Information on other sustainability aspects will be required by companies under the CSRD reporting.

Additionally, the Federation wishes to express its concern regarding the insufficient clarification in the proposal on the intra-EU waste and secondary raw materials trade and its harmonisation with the Waste Shipment Regulation in the context of restrictions on the export of textiles. Moreover, **the industry calls for alignment of the timelines** between the mentioned legislative proposals in order to avoid implementation gaps and loopholes that would increase legal uncertainty of economic operators and decrease the investments in the textile-to-textile recycling.

In regard to the Packaging and Packaging Waste Regulation revision, the industry welcomes the alignment between the directive and the regulation in terms of definitions and highlights the importance of further alignment of the definition of 'consumer'.

3. Coordinate existing and future Extended Producer Responsibility (EPR) schemes

In order to achieve a level playing field, it is of crucial importance to provide **further clarity and transparency on the role and responsibilities of relevant actors involved in the implementation of an EPR scheme**. The definitions of the parties responsible for EPR schemes should include further clarification and ensure adequate enforcement and strict rules beyond a self-certification system in situations where a product enters the internal market through online marketplaces to avoid loopholes.

The industry calls for further clarity on expected collection points and sorting obligations. At the moment, sorting companies are responsible for determining what textile products are to be prepared for reuse or recycling based on their (potential) economic benefit. Sorter may classify a wide range of products as “reuse” to export abroad as no EU clarifying guidance exist. This issue is not sufficiently addressed via the WFD proposals references to sorting criteria and the proposed additional information requirements for shipping documentation of reused textiles. To have sufficient and reliable feedstock for a functioning textile recycling industry in the EU, we call for harmonised definitions and sorting standards.

Moreover, the industry wishes to address the **lack of recognition of take-back schemes within the proposal**. Companies’ take-back schemes can be a valuable way to complement EPR schemes in helping Member States achieve their separate waste collection targets and can be an important tool to incentivise both responsible consumer behaviour as well as economic operators through consideration of said method in the process of establishing eco-modulation of fees.

In parallel, the industry wishes to address **uncertainty regarding the understanding of Article 22a**. The current text of the proposal in paragraph 4 brings ambiguous interpretation regarding the type of activities covered by the costs of the EPR schemes for textiles, which will lead to an increase of legal uncertainty with a negative impact on harmonisation of criteria in relation to reuse and recycling.

4. Define and align products in scope

While the industry welcomes the European Commission’s proposed scope of products falling under the targeted revision listed in Annex IVc, **we wish to address concerns regarding the inclusion of the skiboats within the scope, that hampers their potential for effective recycling**. Skiboats, falling under the product code 6402, should be considered as sport equipment due to their design objective as well as material composition, and not as footwear or textile products.

However, we also wish to address concerns regarding divergent approaches when it comes to accessories and sports equipment (PPE, hard goods, etc.) across the Member States. Indeed, some of the existing national schemes include hard goods products whereas others do not, which will require harmonisation on the EU level. In this regard, **the industry supports a phased implementation with reasonable timelines and a participation of industry actors through impact assessment**, also in case of further extensions of the scope in future.

5. Need for clarification of the eco-modulation of fees

FESI calls for providing further clarification on the eco-modulation of fees. The alignment of the fees is one of the core aspects of the proposal, and the criteria should therefore be set up at EU level and aligned with other legislative developments, such as the Ecodesign for Sustainable Product Regulation proposal. The harmonisation of rules, priorities and reporting obligation will play a vital role in decreasing the divergences between Member States and provide legal certainty for economic operators placing the products on more than on EU market. The chosen criteria for the eco-modulation of fees should ensure that compliance is not too burdensome and offers an accessible mode of application for the fee reduction, in line with compliance requirements existing under the eco-design criteria and consideration of potential take-back schemes. Moreover, **the industry calls for implementation of the eco-modulation in a step-by-step manner**, increasing the ambition over the time to allow the eco-modulation to effectively incentivise more circular designs.

Moreover, FESI strongly calls for clear mechanisms for the effective implementation of eco-modulation of fees in instances where a product, initially placed on the market by an economic operator in one Member State complying with national requirements, is later transported, and sold in another Member State, potentially necessitating a multiple payment of the fee at the point of sale for the same product.

6. Adjust the transposition timelines

FESI and its members are concerned about the proposed transposition timelines, which are considered **insufficient to enforce and transpose all administrative provisions in order to ensure legal certainty for all actors involved in the process**. Moreover, these timelines fail to take into consideration the time that will be needed for the development of the necessary infrastructure within the Member States.

Indeed, the industry shares the Commission's assessment that the relevant infrastructure requires further development. Once the infrastructure is established, and after an adequate transition time of a minimum of 36 months after the establishment of EPR schemes and collection points,

representatives of the sporting goods brands, retailers, and national federations would be supportive of a proposal to assess the feasibility of introducing mandatory targets for reuse and recycling.

In consequence and based on the experience of the packaging EPR schemes, **the industry calls for the extension of the transposition time, which would grant Member States 36 months to establish national EPR schemes with all the required laws, regulations, infrastructures, and administrative provisions necessary to comply**, what should be communicated to the economic operators in advance.

In conclusion, FESI wishes to stress the importance of the proposed recommendations and wishes to request further clarifications. Legal uncertainty for all actors involved as well as misalignments in the national EPR schemes could ultimately have the consequence of missing the goal of the proposal and the EU Green Deal as well as the scalability potential of the textile-to-textile recycling and availability of secondary raw materials. FESI wishes to invite co-legislators to consider these improvements and remains available to further engage in the discussion around the Waste Framework Directive targeted revision proposal.

Founded in 1960 FESI - the Federation of the European Sporting Goods Industry represents the interests of approximately 1.800 sporting goods manufacturers (85% of the European market) through its National member Sporting Goods Industry Federations and its directly affiliated companies. 70-75% of FESI's membership is made up of Small and Medium Sized Enterprises. In total, the European Sporting Goods Industry employs over 700.000 EU citizens and has an annual turnover of some 81 billion euro.

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