

# ReHubs: breaking the supply-demand deadlock

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THE TRANSPARENT ROADMAP TO  
BUILDING EUROPE'S CIRCULAR  
TEXTILE ECOSYSTEM

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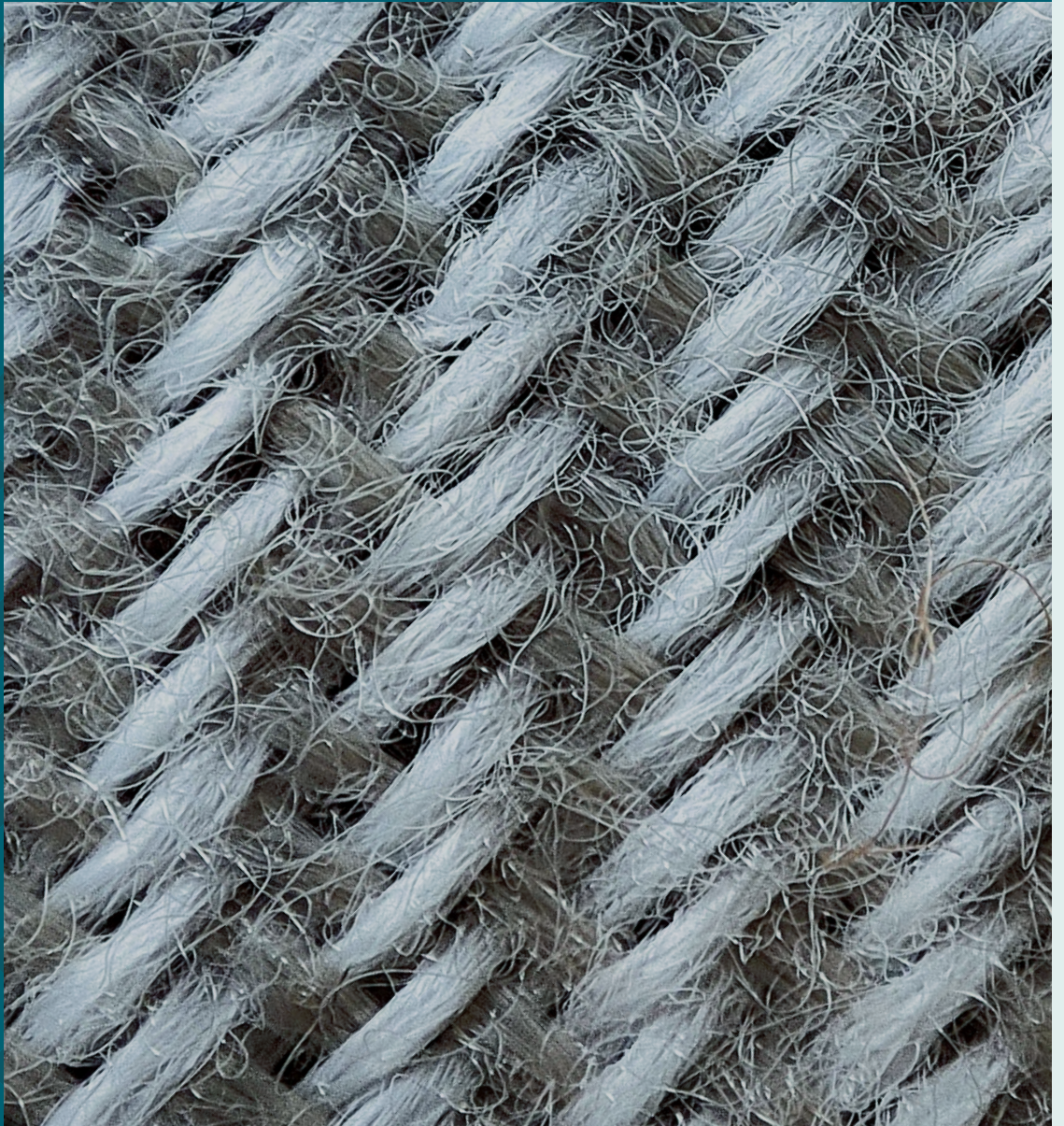
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# 01

## The unraveling: Europe's textile waste crisis





## CHAPTER 1

### *Executive summary*

*Europe's textile waste crisis is revealing major weaknesses in its shift toward circularity, mounting volumes, strained collectors and sorters, and hesitant investors. Low-cost ultra-fast fashion and low consumer awareness are accelerating the problem, while current fragmented regulation and disjointed systems block progress.*

*At the center of the crisis is a supply-demand deadlock: low demand for recycled fibers and limited cost-competitive supply. This stalemate is stalling investments, recycling capacity, and system-wide collaboration. High input costs and market fragmentation worsen the challenge.*

*Despite this, momentum is growing. Advances in recycling, new EPR legislations, and investor interest signal readiness for change. ReHubs is mobilizing the sector, but without breaking the deadlock, Europe risks being overwhelmed by its own waste.*

# The unraveling: Europe's textile waste crisis

Europe's circular economy in textiles and apparel is facing a daunting challenge. Mandatory collection legislation, effective since this year, is creating mountains of discarded clothing. These piles are exposing environmental burdens and structural weaknesses: a linear system, low circularity, and reliance on external supply chains for cost and quality leadership. Collectors and sorters across Europe are experiencing severe financial pressure, with several approaching bankruptcy. Investors are hesitating to support new capacity due to weak demand and regulatory uncertainty. Recycling startups are competing for limited funding and are struggling to scale. Low-cost, poor-quality ultra-fast fashion is worsening the waste problem, as garments are being consumed rapidly and rarely reused or recycled. Consumers are showing limited awareness, intensifying strain on European brands.

Absence of HS codes specific to textile recycling, combined with fragmented certification systems, is blocking international trade. Textile-to-textile recycling solutions are emerging from China, but without clear demand and stronger policy support, Europe is risking being left with its mounting waste, just for it to be landfilled or incinerated.

The core bottleneck is the supply-demand deadlock: low demand for recycled fibers and limited high-quality, cost-competitive supply. High European labor and energy costs are worsening the problem. Without reliable demand signals, the textile value chain is fragmenting, standards are missing, and large-scale circularity remains unviable. This deadlock is tying up all other important, but fragmented, efforts along the value chain.



## What is stopping Europe from achieving circularity in textiles?

1.

Lack of sustained demand for recycled fibers and products

9.

Feedstock quality is inconsistent with contamination, mixed fibers, and lacking efficient material recognition for sorting

2.

Collectors and sorters are facing many challenges, some approaching bankruptcy

10.

Fragmented ecosystem: poor collaboration is affecting the entire textile value chain

3.

No stable offtake agreements are leaving mechanical recycling capacities idle

11.

Asian recyclers are gaining ground in both mechanical and bottle-to-fiber chemical recycling

4.

Virgin materials are cheaper than textile-to-textile recycled, reducing competitiveness for brands

12.

EPR schemes are not yet in place, are just few and fragmented

5.

High investment and R&D needed for high quality recycling, while low demand is limiting financing

13.

PROs partially operational, fragmented, and largely unharmonized

6.

Multi-material garments, such as multilayers, require costly pre-processing before recycling

14.

Many consumers perceive recycled products as inferior and expect them to be cheaper

7.

Mechanical recycling of post-consumer cotton waste is challenging, often leading to downcycling & restricting higher-value applications

15.

Brands are facing margin pressure, especially due to competition from low-cost ultra-fast fashion

8.

Lack of industry-wide standards is creating inconsistencies in feedstock and recycled fiber quality

16.

Adopting recycled fibers is more costly and complex; production adjustments and supplier onboarding are time-consuming



Yet, there has never been a stronger case for action. The “why now” is clear: A wave of new textile to textile recycling players and pilot projects are entering the market. Automated sorting technologies are advancing rapidly. Mechanical recycling capacity has more than doubled since 2020 and is ready to scale. Chemical recycling is emerging as market-ready. New EPR legislation and mandatory collection are about to reshape key markets. Leading brands are setting concrete targets for recycled content in their portfolios. Investors are actively seeking sustainable textile opportunities. European citizens and organizations are increasingly demanding responsible solutions to mounting textile waste pushing for strict export restrictions and phasing out incineration. Waste streams are growing faster than ever. So, what is needed now is a coordinated, system-level action to convert momentum into measurable impact.

Initiated by Euratex, ReHubs was officially launched three years ago, by a group of circularity leaders from along the textile value chain, with a clear objective to unite all leading stakeholders and to break down barriers to scaling textile circularity. The original mission, recycling 2.5 million tons of European textile waste by 2030, is currently out of reach. However, a foundation has been laid, but building on it requires structure, investment, and

coordinated action. Dialogue alone is no longer sufficient.

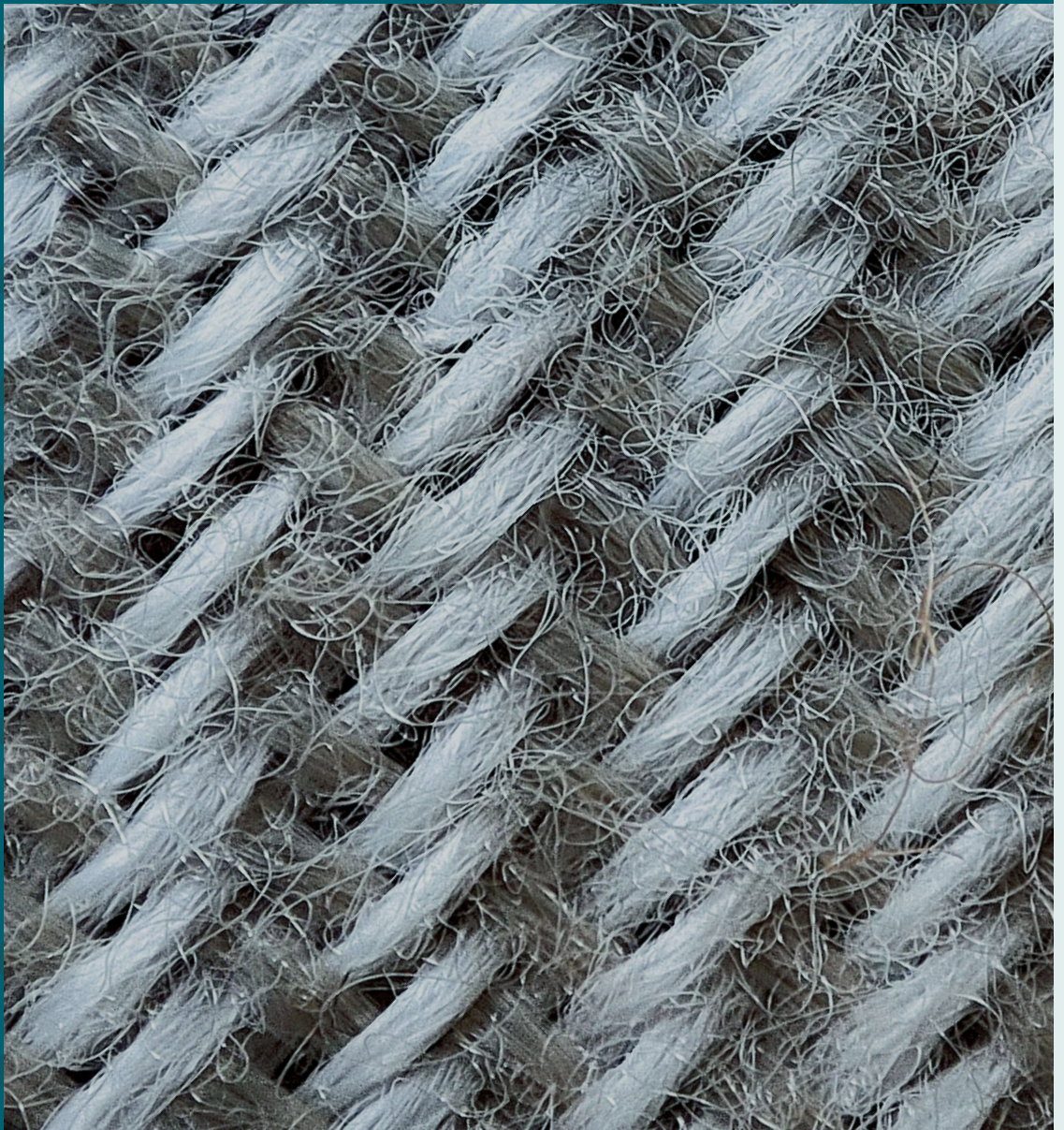
Unless Europe's circularity ambitions get back on track, it will remain stuck with its textile waste, while Asian suppliers steer the circularity ship. The sector must stop working in silos, move beyond narrow pain points, and confront challenges and expectations of others. Remaining ignorant of the bigger picture is no longer an option.

ReHubs is evolving into a driver of sector-wide initiatives tackling immediate “low-hanging fruits” and longer-term systemic barriers. By convening stakeholders across the entire textile value chain, it is generating demand, establishing common standards, attracting investments, and unlocking growth. The urgency is real, and Europe must act decisively along the textile value chain to transform its textile waste crisis into a truly circular ecosystem.

Before solutions can be implemented, the root challenge must be addressed. Europe's textile waste crisis is being driven by a deadlock: absence of cost-competitive, high-quality recycled fibers and lack of reliable demand for them. This deadlock is acting like a loose thread, unraveling the system and discouraging investment while weakening trust between stakeholders across the textile value chain.

# 02

## Caught in the supply-demand deadlock





## CHAPTER 2

### *Executive summary*

*Europe's textile ecosystem is trapped in a supply-demand deadlock, stalling adoption of recycled fibers. High costs, complex logistics, inconsistent feedstock quality, and fragmented standards are limiting investment, technological development, and large-scale recycling. At our current speed, regulatory measures such as EPR and ESPR will be too little, too late, while consumer perceptions and the dominance of low-cost ultra-fast fashion suppresses demand for recycled fibers and products.*

*Collectors and sorters face bankruptcy as export markets collapse and low-value imports undercut prices. Mechanical and chemical recyclers struggle with underutilized capacity, high pre-processing costs, and scarce guaranteed offtake agreements. Fiber producers, brands, and retailers face higher complexity, margin pressures, and costly supplier onboarding. Without coordinated action, Europe risks lagging behind more efficient Asian recyclers and missing the opportunity to scale textile circularity.*



## Caught in the supply-demand deadlock

### How interconnected challenges across the ecosystem are stalling adoption of recycled fibers

With the deadlock identified, attention needs to turn to its systemic consequences. The supply-demand imbalance is slowing investment, hindering technological development, and complicating adoption of recycled fibers. High costs, complex logistics, and limited transparency are intensifying strain. Inconsistent feedstock quality, missing sector-wide standards, and uncertain regulatory measures such as EPR and ESPR are further challenging the

ecosystem. Consumers often perceive recycled textiles as inferior, combined with dominance of low-cost ultra-fast fashion, are adding pressure across brands and the wider textile value chain.

The following sections explore how this deadlock affects the key actors in the European textile ecosystem.



### Collectors and sorters

- Many collectors and sorters are facing challenges, even bankruptcy
- Major export markets for resale have collapsed
- Low-cost ultra-fast fashion is underpricing second-hand products
- International markets traditionally importing EU's textile garments, are also flooded with low-cost ultra-fast fashion imports
- Sorting activities in Europe lack scale and industrialization
- Many collectors and sorters are not yet prepared for transformation due to their status as social enterprises



### Mechanical recyclers

- Capacities are currently underutilized, reducing margins
- Downcycling dominates, generating less value than fiber-to-fiber applications
- Investment in new capacity is constrained by low guaranteed demand
- Lack of common quality standards is creating feedstock and fiber inconsistencies
- Feedstock contamination in cotton recycling is reducing output quality
- Manual sorting and pre-processing increase feedstock costs
- Recyclers experiencing pilot fatigue from running numerous trials without securing bulk orders or larger quantities
- Supply issues and inconsistent feedstock availability are hindering production
- High quality feedstock and pre-processing requirements are adding costs
- Asian recyclers are outperforming Europe in efficiency and quality



### Fiber producers and textile manufacturers

- Introducing higher priced recycled fiber, while the EU textile supply chain is weakening, slows down the closed-loop potential
- Traceability requirements are increasing costs with recycled fiber adoption
- Lack of consistent demand results in increased OPEX, and results in higher complexity



### Consumers

- Recycled textiles are perceived as lower quality and expected to be cheap
- Low-cost ultra-fast fashion is suppressing demand for recycled products



### Chemical recyclers

- Significant capital is required to build chemical recycling plants
- High quality feedstock and pre-processing requirements are adding costs
- While various recycling technologies have been proven on pilot lines, further R&D will be required to scale successfully
- Guaranteed offtake agreements from brands are scarce but required to secure debt financing to expand capacities



### Brands and retailers

- Margin pressures are acute, driven by various cost increases and particularly versus low-cost ultra-fast fashion
- International trade challenges have disrupted established supply chains and increased costs
- Qualifications of new materials through the various value chains steps, as well as onboarding new suppliers for recycled fibers is costly and time consuming



### Regulators and PROs

- EPR regulations, being developed separately by each country, are potentially insufficient to create meaningful market incentives
- PRO organizations are only partially operational, fragmented, and not yet harmonized
- Regulatory gaps are generating tension between collectors/recyclers and brands
- Lack of specific standards, such as dedicated HS codes for products with fiber textile-to-fiber textile recycled content, significantly reduces possible identification and transparency

# 03

## What are we doing?





## CHAPTER 3

### *Executive summary*

*ReHubs was established to scale Europe's textile-to-textile circularity, initially targeting 2.5 million tons of recycled textile waste by 2030. Given current industry constraints, this goal is unattainable, leading ReHubs to revise its target to 2.5 million tons of installed annual capacity by 2032. The organization addresses the systemic supply-demand deadlock, where brands lack reliable, cost-competitive recycled fibers and recyclers hesitate to expand without guaranteed demand, by combining broad stakeholder convening with direct ownership of critical implementation activities.*

*Operating across four integrated focus areas, Insights & Collaboration, Capacity & Technology, Policy & Regulation, and Finance & Investment, ReHubs builds data infrastructure, scales proven recycling technologies, harmonizes standards and regulations, and estimates €5–6 billion is needed to initiate the circular transition. By addressing both demand creation and supply development simultaneously, ReHubs creates market conditions for industrial-scale recycling, sustainable investment, and global replication.*

*ReHubs' mission is to establish a profitable, Europe-first circular textile industry that overcomes coordination failures, strengthens infrastructure, builds global partnerships and delivers systemic transformation across the textile value chain.*

# What are we doing?

Since its inception, ReHubs has played an important role in bringing together over 30 players from the circularity industry. However, due to the supply-demand deadlock delaying progress, it is now stepping up and taking a more proactive role, defining areas of intervention to deliver disruptive change and achieve its recycling targets.

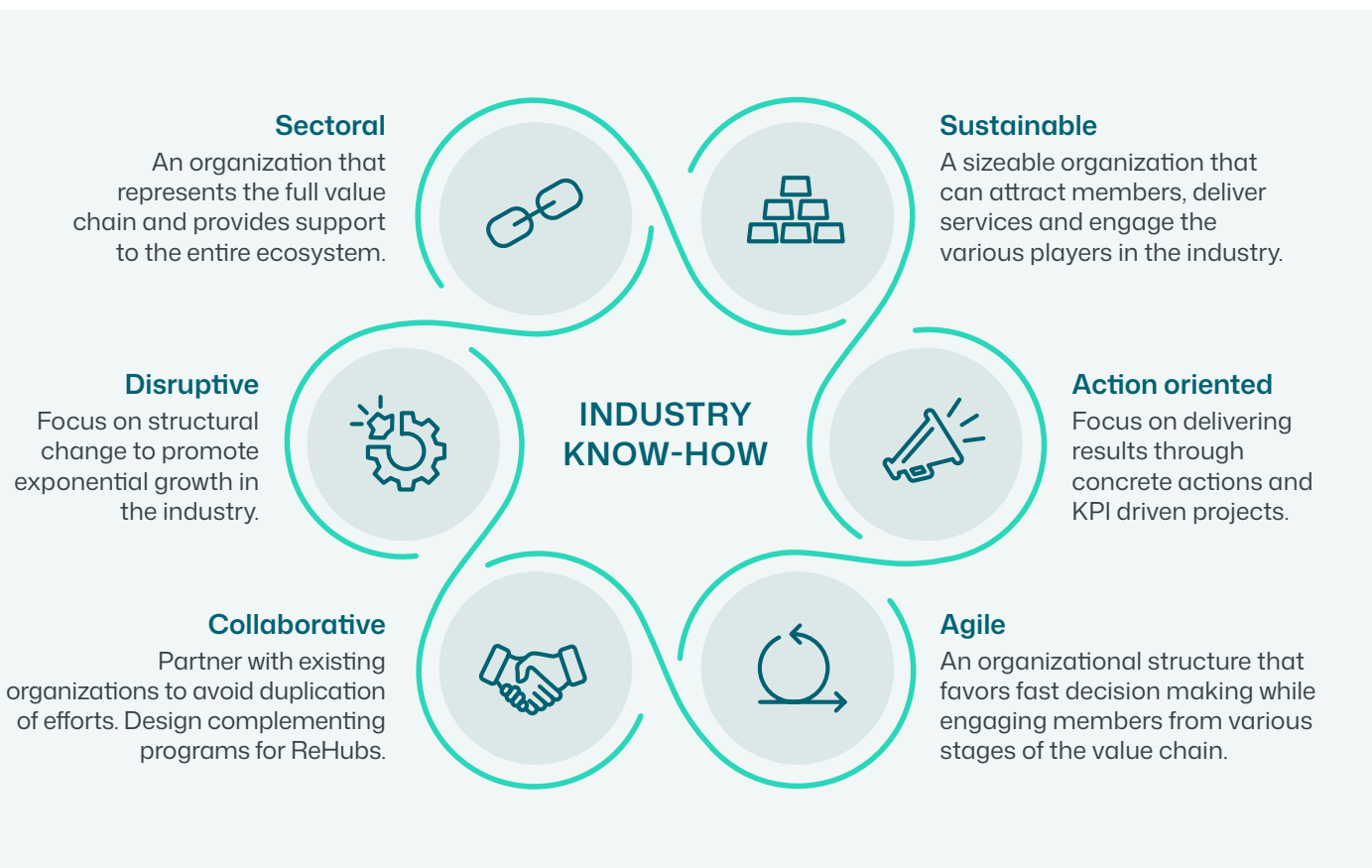
ReHubs' role stems from the needs of the wider sector as well as the needs of individual players and segments within the value chain. This chapter outlines ReHubs' role within the broader EU textile-to-textile circularity ecosystem.

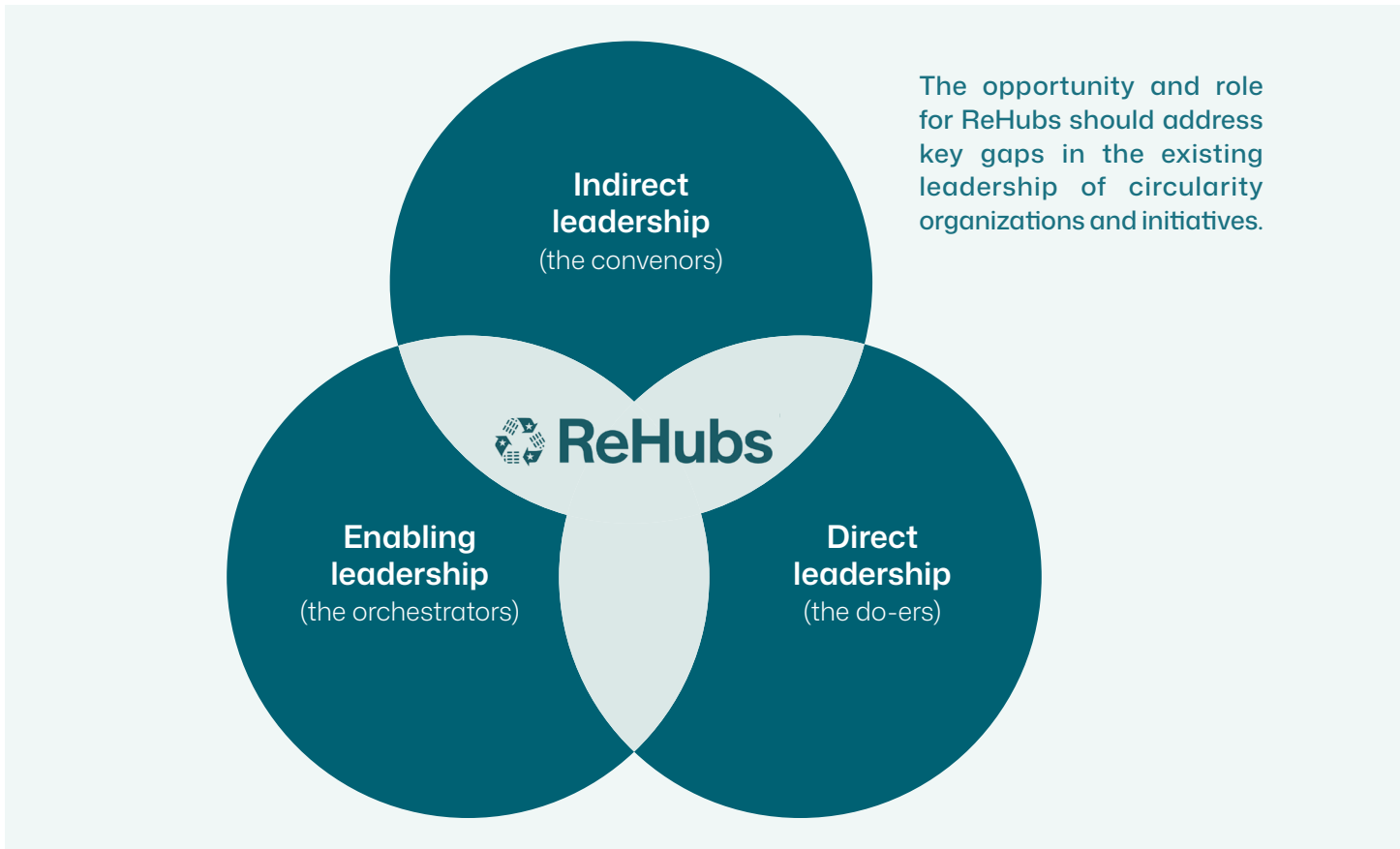
## 3.1. STRATEGY DEVELOPMENT PRINCIPLES

### Six features that are vital for ReHubs' success

To build a strategy for ReHubs that meets European circularity aspirations and members' needs, over 100 interviews and surveys were conducted with industry players. These included both members and non-members across the value chain.

One of the key objectives of this research was to identify the features that would differentiate ReHubs from other organizations. From this research, six key features emerged. The industry demanded that ReHubs drive change in the textile circularity industry while supporting its members across the ecosystem. Building on ReHubs' high industry know-how, six key features are vital for ReHubs' success in the textile recycling ecosystems:





### 3.2. BENCHMARKING CIRCULARITY CONVENING ORGANIZATIONS

#### Where is the whitespace for ReHubs?

##### Benchmarking landscape

In a benchmarking exercise we mapped the current landscape of various circularity initiatives and organizations across three dimensions: leadership approach, stakeholder representation, and scale and maturity. The analysis highlighted that while there is growing activity, the field remains fragmented, lacking alignment, scale, and coordinated impact.

#### 1. Leadership approach

Organizations play different roles across textile circularity that are not limited to one profile. However, most convening organizations focus on one of the three key leadership approaches to driving action:

- **Direct leadership** (“do-ers”): Taking ownership of implementation, hands-on and working directly on the ground as subject matter experts with deep knowledge in their field.

- **Indirect leadership** (“convenors”): Raising awareness, bringing together stakeholders typically from one particular segment and aligning their efforts building trust through close collaboration.
- **Enabling leadership** (“orchestrators”): Facilitating collaboration across stakeholders driving them toward coordinated mostly voluntary action.

#### 2. Stakeholder representation

Beyond the leadership approach taken, circularity initiatives and organizations range from narrow to broad stakeholder representation. Some focus tightly on a specific actor group of e.g., a product category or technology, while others convene many stakeholder groups across the value chain pursuing common goals and objectives.

There are both challenges and opportunities with choosing a narrow versus broad stakeholder approach. Regardless of the approach, we believe it is essential to drive coordination and collaboration across the value chain to drive ecosystem change and impact, an approach ReHubs took from day one.

### 3. Scale and maturity

Finally, the benchmarking analysis found few initiatives with both high maturity and scale. Most are small or medium in scope, limited to pilot projects or regional platforms. By contrast, more established, scaled organizations in other sectors such as the consumer goods or battery industry, demonstrate what mature, impact-oriented governance could look like.

#### ReHubs: occupying the strategic white space

The benchmarking has shown clear gaps that ReHubs will address: a lack of a large-scale, highly mature, and impact-oriented organization that drives broad-stakeholder alignment and representation across textile-to-textile circularity. ReHubs will fill this space by combining direct implementation (e.g., scaling recycling capacity) with enabling orchestration (aligning finance, standards, and infrastructure). By learning from and collaborating with peers – those exemplifying a convening model, those adopting a results-oriented approach, and those having global reach and exposure. ReHubs positions itself as both a driver of action and a neutral orchestrator across Europe's textile value chain.

#### Why the white space exists

The absence of actors in the white space is not accidental. The challenges are real and explain why most initiatives take narrower approaches.

- **Stakeholder complexity** grows exponentially when managing competing interests while operating infrastructure. Balancing neutrality with ownership creates risks of perceived conflicts of interest.
- **Resource intensity** increases as broad convening requires heavy coordination capacity, while direct implementation demands capital and operational expertise.
- **Governance complexity** emerges when stakeholders must approve strategies that affect operations ReHubs owns, raising tensions between collaboration and competition.
- **Credibility risk** arises when some actors see ReHubs as a partner while others view it as a competitor.

#### Why this approach remains essential despite challenges

These challenges are real, but the systemic failure of fragmented approaches outweighs them. Current models fail to meet demand and cannot achieve scale due to fundamental coordination problems.

Broad convening organizations create awareness and voluntary commitments but cannot guarantee implementation when members face competing priorities. Narrow implementation organizations deliver local results but cannot address cross-value-chain bottlenecks requiring coordinated solutions.

The systemic barriers in textile circularity, from cost-value misalignment to infrastructure gaps to regulatory fragmentation, demand an organization that engages comprehensively while taking direct ownership when market coordination fails.



### Strategic mitigation of challenges

ReHubs manages these challenges through transparent governance that separates convening from operational decisions, backed by conflict-of-interest policies that protect trust while enabling execution. Phased implementation secures credibility through early successes before expanding scope.

The four focus areas provide natural separation between functions. Insights & Collaboration drive convening. Capacity & Technology and Finance & Investment anchor direct implementation. Policy & Regulation bridges both, reinforcing leadership credibility.

### Competitive necessity and market reality

This white space exists not because challenges are insurmountable but because most initiatives avoid the complexity. Yet the textile circularity problem requires a fundamentally different model.

The 2032 target of 2.5 million tons in annual recycled European textile waste capacity is not achievable through voluntary coordination alone. It requires direct ownership of bottlenecks alongside system-wide stakeholder alignment.

The complexity of operating in this space is exactly why it represents both the greatest challenge and the highest-impact opportunity for systemic transformation in textile circularity.

### 3.3. REHUBS STRATEGIC FRAMEWORK

ReHubs operates across four interconnected focus areas to advance textile-to-textile circularity. Each area tackles a critical dimension of systemic transformation to accelerate circular practices across the textile industry.

#### Integrated impact

The four areas work as an integrated system to accelerate systemic change. Progress in one area alone cannot achieve industry transformation. ReHubs drives simultaneous advancement across all dimensions to scale impact effectively.

#### 01 INSIGHTS AND COLLABORATION

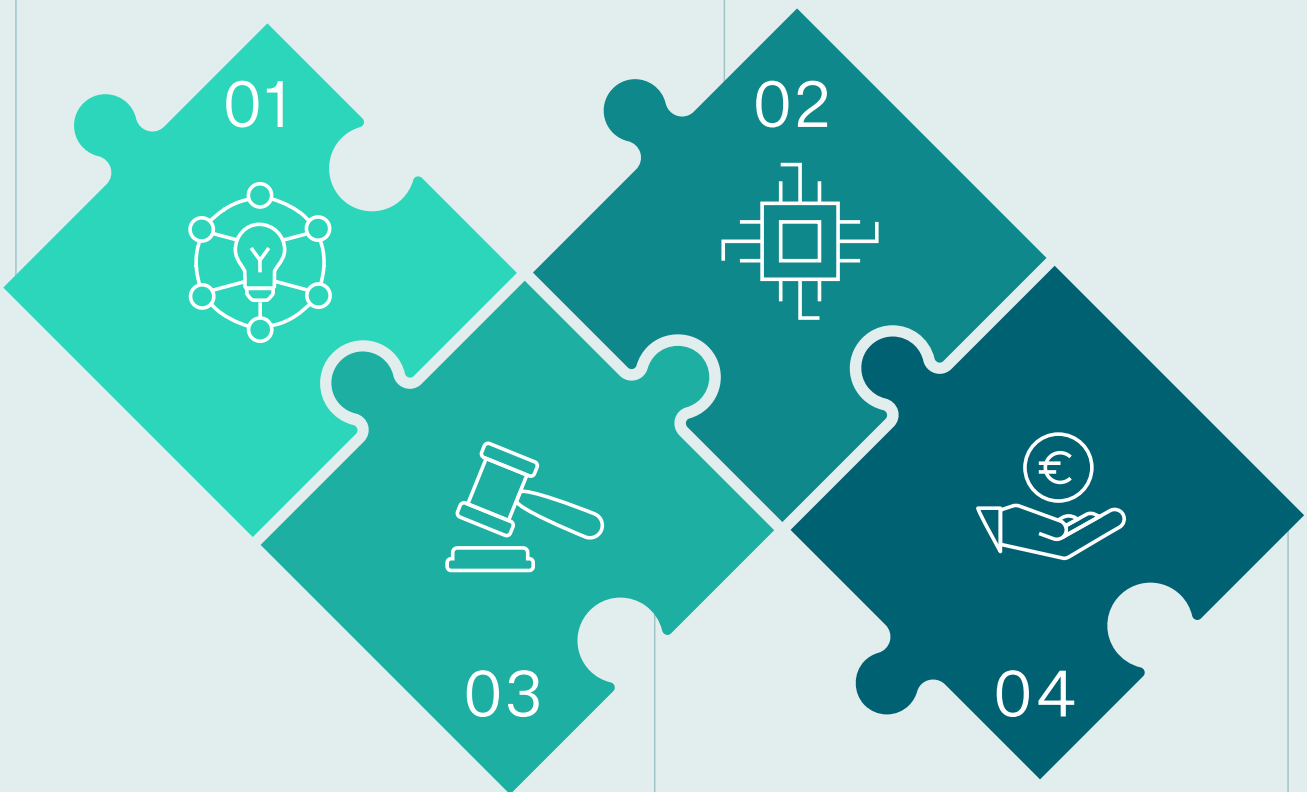
Build the foundation for circular transformation

- Data infrastructure development
- Research & insights generation
- Knowledge platforms & advisory solutions

#### 02 CAPACITY AND TECHNOLOGY

Scale technical solutions and infrastructure

- Technology scaling initiatives
- Demand generation from brands
- Collection, sorting & processing capabilities



#### 03 POLICY AND REGULATION

Influence the regulatory environment for circularity

- EU harmonization to reduce complexity & barriers
- EPR/PRO creation across European markets
- Standards development for materials, processes and metrics

#### 04 FINANCE AND INVESTMENT

Orchestrate €5-6 billion in capital to initiate the circular transition

- Finance mobilization (public & private)
- De-risking mechanisms to accelerate investment
- Public-private partnerships



### 01: INSIGHTS & COLLABORATION

#### Building the foundation for circular transformation

ReHubs develops comprehensive data infrastructure, enabling stakeholders to make informed decisions and track progress. The organization addresses the critical data gap that limits effective policy development and business planning. ReHubs produces research and insights that guide strategies across the textile ecosystem, analyzing material flows, identifying technological opportunities, and evaluating circular interventions. These outcomes

deliver actionable intelligence, enabling evidence-based decisions instead of assumptions. ReHubs creates knowledge platforms and advisory solutions that foster collaboration and provide guidance for implementation. These platforms connect diverse participants, from manufacturers to waste managers, offering frameworks to adopt circular practices across the value chain.



### 02: CAPACITY & TECHNOLOGY

#### Scaling technical solutions and infrastructure

ReHubs implements initiatives that scale proven circular technologies toward commercial viability. The organization identifies promising solutions for textile collection, sorting, and recycling, and raises awareness of available technologies and approaches. ReHubs strengthens capacities across the value chain, focusing on collection, sorting, and processing operations. Less than 30% of European

textile waste is separately collected, and professional systems for handling complex, contaminated materials remain critically needed. ReHubs works with brands to generate demand for textile-to-textile materials and processes, creating essential market pull. The organization addresses quality and supply consistency concerns, helping brands adopt recycled materials confidently.



### 03: POLICY & REGULATION

#### Shaping the regulatory environment for circularity

ReHubs supports Extended Producer Responsibility (EPR) and Producer Responsibility Organization (PRO) frameworks across European markets, creating accountability for textile waste management. It aligns with the 2025 EU mandate for separate textile collection and the decade-long implementation timeline. ReHubs contributes to EU regulatory harmonization with key data to reduce

complexity and remove cross-border barriers. The organization contributes to the development of standards for materials, processes, and performance metrics, providing benchmarks for circular practices. Standards clarify material identification and quality requirements, enabling more effective sorting and recycling.



### 04: FINANCE & INVESTMENT

#### Orchestrating capital for the circular transition

ReHubs estimates €5–6 billion is needed to initiate the circular transition. ReHubs will support and coordinate various de-risking mechanisms to reduce barriers and to accelerate capital deployment by addressing concerns about market uncertainty, technology, and regulatory stability. This will secure additional, diverse financing from public and private

sources, combining traditional banks, impact investors, development finance institutions, and public bodies. Strategic public-private partnerships leverage complementary resources and expertise to maximize impact and create sustainable financing models.

### 3.4. REHUBS MISSION & VISION: ADDRESSING THE FUNDAMENTAL SUPPLY - DEMAND DEADLOCK IN CIRCULAR TEXTILES

#### **The core challenge: lack of competitive supply - missing market demand**

The primary barrier to textile circularity is a systemic coordination failure causing insufficient demand. Globally, less than 1% of textiles recycle into new textiles, while 12% downcycle to lower-value applications. Europe generates approximately 7.5 million tons of post-consumer textile waste annually, but less than 1 million tons are available for material recovery.

Fragmented value chains make recycled fibers more expensive than virgin materials due to small-scale operations, inconsistent quality standards, and lack of integrated supply infrastructure. Economies of scale cannot emerge without sufficient demand, and demand cannot emerge without reliable supply. Brands often source recycled content from Asia, not by preference, but because European infrastructure cannot guarantee supply reliability, quality, or competitive cost. Even committed stakeholders face constraints: recyclers hesitate to expand capacity without guaranteed demand, and brands hesitate to adopt recycled materials without stable supply.



### VISION:



**ReHubs drives a circular and profitable textile-to-textile recycling industry through investments in European infrastructure and collaborations globally**

ReHubs prioritizes demand creation to establish profitable circular systems that can compete economically with virgin fiber production. Sustainable circularity depends on business models that attract private investment, not solely regulatory compliance or environmental positioning.

The Europe-first approach leverages upcoming EPR mechanisms and regulatory frameworks to create market demand through policy, while building demonstration cases to attract global brand adoption. This approach directly addresses the coordination failure: brands cannot independently justify circular investments without sufficient supply, while recyclers cannot invest in capacity without guaranteed demand. Overall, Europe's textile infrastructure is incomplete which can be resolved through collaborative partnerships globally. ReHubs accelerates simultaneous progress on both sides of this interdependence.

### MISSION:



**Recycle 2.5 million tons of European textile waste by 2032 through scaled infrastructure, technology, policy, partnerships, promotion, and investments**

ReHubs aims to reach an installed capacity to recycle 2.5 million tons of annual European textile waste by 2032, a significant increase from current European recycling capacities. Achieving this target requires systematic demand generation to justify infrastructure investments.

The integrated approach addresses demand barriers through multiple channels. Policy frameworks incentivize recycled content adoption, promotion builds brand confidence in material quality and availability, and investment structures de-risk early adopter brands while ensuring supply chain reliability. These measures together create market conditions that support industrial-scale recycling and continuous capacity expansion.

By 2032, ReHubs aims to establish a functioning European market with sufficient demand to sustain investments, attract private capital, and enable replication of proven demand-generation and supply infrastructure models globally.

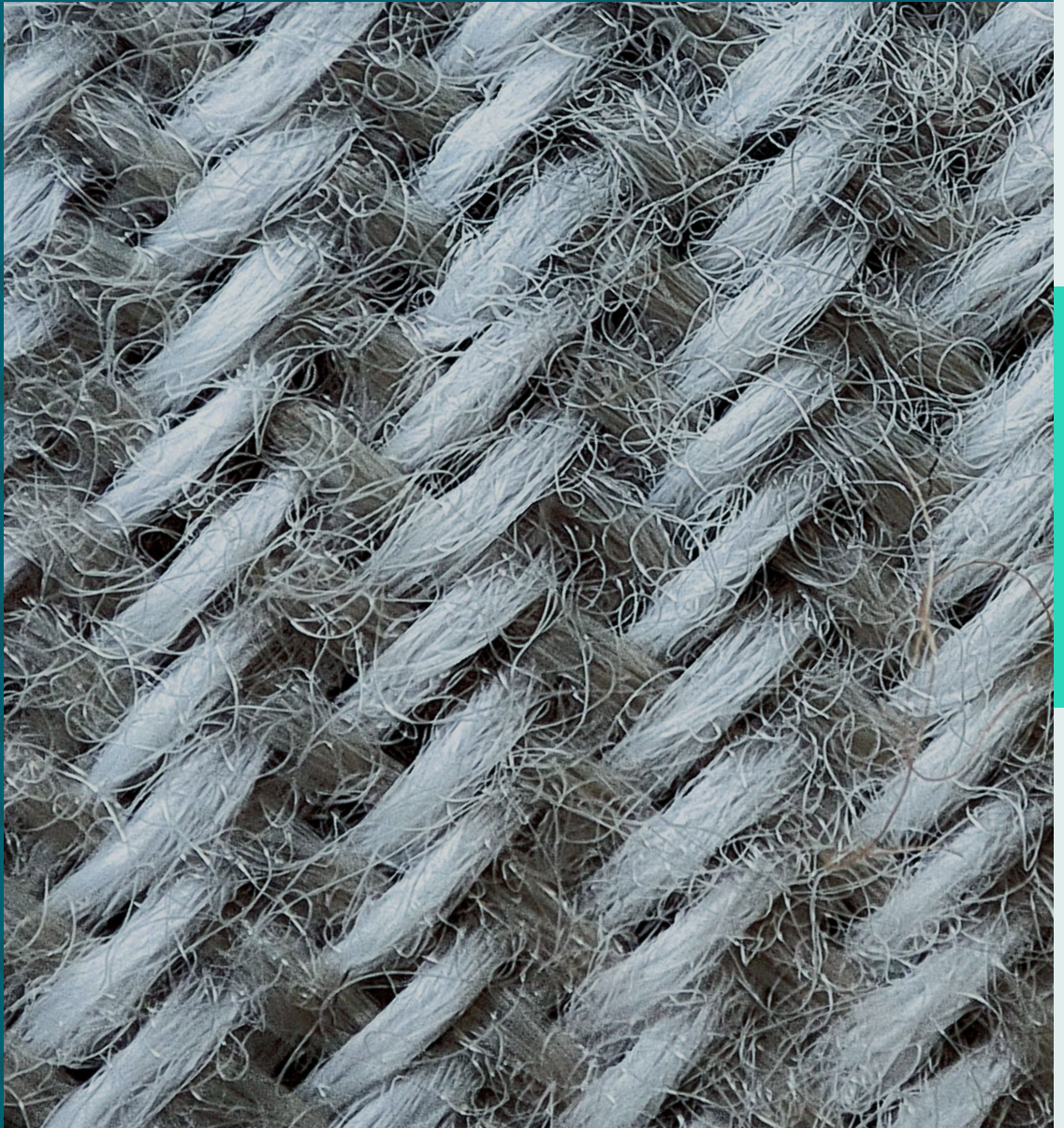
### MISSION AND VISION SUMMARY:

#### How ReHubs breaks the supply and demand deadlock

ReHubs resolves the deadlock where supply-side and demand-side development cannot advance independently. Recyclers require demand certainty to justify capacity expansion, while brands need cost-competitive, reliable supply to commit to recycled materials. ReHubs drives simultaneous progress on both sides, building market conditions for meaningful infrastructure investment and sustained commercial adoption through targeted initiatives.

# 04

## How are we doing It?





## CHAPTER 4

### *Executive summary*

*ReHubs accelerates Europe's textile-to-textile recycling by addressing the systemic supply-demand deadlock through two strategic pillars: End-to-End Supply Chain Management and Financing Orchestration, supported by harmonized standards and a robust industry network. The organization streamlines the supply chain, ensures reliable recycled fiber supply, reduces costs, and derisks investment to scale infrastructure.*

*ReHubs deploys six primary levers, Research & Insights, Network & Collaboration, Technical & Advisory Support, Policy Advocacy, Industry Standards Harmonization, and Finance & Investment Mobilization, plus four supporting levers to coordinate capacity, technology, policy, and knowledge initiatives. These levers work together to create market certainty, harmonize standards, and enable brands to adopt higher recycled content targets (20–40%).*

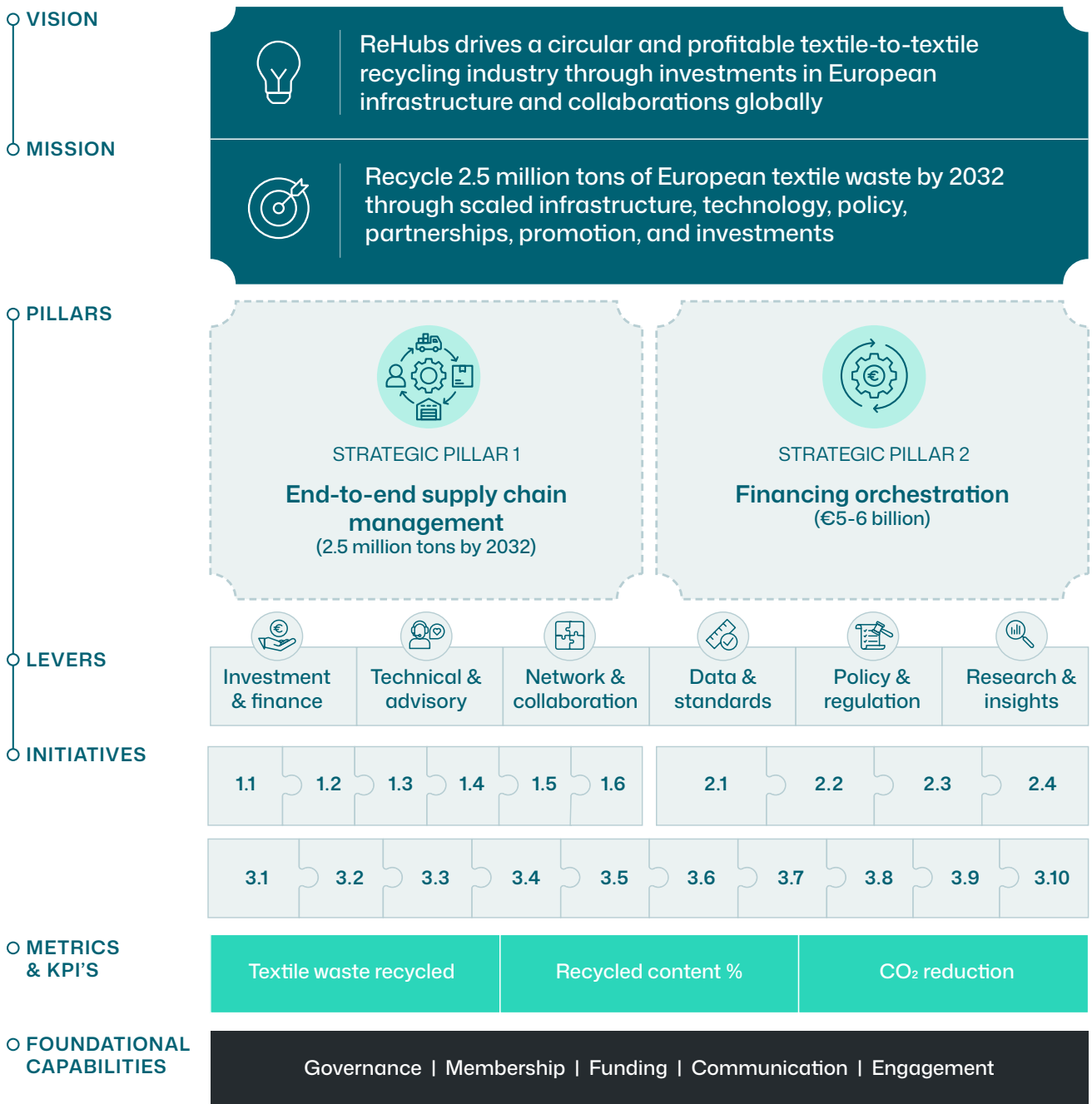
*Through key initiatives, ReHubs maps infrastructure, defines technical specifications, develops certification and design standards, secures brand commitments, mobilizes €5–6 billion in public-private funding, and implements digital tools for transparency and progress tracking. The phased, structured approach ensures accountability, measurable impact, and systemic transformation across the textile value chain.*

# How are we doing it?

## The roadmap and tactical action plan

ReHubs operates across the entire textile recycling ecosystem. It drives structural change by streamlining the supply chain and eliminating inefficiencies. Simultaneously, it mobilizes public-private capital to jump-start demand, build capacities, and reduce production costs. Additionally, ReHubs acts as a

resource center, connecting players from collection to manufacturing to deliver immediate value. It works top-down to reshape industry structure and bottom-up to improve ecosystem efficiency and support all actors in the value chain.





## 4.1 TWO STRATEGIC PILLARS AND SIX STRATEGIC LEVERS

### Demand-driven market creation

The European textile circularity crisis stems from insufficient demand. Europe generates approximately 7.5 million tons of textile waste annually but recycles less than 1 million tons. Brands lack access to competitively priced recycled materials with reliable supply. This demand gap prevents economies of scale, keeping recycled fibers costlier than virgin alternatives.

ReHubs drives demand by acting as a textile recycling solutions provider. It helps brands and retailers to source recycled material at competitive cost and consistent quality. ReHubs coordinates

with all players in the value chain, collection, sorting, recycling, and manufacturing, to remove bottlenecks, optimize capacities, and improve efficiency.

The approach combines digital solutions, technical interventions, and contractual guarantees to reduce cost and enhance quality. ReHubs provides traceability documentation for buyers, ensuring confidence in material origins and processing. Mapping challenges across the value chain, ReHubs collaborates with suppliers to expand capacity, lower costs, and improve material access.

## Two strategic pillars



### STRATEGIC PILLAR 1:

#### **End-to-end supply chain management – creating demand-enabling supply**

##### **Creating demand-enabling supply**

Many brands and retailers find switching to recycled textile fibers costly and complex. The circularity ecosystem is fragmented, and textile-to-textile solutions are often unavailable. Buyers often choose simpler alternatives, such as bottle-to-fiber, to meet decarbonization targets. Streamlining the supply chain and improving its efficiency is essential to increase demand for recycled textiles.

Fragmented supply chains prevent brands from meeting recycled content commitments. Fabrics with recycled fiber content could currently cost anywhere from 20% to 100% more than virgin alternatives, partially due to technological limits but mainly because small, uncoordinated operations cannot achieve economies of scale.

ReHubs aims to coordinate logistics, sorting, processing, and manufacturing to create predictable pricing, consistent quality, and reliable volumes. Digital infrastructure provides traceability, reporting, and audit capabilities, allowing brands to specify recycled content with confidence. Physical integration and capacity planning deliver economies of scale, making voluntary adoption beyond regulatory requirements feasible.



### STRATEGIC PILLAR 2:

#### **Financing orchestration – coordinating demand and capital**

##### **Coordinating demand and capital**

While total required investment will exceed €20 billion euros, initiating the transformation by scaling the European textile recycling market requires an estimated investment of €5–6 billion. Single-brand projects fail to attract financing because revenue certainty is insufficient. Brands cannot commit without confidence in adequate supply capacity, creating a chicken-and-egg problem that has limited growth for two decades. High recycled fiber costs depress demand, and low demand discourages investment in additional capacity.

The estimated €5–6 billion allows ReHubs to derisk investment by orchestrating public and private funding for CAPEX, OPEX, R&D, and working capital. It enables new capacity, develops new technologies, and reduces production costs over time. Funding schemes target multiple stages of the value chain, subsidize R&D, secure off-take agreements, and support pilot projects for costly processes such as sorting and chemical recycling.

By coordinating brand commitments with infrastructure investment, ReHubs ensures supply matches demand. This approach enables brands to rapidly adopt meaningful recycled content targets such as 20–40%. Blended financing combines public and private capital, and brand offtake agreements to create viable investment packages. Public funding de-risks early adoption, private capital scales infrastructure, and brand commitments ensure revenue certainty.



### **Foundational network & standards leadership – reducing demand barriers**

Standards fragmentation adds 25–30% in additional costs for verification and compliance. Without harmonized specifications, brands face high administrative costs that discourage adoption even when materials are available.

ReHubs will support the development of harmonized standards for material specifications, sustainability metrics, and reporting protocols. Shared data and automated compliance reporting reduce procurement complexity. Cross-sector collaboration coordinates voluntary commitments across brands, creating collective demand that justifies investment in infrastructure. Harmonized standards and coordinated demand signals allow recyclers to invest with confidence while providing brands with reliable supply to meet ambitious recycled content targets.

### **How financial orchestration enables demand scaling**

ReHubs can coordinate brand offtake commitments with infrastructure investments, creating the demand certainty needed to justify capital deployment. Supply capacity scales alongside demand, enabling brands to commit to 20–40% recycled content instead of 5–10%.

Blended financing structures combine public funding, private capital, and brand offtake agreements. Public funding de-risks early adoption, private capital enables scale, and brand commitments provide revenue certainty. This coordination solves financing complexity and allows actors to make optimal investment decisions.



STRATEGIC PILLAR 1

**E2E supply chain management**

- Lead the development of an integrated, end-to-end textile recycling supply chain.
- This means coordinating logistics, sorting, processing, and manufacturing so that post-consumer textiles flow efficiently into new products.
- The focus is on building the physical and digital backbone that enables large-scale material recovery and recycling.



STRATEGIC PILLAR 2

**Financing orchestration**

- Address the significant funding gap to scale textile-to recycling across Europe (e.g., €5-6 billion).
- This could involve aggregating investment from public and private sources, creating blended finance models, and de-risking early-stage infrastructure projects.
- ReHubs could become the hub for capital deployment into recycling facilities, collection systems, technology adoption in order to accelerate demand creation.

**Foundational network & stakeholder leadership**

- Position ReHubs as the convening organization for the textile recycling ecosystem, driving voluntary industry standards, shared goals, and cross-sector collaboration.
- This could involve setting sustainability benchmarks (like SBTi), developing common data protocols, and fostering partnerships across brands, suppliers, and recyclers.
- The aim is to create a trusted, interoperable framework that accelerates adoption and transparency across the value chain.

**Foundational network & standards leadership – reducing demand barriers**

**Why market infrastructure enables Adoption**

Fragmented standards create significant additional costs for quality verification and compliance management. Recycled materials become more expensive than virgin alternatives. Brands face high due diligence costs, discouraging adoption even when materials are available.

**How standards reduce demand friction**

Harmonized standards for material specifications, sustainability metrics, and reporting protocols reduce procurement complexity and transaction costs. Shared data protocols enable automated compliance reporting and supply chain integration. Administrative barriers that limit adoption are removed.

Cross-sector collaboration drives voluntary industry commitments, creating collective demand that justifies infrastructure investments. By coordinating demand signals across brands and markets, ReHubs ensures recyclers can invest confidently while brands secure supply to meet ambitious recycled content targets.

**Conclusion of the two-pillar approach**

The two pillars with foundational support address the demand-supply coordination failure. End-to-end supply chain management ensures efficient, reliable supply. Financing orchestration derisks investments, enabling capacity growth and cost reductions. Together, they make recycled materials easily accessible, drive brand adoption, and support a functioning market capable of economically recycling 2.5 million tons of capacity annually. The two pillars are complementary: one develops supply, the other ensures financing, creating a sustainable ecosystem rather than isolated solutions.

## 4.2 STRATEGIC LEVERS – PRIMARY AND SUPPORTING

### Background

Despite many research reports, initiatives, and organizations in textile circularity, the ecosystem remains complex and fragmented. Coordination across value chain stages is limited. The sector lacks a common language, shared definitions, and a unified purpose.

Players rarely collaborate and often struggle with scarce, reliable information. ReHubs adopts a top-down approach to restructure the circularity sector and a bottom-up approach to support members individually and collectively. It acts as a resource center providing information, networking, and technical support to members and industry players. ReHubs operates across four key themes: Insights and collaboration, capacity and technology, policy

and regulation, and finance and investment. Within these themes, it focuses on six primary and four secondary strategic levers. These levers organize the sector and drive measurable impact. ReHubs achieves goals through its own initiatives and close coordination with other organizations.

### Primary and supporting levers as core capabilities

ReHubs deploys multiple strategic levers simultaneously to tackle interconnected barriers preventing demand creation for recycled textile materials. Fragmented supply chains, financing gaps, and misaligned standards reinforce each other. Addressing all barriers at once, driven by ReHubs or through partner organizations, enables high-impact results.



## Primary strategic levers



### Research & insights partner:

Leads creation of textile-to-textile circularity roadmaps with shared milestones. Publishes research tied to implementation progress. Provides evidence-based insights for decision-making. Collects data and disseminates it to members and, where appropriate, the industry.



### Policy advocacy leader:

Supports industry response to EPR/PRO development and regulatory alignment. Represents collective circular textile ecosystem interests. Publishes technical papers reflecting sector-wide recommendations. Influences legislation and informs decision-makers.



### Industry standards harmonizer:

Aggregates and harmonizes material specifications, sorting protocols, recycling processes, and traceability standards across Europe. Creates sector-wide definitions for feedstock and finished products. Enables certifications for quality, traceability, and transparency.



### Finance & investment mobilizer:

Coordinates and de-risks public-private investment in recycling infrastructure. Channels capital to high-impact opportunities through blended financing. Conducts preparatory studies such as Cost Gap Analysis and T2T Recycling Economic Dashboard.



### Network & collaboration facilitator:

Orchestrates cross-industry collaboration. Connects solution providers with brands, recyclers with sorters, and fills demand gaps through systematic relationship building.



### Technical & advisory support:

Develops shared KPIs for circularity, tracks progress, and ensures transparency. Provides technical guidance to stakeholders implementing circular solutions.

## Supporting strategic levers

### **Technology scalability catalyst:**

Identifies, validates, and scales promising textile recycling technologies, bridging laboratory innovation and commercial deployment.

### **Data infrastructure builder:**

Develops shared digital backbone to track, measure, and report circularity progress across Europe.

### **Knowledge exchange convenor:**

Operates central hub for best practices, research, and cross-industry learning to accelerate circular approach adoption.

### **EU circularity alignment agent:**

Ensures harmonization across countries, actors, and frameworks. Reduces complexity and enables scale for circular textile solutions.

### **Global brand coalition manager:**

Convenes leading brands to set voluntary recycled content targets ahead of regulation, creating market demand for recycled materials.

This multi-lever approach creates reinforcing effects. Insights inform collaboration, standards enable financing, and policy coordination reduces adoption barriers. Operating across all dimensions simultaneously addresses systemic coordination failures while delivering measurable results.

## 4.3 REHUBS ROADMAP: TACTICAL ACTION PLAN & KEY INITIATIVES

### Key initiatives

The supply-demand deadlock hypothesis requires coordinated action across supply chain integration, financing orchestration, and foundational market infrastructure. These initiatives combine new ReHubs-led and supported efforts and acceleration of existing ecosystem activities. Impactful, but fragmented, uncoordinated interventions alone cannot create demand.

Each initiative addresses barriers to the adoption of recycled materials while contributing to system-wide

optimization. Initiatives operate under the two pillars of End-to-End Supply Chain Management and Financing Orchestration, supported by foundational network and standards leadership.

This roadmap of initiatives will be continuously kept up-to-date and published on the ReHubs website. New initiatives can be added when relevant, timing and scope of existing initiatives can be changed due to a shift in priority, or resources available.





## STRATEGIC PILLAR 1:

**End-to-end supply chain management initiatives**

End-to-end supply chain management provides sourcing solutions for brands, retailers, manufacturers, and other players. ReHubs maps existing value chains, optimizes processes, resolves challenges, and assures buyers of fiber sourcing. This pillar currently has 6 initiatives, four of which start immediately.

## INITIATIVE 1.1:

**Collection, sorting, processing, recycling capability assessment**

Start: Q4 2025 | Duration: 6-9 months | ReHubs role: owner

Maps European infrastructure capacity, quality standards, and throughput capabilities. Identifies gaps and opportunities for integrated supply chain development.

## INITIATIVE 1.2:

**CEO pledges by stakeholders**

Start: Q4 2025 | Duration: 3 months | ReHubs role: owner

Secures executive-level commitments for integrated supply chain development and financing coordination.

## INITIATIVE 1.3:

**Alternative (non-clothing) value chains – strategic plans**

Start: 2H 2025 | Duration 3 months | ReHubs role: owner

Evaluating the impact of expanding the scope from textile-to-textile to fiber-to-fiber. This will include the impact on circularity of applications such as non-wovens, ropes and cables, filtration, etc.

## INITIATIVE 1.4:

**Textile-to-textile recycling data collection and progress reporting platform**

Start: Q1 2026 | Duration: 6 months and ongoing | ReHubs role: owner

Develops digital infrastructure for transparent measurement and reporting of circularity progress across stakeholders and maintains this evergreen.

## INITIATIVE 1.5:

**EPR harmonization initiative**

Start: Q4 2025 | Duration: 12 months | ReHubs role: support

Coordinates value chain input for EU member states' EPR implementation. Aligns funding mechanisms and operational requirements. The duration is estimated with 12 months, depending on the timing of the final legislation on EPR.

## INITIATIVE 1.6:

**PRO forum partnership agreement**

Start: Q4 2025 | Duration: 12 months | ReHubs role: support

Coordinates value chain input and aligns with Producer Responsibility Organizations to ensure EPR funding supports integrated infrastructure development across the value chain in Europe. The duration is estimated with 12 months, depending on the timing of the final implementation of PRO per member state.



## STRATEGIC PILLAR 2:

**Financing orchestration initiatives**

Several studies and initiatives run before launching the full financing proposal. This preparatory work identifies intervention areas, defines scope, and develops financial tools. It also leverages outputs from the first five initiatives. While a solid financial strategy is essential for the required scale-up of recycling of European textile waste, the priority is to understand the current cost gap for critical fiber categories and recycling technologies, as well as an understanding of how competitiveness can be improved over time. Two initiatives will start immediately, while two more initiatives will be started in 2026.

## INITIATIVE 2.1:

**Textile-to-textile cost gap analysis and business case development**

Start: Q4 2025 | Duration: 6 months. | ReHubs role: owner

Analyzes cost structures versus virgin fiber pricing. Identifies interventions to achieve cost parity and competitive advantage, including preprocessing, shipping, and traceability standards. Estimates cost impact over time of EPR and scaling.

## INITIATIVE 2.2:

**Financing concepts and proposal development (public and private)**

Start: Q4 2025 | Duration: 3-6 months and ongoing | ReHubs role: owner

Creates blended finance vehicles, de-risking mechanisms, and investment structures to enable institutional capital deployment at scale. Supports R&D and pilot projects for costly stages like sorting and chemical recycling.

## INITIATIVE 2.3:

**€5-6 billion EU funding proposal**

Start: Q1 2026 | Duration: 9 months and ongoing | ReHubs role: owner

Develops a comprehensive investment framework combining public funding, private capital, and brand offtake commitments to achieve 2.5 million tons annual capacity.

## INITIATIVE 2.4:

**Brand offtake commitment charter and campaign**

Start: Q1 2026 | Duration: 12-18 months | ReHubs role: owner

Drives voluntary commitments for specific recycled content targets. Creates demand certainty to justify infrastructure investments.

## Foundational network & standards leadership initiatives

In addition to preparatory work on the two pillars, ReHubs launches several initiatives supporting the broader circularity industry. These address key challenges, including fragmented EU regulations and gaps in data and information. Some of these will become ongoing initiatives, while others have a clear start and end date. Four out of ten initiatives will start immediately, while three initiatives are scheduled to start in 2027, but can however be pulled forward if resources are available.

### INITIATIVE 3.1:

#### Definition of specs and standards for feedstock and recycled fibers

Start: Q4 2025 | Duration: 9 months | ReHubs role: tbd own or support

Establishes technical specifications for material quality, contamination thresholds, and processing requirements to enable consistent supply chain performance and brand integration.

### INITIATIVE 3.2:

#### EU GPP recommendation

Start: Q4 2025 | Duration: 6 months | ReHubs role: owner

ReHubs will align input from the value chain to make a clear recommendation to accelerate demand for recycled content in EU GPP guidelines.

### INITIATIVE 3.3:

#### External partnerships selection

Start: Q4 2025 | Duration: 6 months | ReHubs role: owner

Develops strategic partnerships for ReHubs with technology providers, financial institutions, and policy organizations to implement the integrated approach.

### INITIATIVE 3.4:

#### SME recycling toolkit

Start: Q1 2026 | Duration: 6 months and ongoing | ReHubs role: owner

Develops a resource package enabling SMEs to participate in integrated supply chains via standardized processes, quality controls, and digital integration protocols. The basis for this information package will be created in 1H 2026 and will be regularly updated thereafter.

### INITIATIVE 3.5:

#### Policy position papers by key topic

Start: Q4 2025 | Duration: ongoing | ReHubs role: owner and support

Develops industry consensus on regulations, technical standards, and investment priorities. Informs policy processes when relevant. Aligned and supported other initiatives where relevant.

### INITIATIVE 3.6:

#### Social economy baseline study

Start: 1H2026 | Duration: 9 months | ReHubs role: tbd own or support

Assesses social enterprise participation in collection and sorting. Ensures integrated supply chains improve efficiency without displacing employment or provide opportunities for upskilling.

### INITIATIVE 3.7:

#### Regulatory compliance toolkit

Start: 2H2026 | Duration: 6 months and ongoing | ReHubs role: owner

Provides guidance to navigate EPR, sustainability reporting, and circular economy regulations efficiently. Initial documentation will be published during 2H 2026 and kept ever green thereafter.

### INITIATIVE 3.8:

#### Certification standards and harmonization

Start: 2027 (tbc) | Duration: 12 months | ReHubs role: tbd owner or support

Creates industry-wide certification frameworks with third-party verification protocols to provide brands quality assurance comparable to virgin materials.

### INITIATIVE 3.9:

#### Circular design standards

Start: 2027 (tbc) | Duration: 9 months | ReHubs role: tbd owner or support

Establishes design specifications optimizing end-of-life processing. Enables higher recovery rates and improved material quality.

### INITIATIVE 3.10:

#### Recycling best practice compendium

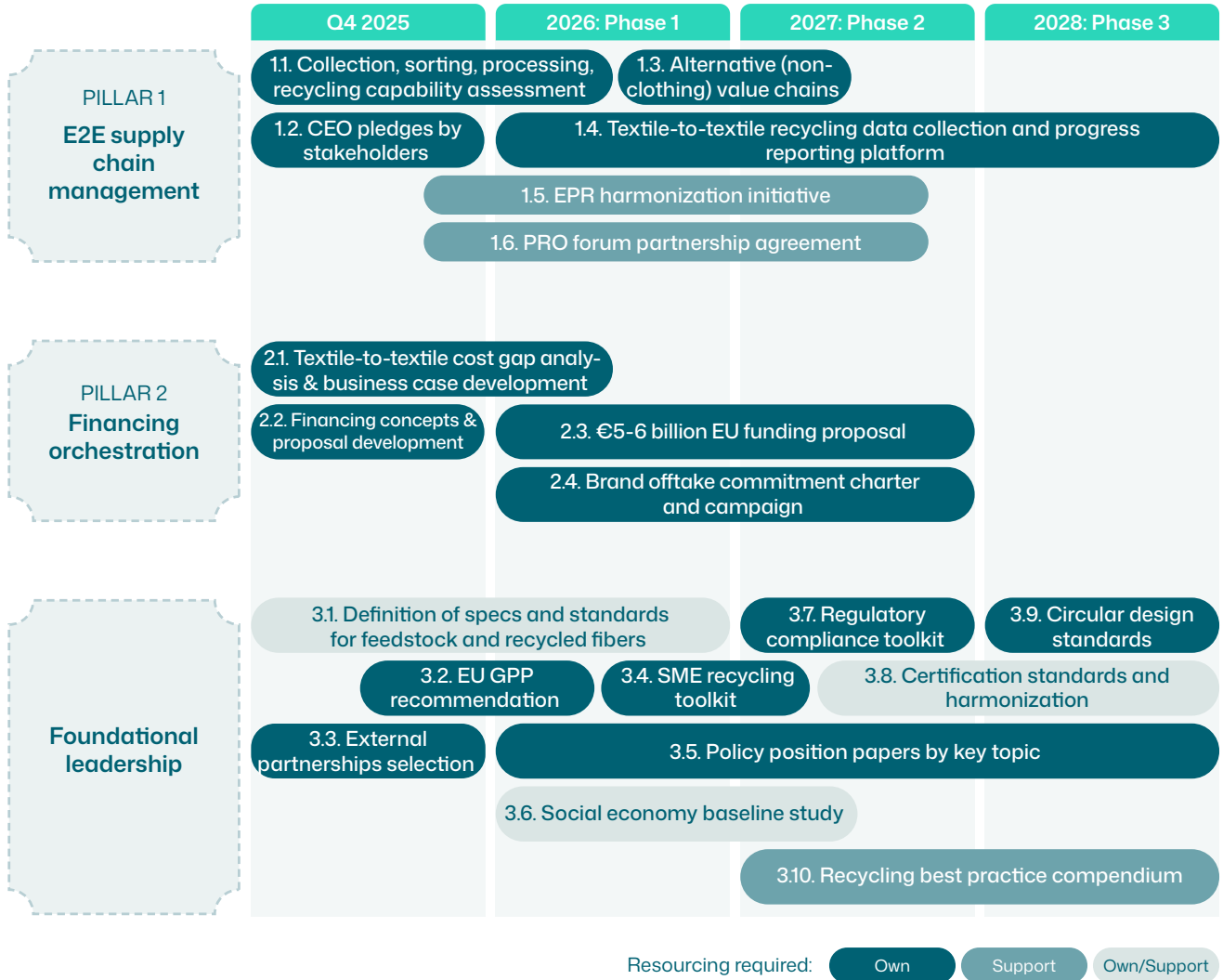
Start: 2027 (tbc) | Duration: 3 months and ongoing | ReHubs role: owner

Documents and disseminates proven methodologies for collection, sorting, and processing optimization replicable across integrated supply chain operations. Initial database development will be established in a 3-month period, kept ever green thereafter.

This initiative portfolio recognizes that eliminating the supply-demand deadlock requires simultaneous progress across interdependent activities. Coordinating these initiatives over three phases

(short-term, mid-term, long-term), ReHubs delivers a systematic intervention to fix market coordination failures, while remaining flexible to adapt based on stakeholder feedback and market developments.

### 18 month tactical action plan: 15-20 key initiatives



### Initiative structure and tracking framework

Accountability and transparency are critical for multi-stakeholder initiatives tackling complex systemic challenges. Without clear structure and progress reporting, collaborative efforts often fail to deliver tangible results despite strong intentions. ReHubs uses proven frameworks that ensure each initiative directly contributes to overall objectives while enabling stakeholders to track progress and adjust strategies based on evidence. Hence, it will be regularly updated and publically available on the ReHubs website.

Every initiative includes three core components. Objectives and Deliverables define success metrics and stakeholder value creation. Sequenced Workstreams break complex initiatives into manageable phases with clear tactics and projects. Operating Procedures cover KPIs, milestones, timelines, budgets, resourcing plans, governance structures, and RACI stakeholder management.

ReHubs recognizes that many initiatives are already underway in the ecosystem and prioritizes acceleration and support over duplication. Where gaps exist, ReHubs will design and lead new initiatives. Regardless of who leads, ReHubs tracks and reports progress for all initiatives, ensuring accountability and transparency across the circular textile ecosystem through public progress reporting aligned with established multi-stakeholder initiatives.

This structured approach enables ReHubs to maintain credibility with stakeholders while demonstrating measurable progress toward the 2.5 million ton recycling annual capacity target. By combining rigorous project management with adaptive implementation, ReHubs ensures initiatives deliver concrete results, not just process activity, laying the foundation for sustained stakeholder engagement and continued investment in scalable demand creation.

### ReHubs initiative plan and structure



### Working with others

ReHubs engages across the entire textile value chain while leveraging existing efforts and collaborating with other organizations. Collaboration is central to its strategy, avoiding redundancy, pooling resources, and expanding reach. ReHubs structures its external engagement through three types of relationships:

#### Partnership

A strategic alliance between ReHubs and the selected partner, where joint projects are funded by both parties. These partnerships involve organizations that focus on or contribute to one of ReHubs' primary strategic levers.

#### Collaboration

An exchange in which ReHubs and the selected collaborator contribute resources or efforts in return for services, such as joint communication, event participation, or data sharing, promoting the initiative's vision and sharing development updates. Collaborations generally focus on secondary strategic levers.

#### Association

A lighter form of an alliance where both parties recognize each other's work, coordinate to avoid duplication, and provide opportunities to one another. Associations involve partners active in the textile circularity ecosystem but not directly contributing to ReHubs' strategic levers.



# 05

## The wheels are turning - circular textiles in Europe



# The wheels are turning

## Circular textiles in Europe

The year is 2032, Europe has crossed the tipping point. Circularity in textiles is no longer a debate, it is unfolding in practice. The milestone of 2.5 million tons of fiber-to-fiber recycling capacity is not the destination, but the threshold that proves momentum is real. The system is moving. The train is rolling.

### A system taking shape

Textile waste no longer vanishes into obscurity. Collection and sorting are established across household, commercial, pre-consumer, and post-industrial streams. Digital product passports and AI-enabled sorting give materials direction. Recycled fibers are entering the market at scale, no longer niche, but not yet dominant. The reliance on virgin inputs remains, yet the balance is shifting.

### From stalemate to movement

The supply-demand deadlock is breaking. Extended Producer Responsibility, eco-modulation, and recycled-content requirements are aligning incentives. Brands are locking in long-term commitments. Investors see pathways to viable returns. Recyclers are scaling, though ReHubs and further infrastructure are essential for the next leap forward. Progress is tangible, but the journey continues.

### Building strength and resilience

This shift is generating new value across Europe. Thousands of jobs now exist in collection, sorting, recycling, logistics, resale, and digital traceability. Europe is more resilient in raw material supply, less exposed to global disruptions. Partnerships with MENA, Asia, and Africa are growing, based on shared needs: technology, feedstock, and access to markets.

### Citizens redefine the norm

People's expectations are different. A garment's story—its origin, its impact, its next life—is visible. Demand is reshaping. Low-cost, opaque, poor-quality fast fashion no longer carries legitimacy in society. It is being replaced by transparency, accountability, and quality.

### This is the new normal in motion

Circularity has moved beyond pilot projects. It is becoming an operating system—dynamic, evolving, and expanding. Every ton collected is a step further, every new facility a reinforcement of the system.

Recycling 2.5 million tons of European textile waste was never the end goal. The direction is clear: toward zero waste.

And in 2032, for the first time, this future does not feel ambitious anymore. It feels inevitable.



# Annex

## Glossary

### A

**Adoption:**

The uptake or use of recycled fibers by brands, manufacturers, and consumers.

### B

**Blended financing:**

Combining public and private capital, subsidies, and guarantees to reduce investment risk in circular infrastructure.

### C

**Capacity & technology (area):**

ReHubs focus area aimed at scaling collection, sorting, and recycling infrastructure.

**CEO pledges:**

Executive-level commitments to integrated supply chain development and financing coordination.

**Chemical recycling:**

Advanced recycling process converting textiles chemically back into fibers, allowing for higher-quality reuse.

**Circular design standards:**

Design criteria aimed at making textiles easier to recycle at end-of-life.

**Circularity / circular economy:**

Economic system aimed at eliminating waste and continually using resources through reuse, recycling, and regeneration.

**Collection:**

The process of gathering post-consumer textiles for recycling or resale.

### D

**Digital Product Passport (DPP):**

Digital record providing traceability of materials and production processes across the supply chain.

**Downcycling:**

Recycling that converts materials into lower-value products or applications.

### E

**Extended Producer Responsibility (EPR):**

Regulatory approach making producers responsible for the collection, recycling, or disposal of their products.

### F

**Feedstock:**

Raw materials supplied for recycling or manufacturing, including sorted textiles.

**Financing orchestration:**

Coordinating investment and brand commitments to support circular textile projects.

### I

**Industry standards:**

Agreed-upon specifications, protocols, and benchmarks for materials, processes, and performance across the textile circularity ecosystem.

### M

**Mechanical recycling:**

Physical process (shredding, re-spinning) to convert textiles into fibers, usually resulting in some downcycling.

## O

### **Offtake agreement / commitment:**

Contractual agreement where a buyer commits to purchase a certain volume of recycled materials to create demand certainty.

## P

### **Pre-processing:**

The preparation of post-consumer or post-industrial textile waste before it enters the recycling process. This includes sorting by fiber type, color, and quality; removing non-textile components (zippers, buttons, labels); cleaning to eliminate dirt and contaminants; and sometimes shredding or cutting into smaller pieces.

### **PRO (Producer Responsibility Organization):**

Entities that manage producer compliance with EPR regulations.

### **Post-consumer textile waste:**

Clothing and textiles discarded by consumers after use.

## R

### **Recycled fiber:**

Fiber recovered from post-consumer or post-industrial textiles for reuse in new products.

## S

### **Sorters:**

Individuals or organizations that separate collected textile waste by type, quality, fiber composition, color, or intended end-use before it is sent for recycling, resale, or downcycling.

### **Strategic levers:**

Tools and interventions deployed by ReHubs to address systemic challenges in circularity.

### **Supply chain integration:**

Streamlining of collection, sorting, processing, and production to ensure reliable, cost-effective supply of recycled fibers.

### **Supply-demand deadlock:**

Market situation where supply of recycled fibers is limited and demand is insufficient, creating a bottleneck preventing scaling.

## T

### **T2T recycling / textile-to-textile recycling:**

Process of converting post-consumer textiles into new textile fibers or products rather than downcycling or incineration.

### **Traceability:**

Ability to track textiles through the recycling process, ensuring quality and compliance.

## V

### **Virgin materials / fibers:**

Newly produced fibers from raw materials, not recycled.

### **Voluntary commitments:**

Pledges by brands to adopt recycled content beyond regulatory requirements.

### **VUCA-resilient:**

Able to act under uncertainty, adjust course, and build credibility quickly.

## Abbreviations

<b>CAPEX</b>	Capital Expenditure
<b>CEO</b>	Chief Executive Officer
<b>DPP</b>	Digital Product Passport
<b>EPR</b>	Extended Producer Responsibility
<b>ESPR</b>	Ecodesign for Sustainable Products Regulation
<b>EU</b>	European Union
<b>EURATEX</b>	European Apparel and Textile Confederation
<b>KPIs</b>	Key Performance Indicators
<b>OPEX</b>	Operating Expenses
<b>PRO</b>	Producer Responsibility Organization
<b>RACI</b>	Responsible, Accountable, Consulted, Informed
<b>R&amp;D</b>	Research & Development
<b>SME</b>	Small and Medium-sized Enterprises
<b>T2T</b>	Textile-to-Textile
<b>VUCA</b>	Volatility, Uncertainty, Complexity, Ambiguity

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Thank you to our current Partners for your ongoing support and contributions to building a truly circular textile ecosystem together with ReHubs.





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