

Working together for a sustainable textile industry

Urgent action is needed across the textiles value chain to reduce greenhouse gas ("GHG") emissions and energy use from this critical industry. We support our clients in navigating an increasingly complex regulatory landscape around environmental impacts, such as those listed above, while running successful and environmentally-responsible textile manufacturing businesses. We assist our clients in building or enhancing forced labor risk mitigation and compliance programs to help them minimize risk and prepare them for potential enforcement actions affecting their business.



The issue

Textile products are central to our society, with textiles used for clothing and footwear, as well as furnishing our homes and workplaces. The textile industry is a large-scale emitter of emissions and GHG, as well as consuming water and natural resources.

A recent study from McKinsey shows that the fashion industry accounted for 2.1 billion metric tons of GHG emissions in 2018, roughly four percent of the worldwide total. At current rates, the industry is not on track to meet international targets to limit global warming and reduce our impact on the climate.

Responsible consumerism and increased textile recycling also form part of the actions required to reduce adverse environmental impacts from the textile industry. This forms one of the UN Sustainable Development Goals ("UN SDGs"), SDG 12 (Ensure Responsible Consumption and Production Patterns).

Responsible sourcing also means ensuring companies comply with social responsibility goals. Companies are under pressure to ensure that their entire supply chains are socially responsible. Textile supply chains are complex, with many tiers of materials providers all across the globe. Companies are under pressure to know their supply chains better than ever before, and are being held accountable for labor practices by all suppliers. This pressure is being exerted by customers, NGOs, boards of directors, shareholders, and by government regulation in import markets.



What we do

At Hogan Lovells we adopt a sector-focused approach to support clients operating in the textile industry in each aspect of their business. We help with managing the transition to a more sustainable economy, assisting businesses with managing legal risks, meeting regulatory obligations and ensuring compliance:

- We contribute to legislative/ industry consultations, both as a firm and on behalf of our clients, including:
 - Drafting submissions to the EU's sustainable textiles consultation, the aim of which is for the EU to transition to a climateneutral, circular economy.
 - Assisting with providing feedback to an ongoing consultation as to labelling of textile products in Central America.
 - Participating actively in textile/apparel industry trade association CSR committees to stay up to the minute with industry changes and concerns.
- Our global presence and network is of key relevance for our textile clients, whose products may be re-routed (often at short notice) to alternative markets across the globe. We are able to rapidly identify and advise on our client's legal/regulatory obligations in such cases, be these related to imports or consumer protection/disclosure requirements.
- In the broader context, we advise on all aspects of the EU's Circular Economy Action Plan, in order to assist clients towards a more energy-efficiency focussed, sustainable economy.



Our impact

Our representative experience is as follows:

- Assisting a consumer goods manufacturer with branding and packaging materials for an original material incorporating reused materials
- Advising a clothing retailer in relation to global mandatory content labelling of complex textile products, where fibre composition varies across sections of garments due to innovative manufacturing processes
- Advising a sportwear brand on labelling rules for products made with recycled fibres
- Advising importers on the establishment of robust forced labor compliance programs, including risk mitigation and action plans in the case of enforcement
- Conducting mock audits of supply chains to assess forced labor law risk
- Reviewing submissions to the European Commission on behalf of a fashion retailer in relation to the

- drafting of harmonised standards for certain (synthetic) materials
- Acting across various European jurisdictions for a global manufacturer in relation to challenges brought by industry associations against marketing claims/advertising materials for its flagship sustainable product
- Advising an international leisurewear brand on evidencing sustainability-related statements throughout the product lifecycle
- Working with external sustainability consultants to review and critically challenge Life Cycle Assessments for textile materials in order to prepare a supporting dossier of materials underlying environmental claims
- Assisting clients in the footwear industry dealing with investigations/ inquiries by the local regulatory authorities regarding compliance with labelling requirements in Europe



Useful links

- Textiles in Europe's circular economy
- European Clothing Action Plan
- EU Circular Economy Action Plan
- Federal Trade Commission Green Guides
- Custom WRO prohibits all imports of cotton products from Xinjiang



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