# Unified Compliance: Linking Extended Producer Responsibility and Digital Product Passports

Texbase

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## Global Regulatory Landscape for EPR and ESPR

- A Comparative Look at US-EPR (SB 707) and EU-ESPR Initiatives

## Understanding Digital Product Passport Benefits

- Decoding DPPs: Gateways to Global Compliance and Consumer Engagement

## Benefits of a standardized approach to DPPs across markets

- How Standardizing DPPs Fosters Compliance and Consumer Trust

# Webinar Overview

# What is EPR?

- Extended Producer Responsibility (EPR) is a policy approach where producers are given a significant responsibility (financial and/or physical) for the treatment or disposal of post-consumer products.

- The goal of EPR is to encourage producers to incorporate environmental considerations into the design of their products.

- By extending the responsibility of producers to the post-consumer stage of a product's life cycle, EPR aims to reduce the environmental impact of products by ensuring that those who design and market products are also accountable for their end-of-life recovery and disposal.



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# Understanding California's SB 707: Legislation Summary

Purpose: Establish an Extended Producer Responsibility (EPR) program specifically for textiles, apparel, footwear, and travel goods in California.

This legislation mandates producers of these items to participate in managing the lifecycle of their products including collection, recycling, and disposal.

It aims to shift the financial and operational burden of waste management from local governments to producers, encouraging the production of more sustainable products and fostering a circular economy within the textile industry.

# What is a Producer Responsibility Organization?

**Definition:**

- PROs will be in charge of implementing a framework that will enable Extended Producer Responsibility to be successful.
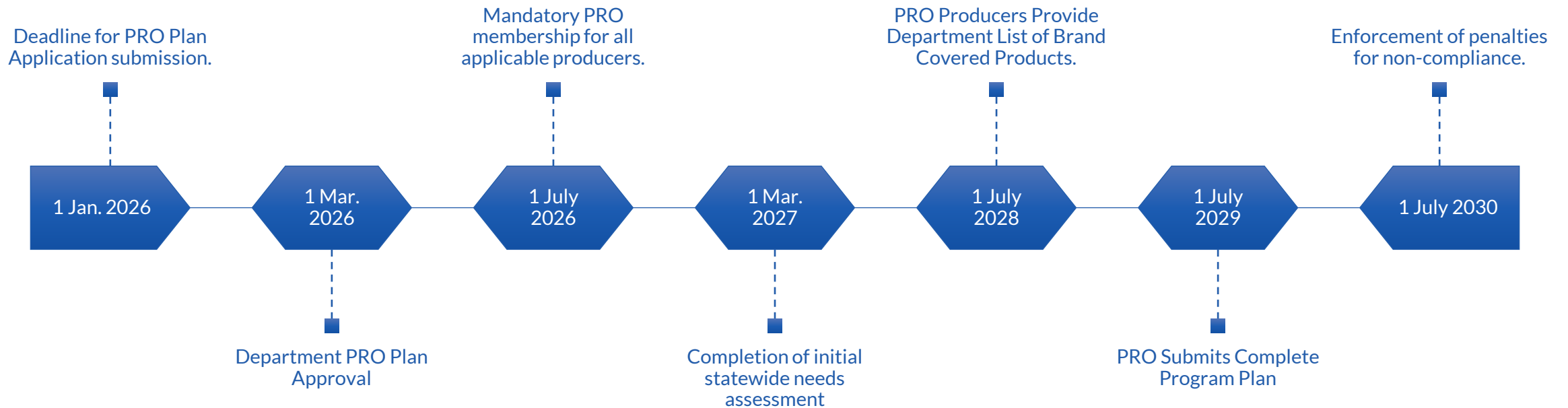
**Key Responsibilities:**

- Handling collection and recycling of products.

- Consumer education initiatives.

- Collecting Producer fees and reimbursing funds to local waste management agencies.

- SB 707 Compliance: Under SB 707, the PRO will be a 501(c)(3) tax-exempt entity tasked with managing the lifecycle of covered products including collection, repair, and recycling.

# What are the data requirements?

- SB 707 dictates that producers will need to provide shipment volume information and details on any producer-operated collection, reuse, and recycling programs.

- SB 707 does not outline specific product labeling data requirements for the Producer Responsibility Organization (PRO).
  - Product labeling is critical to effective recycling, so this is unfortunate.
  - However, the lack of labeling requirements can be interpreted as a positive in that Producers can then leverage existing data collection frameworks to ensure compliance and manage the collection and recycling of textiles efficiently, rather than creating new data requirements.

# Regulatory and Program Implementation Timeline for SB 707

Deadline for PRO Plan Application submission.

Mandatory PRO membership for all applicable producers.

PRO Producers Provide Department List of Brand Covered Products.

Enforcement of penalties for non-compliance.

| 1 Jan. 2026 | 1 Mar. 2026 | 1 July 2026 | 1 Mar. 2027 | 1 July 2028 | 1 July 2029 | 1 July 2030 |

Department PRO Plan Approval

Completion of initial statewide needs assessment

PRO Submits Complete Program Plan

# Understanding Eco-design for Sustainable Products Regulation (ESPR): Legislation Summary

Purpose: Implement the Eco-design for Sustainable Products Regulation (ESPR) across the European Union.

Legislation Overview: This regulation requires producers of various products, including electronics, textiles, and furniture, to adhere to strict eco-design requirements aimed at extending product lifespans, enhancing energy efficiency, and reducing waste. Producers are mandated to ensure their products are durable, repairable, and recyclable.

Objective: The ESPR aims to reduce the environmental footprint of products marketed in the EU, shift the responsibility of environmental sustainability to producers, and promote a transition to a circular economy. This approach intends to lessen dependency on raw materials and decrease waste generation, aligning with the EU's Green Deal goals.

# The History of EPR in the EU

The EPR Textile Proposal was published by the EU in July of 2023:

The Extended Producer Responsibility (EPR) Textile Proposal is an extension of the EU's broader efforts to foster a circular economy, emphasized in the European Green Deal and the Circular Economy Action Plan.
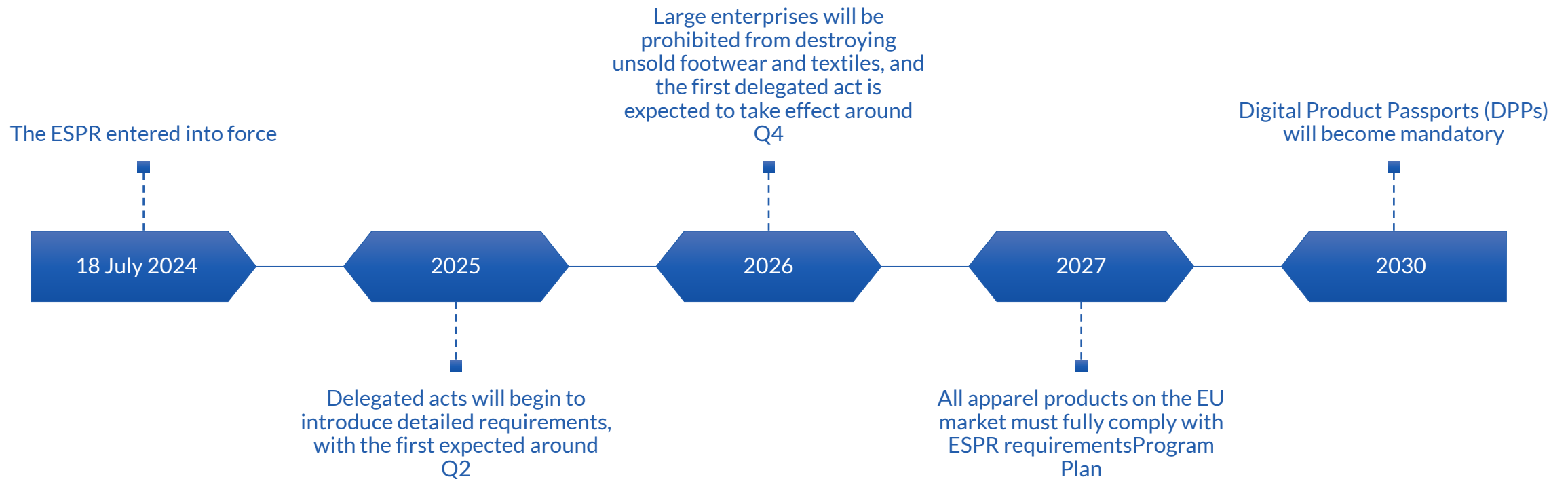
European Green Deal sets the vision for a climate-neutral EU by 2050, targeting all sectors including textiles, to reduce environmental impact. The Circular Economy Action Plan focuses on sustainability and waste reduction, pinpointing textiles as a key area for improvement.

On June 28, 2024, the latest Ecodesign Regulation 2024/1781 — which creates a framework for DPPs — was published by the EU. This replaces the previous Ecodesign Directive and will place companies under stricter obligations covering the entire life cycle of a product.

# Understanding the (ESPR)

- On June 28, 2024, the latest Ecodesign Regulation 2024/1781 — which creates a framework for DPPs — was published by the EU.

- This replaces the previous Ecodesign Directive and will place companies under stricter obligations covering the entire life cycle of a product.

- The regulations listed in the New Ecodesign Regulation 2024/1781 includes the obligation to issue a digital product passport (Art. 9), which – depending on the delegated acts – shall or may include a unique product identifier, the Global Trade Identification Number (GTIN), user manuals, EU declarations of conformity (see Annex III Ecodesign Regulation 2024/1781).

Source: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202401781, Page 39

# Regulatory Timeline for ESPR

The ESPR entered into force

Large enterprises will be prohibited from destroying unsold footwear and textiles, and the first delegated act is expected to take effect around Q4

Digital Product Passports (DPPs) will become mandatory

| 18 July 2024 | 2025 | 2026 | 2027 | 2030 |

Delegated acts will begin to introduce detailed requirements, with the first expected around Q2

All apparel products on the EU market must fully comply with ESPR requirementsProgram Plan

# Information Required for PRO in SB 707:

- With SB 707's requirements for managing lifecycle data of textiles and similar products, utilizing the DPP Framework (as described in ESPR, see next slide) can help you with proactive regulatory compliance.

- This approach enhances product traceability, meets regulatory demands efficiently, and advances circular economy objectives.

| Section Reference | PRO Data Requirement: |
|---|---|
| Article 3, Section 42984.10(a) | The names and contact information, including email address, phone number, and mailing and physical addresses, of **producers and brands of covered products** covered under the plan. |
| Article 3, Section 42984.10(5) | A list of all proposed rules, conditions, and requirements for authorized collectors, authorized sorters, and authorized repair businesses, **including a template proposed agreement for each of those types of entities**, as applicable. |
| Article 3, Section 42984.10(7) | How collection sites will be instructed to identify and reject counterfeit covered products. |
| Article 3, Section 42984.10(ii) | A description of **how covered products will be sorted by authorized sorters, including a description of how the flow of covered products to and from authorized collectors, authorized sorters, authorized repair businesses, and recyclers will be tracked through final disposition.** |
| Article 3, Section 42984.10(m) and (t) | A description **of how the plan will address the presence of PFAS and other chemicals** regulated under Chapter 6.6 (commencing with Section 25249.5) of Division 20 of the Health and Safety Code and Chapter 12.5 (commencing with Section 108945) |
| Article 3, Section 42984.10(n) | Develop strategies to address design challenges for covered products, including, but not limited to, compostability, reduction and removal of harmful chemicals, microfiber and microplastic shedding, and mixed material blends. |
| Article 3, Section 42984.10(2) | The amount described in paragraph (1) shall be broken down by fiber type category and Harmonized Tariff Schedule of the United States (HTS) number. |

# Information Required for Digital Product Passports (DPP) as outlined in ESPR

## Mandatory Information COULD include: As per Union laws applicable to the product group:

- Information from Article 7(2), (b) and Article 7(5).
- Compliance documentation such as declarations of conformity, technical documentation, or CoCs.
- User manuals, instructions, warnings, or safety information.

## Identification Numbers:

- Unique product identifier specified in the relevant delegated act.
- Global Trade Identification Number as per ISO/IEC 15459-6 or equivalent.
- Relevant commodity codes, such as a TARIC code.
- Unique operator identifiers for the manufacturer.
- Supply Chain Information: Unique facility identifiers.
- Economic Operators Registration ID Identification of importer.

## Contact and Operational Information:

- Details about the manufacturer, including unique operator identifier and info required under Article 27(7).
- Information related to the importer as referred to in Article 29(3).
- Name, contact details, and unique operator identifier of the economic operator within the Union responsible for specific regulatory tasks.

## Digital Product Passport Service Provider:

- Reference to the service provider hosting the back-up copy of the digital product passport.

## Standards Compliance:

- Compliance with ISO/IEC standards (15459-1 through 15459-6) for identifiers and data carriers.

## Additional Ecodesign Information:

- Information relevant to ecodesign requirements that manufacturers may voluntarily include, such as specific voluntary labels and EU Ecolabel status.

# Q&A: Your Questions Answered

Thank you for submitting your questions in advance! Your questions help us tailor this discussion to your interests and ensure we cover the most relevant topics.

# Question 1:

- Are there any notable changes in EUs most recent ESPR update related to Digital Product Passports?
  - You can find the specific information on the latest requirements here:
    - https://eur-lex.europa.eu/eli/reg/2024/1781/oj
  - This section elaborates on the specific data elements that must be included in DPPs, the accessibility of this data to various stakeholders, and the security measures that must be implemented to protect this data.

**Digital product Passport**

**(referred to in Articles 9 to 12)**

The requirements related to the digital product passport laid down in the delegated acts adopted pursuant to Article 4 shall specify what data are to or can be included in the digital product passport from among the following elements:

(a) information required under Article 7(2), point (b), and Article 7(5) or by other Union law applicable to the relevant product group;

(b) the unique product identifier at the level indicated in the applicable delegated act adopted pursuant to Article 4;

(c) the Global Trade Identification Number as provided for in International Organization for Standardisation/International Electrotechnical Commission standard ISO/IEC 15459-6 or equivalent of products or their parts;

(d) relevant commodity codes, such as a TARIC code as defined in Regulation (EEC) No 2658/87;

(e) compliance documentation and information required under this Regulation or other Union law applicable to the product, such as the declaration of conformity, technical documentation or conformity certificates;

(f) user manuals, instructions, warnings or safety information, as required by other Union law applicable to the product;

(g) information related to the manufacturer, such as its unique operator identifier and the information referred to in Article 27(7);

(h) unique operator identifiers other than that of the manufacturer;

(i) unique facility identifiers;

(j) information related to the importer, including the information referred to in Article 29(3) and its Economic Operators Registration and Identification (EORI) number;

(k) the name, contact details and unique operator identifier of the economic operator established in the Union responsible for carrying out the tasks set out in Article 4 of Regulation (EU) 2019/1020 or Article 15 of Regulation (EU) 2023/988, or similar tasks pursuant to other Union law applicable to the product;

(l) the reference of the digital product passport service provider hosting the back-up copy of the digital product passport.

The data carrier, the unique product identifier referred to in point (b), the unique operator identifiers referred to in points (g), (h) and (k), and the unique facility identifiers referred to in point (i) shall, where relevant for the products concerned, comply with standards ISO/IEC 15459-1:2014, ISO/IEC 15459-2:2015, ISO/IEC 15459-3:2014, ISO/IEC 15459-4:2014, ISO/IEC 15459-5:2014 and ISO/IEC 15459-6:2014.

The delegated acts adopted pursuant to Article 4 shall identify information relevant to ecodesign requirements that manufacturers may include in the digital product passport in addition to the information required pursuant to Article 9(2), point (a), including information on specific voluntary labels applicable to the product. That shall include whether an EU Ecolabel has been awarded to the product in line with Regulation (EC) No 66/2010.

# Question 2:

- What tools are out there to help us manage this data?
    - Texbase is specifically tailored for managing regulatory, compliance, and sustainability data in the textiles, apparel, footwear, and consumer products.
    - We also offer integration capabilities to meet your needs.

| | Compliance Tracking: | Manage and document compliance with EPR legislation across different regions. |
| --- | --- | --- |
| | Materials Database: | Utilize a comprehensive materials database to recyclable materials in product design. |
| | Supplier Management: | Monitor supplier practices and certifications to maintain compliance with EPR regulations. |
| | Reporting and Analytics: | Generate detailed reports on waste management and recycling efforts for regulatory submissions. |
| | Data Centralization: | Centralize data collection for material composition, supply chain sustainability, and product stewardship. |

# Future-Focused Data Management

- No need to reverse engineer products.
- Flexible DPP data management catering to specific regulatory requirements.
- Enhanced supply chain data integration through Texbase Connect.
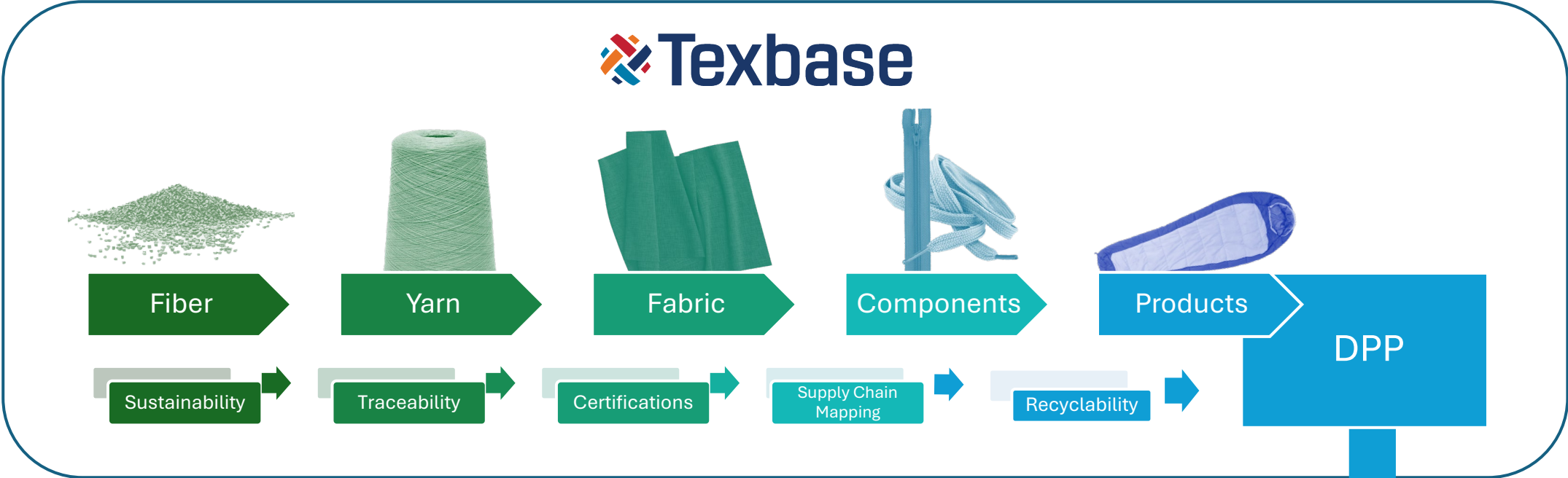
**Texbase DPP Partners:**

# Flexible Data Integration if Needed

- Our system provides the framework that allows customers to integrate data in Texbase with any of our partners to create DPP's.

- We are committed to expanding and refining integration capabilities to meet emerging demands and regulations.

# Complying with France's AGEC 2022-748 & BEYOND

Texbase solves for all this & creates the foundation for digital product passports.

**Recycled Material Content**
- Material Content (fabric and trim)
- Finished Product Content

**Harmful Substances**
- Material RSL (anything > 0.1%)
- Product Testing ('component' testing)
- Certifications

**Microplastics**
- Materials (product > 50% synthetic fibers by weight)

**Traceability**
- Supply Chain Mapping
- Countries of manufacturing processes (really transparency)

**Product Recyclability**
- Materials
- Product Attributes

# Question 3:

- Would love to know how the digital passport affects the clothing trade if you are importing into the EU.
  - Importers must ensure that each product has an accompanying digital product passport as per regulations, including a backup stored by a service provider.
  - You can find all the details about Obligations of Importers in Article 29
  - https://eur-lex.europa.eu/eli/reg/2024/1781/oj

*Article 29*

**Obligations of importers**

1. Importers shall, with regard to products covered by a delegated act adopted pursuant to Article 4, only place on the market products that comply with the requirements set out in the applicable delegated acts.

2. Before placing a product covered by a delegated act adopted pursuant to Article 4 on the market, importers shall ensure that:

(a) the appropriate conformity assessment procedure has been carried out by the manufacturer and that the manufacturer has drawn up the technical documentation;

(b) the product is accompanied by the information required under Article 7 and the delegated acts adopted pursuant to Article 4; and

(c) a digital product passport is available in accordance with Article 9 and the delegated acts adopted pursuant to Article 4, including a back-up copy of the most up-to-date version of the digital product passport stored by a digital product passport service provider in accordance with Article 10(4).

The importer shall further ensure that a product covered by a delegated act adopted pursuant to Article 4 bears the required CE marking referred to in Article 45, where applicable, in accordance with the rules and conditions referred to in Article 46, or the alternative conformity marking as laid down in a delegated act adopted pursuant to Article 4(6), point (d), and is accompanied by the required documents, and that the manufacturer has complied with the requirements set out in Article 27(5) and (6).

# Ensuring EPR Compliance with Digital Product Passports

- Digital Product Passports serve as the solution for communicating the data that's necessary for EPR compliance.

- A DPP is a digital representation of a product's supply chain, sustainability characteristics and recyclability.

**DEMOGEAR**

**Scan to view Digital Product**

OEKO TEX® STANDARD 100
xx.xxx.xxxx
Institute
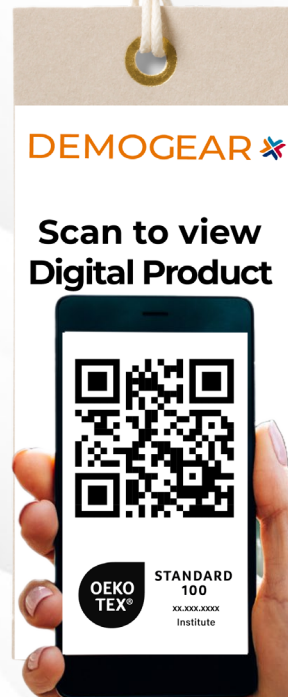
## Benefits of DPPs:

- **Transparency:** Ensures all necessary product lifecycle information is readily accessible.

- **Accountability in EPR:** Facilitates compliance by documenting and reporting essential data.

- **Customer Engagement:** Offers consumers detailed product insights, supporting informed and sustainable choices**.**

# Why Companies Should Maximize Existing ESPR Framework for proactive compliance management:

**Consistency in Data Handling:**

- Uniform data standards across different regulations facilitate easier compliance data management.

**Cost Efficiency:**

- Leveraging the same system for multiple regulatory requirements reduces the financial burden on businesses.

**Faster Adoption:**

- Businesses already familiar with DPP for ESPR can adapt to using it for SB 707, accelerating compliance and enhancing sustainability efforts.

**Extended Customer Engagement**

- Enhanced customer engagement through accessible product information.

# Reasons to implement DPP Framework:



**Scan to view Digital Product**

### Competitive Advantage:

- Implementing DPPs allows businesses to offer products with verifiable sustainability credentials. This transparency boosts competitive edge in markets increasingly valuing sustainability.

### Implement Circular Product Lifecycles

- DPPs enhance connectivity throughout the supply chain, facilitating stronger relationships and enabling new business models that retain product ownership, reduce waste, and create new revenue streams through efficient end-of-life processes.

### Use Legislation Requirements to Your Advantage:

- Early adoption of DPPs positions companies to get ahead of other legislative compliance(such as ESPR), as traceability and sustainability increasingly influence consumer choices and regulatory frameworks

# Reasons to implement DPP Framework:

**DEMOGEAR**

**Scan to view Digital Product Passport:**

OEKO-TEX® STANDARD 100
XX.XXX.XXXX Institute

Please complete this form to access product information:

First Name *

Last Name *

Email Address *

SUBMIT

## Transparency for Your Consumers:

• DPPs offer consumers detailed product information, enhancing transparency and trust in brands. This increased consumer satisfaction can lead to greater brand loyalty and market share.

## Centralized Data Flows Efficiently:

• DPPs consolidate required data streams into a single, accessible framework, simplifying compliance and information sharing.

## Information on Customer Behavior:

• Insights from DPPs into consumer behavior can help businesses optimize their products and marketing strategies, further aligning offerings with customer expectations and sustainability goals.

# Enhanced Customer Engagement

- Digital Product Passports enable brands comply with legislative requirements and **enhance customer relationships**.

- Gather customer information **before purchase** to:
    - capture customer data not otherwise available
    - increase brand awareness
    - ultimately drive revenue
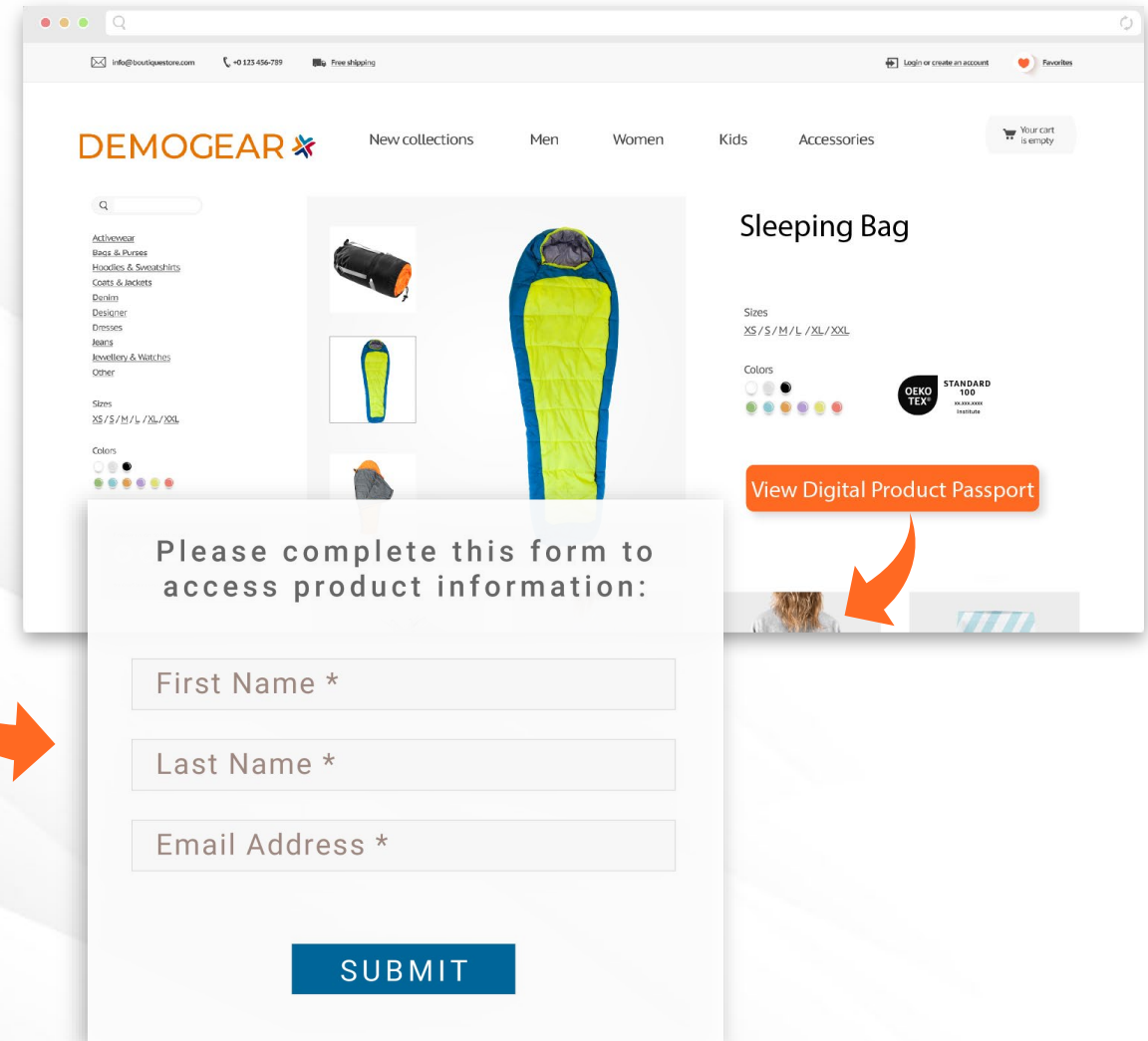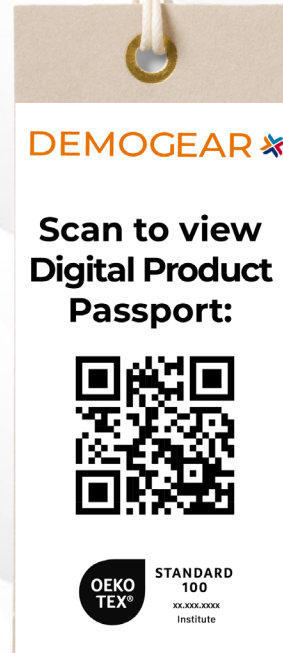
# How does Texbase enable proactive data management for DPPs?

**Comprehensive Data Management:**
Link data from fiber to finished product, ensuring the entire supply chain is documented.

**Regulatory Compliance Integration:**
The ability to integrate compliance data and link it directly to unique product identifiers.

**Certificate Management & Verification:**
A system to manage and present certification data directly to consumers.

**Customer Engagement Tools:**
User friendly interface for consumers to access and understand the DPP information.

**Flexible & Configurable System Architecture:**
The capability to adapt to various regulatory requirements and customize solutions to align with specific sustainability goals and compliance needs.

# Certificate Management

Third Party certifications are a great way to confirm sustainability goals.

- **Fiber**

- **Yarn**

- **Fabric**

- **Component**

- **Finished Product**

# Material & Product Data

Integrated Material libraries define relationships from fiber to finished products.

Product Library consolidates all relevant sustainability data available for display in DPP.

SUPPLY CHAIN MAPPING

COMPLIANCE

COLOR

SUSTAINABILITY CERTIFICATIONS

COLLABORATION

TESTING

MATERIALS

# Supply Chain Mapping

Build Supply Chain maps to comply with transparency requirements.

# Endless Data Attributes

✓Digital Identifier

✓Brand Information

✓Supply Chain Map

✓Product Attributes

✓Material Source

✓Material Data

✓Manufacturer

✓Care Instructions

✓Compliance Data

✓Circularity Info

✓Recyclability Data

✓Sustainability Info

# Thank you for joining us!

We hope the session was informative. Look out for a follow-up email with the session recording and additional resources.

# End Notes

1. **The EPR Textile Proposal:**
   https://eur-lex.europa.eu/resource.html?uri=cellar:05b634bd-1b4e-11ee-806b-01aa75ed71a1.0001.02/DOC_1&format=PDF

2. **European Green New Deal:**
   https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2019%3A640%3AFIN

3. **Circular Economy Action Plan:**
   https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2020%3A98%3AFIN

4. **California SB 707 (Responsible Textile Recovery Act of 2024): Enrolled 09/05/2024**
   https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB707

5. **Directive Of The European Parliament And Of The Council Amending Directive 2008/98/EC on waste:**
   https://eur-lex.europa.eu/eli/reg/2024/1781/oj

# The Role of Digital Supply Chains in EPR

**Data Management:**

Texbase centralizes lifecycle data to enhance visibility and control, crucial for documenting EPR compliance.

**Material Traceability:**

It ensures material sourcing is traceable and environmentally compliant, a key aspect of EPR.

**Compliance Documentation:**

Texbase simplifies the storage and access to compliance documents, streamlining the reporting process for EPR.

**Supplier Collaboration:**

The platform facilitates communication of EPR requirements throughout the supply chain, ensuring all partners align with compliance goals.

# Texbase Creates Your DPP Repository



- Create a searchable database of all your products and associated DPP data

- Search by product name, product number or season

- Generate & manage QR codes for marketing collateral

# Flexible QR Codes

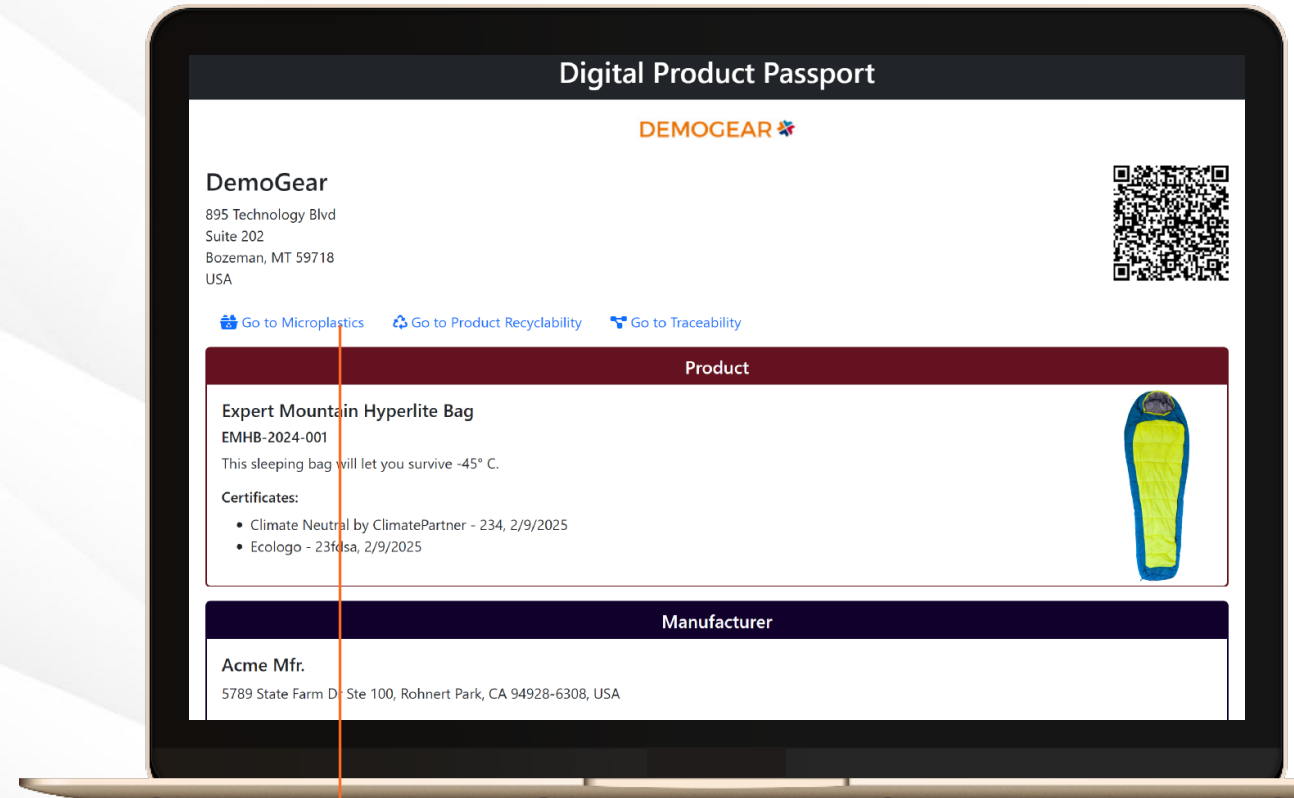- Embed links and QR codes to a product's Digital Product Passport on:
  - Your website
  - Your e-commerce platforms
  - Your customer's e-commerce sites.
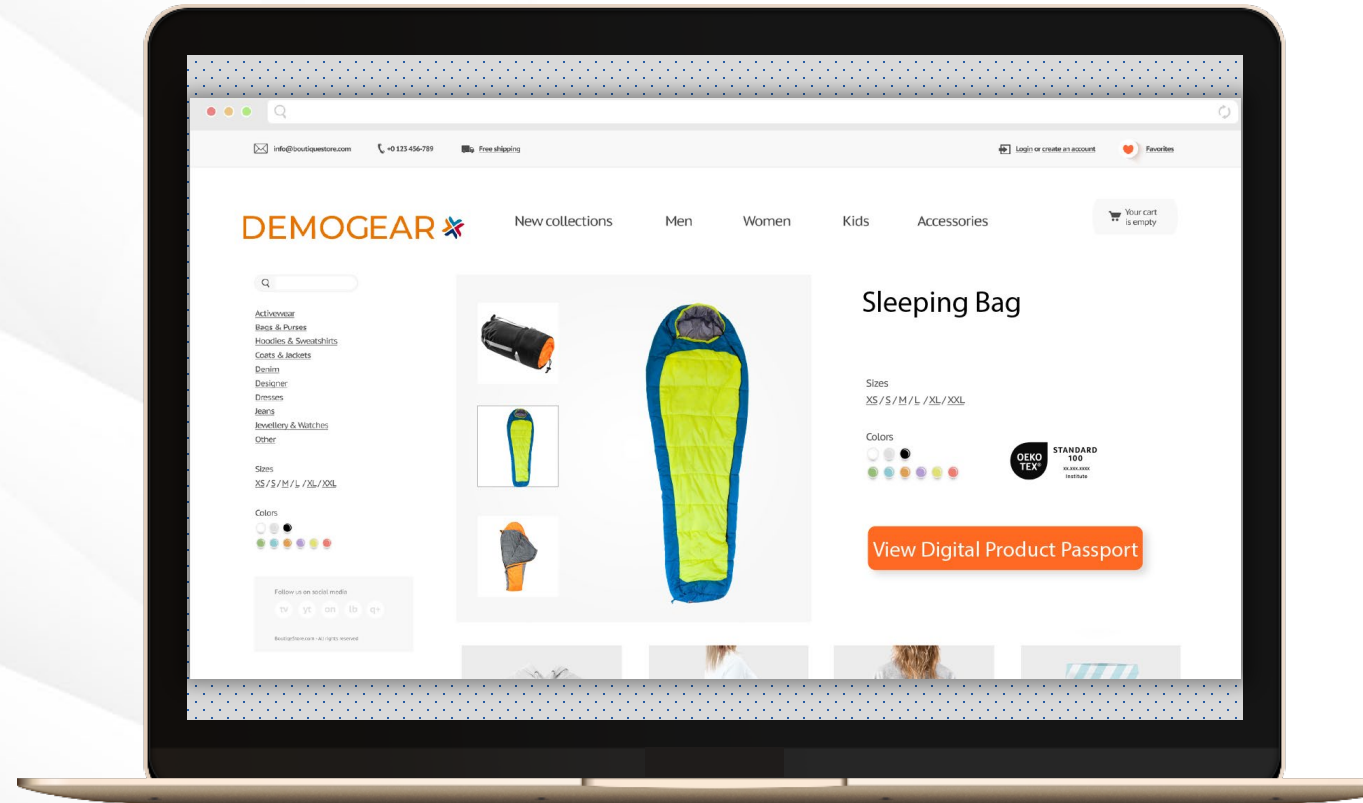
# Communicating EPR Data through DPPs

- QR Code Integration for product collateral & hangtags

- E-Commerce Integration

- Enhanced transparency

- Increased engagement

- Streamlined access to detailed product information

# Communicating EPR Data through DPPs

- The Texbase DPP interface displays comprehensive material data including:

    - **Material composition down to fibers**

    - **Scope/Transaction Certificates**

    - **Sustainability Certificates**

    - **Source Geo Location**
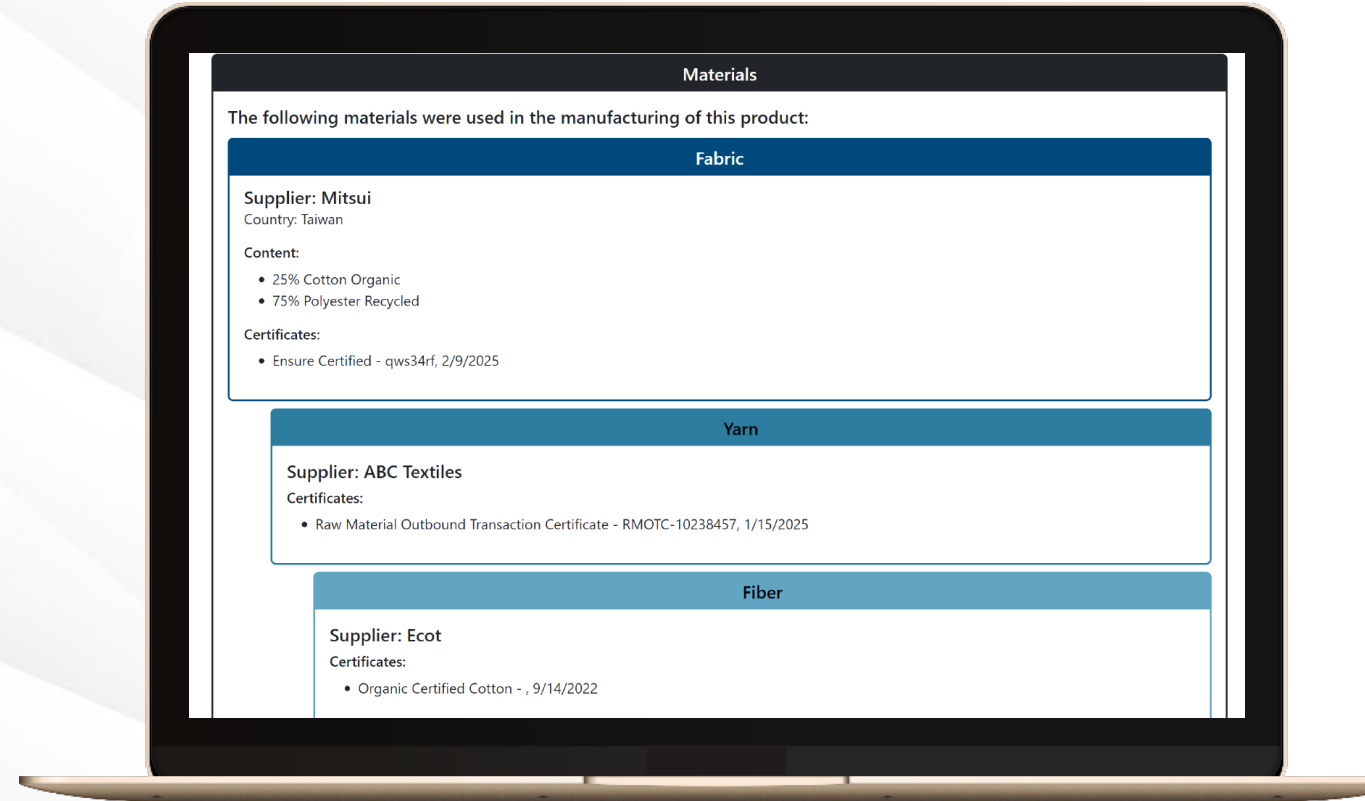
# Automatic Supply Chain Mapping

- Understanding the multi-disciplinary roles and relationships that exist in your supply chain is a critical component of DPP's.

- **Texbase creates automatic supply chain maps based on the finished product and its components.**

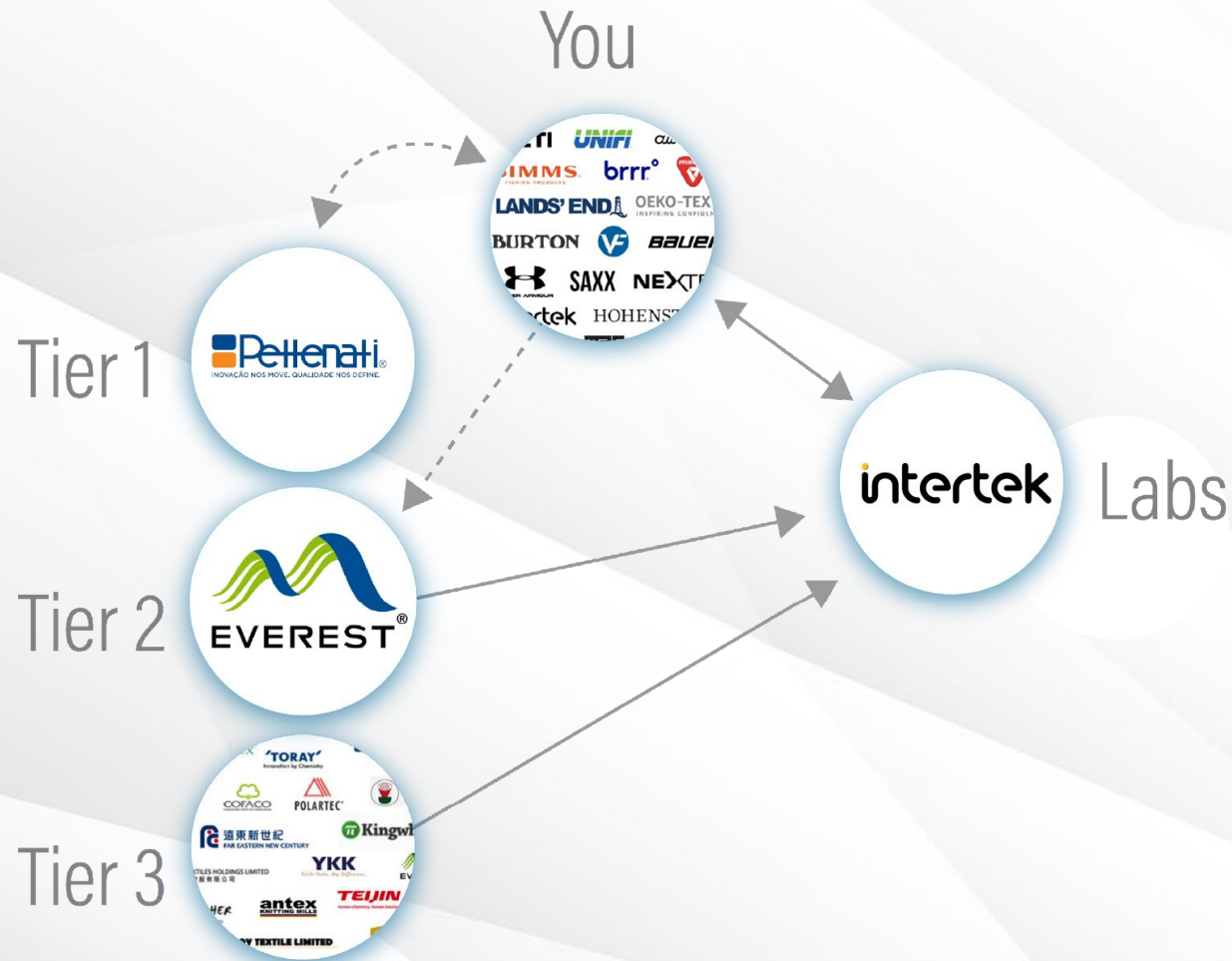- Validate sustainability & compliance claims with accurate supply chain data.
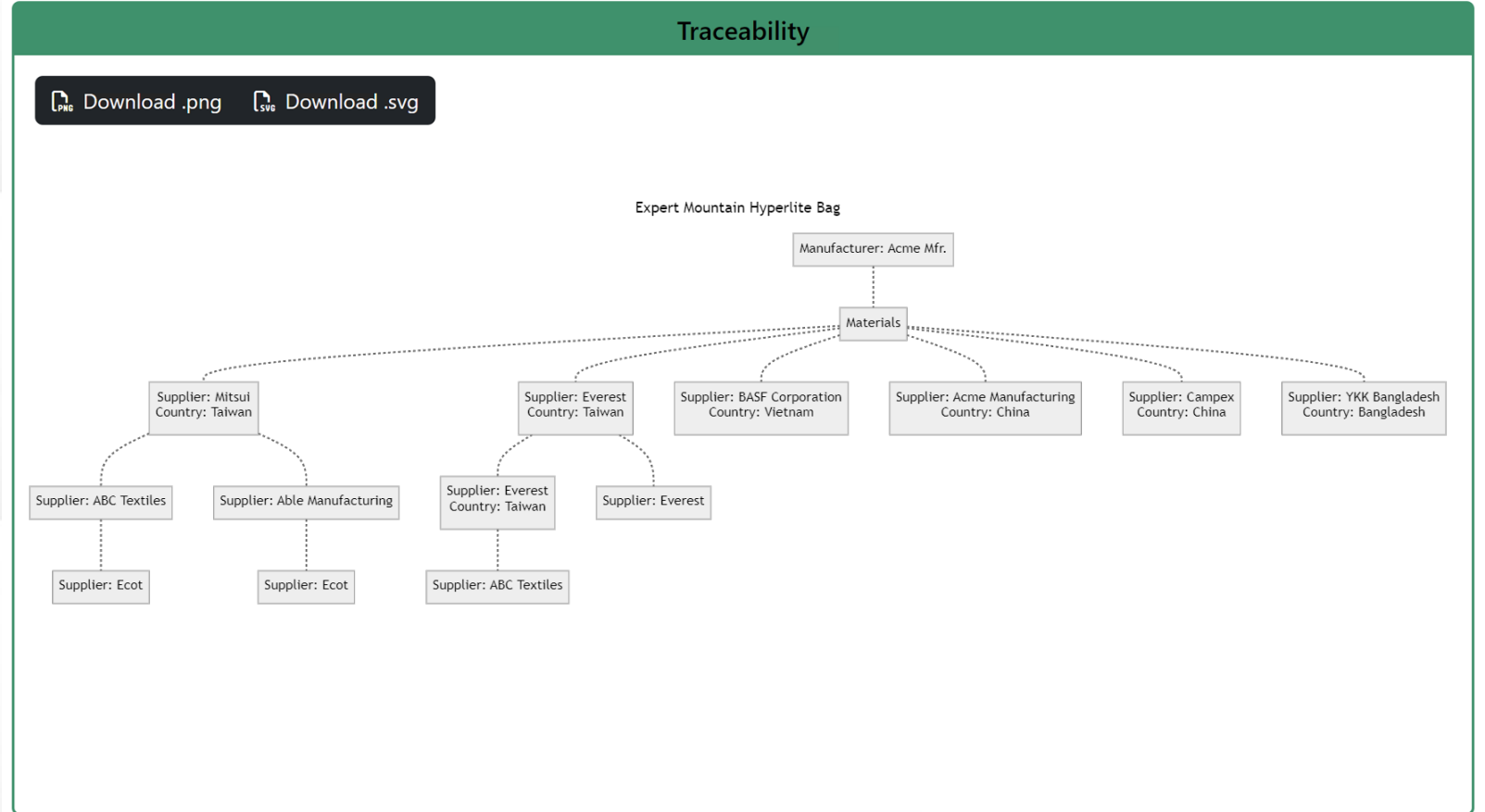
# Texbase Connect:
# Multi-Tiered Supply Chain Collaboration



The Texbase solution solves the problem of collecting data across your supply chains by providing one central location to store your data no matter where in the supply chain it originates.

**Texbase Connect**

Documents

Materials

Specifications

Testing

Compliance

# Texbase **Connect**

Streamline the direct collection and management of material, compliance, and testing data from suppliers.

**Material Connect:**

Facilitates supplier collaboration directly into your Texbase instance.

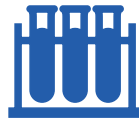Eliminates the need for manual data transfers, allowing real-time material data updates.

Builds & populates Material Data Sheets within Texbase.

**Spec Connect:**

Enables clear communication of test methods, protocols, and requirements to partners.

Supports electronic signatures to establish binding agreements on testing expectations.

**Lab Connect:**

Provides a comprehensive solution for sharing testing results and documentation in real-time.

Enables internal and external labs to initiate testing based on specified requirements and deliver results within Texbase.

Allows immediate evaluation of test data against specified values.

**Compliance Connect:**

Allows partners to easily share compliance-related documents and codes of conduct.

Supports document signing and management within the platform.

Manage certifications in one place

**Document Connect:**

Simplifies document management by allowing suppliers to access, review, and respond to documents.

Ensures real-time delivery of data and documents to brands, with all documents stored for easy reference.