Textile labelling

A concern for the EU consumer?

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Chapter 7

Epilogue Recommendations
7.1 Introduction

This final chapter provides recommendations that are built upon the results of the assessment in the previous chapter. Additionally, during the interviews, retailers expressed a need for the harmonisation of textile labelling requirements throughout the EU since, according to them, harmonisation would enhance cross-border shopping and enable consumers to meet the same labelling requirements within the Union. Whether these views are supported by the T&C industry as a whole will be addressed as well in this chapter. It should be emphasised that this epilogue provides a basis for further discussion for the textile industry (and their organisations), consumer organisations, and policymakers rather than conclusions drawn on the basis of findings reported in the previous chapters.

7.2 Implement harmonised labelling requirements within the EU

As mentioned in the objective of the previous chapter, the retailers interviewed share a common vision with regard to the need for harmonisation of the textile labelling requirements throughout the EU, both in order to enhance cross-border EU trade and to enable consumers to meet the same labelling requirements within the EU. Notwithstanding, the retailers do not favour additional mandatory legislation.

On the other hand, we may read in the report by the EC that a direct application of the Textile Regulation (which lays down the rules of labelling and marking of fibre composition of textile products) helps to ensure that businesses (producers, importers, retailers etc.) are faced with harmonised and transparent requirements, and that consumers are correctly informed and thus more confident in their decision-making process. The Member States and stakeholders all agreed that the direct applicability of the Textile Regulation in the Member States also unified the often lengthy and tiresome process of implementing EU legislation. The latter issue also addresses the concern of the T&C retailers interviewed about standardising the labelling requirements within the EU.

Therefore, the question arises whether harmonisation of the textile labelling requirements and the introduction of mandatory legislation could allow consumers’ right to accurate information on T&C label to be better safeguarded throughout the EU.

In general, industry standards, which lack third party monitoring are quite toothless and offer a poor contribution to consumer trust. Consumer trust (and therefore consumer confidence when making a purchase decision) could, in my opinion, be enhanced if (mandatory) monitoring by a third party in a legitimate and independent way could be arranged. Moreover, and in line with some legal scholars, it can be argued that a string of legislative measures (at least regulating care and size labelling, and preferably also regulating chemical, COO and CSR labelling) should be put in place as currently textile labelling is mainly regulated by voluntary standards.

Apart from the fibre composition, a general framework including all the various T&C labelling requirements is missing. As demonstrated in the previous chapter information regarding size designation and care instructions of clothing products is to be considered as ‘material information’ required by the average consumer to be able to make an informed transactional decision. In my view, at least these types of information must be made visible on all the T&C products in order for the consumer to make an informed choice at the point of sale about whether or not to purchase a product. As mentioned in the previous chapter (see Chapter 6.8), mandatory legislation is deemed to be necessary as, in my opinion, strong efficient legislation is still the best starting point, and self-regulation might only facilitate the implementation of fair practices. At best, they might prove to supplement each other.

Although not in favour of harmonising the labelling requirements, the EC initially used the following arguments as to why a high level of harmonisation of the labelling requirements should be achieved. Firstly, it argued that the present practice of labelling standards and codes of conduct, which are self-regulated, leads to the risk on the part of traders who offer their goods or services cross-border of being confronted with different rules applying to the contracts than those they are accustomed to in their home country. Harmonisation would imply that consumers and traders could rely on the fact that within the EU one uniform set of rights and obligations of the involved parties applies.

Secondly, disparities among the Member States on, respectively, textile fibre names and the related labelling and unfair commercial practices create ‘significant internal market barriers affecting business and consumers’. Therefore, distortions of competition and confusion among cross-border transactions by consumers might be avoided by unifying the information provision of T&C products within the Member States. In the context of unfair commercial practices, the level of consumer protection corresponds to the balance between, on the one hand, the responsibility of

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1032 This motive can be found in the preambles of most of the European Directives.
the trader not to act unfairly and to provide accurate and reliable information on labels, and on the other hand the responsibility of the consumer to critically assess the information on labels and to obtain the required information in order not to be affected by the trader’s potentially unfair behaviour\textsuperscript{1033}.

Furthermore, based on an economic analysis and on recital 2 and 3 in the preamble of the Textile Regulation, it can be noted that harmonisation through regulation seems to be the most appropriate legal instrument to carry out the legislative simplification. This has the result of reducing the administrative burden and costs for national authorities and allowing a smoother adoption of new textile fibre names to be used simultaneously throughout the EU\textsuperscript{1034}.

Finally, full harmonisation would guarantee that standardized information is being provided to consumers\textsuperscript{1035}. In this regard, the EC noted in the Textile Regulation that (full) harmonisation will eliminate potential obstacles to the proper functioning of the Internal Market caused by diverging provisions of the Member States with regard to textile fibre names and the naming on labels. A similar argument would apply if full harmonisation measures were to be implemented regarding, at least, care instructions and size designation.

A critical point with regard to this issue is the fact that the UCPD was supposed to fully harmonise national laws. However, uniform application (in terms of the consumer benchmark) seems to be remote as many issues regarding the consumer benchmark remain unclear and application of the Directive in the Member States still presents differences\textsuperscript{1036}. For example, the harmonisation regime may fail if it contains open clauses, such as the notion of an unfair commercial practice. As such, open clauses may lead to diverging interpretations in the Member States. This implies that harmonisation does not always lead to uniformity. This is true even in the case of the blacklist in Annex I of the UCPD that describes commercial practices considered unfair under all circumstances\textsuperscript{1037}. However, even there, in several instances the blacklist of prohibited practices appears to allow a margin of appreciation to the Member States by using open clauses, and so leaving the interpretation of the meaning to courts and administrators of the Member States\textsuperscript{1038}. Interestingly, in contrast, the Textile Regulation, which contains far less open clauses than the UCPD appears to have been successful in the harmonisation of textile fibre names on labels. The report from the EC on the application of the Textile Regulation indicated that “the direct application

\textsuperscript{1034} OJ L 272, 18.10.2011.
\textsuperscript{1035} See Chapter 2.5.
of the Textile Regulation helped to ensure that businesses (producers, importers, retailers, etc.) are faced with harmonised and transparent requirements, and that consumers are properly informed and thus more confident in their decision-making.

Therefore, the proponents of self-regulation could argue that even mandatory rules might not guarantee harmonisation. It is therefore difficult to unambiguously answer the question of how to improve harmonisation of textile labelling requirements to better safeguard consumers’ right to accurate information on T&C label throughout the EU. However, the success of the Textile Regulation shows that, insofar as the harmonising legislation would introduce clear and transparent rules, which do not leave room for interpretation at the national level, harmonisation would be achieved.

7.3 Towards a template for textile labels

The introduction of a template for a T&C label within the EU that merged existing voluntary labelling standards should be considered. On the basis of the above, harmonisation of the labelling requirements should be seriously considered as a tool to create common standards across the Internal Market in order to provide appropriate information to consumers. Hence, as concluded in the previous chapter, labelling requirements at least pertaining to care/washing instructions and size designation within the EU should be fully harmonised.

Therefore, a T&C label template should firstly comprise the essential information requirements (in accordance with the Textile Regulation). Secondly, it should include a number of relevant aspects to the design of the label, such as its colour and format and the use of (washing and CSR) symbols etc. Lastly, it should be standardized and presented in a comparative format. As mentioned in Chapter 3, the form, the content, and the presentation of the label together determine the success or failure of the label in providing consumers with the relevant information so that they can make an informed decision. Any information given should be provided in a clear, intelligible and unambiguous manner, underpinned by scientific evidence to be verified by competent authorities.

If this occurs, consumers would be empowered by traders providing them with full disclosure of information and by educating them. Electronic labelling can be utilised as an information tool to support these information requirements. Currently, empirical research reveals that the T&C companies rarely use electronic labels as an information tool in order to supply consumers with additional product information (see Chapter 5). The T&C traders could extend the use of electronic labelling in order to fulfil the obligation to disclose (accurate and reliable) ‘material information’

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to consumers, in the broadest sense of the definition by creating an online database accessible by an electronic label. The database should be accessible for the consumer at the point of sale in order to support the consumer’s purchase decision. Moreover, where needed, this information would be substantiated in accordance with the existing rules in the UCPD\textsuperscript{1041}.

Taking into account the outcome of the empirical research, any design of a potentially standardized textile label should provide for the following factors:

1. The information-seeking behaviour of the consumer;
2. What reliable and accurate material information the consumer needs to take an informed purchase decision;
3. How consumers select textile & clothing products of their personal choice;
4. Which presentational aspects consumers' choices are affected by and what is the role that cultural and linguistic differences play in this process.

As mentioned above, these aspects are also relevant for determining unfair commercial practices, e.g., satisfying the two-legged requirements of professional diligence and economic distortion. Thus, based on criteria derived from the UCPD and its Guidance document, the labelling requirements are assessed next.

### 7.3.1 Care labelling: Mandatory use of GINETEX/ISO 3758 symbols?

My empirical research shows that consumers, in general, consider the care label to contain essential information. This means that care labels are a purchase-deciding factor for consumers. Adherence to the care instruction assures the consumer of the durability and appearance of the textile product. The current plethora of care symbols in the T&C consumer market is very confusing for consumers\textsuperscript{1042}. Furthermore, the risk of under-labelling was discussed as a legal issue. The T&C industry provides the information to consumers in such a way that they should employ a relatively costly form of fabric treatment rather than the one that the fabric itself calls for, as it is feared that the issuer of the label could otherwise be held liable for damages as a result of washing\textsuperscript{1043}.

With regard to the design of a template for textile labelling, it is important to underline that the information required for the maintenance of the textile product must be sufficiently comprehensible and unambiguous for the consumer, e.g., by its graphical representation.

GINETEX enabled the emergence of the ISO 3758\textsuperscript{1044}. The washing symbols, their principles and philosophy are thoroughly described, thus empowering the wider public (consumers and professionals) as it familiarizes itself with the meaning of these symbols. Introducing the GINETEX symbols as the mandatory system for care labelling serves multiple purposes. First, a consistent use of these symbols – which already are relatively well-known – ensures that the life of textile

\textsuperscript{1042}See Chapter 4.3.1.
\textsuperscript{1043}See Chapter 4.3.1.
\textsuperscript{1044}International Standard Textiles-Care labelling code using symbols. See Chapter 4.3.
products can be prolonged, that textile products will not be damaged, and that damage to other products during the care treatment may be prevented. Moreover, it ensures that consumers can make an informed choice as to their purchase at the point of sale. In addition, a wide application of care labels will consequently reduce the energy and water consumption related to textile care.

In my view, under-labelling should be prohibited, as the provision of information intended to mislead the consumer, in particular as to the characteristics of the textile product, should be banned. To be effective, the issue of under-labelling might be placed on the blacklist of unfair practices of the UCPD. The commercial practices on the blacklist are unfair in all circumstances and no case-by-case assessment against other provisions of the Directive is required. As the same list applies in all Members States, an adequate degree of harmonisation can be reached in order to ban under-labelling within the Member States.

With regard to the means of consumer information disclosure, various suggestions can be given (inter alia based on consumer’s surveys\textsuperscript{1045}). Electronic labels, such as a barcode, a QR code or an RFID chip, might prove useful tools to provide additional care instructions. The latter implies disclosing information into a centralised database accessible by consumers, retailers, drycleaners etc.

7.3.2 Size labelling: \textit{Chinese sizing standard}?

Size information can be communicated through size designations expressed in many ways, i.e. by means of body measurements, by size numbers or by letters linked to a measurement chart. The entire communication link, from the sizing system designed and produced by the manufacturer to the selection of the appropriate size by the consumer by means of the size label ultimately affects the satisfaction of consumers with the textile product selection process and the quality of product\textsuperscript{1046}.

In general, field research reveals that communication is affected by three main problems. Firstly, preferences of consumers on issues related to the sizing and the fit of clothing are frequently not communicated to the T&C retailer after purchase, thus limiting the source of valuable information for the improvement of sizing systems. Secondly, the T&C retailers have each created their own size charts to distinguish their clothing products from competing clothing products. Thirdly, from a consumer’s perspective, the phenomenon of vanity sizing is perceived, as confusing and misleading as in general consumers do not comprehend the differences between size charts that result from this ‘size inflation’.

Consumers should be protected against influences that would strongly affect their decision-making process in an adverse manner, e.g., the phenomenon of vanity sizing that amounts to a misleading commercial practice. Moreover, their informational equipment for making purchase

\textsuperscript{1045} See Chapter 4.3.2.
\textsuperscript{1046} See Chapter 4.6.2.
decisions should be improved by introducing a standardised size designation system. This focus on decision-making is very distinctly underlined in the UCPD. In several provisions of the Directive one of the key criteria of unfairness is that the practice in question is likely to materially distort the economic behaviour of consumers or, to put it more clearly, is likely to induce consumers to take transactional decisions that they would otherwise not have taken. As mentioned earlier, the information on the size indications retrieved from a size label is perceived as indispensable to ascertain that all relevant and accurate information about the characteristics of the clothing product reaches the consumer.

Most sizing systems in the Member States have been derived from the (voluntary) EN 13402 standards. Additionally, research has shown that consideration should be given to a demand for different size charts, adapted to the clothing needs of specific groups related to socio-cultural and geographical factors. Henceforth, the development of a harmonised size designation system is meaningless as the sizing system and the fit of ready-made clothing should be adapted to the different population measurements. For example, the body measurements of the population in the northern part of Europe are different from the body measurements in the southern part of Europe. As such, the conclusion can be drawn that fashion styles can be globally desired but sizing methods should be determined locally.1047

A practical example of how to solve this issue is the size designation system used in China. In general, there is a wide variation in sizing within the country, with people from Northern China generally being taller than people from the south. Currently, the voluntary GB1335-97 standard is one of the clothing sizing standards adhered to in China. The standard describes size, figure and body type, viz., the 'size' indicates the human body stature in centimeters. It is taken as the reference for the length of clothing. The 'figure' refers to the chest or waistline and is expressed in centimeters, which serves as the reference for the circumference of the clothing.1049 In addition, figures can be classified into four types based on the difference between the chest and waist girths, i.e. Y, A, B, and C types, which stand for respectively slim, standard, fattish and fat.1050 Clothing size is expressed as 'size, figure and body type,' e.g., 170/88A and 175/96B. Key parts' measurements are those of the body’s main parts and the references for designing clothing's specifications. The GB1335-97 standard specifies the values of 10 key parts corresponding to different garment sizes.1051 Taking all this into consideration, an indication of a workable size label looks as shown in the box below.

1047 See Chapter 4.8.2.
1048 See Chapter 4.6.1.
1051 Ibidem.
Box. 7.1 Distribution of chest and waist size in the Chinese national men’s garment sizing system (GB/T 1335) 1052

7.3.3 Chemical substances labelling: ‘Wash the textile product before wearing’

At the moment, manufacturers are not required by law to disclose information on a label of the chemical substances used in the textile production process. Instead, they are merely required to inform consumers as to the composition of the fibre of a textile product.

From the perspective of consumer health, this divergence is remarkable. Whereas fibres are known to cause irritation and allergic contact of dermatitis, allergic reactions caused by fibres are extremely rare. However, allergic reactions are not at all rare in the case of auxiliary chemical substances used in the production process, such as formaldehyde finishing resins, chemical additives, dyes, glues and tanning agents (leather products), which have been used in the processing or dyeing of textile products.

In my view, the focus of the legislator should be on the disclosure of this information. A lack of information about the use of chemicals in consumer products has been pointed out as a major obstacle for consumer protection1053. Legislation is not very extensive in this field and consumers may be exposed to toxic dyes and other hazardous chemicals without them knowing about it.

In my opinion, the T&C industry should inform the consumer by pointing out the risk of remaining chemicals in the finish of the fabric and should request the consumer to ‘wash the textile product before wearing’. Washing of the textile product ensures the reduction and/or elimination of the remaining chemical substances in the finish of the textile products. A practical solution may be the introduction of compulsory negative labelling (warning labels)1054 on T&C products stating

1053 See Chapter 4.4.1.
1054 See Chapter 4.5.
possible allergic reactions or other adverse effects of the textile products; these should bear the indication: ‘wash the textile product before wearing’.

7.3.4 Corporate Social Responsibility labelling: An EU Eco-label for Textiles?

Field research revealed that the social issues in the supply chain of textile products are difficult to monitor. Therefore, it is vital that appropriate monitoring systems are in place and, if necessary, that offenders are taken to court. Yet, if the T&C industry truly regards CSR as a logical part of their business operation, it should follow that by abiding to a CSR code of conduct a CSR label will no longer be needed, thus making CSR labelling superfluous. Nevertheless, compliance with a code of conduct does not currently entail immunity against claims of an unfair commercial practice, especially since standards set in the codes of conduct are determined on a voluntary basis. Moreover, several codes of conduct might be available. As a result, consumers cannot see nor trust that textile products produced in accordance with a specific code of conduct indeed respect the environment and workers’ health. By contrast, CSR labels examined and certified by independent third-party organisations exist alongside CSR labelling systems operated by the trader himself.

In this respect, a reliable CSR label could enhance consumer protection and consumer trust. An essential part of such a scheme is the existence of independent third parties examining and certifying traders’ conduct. In my opinion, implementing a (mandatory) system that not only includes positive but also neutral and negative eco-labels should be considered. The traffic light labelling system (green, orange or red) might be an option. Negative labelling is likely to at least influence positively consumers with an intermediate environmental concern to select products with a positive eco-label. This in turn could point the T&C supply chain in a more environmentally benign direction. Moreover, if it becomes common knowledge that unless certain standards are met a mandatory negative label has to be attached to the product, such products may be withdrawn from the T&C market.

The multitude of CSR labels (currently more than 100 CSR labelling schemes) confuses and undermines consumer confidence in sustainable and socially produced textile products. In my view, an option for the T&C industry is the compulsory use of a single community eco-labelling scheme, i.e. the EU Eco-label for Textiles. Other private eco-labelling schemes for textiles should then be restricted as a single eco-labelling scheme would avoid confusion arising from competing schemes and would ensure the credibility of one scheme through environmental standards, independent guarantees and added authority.

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1055 See Chapter 4.5.3.
1056 A fine example of such a mandatory negative label is the warning label regarding health and additional information which is printed on unit packets of tobacco products.
1057 As this could restrict the freedom of provision of services (certification services), there would need to be an objective justification found for it in the Treaties and the restriction would need to pass the proportionality test.
In my opinion, a single recognisable CSR label for T&C products is an effective way of informing consumers about the environmental and social impacts of selected products and it empowers the consumer to choose between products with harmful environmental characteristics and social issues and those more compatible with environmental and social objectives. An important area of attention might be the fact that alongside the EU Eco-label an optional label with text box wording to indicate the social aspects of the Eco-label for Textiles is lacking. At the moment, phrases from the following selection are possible\textsuperscript{1058}: ‘More sustainable fibre production,’ ‘Less polluting production processes,’ ‘Restrictions on hazardous substances’ and ‘Tested for durability’.

In order to meet the prominent aspects of the CSR label (e.g. safe working conditions, reduction of energy use and consumer safety) in accordance with consumer demand, phrases for the indication of social criteria need to be recorded on the EU Eco-label\textsuperscript{1059}. This is all the more the case since child labour and poor social conditions are frequently highlighted in the media and consumers have a right to this information to enable them to make informed purchase decisions.


Theoretically, origin labelling should provide the consumer with the absolute certainty of a product’s origination. As there is currently no legislation regulating country of origin labelling in the EU, consumers may be misled regarding the true origin of products and therefore they may be unable to make an informed purchase decision\textsuperscript{1060}. Relying on the declaration of origin, the non-preferential customs origin rules do not then lead to the transparency aimed at. In general, the raw materials, components and parts of a textile product are produced, finished, inspected and shipped from one set of countries to another country where the final product is assembled. Across the board, the T&C industry regards origin labelling as unnecessary and costly. High-end clothing brands tend to be less concerned with the indication of the origin of their clothes due to the fact that the production sites are mainly located in Europe. Moreover, these brands attach more value to affordability than to the image of their clothes.

If additional labelling requirements are introduced with respect to country of origin labels, consumers will be forced to bear the costs as inescapably the extra labelling of clothing will increase manufacturing costs, which results in price increases\textsuperscript{1061}. From the consumer’s perspective, the label must be correct. The information the consumer currently receives is fairly ambiguous and might even be considered deceitful from certain points of view, that is, when several countries are involved in the production but only one of them is named on the label. Additionally, transparency of origin as an ethical argument should be taken into account for consumers who for reasons of

\textsuperscript{1058} OJ L 174, 13.6.2014, p. 70.
\textsuperscript{1059} See Chapter 4.5.3.
\textsuperscript{1060} See Chapter 4.7.1.
\textsuperscript{1061} According to the Commission’s impact assessment, country of origin labelling could add an extra €1.50 to the price of an article of clothing.
principle avoid buying products from certain countries with, for example, a poor human rights record or a conflicting political system.

Hence, a ‘one country’ origin level in the T&C industry is misleading to the consumer and the use of such one country of origin labels should therefore not be allowed. Instead, traders should either refrain from mentioning a country of origin or make use of a voluntary system indicating the various steps in the supply chain. In my view, a workable voluntary level of origin indication on products might be ‘Country of Design’; ‘Country of Assembly’; ‘Country of Production’ and/or Country of Manufacturing. I would, therefore, recommend that there is a multilevel of origin indication, which is helpful to consumers as they are less affected by deception that may occur through inaccurate origin information on the textile product.

In conclusion, the information about the origin of T&C products should also be mentioned in a way that is clear to the average consumer. However, with a view to the fulfilment of the UCPD requirements, traders could consider designing and sustaining a database as an additional communication tool, in which all relevant information that an average consumer requires to make an informed transactional decision would be revealed.