

Explainer: Can Big Fashion Make Recycling Work at Scale?

Industry coalition ReHubs is calling for billions of dollars of investment to establish industrialised textile recycling capabilities in Europe. For its strategy to work, many elements still need to fall into place.

By Shayeza Walid



Europe's fashion industry faces a multi-million-tonne problem: how to manage the region's growing piles of textile waste.

Incoming regulations are set to charge big brands for the cleanup of discarded old clothes and encourage greater use of recycled materials. But the infrastructure to deliver on these goals at scale doesn't actually exist yet — leaving the industry scrambling for solutions.

Enter Rehubs. On Monday, the industry coalition presented its roadmap to finally industrialise textile-to-textile recycling in Europe.

The plan, which has been in the works for months, and draws on more than 100 interviews with circularity experts and industry stakeholders, has the backing of many of fashion's biggest players, including Zara-owner Inditex, sporting retail giant Decathlon, climate-focused industry non-profit Apparel Impact Institute, sustainable textile manufacturer Concordia Textiles and German chemical giant BASF.

The strategy's goal is to unlock €5 to €6 billion (\$6 to \$7.5 billion) in investment, which Rehubs estimates will be needed to hit a target of recycling 2.5 million tonnes of textile waste in Europe by 2032.

It's a big ambition, but still only represents about a third of the capacity required to handle all the old clothes, footwear and fabrics discarded in the region every year. An initial deadline to hit the target by 2030 has already been pushed back as the complexity of the challenge and systemic barriers have become clearer, Rehubs said. Its new plan addresses these issues head on.

But while the coalition's newly published strategy aims to lay out a common framework for action, there are still many uncertainties — not least the exact demands of incoming regulations, access to public finance and the speed at which plans to build industrial mechanical and chemical recycling plants can actually materialise — that could throw the plan off course or speed things up.





“We still do not have the full picture, and we’re still driving in the dark and have no headlights,” acknowledged Rehubs CEO Robert van de Kerkhof. “But what we’re doing is addressing the systemic change that is required, and coordinating it so that everyone is on the same page.”

What is Rehubs’ roadmap to industrialise recycling?

Rehubs has laid out a two-pronged approach.

Step one is centralising the recycling process, which is currently extremely fragmented. The objective is to integrate collection, sorting, processing, and manufacturing, creating a much more efficient market for recycled textiles to enable scale.

It also aims to make sure brands are on board with circularity initiatives. To do this, Rehubs has started a 18-month initiative to map Europe’s existing infrastructure, collate data and look to secure executive commitments to support and finance supply-chain development. The hope is to have a ready market for recycled textiles once they are in production.

To facilitate this change, the coalition says it will set up a project team to work with more than 40 different organisations and existing partners to lead and support initiatives to build strong data systems, research, and knowledge-sharing platforms.

Organisations it will collaborate with include the likes of Global Fashion Agenda, a non-profit that supports the sustainable transition of the fashion industry and Fashion For Good, a company dedicated to platforming sustainable innovation and scaling circular technologies, among others.

Rehubs will also focus attention on working with regulators and industry players, acting as a “convenor or convenors” to develop harmonised recycling rules and accountability measures across European countries, as well as shared standards for feedstock and recycled fibres.

Step two is the money. Rehubs says €5 to €6 billion will be needed over the next seven years to scale infrastructure and de-risk recycling technologies.

The vision is to raise a blend of public-private investment, supported by concrete recycled fibre offtake commitments from brands. Van de Kerkhof said the coalition is already in talks with the European Investment Bank and International Financial Corporation, in addition to some private banks, private equity and venture capital firms to procure funding for its own projects, as well as to develop finance vehicles to make funding available to project partners.

“Initially we want to have public and private funding in the range of approximately 50/50,” said van de Kerkhof. “We don’t know exactly how much money will be needed where, but the aim is to have investment across the value chain instead of in just one part of it.”

Over the coming months, Rehubs will set up webinars and share posts on social media to increase awareness about its strategy.

“Saying this is what we want to achieve is already a positive thing,” said Francois Souchet, a circular economy expert and former lead at the Ellen MacArthur Foundation, of Rehubs’ new report. “But of course, a plan is not a strategy, it’s just a starting point.”

What happens next?

Rehubs’ roadmap comes at a precarious moment for Europe’s recycling industry.

The sector is already buckling under the pressure of growing volumes of low-value, polyester-heavy fast fashion, geopolitical volatility that has affected key export markets and a fraught environment for recycling startups, which have struggled to scale.





On the other hand, innovative solutions to mounting textile waste have also seen progress over the last couple years. Several recycling start-ups have started to move ahead with industrialisation plans in Europe this year. And mechanical recycling capacity in the region has doubled since 2020, albeit many idle, offering potent ground for scaling.

Rehubs is aiming to overcome what it describes as a “systemic supply demand deadlock” — a situation where brands lack ready access to price competitive recycled fibres and recyclers are hesitant to invest in expansion without guaranteed demand.

“The only thing we can really do is encourage the right people to do the right thing,” said van de Kerkhof. “We’ll be here, we’ll be knocking on all the people’s doors and ensuring investors are taking certain risks... But ultimately, momentum for change will have to come from the industry itself.”

