

ReHubs

Governance & background info

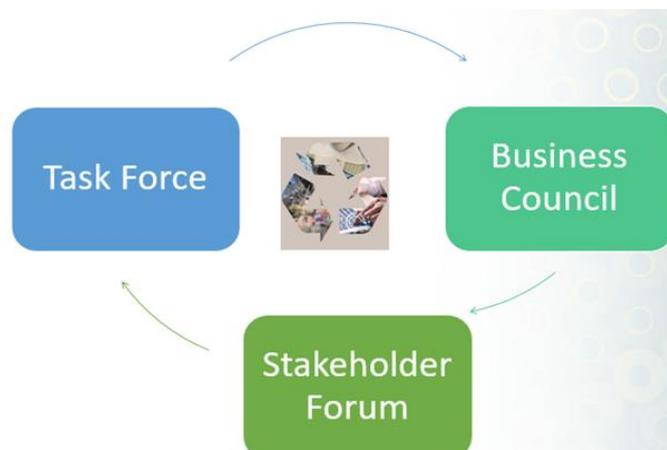
Last update May 2021

Background

- The ReHubs initiative aims at establishing an integrated system based on 5 recycling hubs (ReHubs) within Europe, to upcycle textile waste and scale up industrially the collecting, sorting, processing and recycling of pre-consumer & postconsumer materials.
- In April 2020, EURATEX proposed to its members the ReHubs initiative, as part of its agreed strategy on circular economy and to respond to a Commission request for proposals.
- In June 2020, members of EURATEX in five countries expressed their interest to participate and join EURATEX and consultants to produce a feasibility plan. The key benefits of the ReHubs are identified in terms of data, partners and resources.
- In November 2020, the ReHubs initiative was officially presented to the EU institutions and the public. EURATEX received significant expressions of interest from stakeholders and members.
- Based on the conclusions of the feasibility plan, EURATEX is now initiating the 2nd phase of the ReHubs, which is to set up the partnerships and identify funding to implement the full initiative.

Governance

- Considering the multiple stakeholders and interested parties involved, and the ambition of the initiative, a strong governance plan is to be established.
- The Governance is designed to achieve the ReHubs goal, maintaining EURATEX and its members in control of the process, welcoming participants based on their value added for the ReHubs, and making the initiative inclusive and pan-European.
- To achieve those goals, the Governance is based on three structures: The Task Force, the Business Council, the Stakeholder Forum



Pic: Governance Overview

The ReHubs Task Force

Role

The Task Force (TF) main role is to **validate the development** of the initiative in line with the EURATEX strategy for circular economy and for recovery.

Composition

The TF is composed by 1 senior representative of those **EURATEX members** which are directly involved in the ReHubs initiative; he/she may be accompanied by a “sherpa”. Members may wish to appoint a representative from the organisation or an expert who will be mandated to speak on behalf of the association.

Activities

Activities focus on: i) **exchanging information** on the progress of the ReHubs in 2021 and of relevant national activities, ii) support **coordination** with the **national** organisations involved in the ReHub and iii) **validate** the progress of the ReHubs initiative based on the interests of the EURATEX membership. EURATEX will liaise between the TF and other governance structures; the participants will liaise between the initiative and activities developed at national level, including liaising with national public authorities.

Meetings

The TF is chaired by the **EURATEX DG** supported by the Sustainable Businesses Director. The TF is convened bi-weekly and depending on progress. The expected workload for the initial three months is estimated in 3 to 9 hours monthly as of March 2021.

The ReHubs Business Council

Role

The Business Council’s mandate is to facilitate the **concrete implementation** of the ReHubs initiative, including financial planning based on the ReHubs feasibility plan.

Composition

The Council is composed by 1 senior representative of **companies** which play a key role in enabling the development of one or several hubs based on their role in the value chain. Tentatively up to 20 companies may be joining.

Activities

Activities focus on: i) **identify roles** played by the participating companies in the ReHubs, ii) **exchange information and take steps** necessary to launch the ReHubs’ techno economic studies, iii) develop and adopt the **financial plan** to launch the studies. EURATEX will liaise between the Council and other governance structures.

Way of working

The Council is chaired by a **senior company representative** with relevant experience in circularity proposed by EURATEX. The Chair is assisted by the EURATEX Sustainable Businesses Director in the role of secretary of the Council. The BC is convened bi-weekly and depending on progress. The representatives’ expected workload for the initial three months of activities is estimated in 9 to 18 hours monthly as of May 2021 (updated in May).

The ReHubs Stakeholder Forum

Role

The Stakeholder Forum provides a platform for **potential users and stakeholders** to be involved in the ReHubs developments. It enables stakeholders to learn about developments and to identify their role in the ReHubs. It also ensures transparency and creates critical mass for the initiative.

Composition

Companies, research organisations, authorities and other stakeholders which have an active interest to contribute or benefit from the initiative.

Activities

In a first phase activities focus on: i) **expressing interest in the ReHubs and identifying the potential role**, ii) **receive information** from EURATEX on the progress of the initiative. The role and involvement of stakeholders registered in the platform will be reviewed in Q4 2021. EURATEX will liaise between the Council and other governance structures.

Way of working

The SF is convened quarterly. The SF is chaired by the **EURATEX DG** supported by the Sustainable Businesses Director.

ReHubs

Questions & Answers

Version 0.2 – May 2021

Q&A about the ReHubs initiative

- **What is the goal of the ReHubs ?**

The goal is to set up an integrated system based on / of 5 recycling hubs (ReHubs) within Europe, to upcycle textile waste and scale up industrially the collecting, sorting, processing and recycling of pre-consumer & postconsumer materials.

The ReHubs will address the new laws for separate collection of textile wastes by the end of 2024 and many (but not all) of the needs for circular economy in textiles.

- **What are the essential elements of the ReHub initiative ?**

All types of textile waste addressed, integrated European network, new partnerships across traditional value chains, designed to turn waste into value, ReHubs specialized per type of waste, designed to enable large scale investments, link with national recovery funds, link with national measures for waste (including EPR), brings together key initiatives across Europe.

- **Who owns this initiative ?**

The ReHubs is an open initiative which was initiated by EURATEX as a solution for circular economy and waste management; EURATEX proposes it to be part of the EU Recovery plan. At this stage a likely scenario includes several ownerships including a European coordination entity and several regional entities. The legal ownerships will be agreed by the governance based on progress.

- **What is the timeline for this initiative ?**

Phase 1 in 2020 developed the concept and explored the feasibility.

Phase 2 starts in 2021 defining the governance and seed funding and it takes action to launch the full set up.

Phase 3 will build up the ReHubs.

The current phase (Phase 2) is planned until Q1 2022 to deliver the main Tecno Economic Study (TES) and an agreement on the next steps, including requesting public co-funding to set up the ReHubs. The overall initiative has no end-date.

- **How can companies be involved in the ReHubs initiatives?**

Companies can join via the Stakeholder Forum to access information and evaluate their roles in the ReHubs; the Stakeholder Forum is planned to be activated before the summer break.

Some companies will engage more intensively via the Business Council and undertake concrete measures, including co-funding of the next steps.

Q&A about the Business Council (BC)

- **What is the benefit of a company joining the Business Council?**

Companies joining the BC have the opportunity of identifying their role in the ReHubs including needs for cooperation and funding. Companies will provide information for the Tecno Economic Study in line with their business interest and they may participate in the requests for financial support.

- **Which are the criteria to join the BC?**

Companies joining the BC are expected to i) be able play a critical role to enable the launch of the ReHubs; ii) endorse the ReHubs concept set in the ReHubs Feasibility Plan (shareable upon signing a Non Disclosure Agreement); iii) welcome cooperation with other business players without claiming exclusivity.

- **What are the costs associated to the BC membership?**

Members of the BC will be expected to contribute financially to the work of the council and financing the TES. Contributions will range between 10€K and 50€K, depending on their turnover.

- **Why are there costs associated to BC membership?**

In the absence of public funding, a business funding is necessary to start the next steps namely to launch a Tecno Economic Study (TES) and ensure proper governance.

The estimated cost until Q1 2022 is of 500€K, of which 93% is allocated to the TES development by contracted consultants and 7% is allocated to the ReHubs secretariat run by EURATEX.

- **How much time will need to be spent as a BC member?**

An estimation in term of full-time equivalent is not yet available. A BC member or his/her delegate/s would be expected to support and assess the progress of the TES developments. More detailed terms of reference to join the BC will be provided to companies which have confirmed interest to join the BC.

- **What is the communication policy? will the names of the BC members be publicly available?**

Names of the companies member of the Business Council will be disclosed. Promotion via social media is planned. Details and decisions over social media campaigning will be agreed by the members.

- **Who would have access to the results of the TES study, and in which format?**

The access to the results of the TES study is not yet defined and will be decided within the Business Council and the Task Force.

Setting the ReHubs requires a large cooperation both among private actors (e.g. through cross value-chain cooperation to treat the waste/ new raw materials) and among private-public (e.g. to deal/use national EPR schemes and public co-funding from the Next Generation EU funds). Therefore, as guiding principle, the information researched through the TES studies should be accessible to a large group of stakeholders. That does not prevent certain information to be kept confidential or disclosed upon confidentiality requirements.

- **Which topics will be included in the TES study? And what will be the role of the Business Council in this study?**

The term of reference for the TES study will be drawn up based on the provision of the Feasibility Plan by the Business Council and then be discussed within the Task Force. This provision will normally include criteria and targets as well as the following topics: textile input material, site/plant location, logistics, technology, engineering, investment cost, operating cost, environmental regulatory framework, financial appraisal, risks and mitigation, implementation planning, IT needs to set up a digital market place.

Q&A About the Stakeholders Forum (SF)

- **What is the role of the SF ?**

The Stakeholder Forum provides a platform for potential users and stakeholders (including and not limited to companies) to be involved in the ReHubs developments. It enables stakeholders to learn about developments and to identify their role in the ReHubs. It also ensures transparency and creates critical mass for the initiative.

- **How do I register and is there a cost ?**

Registration will be launched via the website www.rehubs.eu before the summer break. Costs are not expected at this stage.

- **What is the difference with the Business Council ?**

Companies in the BC are front runners playing critical roles and undertake steps in 2021 to launch the ReHubs including the funding of the necessary study (TES). Companies in the SF are interested parties which may invest and participate at a later stage and based on the developments.

- **How often will the SF meet ?**

The SF is convened quarterly

- **Which type of organisations/entities can register ? Can individuals register as well ?**

Companies, research organisations, authorities and other stakeholders which have an active interest to contribute or benefit from the initiative may register; individuals are not expected.

- **What is the communication policy? will the names SF members be publicly available?**

Names of companies member of the SF will be disclosed. Promotion via social media may occur.