

# The Role of Fair Trade Principles and Justice within the Transformation to a Circular Textile Economy

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## Introduction

Within the past decades, the textile industry has transformed significantly. While fashion brands once released just two to four collections annually (for summer, winter, spring and autumn), today's major brands launch around 24 collections a year, a trend known as 'Fast Fashion' (Centobelli et al. 2022: 2). This rapid turnover has resulted in clothing being produced more quickly and cheaply, often at the expense of quality [see Sark and Gotthardsen's as well Salter's chapter in this volume]. The competitive landscape has further intensified with the rise of direct-to-consumer online retailers like *Shein*, who cut out traditional intermediaries to lower costs – also known as 'Ultra Fast Fashion' with releases of up to 52 collections each year (Stanton 2024). This shift has considerable ecological implications (Centobelli et al. 2022: 1); the high volume of production requires large quantities of raw materials, which put considerable strain on environmental resources. Moreover, the excessive waste generated by this overproduction results in substantial amounts of discarded textiles that many countries struggle to manage (Papamichael et al. 2022: 1). These waste materials frequently end up in landfills, leading to environmental degradation and, in some cases, posing health risks. This concern has attracted the attention of policymakers and the public, prompting initiatives aimed at mitigating these issues.

However, the challenges posed by the textile industry extend beyond environmental issues. Social injustices, including exploitative labour practices and unsafe working conditions, remain pervasive [see Anderson et al.'s as well as Hock and Kenel's chapter in this volume]. Even after the Rana Plaza disaster in Bangladesh in 2013, which exposed these problems, the broader social implications within the textile sector have remained largely unaddressed. This neglect also extends to the interconnectedness of Europe's textile consumption and its trade partners.

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Against this background and given the complexity and opacity of textile value chains, it is crucial to ensure fairness and justice, particularly for those most adversely affected by these circumstances. In response, major Fair Trade organisations get involved in the debate with the endeavour to bring together principles of Fair Trade and Circular Economy, building on the existing overlaps of those topics such as their respect for the environment (World Fair Trade Organization n.d.a). Building on this context, this chapter investigates how current Circular Economy strategies within the European Union address Fair Trade and social justice concerns. It seeks to deepen understanding of the ongoing discourse, identify existing gaps and provide a foundation for future research and practical advancements. Central to this work is the question: ‘To what extent do existing measures aimed at achieving a circular textile economy consider justice aspects and Fair Trade principles?’ This question is addressed by reviewing existing regulations – such as the Circular Economy Action Plan, the EU Strategy for Sustainable and Circular Textiles and the Ecodesign for Sustainable Products Regulation – through the lens of justice, social considerations and the principles of Fair Trade. The approach follows the method of a qualitative content analysis according to Mayring (2010). Furthermore, the role of key organisations, such as the *Forum Fairer Handel*, *World Fair Trade Organization* (WFTO), and *Fairtrade International* within this context will be examined.

## Europe’s Textile Trade

At the start of the linear textile value chain, the EU holds a relatively minor role on the global stage. China overwhelmingly dominates global chemical fibre production (72 per cent of the total output, India 8 per cent, and Europe 2 per cent) (Statista 2023a). A similar pattern is evident in cotton production, where China and India lead with shares of 24.1 per cent and 23.1 per cent respectively, while all EU countries combined contribute with 0.9 per cent (USDA 2024). Similarly, in the production of textiles, Asian countries dominate the global market (Statista 2024a).

Europe, however, excels in the export phase of the textile lifecycle. In 2022, the EU ranked as the second-largest global exporter of textiles, with exports valued at \$71 billion, second only to China, which exported textiles worth \$148 billion (Statista 2023b). Certain EU countries, such as Germany, Poland and the Netherlands, have become major hubs for the export of used textiles. These countries export a disproportionate share of the EU’s used textiles, potentially due to superior collection systems and lower internal reuse rates. This concentration may also be attributed to their roles as export hubs, importing used textiles from other EU Member States for re-export beyond the EU (European Environment Agency 2023). Primary destinations for EU textile exports are Africa and Asia. Over the past two decades, the African continent was the main recipient, importing more than 60 per cent of EU

textile exports. By 2019, Asia's share had risen from 26 per cent in 2000 to 41 per cent, almost matching Africa's current share of 46 per cent (ibid).

In terms of imports, the EU stands as a leading global importer of textiles, with a total import value of \$78 billion (Statista 2023c). Key import sources are China (\$41.45 billion), Bangladesh (\$17 billion), and Turkey (\$17 billion) (World Bank 2024). This dynamic underscores Europe's pivotal role in the global textile market, showcasing its substantial role as both a leading importer and exporter, even with its relatively modest production capabilities [see Hofmann and Yildiz's chapter in this volume]. Within the EU, it is worth mentioning Germany, being the largest importer of textiles in Europe and the third-largest importer globally (Statista 2024b: 39). The majority of these imports originate from China, Bangladesh, and Turkey (Statista 2024c). On the export side, Germany ranks third globally, with European countries such as Poland, Austria, and Switzerland being primary recipients (Gesamtverband textil + mode 2023: 32). However, domestic production in Germany has been on the decline, reflecting the shift to countries with lower manufacturing costs and the growing internationalization of the industry. Between 2015 and 2018, the production of clothing, footwear, and leather goods decreased by 9.7 per cent, while the production of household textiles declined by 3.2 per cent (bvse 2020: 4).

Through these trade volumes, European countries have a significant impact on the inter alia economic structures on countries outside the EU. Historically, for instance, national textile production in Africa faced significant challenges due to competition with low-priced second-hand clothing from Europe [see Sark and Gotthardsen's chapter in this volume]. If trade patterns shift with the ongoing implementation of a Circular Economy – such as by circulating clothing and fabric within Europe for reuse or recycling – the resulting reduction in available products or materials could necessitate further adjustments in the respective economy.

The Kantamanto market in Accra, Ghana, serves as a notable example of the crucial role that second-hand export of clothing plays in local economies. It is likely the world's largest hub for second-hand clothing, with around 15 million fashion items arriving each week (The OR Foundation 2023). When the influx of second-hand clothing began to rise in the 1960s (Ricketts 2019), this was seen as a profitable business to locals. The situation has changed over time; today, these items are often of lower quality, and the region is inundated with an uncontrollable surplus of goods. The discarded clothing often ends up in overflowing sanitary landfills or is openly burned in unplanned sites, exacerbating pollution and health risks.

Despite these challenges, the Kantamanto market remains vital for the livelihoods of thousands of Ghanaians, including both traders and consumers. For many citizens, second-hand clothing represents an affordable alternative to new garments, and the market itself sustains an extensive network of jobs (Oxford Economics 2024: 2; Katende-Magezi 2017: 15). Reducing or banning the export of used clothing from the EU (Reuters 2024) is often proposed as a solution to the

environmental impact, but would have profound social consequences—limiting access to affordable clothing and threatening the economic stability of countless individuals. This case highlights the dual-edged nature of the second-hand clothing trade, where economic necessity and environmental sustainability are often in conflict. It also raises broader questions about the responsibility of exporting nations (such as Germany and the EU), the ethics of Fast Fashion, and the global inequalities that shape consumption and waste (Gözet et al. 2025).

Consequently, potential implications of changes in trade patterns need to be considered under the umbrella of justice and fairness. While this is already elaborated within certain fields (e.g., energy transition), it is still in its infancy within the discourse of the Circular Economy (Schröder 2020: 2).

## Just Transition and Fair Trade Principles

The term 'Just Transition' originally refers to transitioning to a climate-neutral economy while ensuring workers' livelihoods and communities' well-being. It emphasizes decent jobs, social protection, training opportunities and job security for those impacted by climate change and related policies (European Foundation for the Improvement of Living and Working Conditions n.d.).

Similarly, ensuring a fair transition to a Circular Economy requires integrating principles of justice throughout the process. According to the European Environment Agency (EEA), these principles include:

1. **Distributional Justice:** This dimension of justice addresses the way in which the costs and benefits of human activities are distributed across our society and other species in the natural environment.
2. **Procedural Justice:** Procedural Justice concentrates on fairness in decision-making processes as well as related activities such as court proceedings and procedures. It takes into account who participates and benefits from these processes and how inclusive participation can be implemented.
3. **Recognitional Justice:** The third justice dimension is about recognizing underlying systemic injustices and representing the dignity, values and identity of people and other species (European Environment Agency 2024).

These three dimensions can be enriched with additional aspects, such as intersectionality, which examines how various dimensions of justice, e.g., age, sexuality, gender, interact and influence one another. Additionally, fair trading systems can also play an important role and contribute to the three justice dimensions. For example, the ten Fair Trade principles of the WFTO encompass the following (World Fair Trade Organization n.d.a):

1. Creating Opportunities for Economically Disadvantaged Producers
2. Transparency and Accountability
3. Fair Trading Practices
4. Payment of a Fair Price
5. Ensuring No Child Labour and Forced Labour
6. Commitment to Non-Discrimination, Gender Equity, and Freedom of Association
7. Ensuring Good Working Conditions
8. Capacity Building
9. Promoting Fair Trade
10. Respect for the Environment.

By promoting fair working conditions and equitable pricing, Fair Trade organisations enhance the independence of farmers and contribute to just global economic practices.

## Justice and Fair Trade in Ongoing Circular Economy Measures

In recent years, various policy measures and strategies have been introduced to reduce the environmental impact and improve the resource efficiency of the EU's economy. Many of these measures are directly relevant to the textile sector. Among them, the Circular Economy Action Plan (CEAP), the EU Strategy for Sustainable and Circular Textiles and the Ecodesign for Sustainable Products Regulation (ESPR) stand out as particularly significant. Additional regulatory frameworks, such as the Revision of the Waste Framework Directive, the Corporate Sustainability Due Diligence Directive (CSDDD) and the Waste Shipment Regulation also influence the sector. However, this study focuses on the three previously mentioned measures due to their direct and comprehensive relevance for the textile industry.

This section examines how these regulations integrate principles of justice and Fair Trade and explores the responses of key actors in the Circular Economy to these considerations. For this analysis, the authors employed qualitative content analysis as outlined by Mayring (2010). The primary research objective was defined as:

*“To what extent do existing measures aimed at achieving a circular textile economy consider justice aspects and Fair Trade principles?”* To address this question, we applied inductive category development, identifying the following categories for analysis:

- Just Transition Principles
- Fair Trade Principles
- Sustainable Development Goals (SDGs) and other social aspects.

Rather than employing a quantitative approach, we focused on interpreting textual elements where relevant aspects are often mentioned implicitly rather than explicitly. The results are presented below.

### **Circular Economy Action Plan (CEAP)**

The CEAP was adopted in March 2020 as a comprehensive package of measures by the EU to promote the Circular Economy across all sectors. It includes specific initiatives to reduce waste, promote recycling, and create a market for secondary raw materials. For the textile industry, measures related to the collection and reuse of textile waste, as well as the promotion of recycling technologies, are of particular importance (European Commission 2020: 13).

It addresses social aspects and justice principles both directly and indirectly, emphasizing the importance of a fair and systemic transition to a Circular Economy. It incorporates procedural justice by ensuring stakeholder involvement at all levels (ibid: 24) and addresses distributional justice by aiming to prevent harmful waste exports and supporting regional investments that foster job creation and capacity building (ibid: 14). Additionally, the CEAP addresses the accessibility of certain products and services as well as contributing to social inclusion (ibid: 7) and incorporates sustainability labels that integrate environmental and social criteria along the value chain (ibid: 7).

The CEAP also aligns with the SDGs by ensuring that the Circular Economy benefits people, regions and cities (ibid: 5). It aims to strengthen trading relationships with Eastern and Southern countries, particularly Africa, to promote sustainable business models and employment opportunities (ibid: 18). However, despite these social and justice-oriented efforts, the CEAP's primary focus remains on enhancing Europe's competitiveness and achieving economic efficiency (ibid: 4), with less emphasis on the social impacts on workers, such as those in primary material extraction.

### **EU Strategy for Sustainable and Circular Textiles**

The EU Strategy for Sustainable and Circular Textiles is a key component of the broader EU Circular Economy Action Plan and represents the most relevant regulation concerning the Circular Economy within the textile sector. It was published in March 2022 and aims to make the textile industry more sustainable by extending the life cycle of textile products and promoting reuse, repair and recycling. This includes measures to improve material selection, reduce harmful substances and encourage innovative business models like product-service systems (European Commission 2022: 3). Compared to the CEAP, the EU Strategy for Sustainable and Circular Textiles puts a stronger focus on social aspects and justice principles. It

explicitly highlights social challenges within the global textile value chain, including issues of child labour and gender inequality, emphasizing the need for Fair Trade practices and improved working conditions in line with international labour standards and the SDGs (ibid: 1). The respect of social rights is also mentioned in their vision for a circular textile industry (ibid: 2). The strategy integrates social justice by promoting fair wages and safe working conditions, and by encouraging transparency and traceability to combat human rights abuses in supply chains (ibid: 12). It also supports social innovation and local green enterprises, contributing to job creation, inclusive businesses and capacity building within the EU (ibid: 9). The need for large scale partnership towards green skills, including value chain assessments, is also underlined (ibid: 11). While the primary focus is on environmental sustainability and circularity, the strategy includes measures to ensure that textile products are manufactured with respect for both social and environmental standards globally (ibid: 12). Regarding the gender aspect (equality), diversification schemes in company management by up to 5 per cent each year are proposed as well as access for women to higher positions (ibid: 11). There is also a focus on fostering projects that support both social and circular economies through targeted investments (ibid: 11).

A dedicated paragraph explores social issues, fair trade, wages and justice. The dimension of procedural justice is also considered, as the Commission plans to collaborate with global partners to develop sustainable textile value chains (ibid: 12). Terms such as “fairer value chains” and “global just transition” are mentioned, emphasizing a commitment to equity (ibid: 12). The respective chapter furthermore addresses various aspects, such as advancing gender equality, improving working conditions and mitigating risks related to human and labour rights, including child labour, discrimination, forced labour, occupational health and safety concerns and unfair wages. It underscores the importance of adhering to Fair Trade principles for all actors involved (ibid: 12).

Moreover, export is also addressed from the perspective of procedural justice. Countries receiving waste exports are required to notify the Commission of their willingness to import and their capacity to manage the waste (ibid: 13). While this approach allows Global South countries a voice in the process, it remains an EU-initiated measure, raising concerns about potential bureaucratic challenges and impacts on the informal sector.

Despite the above-mentioned efforts, several gaps in the strategy remain evident. While it rightly emphasizes reducing dependence on fossil-fuel-based synthetic fibres from other countries (ibid: 8), which is beneficial both ecologically and economically, it overlooks the potential impact on labour and prosperity in those respective countries. Regarding sustainability labels, the strategy touches on social aspects but lacks in depth (ibid: 6). Moreover, it fails to address unfair trading practices that are common in the industry, such as short lead times, prices below pro-

duction costs and unilateral changes to orders. These practices continue to exploit workers and destabilize supply chains, preventing the strategy from effectively promoting fair and ethical production (Fair Trade Advocacy Office 2022: 2). Notably, the strategy does reference the CSDDD, which aims to hold companies accountable for their environmental and social impacts. However, this directive is not sufficient, as it does not adequately cover small and medium-sized enterprises (SMEs), leaving a significant part of the industry unregulated (ibid: 2). Additionally, the strategy misses a key opportunity by not incorporating social aspects and human rights considerations into the Digital Product Passport. Overall, while the strategy addresses some key social aspects, it falls short in fully deepening justice considerations and translating them into comprehensive actions.

### The Ecodesign for Sustainable Products Regulation (ESPR)

The ESPR, which came into force on July 18th, 2024, primarily aims to enhance the circularity, energy performance and sustainability of products in the EU market. It is a central tool for improving the environmental performance of products by setting minimum requirements for the energy efficiency, circularity and environmental friendliness of products placed on the EU market. This means, among other things, that products must be designed to be durable, repairable and recyclable, taking into account the entire product lifecycle to minimize negative environmental impacts (European Commission n.d.).

While the primary focus of this regulation is on environmental sustainability, it also touches upon Fair Trade and justice issues. It highlights the importance of ensuring delegated acts are subject to comprehensive impact assessments and stakeholder consultations, taking into account the international context and the impact on third countries, thereby addressing the dimension of distributional justice (European Union 2024: 6). The Directive also emphasizes the need for traceability and advocates for the use of Digital Product Passports (ibid: 9). In this context, it addresses procedural justice by underscoring the importance of involving developing economies in the creation of technical specifications and requirements related to traceability (ibid: 10). However, the *Fair Trade Advocacy Office* (FTAO) criticizes the current proposals on the Digital Product Passport for lacking considerations of social aspects (FTAO 2022: 3). The FTAO argues that products cannot truly be sustainable without integrating social aspects and human rights, criticizing the proposal for not being aligned with other instruments, such as the CSDDD (ibid: 1).

From this, it can be deduced that while the EU has made notable strides in addressing environmental issues within the textile sector, there is still room for improvement in the integration of justice and Fair Trade principles. The primary reason for this gap in implementation is that these regulations, while focused on sustainability, often prioritize environmental goals, economic competitiveness

and circularity over social justice considerations (Fair Trade Advocacy Office 2022: 1). The CEAP, for instance, includes social aspects such as procedural justice and regional investments to boost job creation, but it still emphasizes efficiency and economic growth over addressing labour exploitation or ensuring fair conditions globally. Similarly, the EU Strategy for Sustainable and Circular Textiles, while it does highlight issues like child labour and gender inequality, falls short in addressing systemic unfair trading practices within the industry. Moreover, while the Ecodesign for Sustainable Products Regulation takes steps toward procedural justice by encouraging stakeholder consultation, it lacks integration of human rights issues and Fair Trade principles in its design, especially regarding Digital Product Passports.

In summary, while some efforts have been made to improve social sustainability, these efforts remain fragmented. A more holistic approach that fully integrates social justice alongside environmental goals is needed to ensure the regulations foster a truly fair and sustainable textile industry (ibid: 1).

## **How Key Fair Trade Organisations are Engaged in the Circular Economy Debate**

The previous section showed that there are still notable gaps in the integration of Fair Trade principles within key Circular Economy frameworks. The involvement of major Fair Trade organisations is crucial in closing these gaps, as their expertise, values, and advocacy can shape more inclusive and equitable approaches. The following section explores how key Fair Trade organisations are already contributing to the Circular Economy debate and foster justice-driven solutions.

### **World Fair Trade Organization (WFTO)**

The WFTO is a global network dedicated to promoting fair, ethical, and sustainable trading practices. As part of its mission, the WFTO actively integrates Circular Economy principles into its initiatives, recognizing their alignment with Fair Trade values and their potential to address pressing environmental challenges. Through its partnerships and publications, the WFTO provides resources and guidance to help Fair Trade businesses adopt circular business models while navigating the complexities of combining these principles with their traditional goals (World Fair Trade Organization n.d.b).

One key example of this commitment is the WFTO's Circular Economy Toolkit for Fair Trade organisations, which offers practical strategies for implementing circular practices in Fair Trade enterprises. This publication highlights significant regulatory frameworks, such as the EU Green Deal and the CEAP, identifying the lat-

ter as a landmark initiative with “concrete proposals for innovative and sustainable business models for textiles” (World Fair Trade Organization 2020: 9). The publication furthermore explores the benefits of circular business models that include risk mitigation, meeting consumer needs, and gaining a competitive edge in green public procurement tenders. However, it also addresses some dilemmas at the intersection of Fair Trade and the Circular Economy. For example, while the Circular Economy encourages purchasing local products, this can conflict with the practice of buying goods fairly produced in Africa, Asia, or Latin America. Another important resource is the Circular Fashion Transformation Toolkit, which supports business support organisations in promoting circular and sustainable practices, particularly within small and medium-sized fashion enterprises (World Fair Trade Organization 2023b). Additionally, the Circular Business Models Toolkit provides in-depth guidance on developing circular models aligned with Fair Trade principles (World Fair Trade Organization 2023a). These publications are complemented by a range of articles, case studies and position papers, including the ‘Civil Society Shadow European Strategy for Sustainable Textiles, Garments, Leather, and Footwear’, which provides an alternative perspective to the European Union’s official strategies concerning the textile and fashion sectors (Fair Trade Advocacy Office 2020).

Although the WFTO did not directly contribute to the development of major EU regulatory frameworks such as the CEAP, the EU Strategy for Sustainable and Circular Textiles, or the Ecodesign Regulation, it shares many of the values underpinning these policies. The WFTO actively supports Fair Trade organisations in engaging with Circular Economy initiatives by directing them to resources like ICLEI, which provides insights into local and regional authorities’ commitments to circularity. Moreover, it partners with initiatives such as the Slow Fashion Movement and Fashion Revolution which demonstrates the efforts to align Fair Trade principles with broader sustainable fashion goals (World Fair Trade Organization, n.d.b; 2020). Overall, the WFTO actively supports the transition to a Circular Economy and leverages its network of Fair Trade organisations to put these concepts into practice.

## Fairtrade International

*Fairtrade International* is a global organisation dedicated to promoting fairer trading conditions and sustainable livelihoods for farmers and workers in low-income countries (Fairtrade International, n.d.). It is best known for its ‘Fairtrade’ label, which ensures that products meet specific social, environmental and economic standards. Within their standards for textile products, *Fairtrade International* incorporates several Circular Economy principles, such as the replacement of unsustainable materials (chapter 4.1.4), the reuse of wastewater (chapter 4.2.2), waste sorting (chapter 4.5.1), the development of waste management plans (chapter 4.5.3) and the require-

ment to minimize waste wherever possible (chapter 4.5.5) (Fairtrade International 2016).

In line with its broader sustainability commitments, *Fairtrade International* has also supported initiatives like the 'Civil Society Shadow European Strategy for Sustainable Textiles, Garments, Leather, and Footwear' (Fair Trade Advocacy Office 2020). However, while *Fairtrade International* has a dedicated Fair Trade Textile Program and aligns with Circular Economy values, its involvement in the regulatory discussion on Circular Economy is relatively limited.

## Fair Trade Advocacy Office (FTAO)

The WFTO and *Fairtrade International* established the *Fair Trade Advocacy Office* (FTAO) to serve as a catalyst for collaboration within the international Fair Trade movement, focusing on policy, advocacy and campaigning. This office leads efforts on European Union legislation, policy and implementation (Fair Trade Advocacy Office n.d.). The FTAO's extensive policy work includes the publication of numerous statements, offering recommendations for integrating both green and social ambitions into EU textile and/or circular policies. Especially regarding the EU Strategy for Sustainable and Circular Textiles, the FTAO was majorly involved in the 'Civil Society Shadow Strategy for Sustainable Textiles' and it published the joint paper 'EU Textile Strategy: Civil Society's demands to MEPs' (Fair Trade Advocacy Office 2023; 2020).

In addition, the FTAO has published several reports and articles addressing the Circular Economy, contributing valuable insights on how Fair Trade principles can be integrated into sustainability frameworks. One notable publication, 'Avoiding Blind Spots: Promoting Circular and Fair Business Models', highlights the necessity for systemic changes in business models to address global challenges like growing inequality, climate change and resource depletion (Dufourmont et al. 2020). The report calls for a more comprehensive approach to business practices that integrates circularity with social responsibility and environmental sustainability. It emphasizes the importance of aligning Circular Economy policies with social justice and environmental protection to achieve a truly sustainable future (ibid: 36). Moreover, the FTAO has also advocated for incorporating more social aspects into the Circular Package (Fair Trade Advocacy Office 2022). Thus, through its continued efforts, the FTAO is dedicated to integrating Fair Trade principles into, among other areas, Circular Economy regulations.

## Forum Fairer Handel

*Forum Fairer Handel* is a German network that advocates for Fair Trade practices and sustainable development, promoting fairness and justice in global trade relationships. While their core emphasis is on Fair Trade, rather than Circular Economy as-

pects, they do engage with related topics such as “eco-fair trading” (Forum Fairer Handel 2021) and “climate justice” (Forum Fairer Handel 2023). Similar to the other above-mentioned organisations, they were also part of the ‘Civil Society Shadow Strategy for Sustainable Textiles’ (Fair Trade Advocacy Office 2020). However, they do not specifically address Circular Economy principles in detail, but refer to Circular Economy as a concept, as in the publication by the FTAO on fair and circular business models (Dufourmont et al. 2020) and the information sheet on the Circular Economy from the *INKOTA network e.V.* (2022). Beyond these resources, there is little evidence of deeper engagement with Circular Economy issues within their broader body of work.

## Conclusion

This chapter explored the interplay between Fair Trade principles and the transition to a circular textile economy, highlighting critical intersections and gaps. While the European Union’s regulatory frameworks (e.g., CEAP, the EU Strategy for Sustainable and Circular Textiles, or the Ecodesign for Sustainable Products Regulation) advance environmental goals and resource efficiency, they lack robust integration of justice and Fair Trade principles. This omission risks perpetuating inequalities and undermining social equity within global supply chains. However, initiatives like the EU Strategy for Sustainable and Circular Textiles mark progress by explicitly addressing social challenges in the global textile value chain, including child labour and gender inequality.

Moreover, key organisations such as the WFTO and *Fairtrade International* have begun incorporating Circular Economy principles into their frameworks, addressing aspects like material sustainability, waste management and resource efficiency within their Fair Trade practices. The WFTO, for instance, provides guidance on circular business models and emphasizes the importance of aligning circularity with social justice, though it primarily focuses on ecological sustainability. Similarly, *Fairtrade International* incorporates Circular Economy elements in its textile standards but primarily centres on its core mission of ensuring fair trading conditions and ethical practices. Moreover, the analysed Fair Trade organisations publish comments and policy recommendations on Circular Economy regulations. Especially the EU Strategy for Sustainable and Circular Textiles was majorly commented on, climaxing in the publication of a civil society textile strategy.

To ensure a genuinely sustainable and equitable transition, it is essential to integrate justice and Fair Trade considerations into Circular Economy policies and practices. This approach can help bridging existing gaps, fostering a circular textile economy that not only minimizes environmental impact but promotes social equity and global fairness. Future research and policy development needs to prioritise a com-

prehensive alignment of environmental sustainability with social justice, leveraging the expertise of Fair Trade organisations [see Salter's as well as Hock and Kenel's chapter in this volume]. Only through such integrated efforts can the textile industry achieve a just and sustainable transformation, benefiting both local and global societies and global ecosystems.

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