Welcome to the textiles market situation report, part of our series of reports that examine current economic conditions in the markets for recovered materials.

This report looks at key developments in the markets for UK recovered textiles (clothing and non-clothing excluding carpets and mattresses), including trends in supply, demand and prices.

The main themes to emerge are:

1. **UK textile consumption**
   The UK consumes around 1.7 million tonnes per annum of textiles (clothing and non-clothing excluding carpets and mattresses). Of this, 1.1 million tonnes are clothing.

2. **Clothing consumption**
   Clothing consumption in the UK is rising.

3. **Re-use and recycling**
   The amount of textiles collected for re-use and recycling increased between 2010 and 2014 before decreasing in 2015.

4. **Decreasing export markets**
   The main destination for used textiles collected in the UK for re-use and recycling is overseas markets. Demand for UK used textiles has started to decrease in export markets and prices have been falling since 2013.

5. **Risks**
   Lower prices and reduced demand lessen the incentive for collecting used textiles, which could lead to more going to landfill and energy recovery.

6. **Recent market trends**
   Recent market trends highlight the need for a wide range of sustainable end markets. These include re-use markets at home and overseas as well as developing recycling grades markets for textiles which are not suitable for the re-use markets, including fibre-to-fibre.
1. Textiles consumption

Clothing spend

UK households spend an estimated £52.7bn\(^1\) a year on clothing – mostly garments (£47.39bn), clothing fabrics (£0.86bn) and clothing accessories such as ties, scarves and gloves (£4.48bn).

This amounts to around 5% of total household spend, with a further £1bn spent on cleaning (such as dry cleaning), repair and hire of clothing.

The Office for National Statistics (ONS) publishes household spend data adjusted for inflation, which gives an indication of the changes in quantities of clothing bought (Graph 1).

The ONS also publishes retail sales data (inflation adjusted) for clothing (Graph 2). Both graphs show an upward trend since 2001 – albeit with slower growth after the economic downturn (2008/2009).

Prior to 2010, the upward trend was helped by falling clothing prices, but has continued since then, even with rising prices\(^2\). Recent inflation data indicated a small rise of 0.5% on clothing prices overall in 2015.

It is worth noting that clothing retail sales dropped in the last quarter of 2015\(^3\).

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2. Prices as measured by the Consumer Prices Index by the ONS, which is the main measure of consumer price inflation. This is based on a record of prices for a typical selection of products from month to month using a large sample of shops and other outlets (including the provision of goods and services via the internet) throughout the UK.
3. Data for clothing household expenditure in the last quarter of 2015 was not available at the time of writing.
Clothing consumption

Quantities of used textiles collected for re-use and recycling and quantities disposed of as waste are estimated in tonnes. How the increased spending on clothing translates into tonnages of clothing is not straightforward and data on this is incomplete. One method is to calculate the apparent consumption (production minus exports plus imports), from Prodcom data published by Eurostat. However, this method presents substantial limitations. WRAP has therefore used an alternative calculation, based on the premise that the vast majority of clothing consumed is imported and that import and export data is readily available in mass terms from HM Revenue & Customs (HMRC). To estimate consumption in tonnage terms, WRAP has scaled up net imports from HMRC data by the ratio of production value to net import value available from Prodcom. This methodology is far from perfect and so the estimate here is presented with caution.

This methodology suggests UK clothing consumption was around 1.1 million tonnes in 2014. This represents a 5% increase compared with 1.0 million tonnes in 2010, calculated in the same way. This is broadly in line with the increase in inflation-adjusted retail sales of clothing, although the growth is slower than the inflation-adjusted consumer spend data implies. The difference in the consumer spend data may reflect a number of factors, including changes in the weight of garments, changes in the mix of clothing bought, or perhaps the limitations of the calculation (upscale net import mass based on a value ratio).

It is also worth noting that this estimate includes consumption by corporate organisations (e.g. National Health Service uniforms), although corporate wear is estimated at around only 16,000 tonnes (2012 estimate).

Non-clothing textiles

It has been estimated that the UK consumes household-type textiles such as bed and table linen (around 295,000 tonnes), leisure textiles such as sleeping bags (around 30,000 tonnes), and shoes and bags (around 315,000 tonnes).

Clothing and non-clothing

In total, this data suggests consumption of clothing and non-clothing textiles was approximately 1.7 million tonnes in 2014 (excluding carpets and mattresses).

4 Production data is not available in tonnes, and data in alternative units such as number of items, for both production and external trade, is incomplete and requires finding appropriate conversion factors, which are not readily available.

5 Although Prodcom data on exports, imports and production has gaps in quantity terms (number of items), there is more data available in value terms (Euros), so it is possible to calculate the ratio in value terms of production relative to net imports.

6 These figures are calculated differently from those published by WRAP in the past and are therefore not comparable. It was not possible to reliably update past calculations due to data gaps for the year 2014. There are limitations to the approach presented here, but it provides a replicable methodology, which can be used to compare the 2014 data with previous years on a broadly like-for-like basis.


8 Source: WRAP calculations from Eurostat Prodcom data, ONS Prodcom data and HMRC data including net mass conversion factors. Estimates presented with caution, in particular due to the need to convert data from number of items to tonnes. Figures are rounded and for calendar year 2014. Please note that not all of these figures are comparable with estimates previously published by WRAP.
2. Used textiles arisings

The relationship between textile consumption and consumer textile arisings is unlikely to be on a simple one to one basis.

Many clothing items and other textiles typically have a lifetime greater than a year – 3.3 years on average, as illustrated in WRAP’s 2015 Sustainable Clothing Guide. As a result, the items bought in any given year are likely to be discarded in a later year. In that later year, assuming that new textiles (clothing and non-clothing) are bought as replacements for old textiles at a broadly stable rate, consumption will also include purchases that reflect other factors such as the increase in population, textile prices, household income and fashion trends.

So consumption levels can vary from discarded levels. The estimate of the amount of consumption in tonnes in this report is based on the consumption of new clothing so another factor of difference between consumption and waste arisings might be purchases of clothes from charity shops.

In addition, previous mass balance research suggests that there are textiles ‘unaccounted for’, thought to be residing predominantly in the nation’s wardrobes and attics. Existing estimates suggest there might amount to around 11% of the consumption (in tonnes) of clothing and non-clothing textiles (excluding carpets and mattresses). Based on the estimates of consumption of textiles here, this would mean around 190,000 tonnes.

Textiles also temporarily evade becoming waste arisings through online private sales (e.g. eBay), online exchange (e.g. Freecycle and Freegle) and through being passed on among friends, family or neighbours.

Existing estimates suggest around 6% of textiles consumption follows that route, or around 103,000 tonnes, based on the 2014 estimate for consumption. Online exchange may have grown in the last few years so this may be an under-estimate.

NB: there are other textiles that form part of textile waste arisings which fall outside the scope of this report: end of line retailer stocks, cutting waste from the textile manufacturing sector in the UK, other commercial, industrial, construction and demolition waste, for instance, rags for cleaning up spills in the chemicals sector, as well as textiles from end-of-life vehicles.


10 This is not on a like-for-like basis with past estimates, due to the consumption figure being calculated differently.
Box 1: Love Your Clothes and the benefits of re-use

The WRAP ‘Love Your Clothes’ campaign aims to raise awareness of the value of clothes and encourage people to make the most of the clothes they already have.

Extending the life of clothing has a substantial impact. WRAP has found that extending the life of clothes by an extra nine months of active use would reduce the carbon, water, and waste footprints by around 20-30% each and cut the cost in resources used to supply, launder and dispose of clothing by 20%.

The Love Your Clothes campaign provides information and tips to help people think about the way they purchase, use and dispose of clothes. Advice begins at the purchasing stage and goes through to the disposal stage including options for re-using and recycling items, with tips on how to make clothes last longer, reduce the environmental impact of laundering clothes, deal with unwanted clothes and make the most of what is in the wardrobe11.

For clothing that is eventually discarded, WRAP published research12 in 2015 that estimated the scale of the carbon benefits associated with the re-use of clothing:

- current levels of re-use of clothing avoid 6.9 million tonnes CO2-eq per year;
- providing 1 tonne of clothing for direct re-use e.g. charity shop or eBay can result in a net GHG saving of 11 tonnes CO2-eq; and
- providing 1 tonne of clothing to a textile reclaimer13 can result in a net GHG saving of 7.5 tonnes CO2-eq net.

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11 More information on Love Your Clothes is available at: http://loveyourclothes.org.uk/
13 This stage is also referred to as ‘preparation for re-use network.’ This involves checking, cleaning or repairing recovery operations, by which products or components of products that have become waste are prepared so that they can be re-used without any other pre-processing.
Textiles such as clothing are collected through a number of routes, including local authority collections, textile ‘bring banks’, civic amenity centre collections, donations directly to charity shops, retailer in-store collections, door-to-door charity bag collections and ‘cash for clothes’ donations.

There is no consistent reporting requirement across these different routes and there is a degree of overlap as textiles collected can go through several operators along the way. This makes it difficult to arrive at a reliable estimate of the amounts collected. Existing WRAP research placed collections at around 619,000 tonnes in 2010, with the estimate built from survey data, Charity Retail Association (CRA) data, external trade statistics and a number of assumptions.

Extrapolating from this using updated data from the CRA and HMRC, and assuming the relative roles of exports and charities have remained broadly similar in relation to the total collected leads to an estimated 650,000 tonnes collected for re-use and recycling in 2014. It is important to note that this estimate is provided tentatively, given the lack of a comprehensive dataset for the whole sector and the unproven assumption of broadly stable shares.

Extrapolating again from year-to-date CRA and HMRC 2015 data suggests that collections may have reached a peak in 2014 and started to fall back down in 2015. The amount collected for re-use and recycling is likely to have fallen in 2015 as both exports of used textiles and amounts handled by charities have fallen.

Collections for recyclers and reprocessors (see sections 4 and 5). It is worth highlighting that whilst this may be true sector-wide and whilst there have been examples of businesses going into administration in 2015, there are also operators who are handling increased amounts of tonnages.

Collections by Local Authorities

Feeding into the various collection routes, WasteDataFlow data suggests that tonnages reported as collected for recycling and re-use by local authorities outside Scotland have fallen by 14% between 2010/11 and 2013/14. Data is not available on a like-for-like basis for Scotland, but data for England, Wales and Northern Ireland suggests tonnages collected for recycling and re-use fell from around 128,000 tonnes in 2010/11 to around 110,000 tonnes in 2013/14.

This is across all collection methods (kerbside, bring banks, civic amenity centres) – although kerbside collections reported for re-use (as opposed to for recycling) have increased 17%, albeit from a low base.

The majority of the textiles (excluding mattresses and carpets) that local authorities collect are still in the residual waste stream, amounting to an estimated 620,000 tonnes in 2013/14 in England, Wales and Northern Ireland, headed for landfill or incineration with energy recovery. This estimate of textiles in the residual waste stream is presented with caution, as a broad guide to the order of magnitude only.

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It is based on the percentage of textiles in the residual waste streams from the latest published compositional analysis which dates back to 2010/11. Therefore it does not reflect any of the changes in the composition of residual waste that may have happened since then. It covers not only clothing but the broad spectrum of textiles and footwear (other than carpets and mattresses), including non-clothing textiles such as household textiles.

WRAP will issue an updated figure in 2016 as part of progressing Sustainable Clothing Action Plan (SCAP) targets.

It is worth noting that this is not the total amount that ends up in landfill. A small amount of the tonnages collected for re-use and recycling are not fit for purpose and end up being disposed of to landfill or energy from waste. There are also tonnages originating from the commercial and industrial, construction and demolition and other sectors, outside the scope of the estimates in this report.

**Illegal collections**

Amongst the used textiles collected in the UK, there are also quantities of clothing collected illegally by operators posing as a known charity or giving the false impression they might be a charity, and by operators stealing bags left for collection from householders or directly from textile banks. This distorts the marketplace for legitimate businesses and contributes to issues with the disposal of unwanted items, with illegal collectors not necessarily dealing with unwanted low grades responsibly. Giving a sense of the scale of this, a report (2014) commissioned on behalf of the London Textiles Forum estimates that less than 2% of textiles door-to-door and 11% of goods in textiles banks are stolen in London – which was lower than previously thought – and that incidences of bogus charity collections had reduced.

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4. End markets

WRAP research\(^{18}\) suggests that once textiles have been collected for re-use and recycling, the largest end market is the export market.

Based on 2010 data, over half of the textiles that have been collected for recycling or re-use are exported, while 32% are destined for re-use in the UK (through charity shops) and 9% for recycling\(^{19}\).

Export end markets

Trade of used textiles globally amounted to 4.2 million tonnes (in 2014), with a value of $4.4bn\(^{20}\). The export of used textiles is a well-established trade in the UK. In 2014, the UK exported nearly 352,000 tonnes of used textiles, worth £342m, making it the third largest exporter of used textiles in the world after the United States and Germany (Table 1).

**Table 1: Top 10 exporters of used textiles**

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<th>Top ten exporters of used textiles in 2014 (share of total mass exported globally)</th>
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<td>USA</td>
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<td>Germany</td>
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<td>United Kingdom</td>
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<td>Rep. of Korea</td>
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<td>China</td>
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Source: ranking based on export data, in kg, from UNComtrade

**Graph 3: UK exports of used textiles in 2014 (% of total, in mass terms)**

- Sub-Saharan Africa: 36%
- EU: 28%
- Asia and Oceania: 9%
- non-EU Eastern Europe: 7%
- Middle East and North Africa: 6%
- Other (North America, Latin America, the Caribbean and non-EU Western Europe): 2%

Source: HMRC

The UK is also the single largest exporter to a number of countries in Europe, such as Poland, Hungary and Ukraine, and in Africa, for instance Benin. The UK exports used textiles to a range of countries (Graph 3), predominantly in sub-Saharan Africa\(^{21}\), the European Union (mainly Poland and Hungary), Asia (mostly Pakistan) and non-EU Eastern European countries (mostly Ukraine).

19 Includes clothing and non-clothing textiles such as bedroom and bathroom linen, excludes mattresses and carpets.
20 Source: UNComtrade, based on world exports of used textiles in 2014.
21 Mainly to Ghana, Benin, Kenya, Togo and the Ivory Coast.
Exports of used textiles from the UK have grown nearly fivefold in the last twenty years or so: from around 75,000 tonnes in the mid-1990s to around 350,000 tonnes in 2014, according to HMRC data (Graph 4).

Various factors have contributed to boost trade, including the enlargement of the European Union in 2004 and later, the relative weakness of the pound to other currencies. Since the enlargement, exports of used textiles from the UK have increased by 75%, from around 200,000 tonnes to around 350,000 tonnes and 40% (around 60,000 tonnes) of that increase has come from trade with Poland and Hungary\(^2\). There were exports to these countries previously but freer trade conditions and free movement of people within the EU have meant that operators with a direct knowledge of the end market overseas were more able to travel to the UK and set up operations to source textiles directly in the UK.

The rest of the growth has come from exports to Pakistan, which contributed 25% of the 10-year increase and exports to sub-Saharan African, contributing another 25%, in particular exports to the Ivory Coast, Togo, Ghana and Benin. However, the rising trend of export volumes has now ended. Exports of used textiles were flat in 2014 and fell by 4% in the first eleven months of 2015, according to HMRC data, with industry insiders citing difficult market conditions. Most of the combined impact of the flattening in 2014 and the actual drop in 2015 has originated from trade with a number of countries including, in descending order of impact, the Netherlands, Poland, Lithuania and Ukraine.

**Graph 4: UK exports of used textiles**

![Graph showing UK exports of used textiles from 1996 to 2015.](source: HMRC. Data for 2015 annualised based on data for January-November 2015)

\(^2\) There was little net impact from the other countries joining at the same time or from the additional two countries in 2007.

Lower labour costs in many of these countries also means that additional sorting can take place at lower cost than in the UK, creating opportunities for partnership between UK-based and overseas-based organisations.
Box 2: Trade with Sub-Saharan countries

Trade in used textiles with the region continues to grow, in contrast with trade with regions such as Europe.

There is, however, ongoing uncertainty over the prospects of a ban of imports of used clothing into the East African Community (Kenya, Tanzania, Uganda, Rwanda and Burundi). Kenya accounts for 6% of the UK exports of used textiles so a ban would have an impact. A conference of the East African Community in November 2015 was expected to discuss the ban but it is understood that other priorities arose and timescales around further discussions of the ban are unclear.

Different factors are likely to be driving the reduced demand from these markets. The fall in exports to the Netherlands reflects the country’s position as a transportation hub, reflecting some of the decline actually arising further on.

Trade with Ukraine has been affected by political instability and severe economic difficulties in the country, including a significant decline in consumption. Moreover, some of the textiles exported to Ukraine are ultimately destined for Russia. With Russia in the midst of an economic downturn and political tensions between Russia and Ukraine continuing, demand from the region has fallen substantially. There is, in addition, uncertainty over prospective changes in the import tariff regime in Ukraine relevant to trade of used textiles. A trade agreement\(^\text{23}\) between the EU and Ukraine includes measures to gradually remove the current import tariff and to replace it with an ‘entry price’, worth 30% of the average customs value of brand new clothing. The timing and impact of the implementation of this aspect of the trade agreement are as yet unclear.

The economic situation in Poland and Lithuania is more favourable, but industry insiders argue that the relative appreciation of the pound against the Euro since the beginning of 2014 is making it difficult for UK exports to compete with exports from the Eurozone (Poland also imports large volumes from Germany for instance). It is also possible that, as the economy in these countries improves, demand for used textiles may diminish as consumers become more selective.

\(^{23}\) Available at: http://eeas.europa.eu/ukraine/docs/association_agreement_ukraine_2014_en.pdf
Domestic re-use

The main channel for this is tonnages sold by charities in their shops (or online). The Charity Retail Association estimates that this increased from 192,400 tonnes in 2010 to reach 213,700 tonnes in 2014. However, there are signs that amounts sold in stores in 2015 have gone down, with a provisional estimate of around 186,800 tonnes in 2015. As well as shoppers buying clothes in charity shops because it is cheaper than buying new clothes or to support the charity, there is anecdotal evidence of an increase in the popularity of vintage clothing. Shopping in charity or second hand shops has become more socially acceptable and even fashionable, in particular in some affluent areas where clothing donated is from luxury or high fashion brands. There is no hard evidence of the scale of this at present.

There is in addition, a substantial amount of clothing donated amongst friends, neighbours and family or exchanged or sold online, constituting ‘direct’ re-use, estimated to be in excess of 103,000 tonnes (section 1).

Recycling

Some of the textiles (clothing and non-clothing) unsuitable for re-use either within the UK or in export markets can be recycled instead of being sent to landfill or incinerated.

There are a number of recycling end markets, many of which are ‘open-loop’ recycling applications in which the fibre is used in a recycling process as a substitute for another material. These include use in insulation, automotive felt, wipers (for instance used by industry to mop up spillages), flocking (shredded textiles used as filling for instance for mattresses), shoddy (rags exported to lower labour costs countries for the manufacture of blankets and rugs) and fibre-to-fibre recycling. There are smaller markets too for horticultural padding and equestrian felts. Some of these end markets are experiencing difficult conditions. The wipers market for instance envisages little prospect for demand growth, with customers mainly in manufacturing sectors of low or no growth, and with competition from substitutes (e.g. paper-based wipes).

However, WRAP research has identified substantial opportunities in some ‘closed-loop’ recycling end markets, in particular in fibre-to-fibre recycling. There are challenges to overcome, for instance commercial viability at scale and technical considerations such as the varied mix of fibres and dyes in clothing, and this is arguably at present more of a longer term market development potential, although there is already some momentum.

Examples of this, albeit not in the UK, include Teijin’s chemical recycling technology to recycle old polyester into new polyester used for the same purpose.

In the UK, Worn Again are just one example of an organisation developing textile-to-textile recycling technology looking to process old textiles and make them into new yarn that can be used to manufacture new textiles and clothes. Worn Again launched a partnership in April 2015 with H&M and Kering, aiming to show that the process can be commercially viable.

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26 More information is available at: http://wornagain.info/
More widely in Europe, WRAP is leading the European Clothing Action Plan\(^\text{27}\), which includes an objective specifically around fibre-to-fibre recycling, to “enlarge market share of recycled textile materials in new clothes and fashion”. The plan includes a goal to have clothes with recycled content in the shops by 2018.

Although the recycling grade tonnages are currently small compared with the tonnages for re-use, recycling is an integral key part of the textile re-use and recycling chain. Operators who collect used textiles can make a profit out of the re-use component of their collections by selling them for re-use in the UK or exporting them for re-use, but they incur a cost to dispose of what is not suitable for either re-use or recycling.

Depending on market conditions, they can achieve some, albeit relatively small, value from the recycling grades. In that sense, the driver for the market is resale of clothing but the end markets for recycling grades can help to keep the overall operation viable.

Industry insiders report that, as the prices and demand for re-use grades are falling, there is less incentive for some reprocessors to increase their collection schemes and some may be withdrawing some collection services or restricting the grades they are prepared to collect. In turn, this might leave more items with nowhere to go but residual waste. Similarly, there has been an increase in the amounts of textiles collected by charities that they cannot sell either in charity shops or to textile merchants and which therefore end up being disposed of.

This amount has risen from around 7,400 tonnes in 2010 to around 15,500 tonnes in 2014 and preliminary data from the CRA shows further rises in 2015.

More viable end markets, in particular around fibre-to-fibre recycling in the long run, would increase the attractiveness of currently unattractive grades of used textiles.

\(^{27}\) More information is available at [http://ecap.eu.com](http://ecap.eu.com)
WRAP publishes prices based on a sample of textile operators as part of its Materials Pricing Report\(^{28}\) and Letsrecycle publishes some prices too. It is worth noting, however, that some industry insiders have highlighted that the published data can mask wide variations, particularly regionally. The rationale is that some areas may have more operators, larger volumes and very different transport costs than others (for instance dense urban areas relative to more sparsely populated rural areas), and this affects prices, potentially significantly. There is however, insufficient data to assess this.

WRAP’s Materials Pricing Report includes coverage of prices for recovered textiles\(^{29}\) (Graph 5) and shows prices for textiles banks’ materials falling from a high of £450/t in April 2013 to around £200/t in mid-January 2016.

Graph 5: Recovered textile prices

£/s per tonne

Source: WRAP Materials Pricing report, monthly averages

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28 http://www.wrap.org.uk/content/materials-pricing-report

29 In Graph 6 the term ‘Banks’ refers to the value that textile bank operators will pay to the bank beneficiaries such as the named charity or local charity when the banks are owned, sited, serviced etc. by the operator. ‘Charity shop’ refers to the value that a charity receives for charity shop clothing sold to merchants that collect the garments from the shop. The proportion of different textiles in a tonne of mixed rags, the level of contamination and geographical location can have a significant impact on the price. As such the prices quoted in the Materials Pricing Report may not be reflective of every deal done in the market at any one time.
As more than half of the textiles collected are exported, and exports are a key revenue source, the value per tonne exported is also a useful indicator. It is not a direct proxy for the price of recovered textiles overall. Firstly, it does not cover the fluctuations in prices specific to domestic re-use or recycling. Secondly, it reflects the valuation of exports to agreed international trade statistical standards and therefore includes elements other than the price of the material. Nevertheless, it provides useful information about the direction and magnitude of trend changes.

Data going back to the mid-1990s suggests that the value of exports of used textiles per tonne averaged around £679/t until 2007, with variations of +/- £99/t in individual years. A sudden and sharp rising trend then saw the unit value increase from £576/t in 2007 to £1,115/t in 2013 (Graph 6).

A number of factors fuelled this rise. Part of this may reflect a change in the mix of destinations as values per tonne vary across countries. Increased demand from export markets (section 3) also contributed to the rise as did the relative weakness of the pound.

Graph 6: UK exports of used textiles, £ per tonne

Source: HMRC. Data for 2015 annualised based on data for January-November 2015

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30 “The valuation of exports (dispatches) is on a Free on Board (FOB) delivery terms basis, i.e. the cost of goods to the purchaser abroad, including: packaging, inland and coastal transport in the UK, dock dues, loading charges, all other costs such as profits, charges and expenses (e.g. insurance) accruing up to the point where the goods are deposited on board the exporting vessel or aircraft or at the land boundary of Northern Ireland”, ‘Overseas Trade Statistics Methodology Paper’, HMRC, July 2015.

31 There are wide differentials across destination regions as well as within destination regions. The unit value of exports to Pakistan or India for instance was much lower (£595/t and £726/t respectively). The value of total exports per tonne therefore reflects compositional effects i.e. changes in the proportion sent to countries associated with higher or lower value exports.
This then paved the way for a rapid increase in the number of operators entering the market to take advantage of rising profits. New entrants included a variety of new businesses, some with new business models (such as Cash For Clothes) and a number of illegal operators. The presence of rogue traders posing as charities, and growing instances of theft of bags on doorsteps and textile banks were reported.

This trend has been unwinding. The unit value of UK exports of used textiles fell by 13% in 2014 (Graph 6), falling in 13 out of the top 15 destination countries. The value of exports per tonne fell by another 10% in the first eleven months of 2015 overall – although it did increase year-on-year in both October and November 2015.

The downward trend in 2014 and 2015 partly reflects lower demand (as seen in the stalling of export volumes in 2014 and their actual decline in 2015) as well as related factors such as the appreciation of the pound against the Euro - reducing competitiveness of UK exports and putting downward pressure on prices. Part of the fall is also likely to be linked with the unwinding of the factors which fuelled the earlier rise: increased export opportunities, the influx of new entrants coming in to the market to take advantage of the opportunities, increased instances of theft and illegal collections and the emergence of business models that become less sustainable when prices cool off.

It is worth noting that the value per tonne of exports, whilst much lower than it was at its peak, remains higher than before the ‘boom’ period.
The UK consumes an estimated 1.7 million tonnes of textiles each year (excluding mattresses and carpets), including 1.1 million tonnes of clothing. Recent statistics suggest that clothing consumption in the UK continues to increase. The re-use and recycling market for used textiles has experienced an apparent turning point. The last few years saw substantial growth in exports, accompanied by large price rises and reports of an influx of new entrants into the market. However, market conditions have now changed. Demand from overseas markets, stalled in 2014 and is now falling. Prices and revenues from exports have been falling since 2013/14.

The market has been cooling off rapidly. This is reducing the incentive for recyclers and exporters to collect used textiles for re-use and recycling, which risks increasing the proportion sent to landfill and incineration, wasting environmental and economic benefit opportunities. The lack of robust end markets for recycling (as compared to re-use) is also contributing to the issue.

Challenges ahead will involve the sector navigating these changing market conditions. Despite the widespread fall in prices, the value of exports per tonne remains relatively high by historical standards. There are also areas of growth, for instance in the Sub-Saharan region. However, demand from other key regions is falling. There are also some specific areas of uncertainty, for instance around the prospective ban on imports of used textiles in some African countries or around changes in import tariffs in Ukraine.

The sharp changes in the market and the uncertainty around some key export markets have highlighted the need for a wide range of sustainable end markets, including greater re-use in domestic and overseas markets as well as market development for recycling grades, including closed loop fibre-to-fibre recycling.
WRAP’s vision is a world in which resources are used sustainably.

Our mission is to accelerate the move to a sustainable resource efficient economy through reinventing how we design, produce and sell products; re-thinking how we use and consume products; and re-defining what is possible through re-use and recycling.

Find out more at www.wrap.org.uk